

A7860
Assemblymember Gottfried

S5425
Senator Duane

AN ACT to amend the public health law, the state finance law and the tax law in relation to the establishment of the New York Health Plan and making an appropriation to the temporary commission on implementation of the New York Health Plan and providing for the repeal of certain provisions upon expiration thereof

The New York State Nurses Association (NYSNA), representing the interests of registered nurses (RNs) and the patients they serve, supports the New York Health Plan which, if enacted, would establish a comprehensive program of universal healthcare coverage for all residents of New York state. This bill would provide all residents with healthcare coverage without regard to age, income, health or employment status. Benefits would include medically necessary health services including preventive and primary care, hospital care, dental, vision care, prescription drugs, mental health, addiction treatment and rehabilitative care.

Almost 2.9 million New Yorkers are uninsured.¹ Of those that do have health insurance, many are under-insured. Employer-based health plans that provide coverage through private, for-profit insurance companies create a patchwork system that does not guarantee access to necessary health insurance because beneficiaries may be denied care due to restrictions on provider networks and services. Increasingly, uninsured and under-insured New Yorkers have to forgo necessary health care, which increases their risk of illness and disease. Studies have shown that the uninsured are more likely than those with health insurance to die prematurely, to have their cancer diagnoses later in the disease process, to die from heart failure, heart attack, stroke or from a severe injury. In 2004, the Institute of Medicine estimated that nationally, 18,000 adult deaths a year could be attributed to a lack of health insurance².

Lack of health insurance can create significant financial burdens for families and is also a major contributor to personal bankruptcy. In addition, large segments of the population lacking health insurance leads to the inefficient use of the healthcare delivery system, e.g. emergency departments, resulting in increased financial strain.

As is the case across the United States, rising healthcare costs in New York have put increasing financial pressure on the privately insured and on the state-funded public health plans. Personal healthcare spending in New York, across all payers, was \$6,535 in 2004.³ This spending level places New York among the five highest healthcare spending states in the country.

Under the New York Health Plan, the current system of healthcare coverage would be replaced by a comprehensive program financed through existing federal, state and local sources; from a uniform premium paid by employers, employees, the self-employed and by those with high investment incomes; and from savings that will result from doing away with the current, burdensome system with its vast administrative costs. Patients would have freedom of choice and healthcare decisions would be made by patients and their providers, not by insurance companies.

¹http://fiscalpolicy.org/FPI_StateOfWorkingNewYork2011_Part2_20111129.pdf.

²Institute of Medicine Report (2009). *America's Uninsured Crisis: Consequences for Health and Health Care*.

³ US Department of Health and Human Services, Center for Medicare and Medicaid Services (CMS), published tables of estimated state personal health expenditures, <http://www.cms.hhs.gov/NationalHealthExpendData/downloads/res-us.pdf>, accessed November, 2011.

Other states have started on a path towards implementing single payer healthcare reform. In May 2011, Vermont's governor signed a universal healthcare bill into law, with the goal of creating the first single payer healthcare system for America. Between 2004 and 2008, healthcare spending in Vermont grew at an annual rate of 8%, three percentage points higher than the national rate.⁴ Other states working on creating similar single payer health plans include California, Maryland, Oregon, Montana, Minnesota, Pennsylvania, and Wisconsin.⁵

The New York Health Plan will save healthcare dollars. Cost control and quality assurance mechanisms incorporated into the plan will constrain healthcare cost increases. In addition, employers, state and local governments, and the self-employed will realize a reduction in their expenditures for employer provided health insurance coverage by paying the lower New York Health Plan premium payment.

The New York Health Plan will achieve savings through the consolidation of healthcare expenditures into a single, publicly-sponsored insurance program. Such a program would eliminate administrative waste, including excess insurance company administration and costs of billing and collecting for hospitals. It also provides stability to New York's hospitals, freeing up resources for patient care. The savings would be used to finance the expansion of health insurance coverage for the nearly 3 million New Yorkers lacking health coverage, and the many million more with inadequate coverage.

Everyday, nurses in New York care for patients in the midst of a broken healthcare delivery system. We see uninsured New Yorkers who rely on the emergency department as their primary access into the healthcare system. We care for uninsured New Yorkers who delay treatment until they are so ill; they must lose work time and be hospitalized. Our current healthcare system has failed to adequately prevent disease; to promote health; to protect our children, the disabled or the elderly.

NYSNA supports the goal of a healthcare system that meets the needs of all New Yorkers. The New York Health Plan would replace our current system of multiple, inefficient and inadequate plans with a more equitable healthcare coverage and payment system that would save lives and would direct New York's scarce healthcare dollars towards providing universal access to high quality, cost-efficient care for all New Yorkers, regardless of their age, income, health or employment status.

⁴ The Vermont State Health Care Expenditure Analysis Report can be found: <http://www.bishca.state.vt.us/sites/default/files/2008-EA-Report-FINAL.pdf>

⁵ A side-by-side comparison of state single payer bills can be found: <http://www.pnhp.org/news/2010/september/side-by-side-comparison-of-state-single-payer-bills>