



TO: The Honorable Members of the House Aging and Older Adult Services Committee

FROM: Sam Denisco, Director of Government Affairs

DATE: May 24, 2011

RE: HB 511 – Mail Order Prescription Limitations

On behalf of its thousands of statewide member businesses of all sizes and crossing all industry sectors, the Pennsylvania Chamber of Business and Industry is writing you to express our **opposition to HB 511**. The bill is scheduled to be considered by the House Aging and Older Adult Services Committee on Wednesday, May 25. This legislation prohibits health insurers from using customer incentives (reduced co-payments), or requiring patients to obtain prescription drugs from a mail-order pharmacy as a condition of obtaining payment.

The PA Chamber supports a health care system in the Commonwealth which provides necessary, appropriate, accessible and effective health care to employers and employees at a reasonable cost. However, rapidly rising health care costs interfere with the ability of the business community to maintain existing jobs and to create new jobs. These increases are attributable to a number of cost drivers, including, but not limited to, prescription drug costs.

To that end, employers and employees need not only the flexibility to select a health plan and/or provider that provides the level of coverage and providers they want but also the ability to purchase the least costly prescription drugs. House Bill 511 will only benefit one interest group at the expense of those who pay the premiums for prescription benefits. Additionally, this bill would deny individuals and businesses the ability to purchase the coverage that best meets their needs and financial resources.

Mail order prescription drugs help hold down prescription plan costs at a time when employers are struggling to continue offering coverage. Rather than protect consumers, House Bill 511 would penalize health plans, employers, and employees who are seeking more cost-effective ways to manage their prescription drug costs and may actually cause some to drop their prescription drug benefit altogether, leaving those that need coverage the most to have higher out-of-pocket expenses.

The PA Chamber respectfully urges you to oppose HB 511 in committee. If you have any questions or concerns, please contact me at 717.720.5580 or sdenisco@pachamber.org.