



TO: The Honorable Members of the Senate Banking & Insurance Committee

FROM: Sam Denisco, Vice President, Government Affairs

DATE: November 15, 2011

RE: SB 201 – 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 SB 201**. The bill is scheduled to be considered today by the Senate Banking & Insurance Committee. 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. SB 201 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, SB 201 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 SB 201 in committee. If you have any questions or concerns, please contact me at 717.720.5580 or sdenisco@pachamber.org.