

MEMORANDUM IN OPPOSITION

S. 4840 (Rivera)/ A.4738 (Gottfried)

An act to amend the public health and state finance laws to create the New York Health Act, a single-payer system.

WE OPPOSE THIS BILL BECAUSE CREATING A SINGLE-PAYER SYSTEM IS COST PROHIBITIVE:

- This proposal seeks to cover the \$100 billion cost by implementing two new, major taxes on payroll and non-payroll income. By the state's own estimates, that this would amount to a tax of at least 9 percent on income between \$25,000 and \$50,000, graduating to 16 percent tax for incomes over \$200,000. Given the already high cost of doing business in New York State, universal care is just bad policy.

In Vermont, former Governor Peter Shumlin backed away from his single payer proposal once financial reports concluded that funding the \$4.3 billion program would nearly double the size of the state's budget in the first year alone and required large tax increases for residents and businesses. Health insurance costs are already a significant issue for small businesses.

Changing health care distribution does not lower cost:

- Many factors — including duplicative and unnecessary state legislation — increase the price of premiums. Not only does this plan fail to address 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.

Offering benefits like health insurance benefits both small business owners & employees

- It's shown that offering a comprehensive benefit package provides long-term economic stability by helping business owners attract and retain skilled employees. Many employees will accept higher benefits in lieu of a higher salary.
- Employees with employer-sponsored coverage demonstrate improved wellness, decreased absenteeism, improved employee health and morale. People with coverage are more likely to seek preventative care and live overall healthier lives.

FOR THESE REASONS, WE ASK YOU TO OPPOSE S.4371/A.4738

The Employer Alliance for Affordable Health Care is the largest, single-issue grassroots coalition in New York State, with more than 3,000 small business owners and sole proprietors representing more than 150,000 individuals. Our members believe that everyone should have access to basic, affordable health insurance. We oppose state health insurance mandates that increase premiums. For

more information call (518) 462-2296 or email pamela@employeralliance.com

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