

Assessment of Public Comment for the First Amendment to Insurance Regulation 219 (11 NYCRR 450).

The Department of Financial Services (“Department”) received one comment from a trade organization representing health plans.

Comment: The commenter expressed general concerns on both this first amendment to Insurance Regulation 219 (11 NYCRR 450) and new Insurance Regulation 221 (11 NYCRR 451) as they relate to workers compensation. The commenter noted that it had general concerns with any provisions that would limit the ability of workers compensation carriers and the employers insured by them to freely contract with PBMs and openly negotiate to reduce costs, with any provisions that may add administrative burdens and drive up the cost of medical services provided to injured workers, and any provisions that would limit the ability to tailor prescription drug benefits to each employee’s unique needs.

Response: As it relates to Regulation 219, the amendment to Regulation 219 establishes the bureau that will carry out the responsibilities and powers granted in Insurance Law Sections 111, 2903 and 2906; and Section 280-a of the Public Health Law. Because the amendment to Regulation 219 merely creates the Pharmacy Benefits Bureau, the Department has determined that this regulation will not result in any way in limiting the ability of workers compensation carriers and the employers insured by them to freely contract with PBMs and openly negotiate to reduce costs, will not add administrative burdens or drive up the cost of medical services provided to injured workers, and will not limit the ability to tailor prescription drug benefits to each employee’s unique needs. Thus, no changes are necessary in response to this comment.