

MEMORANDUM IN OPPOSITION

A.4472 (Gottfried)

An act to amend the public health law in relation to requirements for collective negotiations by health care providers with certain health benefit plans.

WE OPPOSE THIS BILL FOR THE FOLLOWING REASONS:

- Collective bargaining fails to control costs, a factor that is necessary to provide affordable health care. Reducing the competitive nature within the industry, by removing the negotiation process, will raise prices and limit access. According to a survey by the National Small Business Association, small employers ranked the cost of a health insurance plan as the number one factor in determining whether or not they offer health insurance. We have to keep costs affordable if we want people to remain insured. (*Source: <http://www.nsba.biz/wp-content/uploads/2014/02/Health-Care-Survey-2014.pdf>*)
- Within the health care industry collective bargaining is akin to price fixing. Findings from the Federal Trade Commission and the United States Department of Justice both conclude that collective bargaining among medical providers will result in higher consumer cost with no quality improvements. Eliminating current practices that promote competition and prevent monopolies will allow physicians to set unfair prices. Collective bargaining also denies consumers access to innovative practices within the health care industry
- This bill is not necessary. Doctors working as independent contractors already have a great deal of flexibility in deciding what insurance they will accept and with which plans they will contract. They also have the option to join a large group practice with greater bargaining power.

For these reasons, we ask you to OPPOSE A.4472

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.

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