

NEWS RELEASE

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NEARLY 80% OF NEW YORKERS REJECT HIGHER TAXES ON HEALTH INSURANCE Closing the Budget Gap Should Not Mean Higher Health Care Costs for Employers and Working Families

As state legislators consider adding new taxes on insurance as part of the FY22 State Budget, including an 18% surcharge on insurers and a \$40 million increase in the covered lives assessment, a survey from the New York Health Plan Association (HPA) finds that New York voters are intensely opposed to increasing taxes on health insurance. According to the poll from the Global Strategy Group conducted on behalf of HPA, 79% of New Yorkers oppose the idea of increasing health insurance taxes and assessments to close the state budget gap.

As part of the survey, voters were asked a series of questions related to existing health insurance taxes — which currently add more than \$5.5 billion annually to the cost of health insurance — including their views on whether New York lawmakers should increase those taxes to help close the existing budget deficit. An overwhelming 79% of voters said they opposed increasing taxes, including 62% who were strongly opposed.

"Taxes on health insurance are the third largest source of state revenue behind sales and income taxes. As the poll results show, voters reject increasing taxes and adding new assessments on their health insurance to close the budget gap, because it makes health care more expensive for them," said HPA President and CEO Eric Linzer.

When asked what additional taxes on health insurance would cost them, over three-in-five New York voters (61%) said that an additional tax on health insurance plans would cost their family money, including 35% who thought it would cost them "a lot of money." Nearly two-thirds (62%) of voters opposed increasing health insurance taxes to close the state's budget deficit, including close to half (49%) who strongly oppose higher health insurance taxes.

"The Assembly's proposal to shift state and municipal costs for Early Intervention Services by increasing the covered lives assessment by \$40 million and its proposed 18% surcharge on corporate taxes, which is currently paid by some New York health insurance plans, will translate into higher health care costs for many New Yorkers. Our state's health care costs are already among the highest in the nation. Closing the budget gap shouldn't add to the strain employers and working families are facing by making health care more expensive for them. Legislators should reject these proposals in the final FY22 state budget," said Linzer.

Global Strategy Group conducted a survey of 600 registered voters in New York between March 10 and March 14, 2021. The survey has a confidence interval of+/-4.0%. Of the 600 interviews, 300 were conducted by telephone and 300 via web-based panel.





To: Interested parties

From: New York Health Plan Association

Date: March 18th, 2021

Re: NEW POLL: New York Voters Strongly Oppose Additional Health Insurance Taxes

Recent statewide polling conducted by Global Strategy Group on behalf of the New York Health Plan Association finds that New York voters solidly and fiercely oppose proposals to increase taxes on health insurance plans. Voters recognize that these increases will cost them personally, and even when given the reasoning for the tax, that it would close the deficit and prevent cuts, voters overwhelmingly oppose the taxes. Key findings from the research are detailed below

KEY TAKEAWAYS:

Voters broadly – and intensely – oppose additional taxes on health insurance. Almost four in five (79%) New York voters oppose additional taxes on health insurance plans. Further, New York voters are not passively opposed to this issue; over three in five voters (62%) *strongly* oppose additional taxes on health insurance. This firm opposition crosses party lines (76% of Democrats, 76% of independent and blank registrants, and 89% of Republicans oppose additional health insurance taxes), and it spans the state (87% Upstate, 85% in Long Island and the Hudson Valley, and 68% in New York City oppose).

As you may or may not know, New York State currently charges taxes on most health insurance plans which adds \$450 per person to health care costs annually. Do you support or oppose an additional tax on health insurance plans in New York?

Strongly oppose Somewhat oppose Don't know Somewhat/Strongly Support

Statewide 62 17 10 7 5

New Yorkers recognize that these taxes will cost them money. As millions of New Yorkers grapple with the financial impact of the pandemic, over three in five (61%) New Yorkers think that an additional tax on health insurance plans will cost themselves and their families money including 35% who think that it will cost them "a lot of money." Less than one in five (18%) believe that it will not cost them money.

Voters oppose driving up their costs to close the state government's budget deficit. When voters are given the legislature's rationale for the additional taxes, that it would "help close [New York State's] current multi-billion dollar budget deficit without massive cuts to essential services like health care and education but it would increase your personal health care costs," overwhelming opposition holds. Over three in five New Yorkers (63%) oppose increasing taxes to close the budget gap at their expense.