



The Employer Alliance for Affordable Health Care

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## MEMORANDUM IN OPPOSITION

Bill Number: S.7662A (Seward) / A.9943A (Cusick)

**Relates to insurance coverage for substance abuse disorder**

*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:**

- It sets a dangerous and costly precedent by forcing health insurance companies to continue treatment during the appeals process. The policy is atypical and the impact could be far-reaching, placing a higher importance for coverage of some services and thereby opening the door to require coverage of all treatments and services during the appeals process. Offering this type of across-the-board service comes with an added cost that will undermine any benefits that could have resulted from federal reform efforts.
- With the federal government's "Essential Health Benefits" package already in place (which offers a level of coverage for substance abuse services), the New York State Legislature should not add anything which falls outside the Essential Health Benefits package. Anything that goes beyond the scope of the EHB package has to be picked up by the state, which ultimately adds to the tax burden placed on small businesses.
- All health insurance proposals should be studied for cost and medical efficacy prior to passage. 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 they can be imposed. 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.
- This proposal only applies to about 50% of New York's insured – excluding consumers covered by self-insured policies.

**For these reasons, we ask you to OPPOSE S.7662-A / A.9943A**

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