



NEW YORK STATE SENATOR

Kenneth P. LaValle

New Law Protects Consumers From Discriminatory Copayments

KENNETH P. LAVALLE October 21, 2010

| ISSUE: **HEALTH**



Senator Kenneth P. LaValle today announced that legislation which prevents health insurance plans from creating new “specialty tiers” to dramatically increase the copayments that consumers pay has been signed into law. The law becomes effective October 31, 2010 and will protect people suffering from chronic or life threatening illnesses from discriminatory copayments.

According to Senator LaValle, several states across the country have begun adding to their prescription copayment structure to include additional tiers, or “specialty tiers,” for the most expensive medications. These “specialty tiers” assign a percentage of the cost of a medication as a copayment instead of the traditional set dollar amounts used for “generic,” brand-name preferred,” and “brand name non-preferred” drugs. In states where this has happened, the copayments have typically been 20% to 35% of the cost of the medication.

“The creation of ‘specialty tiers’ for prescription copayments could have a debilitating financial impact on people who take medications on a daily basis, particularly those who are suffering from serious illnesses,” said Senator LaValle. “I am pleased to have supported this new law to protect people in need of prescription medications from suffering the possibility of financial ruin on top of coping with their illness.”