



MEMORANDUM IN OPPOSITION

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Re: A. 5062-A (Gottfried)/S.3525-A (Perkins) AN ACT to amend the public health law and the state finance law, in relation to establishing New York Health.

This legislation would create a universal single payer health plan — New York Health — to provide comprehensive health coverage for all New Yorkers. The New York Health Plan Association (HPA) opposes this legislation.

Sponsors of the bill have a utopian view of a universal health care system where everyone would be covered, everything would be covered and everything would be paid for. The gap between this idealized world and reality is wide. And there's mounting evidence that the gap is actually an unbridgeable chasm.

Federally, presidential candidate Senator Bernie Sanders has called for adopting a single payer health care system in the United States. His utopian proposal calls for replacing the programs established under the Affordable Care Act (ACA) as well as existing public programs such as Medicaid and Medicare — much like the New York Health proposal. In reality, expert analyses of the Sanders health care plan say it would probably cost the government double what is proposed while raising taxes and increasing the deficit. These pronouncements come from researchers at the Urban Institute Emory health policy professor Kenneth Thorpe.

Neighboring Vermont had dreams of a single payer system. Vermont Governor Peter Shumlin abandoned those dreams when he woke up to the costs that would be necessary to fund a program and the price Vermont taxpayers would pay. He concluded the 11.5 percent payroll assessments on businesses and sliding premiums up to 9.5 percent of individuals' income "might hurt" the economy.

New York's uninsured rates reached a historic low of 4.9 percent in 2015, according to new data released by the Centers for Disease Control and Prevention. This is evidence that efforts under the ACA are working. For nearly two decades, New York's health plans have been a partner in the state's efforts to expand access to and improve quality of care to New Yorkers across the state and plans are committed to continuing this successful partnership.

This legislation is a distraction from these health care reform efforts. For all these reasons and others, the New York HPA opposes A.5062-A/S.3525-A.

The New York Health Plan Association represents 28 managed care health plans that provide comprehensive health care services to more than 7 million New Yorkers.