



Healthcare Association of New York State



STATEMENT OF NYS CONSUMERS, PROVIDERS, HEALTH PLANS, EMPLOYERS, AND HEALTH CARE WORKERS ON THE IMPORTANCE OF FUNDING ACA COST-SHARING REDUCTIONS

As groups representing millions of New York consumers, providers, health plans, employers, and health care workers, we share a common belief that every New Yorker deserves affordable health insurance and high-quality care.

A critical priority is to stabilize New York’s individual health insurance market. Health plans are currently working to develop and price individual insurance products for 2018, with applications due in early May. Developing actuarially sound premiums is particularly challenging amidst the present backdrop of uncertainty.

A vitally important, immediate action the Federal government can take to help stabilize the individual market for 2017 and 2018 is to ensure continued funding for cost-sharing reductions (CSRs) under the Affordable Care Act (ACA).

More than 700,000 New Yorkers benefit from CSR funds. The payments help those who need it most:

- people earning less than 200% of the Federal poverty level (FPL) who are enrolled in the State’s Essential Plan, which is funded in part by CSRs. Based on State budget documents, we project CSR funding for the Essential Plan will approach \$900 million in State fiscal year 2018.
- thousands of New Yorkers earning between 200%-250% FPL who benefit from lower copayments and deductibles as a result of CSR payments made to health plans to subsidize coverage purchased via New York State of Health.

If CSR payments are not funded, insurers will likely be forced to significantly increase premiums for individual coverage or stop offering it altogether. The Kaiser Foundation estimates that the loss of CSR funding could increase premiums by an average of 19%. Federal funding for the Essential Plan would be cut dramatically, with inevitable impacts on enrollees.

The end result? More uninsured New Yorkers, more uncompensated care for providers, and higher costs for all.

For these reasons, we urge Congress and the Trump Administration to quickly agree to continue funding for CSRs. New Yorkers need the assurance that there will be stability in the health insurance market place and that they will continue to have access to affordable health insurance options.

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 Coalition of New York State Public Health Plans
 Community Service Society of New York
 1199SEIU United Healthcare Workers East
 Greater New York Hospital Association
 Healthcare Association of New York State

Medical Society of New York State
 Metro Health Care for All New York
 New York Health Plan Association
 New York State Conference of Blue Cross and Blue Shield Plans
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