

ALLIANCE ALERT!

MEMORANDUM IN OPPOSITION

Bill: S.5068A (Hannon)/ A.7489B (Gottfried)

AN ACT to amend the insurance law and the public health law to require a health care plan which provides coverage of out-of-network care to provide certain information to insured, subscribers or enrollees.

The Employer Alliance for Affordable Health Care is a grassroots coalition of 3,400 sole proprietors and small and medium-sized business owners representing more than 150,000 working New Yorkers. Our members believe that everyone should have access to basic, affordable health insurance. We oppose legislation that directly, or indirectly, increases premium costs.

WE OPPOSE THIS MANDATE FOR THE FOLLOWING REASONS:

- Small business consumers with health insurance could end up paying more for care received from out-of-network providers based on this reimbursement formula, which calls for “significant” coverage of usual out-of-network costs, without clearly defining its meaning. In addition, the proposal requires health plans that currently use a variety of methods to determine out-of-network reimbursements to instead calculate and convert these reimbursements as a percentage of the new FAIR Health database.
- The ability to access affordable health insurance coverage continues to be a top concern among New York’s small business community. By increasing the cost of out-of-network services, this legislation increases the overall cost of health insurance. For many employers, it may be the increase that ultimately makes it unaffordable and forces them to drop coverage for their employees.
- Federal health care reform is now well underway in the United States and yet, much work remains undone to ensure a smooth transition in New York. The design of New York’s Health Insurance Exchange will have a substantial impact on the state’s business community. The Legislature needs to stop changing the “status quo” presently available by adding yet another mandate that increases the cost of insurance and focus its effort on creating a system in New York that embraces the full cost savings intended by federal reform.

**For these reasons, the Employer Alliance asks you to
OPPOSE S.5068A / A.7489B**

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The Employer Alliance for Affordable Health Care

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