

Alliance Alert

Autumn 2010

Mandate Ceased with Governor's Veto

Small businesses were spared the cost of Albany's latest mandate, for now, with the Governor's last minute veto of S.7000-B/ A10372-A. The bill, co-sponsored by Senator Neil Breslin and Assemblyman Joe Morelle, would have increased private health insurance costs through expanded coverage of Autism Spectrum Disorder. "The Governor exhibited true leadership - putting emotions aside to recognize that this and every health insurance mandate has a real cost," said Employer Alliance Founder Scott Miller.

Miller continued, "The Legislature overlooked the known fiscal ramifications of this measure and in doing so, knowingly put many people who work in small businesses at risk of losing their health insurance. While many factors contribute to rising costs, we can rejoice in having one less stressor to worry about in the coming fiscal year."

Studies conducted in other states found that expanded coverage for Autism Spectrum Disorder typically increases private health insurance premiums between 2 and 6 percent. In New York, the current, cumulative impact of mandates ranges 12.2 to 14.2 percent annually on New York's privately insured - primarily small and medium-sized businesses. Federal law gives larger companies the option to opt-out of state-mandated coverage. In his veto message, the Governor noted that the fiscal impact would span beyond private insurance payers as taxpayers would also be forced to absorb greater costs associated in making greater treatment available in state-subsidized plans.

The uninsured epidemic

Today the number of New York's uninsured holds steady at more than 2 million, with increases only being offset by higher utilization of publicly-funded programs. Most of the state's uninsured would rather not consider the possible "what ifs." Such is the case at a recent Rensselaer County construction site where the stories of carpenters, masons, project managers and heavy machine operators provide a snapshot reflective of the crisis faced by many New Yorkers.

"Health insurance," said one man, shaking his head. "Let's not even go there. I don't even want to talk about it."

He made the comment seconds after climbing down



from a 26-foot high building. "I'd love coverage, but show me where I can find some that I can afford." This man is not alone. On the other side of the site, Alex and Jonathon, masons working for a different firm, said they too could not afford coverage. Despite this past year's widespread focus on America's uninsured and federal reform enacted to start addressing the problem, many of New York's lawmakers continue to react as if health insurance affordability is a problem confined to people outside of their districts. (cont. page 3)

NFIB State Director appointed to Mandate Review Commission... again

Gov. David Paterson named NFIB/New York State Director Mike Elmendorf to the New York State Healthcare Quality and Cost Containment Commission. Elmendorf was previ-



Elmendorf

ously appointed to the commission in 2007, by then Gov. Eliot Spitzer.

The Employer Alliance took the lead in the fight to establish this commission, which is charged with conducting an independent study of cost and medical

efficacy on health care mandates prior to passage. Since its inception, the commission has yet to meet to consider even a single mandate. Legislators introduced nearly 100 coverage mandates ALONE this year. We believe that this critical entity has an important role to play, and challenge legislators to utilize the commission and information that it provides before burdening premium payers with any more mandates.

Thank you!

Our sincere appreciation to the following members for meeting with their Legislators on our behalf last session. Meeting with Senators Neil Breslin and Dave Valesky were:

Frederic J. Buse, *Schwartz Heslin Group*
Richard B. Cunningham, *Passonno Paints*
William F. Pompa, *Mr. Subb*
C. Daniel Keegan, *Dan Keegan Insurance*
Michael J. Wheeler,
Har-Rob Fire Apparatus

Two join Board of Directors

Christopher Mason and Michael Durant joined the Employer Alliance Board of Directors at its annual meeting in August.

Durant is the assistant state director of the NFIB/NY. He previously served in a number of capacities in the executive and legislative branches of New York State government. Durant graduated with a bachelor's degree from Siena College in Loudonville and resides in Ballston Spa.

Mason joined The Merriam Agency in Schenectady this spring to assist in serving small business needs in response to federal health care changes. Mason has more than 20 years experience in financial services, insurance, customer service, account administration, sales, and office support. He previously worked as a sales executive at Empire Blue Cross Blue Shield and, before that, Bank One Financial Services. In other business, the board also sadly accepted the resignation of Employer Alliance founder and chair Scott Miller and founding member Craig Lacy.



2010-11 Board of Directors, from bottom left: Leslie Moran, and Diana Ehrlich. Top row: Michael Durant, Chris Mason, Rob Robinson and Michael Barrett. Missing are Jeff Subra, Pam Finch and Jeff Williams.

The uninsured epidemic— *continued from front*

The fact remains the US Census Bureau recently placed the number of Americans without health insurance at an all-time high, and most of those uninsured work full-time. These are the people who watch our children, serve our coffee, drive our cabs - they are the leaders behind our innovation and the engine that has stabilized New York's economy during the Wall Street meltdown. Health insurance costs fail to discriminate between blue collar and white collar professions.

"It's not that we can't have health insurance coverage," Justin, a carpenter in his late 30s said. "Our boss is happy to provide it, but I can't afford it." Indeed, for many of us, the term "affordable health insurance" is an oxymoron. Many New Yorkers daily put themselves in harms way, hoping for the best, but prepared for that one accident that will eventually happen.

These are the faces that State Legislators rarely, if ever see. Small business people care what happens to their employees and their families, but it's difficult to lobby when you are spending 12 hours a day running a business. In an economy that requires us to work longer hours in order to survive, the Employer Alliance for Affordable Health Care brings your message to State Leaders: **"We need access to basic, affordable health insurance."**

Rising costs linked to reform

The truth in the numbers. Despite measures by state and federal lawmakers to reduce small business health insurance costs, some small business owners now anticipate 2011 premium increases that could realistically range from 20-30 percent. How did this happen? Experts agree that higher rates are the cumulative impact of legislation passed by state and federal governments. As business owners and workers in New York State, where do we go from here? Despite the grim reality of the past Legislative session, the outcome still could have been worse.

Although state legislators bowed to public pressure on some measures, other fees, assessments and proposals failed to advance in the end.

As consumers we were spared the cost of some of the additional proposed "industry" surcharges that are historically passed through to premium payers. Likewise, only a handful of the nearly 200 mandate proposals actually passed through the Legislature. However, the rest won't simply go away, but will most likely return for consideration next year.

What, lessons, if any, can be learned from the outcome of this past session? Small businesses must unify, in terms of action and message, to ensure that lawmakers truly understand the problem, and recognize that not all reform is an actual solution. Unless we speak out, state Legislators will continue to believe that this problem belongs to someone else and not the people who work and live within their districts.

Report offers snapshot of state's uninsured

The United Hospital Fund published the annual "Health Insurance Coverage in New York, 2008" chartbook that provides a detailed look at the state's uninsured demographic. Among the findings:

- There are 1.4 million non-elderly uninsured residents in New York City (19 percent of the city's population) and a total of 2.5 million non-elderly uninsured residents in New York State (15 percent of the population).
- New York State's uninsured are largely working adults or their dependents or individuals from low-income families: 8 in 10 uninsured are workers or their dependents; over 60 percent of the uninsured are low-income; and low-income workers represent more than half of all uninsured workers.
- Between 2006 and 2008 New York was already experiencing a decline in the rate of employer-sponsored insurance and an increase in the rate of public coverage. Because these trends largely offset each other, the share of the population without coverage remained stable.



Executive Director Pamela Reese Finch (left) met recently with Charles S. North, president & CEO and Gloria Cukar, vice president and COO of the Dutchess County Regional Chamber of Commerce.

Capital Campaign 2011

"Individual commitment to a group effort - that is what makes a team work, a company work, a society work, a civilization work." -

Vince Lombardi

The Employer Alliance is only as strong as its membership. Success relies not on a single individual, but our collective voice. We are the largest, single-issue grassroots coalition in New York State, representing more than 3,000 small businesses and 150,000 individuals. We keep our membership affordable to encourage your involvement, but rely heavily on individual contributions of time, talent and resources to speak on your behalf in Albany.

The Board of Directors will soon kick off our Capital Campaign 2011. We need both financial and grassroots support for our mission to be a success. We use the internet as a means to cost-effectively and quickly reach our members. Please take the time to send us your current contact information, including a valid e-mail address, so once lawmakers return to Albany we can quickly get our message to you.

Watch for your Capital Campaign 2011 materials to arrive shortly! We thank you, in advance, for your participation.

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