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MEMORANDUM IN OPPOSITION

FOR IMMEDIATE RELEASE: JUNE 10, 2014

Re: S.5937-A (Valesky)/A.8137-A (Magnarelli) – AN ACT to amend the insurance law, in relation to authorizing insurance coverage for equipment and supplies used for the treatment of ostomies.

This legislation, S.5937-A/A.8137-A, would mandate health plans provide coverage for equipment and supplies used for the treatment of ostomies. The New York Health Plan Association (HPA) opposes this legislation because as written, the measure would require individuals and employers purchasing health insurance pay for this benefit. Such a requirement conflicts with the rules established under the federal Affordable Care Act.

The ACA established and defined a comprehensive set of benefits and services known as the “essential health benefits” (EHB) package that must be included in every health insurance policy, with states allowed to offer benefits beyond the EHB. However, the ACA directed that any state health insurance mandate imposed after January 1, 2012, for purposes of the EHB will require the state to pay the costs associated with the new mandate. When establishing its health benefit exchange, New York’s EHB did extend beyond the federal set of benefit. It **did not**, however, include ostomy equipment and supplies, and as such, this mandate constitutes new coverage benefits that the ACA requires be paid for by the state.

At a time when many New Yorkers are struggling to afford the health insurance coverage they have, and as the state is seeking to extend coverage to uninsured New Yorkers, this bill is ill advised. We urge you to say no to S.5937-A/A.8137-A and to seek solutions that will make insurance more affordable and available to more New Yorkers.

The New York Health Plan Association represents 26 managed care health plans that provide comprehensive health care services to more than 7 million New Yorkers.