

New York State's Crisis – Affordable Health Care

The Employer Alliance for Affordable Health Care

Press Release

FOR IMMEDIATE RELEASE

October 31, 2002

Contact Pamela Finch at (315) 363-9657

OR Pamela.finch@verizon.net

A Health Care Crisis Hits Home

HUDSON – As a small business owner in Nashville for 17 years, Kevin Walker was always able to purchase reasonably priced health insurance from a private carrier for himself and his wife, Gail. That changed four years ago when the couple moved their antique and restoration business to North Fifth Street in Hudson. It was the beginning of a personal health care crisis that may have put their long-term needs in jeopardy. What he found even more shocking was learning how New York state lawmakers compounded the situation by passing health insurance mandates.

The high cost of health insurance premiums in New York State has to do, in part, with the number of legislative mandates that pass through the session each year. New York State lawmakers consider on average 100 different mandate bills in each legislative session. To date, 33 different mandates have passed into law without any predetermination of their ultimate financial impact. These health insurance mandates are legislative requirements that force insurance carriers to include specific types of treatments or procedures in every policy sold in New York State.

The Walker's felt the impact of these mandates personally. "I went to transfer our policy to New York State and I was surprised to learn that it would cost significantly more, in part to cover the cost of additional mandated benefits," he said. "To come from Tennessee and pay more in taxes, then have to pay a difference in premiums – it was unbelievably shocking."

The antique market will not support an increase in Walker's hourly rate to cover the expense of insurance

PO Box 1412 Albany, NY 12201-1412

Telephone: (315) 363-9657

Fax: (315) 363-9659

– More –

CHECK OUT OUR WEBSITE!

www.employeralliance.com

Health Care Crisis Hits Home/Page 2

premiums, so he took on additional work to raise the extra money to pay for health insurance. This had a ripple effect since he had to pay increased income tax on the extra money that he earned.

“People forget that it’s not a tax-free ride to pay for insurance,” Walker said. “I figure that it took 25 percent of our income trying to make sure we have health care protection.”

The Walkers’ health insurance premiums have continued to increase every year. In January of 2002, the Walker’s were forced to make a drastic decision to cancel their health insurance coverage all together. Gail Walker works outside the home, but her employer is also a small business that cannot afford to provide health insurance to employees.

The couple exhausted every option before making such a difficult choice, according to Gail Walker. She looked into a variety of policies and even considered refinancing their home to cover the cost of monthly premiums.

“We had already started to borrow money to buy insurance,” Kevin Walker said. “The only choice we had was to cancel our health insurance and take our chances – a somewhat scary thought now that we are getting older and will probably have some health problems.”

“You are not supposed to go bankrupt paying for health insurance,” his wife agreed. “We don’t need to be covered for every little thing; we just need a plan that offers good, basic coverage. I want that choice.”

The Walkers’ are two of the roughly 3 million New Yorkers who currently lack any health insurance and part of the 75% of those who are fully employed. The number of uninsured has remained stubbornly high in the past 10 years, exacerbated by New York’s “mandate madness” which places an undue burden on those who can least afford it – sole proprietors and small business owners who lack the ability to self-insure. The United States Census Bureau estimates that roughly 41.2 million Americans lack health insurance coverage.

The couple relinquished their health insurance, but they haven’t given up searching for a solution. Instead, they decided to become part of one of the largest single-issue business coalitions in New York State. ***The Employer Alliance for Affordable Health Care*** is a non-profit organization dedicated to maintaining quality health care for all New Yorkers. Members of The Employer Alliance for Affordable Health Care believe that everyone is entitled to affordable health care coverage.

“We don’t oppose comprehensive health care, but we do oppose mandates that can cause people to live without basic insurance coverage,” Employer Alliance Chairman Scott Miller. “These mandates affect not only business owners, but also puts their employees and their families at risk. Many of our members feel the same as Gail and Kevin Walker. They don’t need to be covered for every last treatment or condition, however, when it comes to obtaining health insurance, they do want a choice.”