



NEW YORK STATE SENATOR

John A. DeFrancisco

Senate Passes Bill to Help Pharmacies Collect Co-Payments

JOHN A. DEFRANCISCO June 19, 2012

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Senator John A. DeFrancisco (R-I-C Syracuse) announced that the New York State Senate on June 18, 2012, passed his bill (S4749), which would require pharmacies to collect prescription drug co-payments from customers at the point of sale.

Currently, recipients of Medicaid and Family Health Plus can refuse to pay a modest co-payment, which can range between \$1 and \$6 depending on the prescription. The pharmacy must still honor the prescription despite a beneficiary's refusal to pay, resulting in significant financial losses to New York State pharmacies each year.

"In New York State 50 percent of the recipients refuse to pay their co-payment when filling their prescription, and in some cases in New York City, up to 90 percent don't pay their co-payment. The revenue that could be generated from collection of these co-payments, especially in New York City, could be very significant," said Senator DeFrancisco.

"Beneficiaries of the state and federal programs must be held responsible for their obligation. Citizens who pay for their own insurance are required to pay their co-pay and if they don't, they will not be allowed to pick up their prescription," said Senator DeFrancisco.

Without this change in legislation, at least 50 percent of the 4 million New Yorkers enrolled in these programs could continue to avoid co-payments, and the pharmacies cannot write off the bad debt. Additionally, New York State does nothing to make up for the losses suffered when a beneficiary of one of these programs chooses not to pay their co-payment. There are \$37 million in uncollected co-payments each year, according to 2010 survey data.

"When Medicaid bills are going up and reimbursements rates to pharmacies are being cut, something's got to give. This bill is only fair," concluded Senator DeFrancisco.

This bill has been sent to the Assembly and is awaiting approval by that body.