



The Employer Alliance for Affordable Health Care

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MEMORANDUM IN OPPOSITION

Bill Number: A. 8137-A (Magnarelli) / S.5937-A (Valesky)

An act to amend the insurance law, in relation to authorizing insurance coverage for equipment and supplies used for the treatment of ostomies.

The Employer Alliance for Affordable Health Care is the largest, single-issue grassroots coalition in New York State. Our members include more than 3,000 small and medium-sized businesses representing more than 150,000 working New Yorkers.

WE OPPOSE THIS LEGISLATION FOR THE FOLLOWING REASONS:

- In complying with federal guidelines, New York State already has an established an Essential Health Benefits package that MUST be covered in all health insurance policies. Deviating from those guidelines will impose greater cost to New York State which will ultimately hurt small business taxpayers.
- Legislation that expands health insurance policies historically results in higher premiums. This proposal is no different. Prior to federal reform, coverage mandates accounted for between 12 & 14% of premium costs. The intention of federal reform was to reduce costs. If passed, this mandate will make health insurance less affordable. *(Mandated Health Insurance Benefits in NYS, NovaRest Consulting, May 2002.)*
- Small businesses paid a collective \$8 million in Health Care Taxes in 2014 as a result of the Patient Protection and Affordable Care Act. The Legislature has a responsibility to New York's small business community to only engage in actions that keep health insurance costs down. *(NFIB, Understanding the New Health Care Law, April 2014)*
- Small businesses, who have endured double-digit premium increases for more than a decade, will AGAIN see higher health care costs in 2015, some a direct result of the ACA. In March of 2014, the health spending share of the gross domestic product had reached an all-time high of 17.9%. *(Altarum Institute's Center for Sustainable Health Spending, May 2014 Health Sector Economic Indicator Briefs)*
- The Legislature established a Health Care Quality and Cost Containment Commission in 2007. This independent body is charged with the task of studying cost and medical efficacy of all health insurance mandate proposals before passage. To date the commission remains in-operational. We urge you to refrain from making health care policy changes until this body is empanelled and empowered to carry out its charge.

For these reasons, we ask you to OPPOSE A. 8137-A /S. 5937-A

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