



The Employer Alliance for Affordable Health Care

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MEMORANDUM IN OPPOSITION

Bill Number: A. 5062 (Gottfried) / S.3525 (Perkins) AN ACT to amend the public health law and the state finance law, in relation to enacting the “New York Health Act”

Establishes the New York Health program, a comprehensive system of access to health insurance for New York state residents; provides for administrative structure of the plan; provides for powers and duties of the board of trustees, the scope of benefits, payment methodologies and care coordination; establishes the New York Health Trust Fund which would hold monies from a variety of sources to be used solely to finance the plan; enacts provisions relating to financing of New York Health, including a payroll assessment, similar to the Medicare tax; establishes a temporary commission on implementation of the plan; provides for collective negotiations by health care providers with New York Health.

The Employer Alliance for Affordable Health Care is the largest, single-issue grassroots coalition in New York State. Our members including more than 3,000 small business owners and sole proprietors representing more than 150,000 working New Yorkers. Our members believe that everyone should have access to basic, affordable health insurance. We oppose state mandate legislation that drives up costs.

WE OPPOSE THIS PLAN FOR THE FOLLOWING REASONS:

- **Changing the distribution system does not fully address the diverse factors contributing to high health care costs.** Many factors — including duplicative and unnecessary state legislation — are driving up the cost of health insurance. Not only does this plan fail to get to the root of the problem, but the proposal comes at a time when health insurance is already in flux. Rather than investing in a costly overhaul of the system, the legislature should move ahead with the existing federal reform and focus state legislative efforts on ways to promote actual HEALTH CARE affordability.
- **New York State and its small business community cannot afford a single payer system.** We need to look no further than Vermont to see the financial barriers. Back in January, Vermont Governor Peter Shumlin derailed his state’s single payer plan when financial reports showed that the cost of funding such a program (\$4.3 billion) would nearly double the size of the state’s budget in the first year alone and require large tax increases for residents and businesses. Health insurance costs are already a significant issue for small businesses. Establishing a “one-size-fits-all” plan financed largely by small businesses will only make things worse. <http://www.bostonglobe.com/business/2015/01/25/costs-derail-vermont-single-payer-health-plan/VTAZFgPwVten0QFahW0pO/story.html>

**For these reasons, the Employer Alliance asks you
to OPPOSE A.5062 (Gottfried)/S.3525 (Perkins)**

May 2015