



NEW YORK STATE SENATOR

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Albany's Plan for Universal Health Care is Still Wrong

PATRICK GALLIVAN June 1, 2021

| ISSUE: **SINGLE PAYER HEALTH SYSTEM**

Lawmakers who hold majorities in the New York State Senate and Assembly are once again pushing for the New York Health Act (NYHA), which would do away with our current system of private health insurance and replace it with a single-payer, government-run program financed by taxpayers.

The idea has been kicking around Albany for a number of years and is getting renewed attention in the halls of the State Capitol. As the ranking member of the Senate's Health Committee, I remain highly skeptical of the claims made by proponents of the plan and I continue to believe it is wrong for New York.

As proposed, the NYHA would be the first of its kind; a government-run system that includes no limits on coverage, no prior authorizations, no provider networks and no private health insurance options. Everyone and everything appears to be covered, without any cost sharing requirements, such as patient premiums and co-pays. The independent RAND Corporation estimates the cost to taxpayers would be \$160 billion in the first year alone. New York's entire fiscal year budget totals \$212 billion. It would dwarf all other state programs and agencies and would dominate future budget negotiations. It is impractical and too costly to implement and sustain. Even Canada's health care system is partially funded by private insurance and out-of-pocket expenses in order to survive.

Proponents of the NYHA say it would provide universal coverage and help those who are currently uninsured. It is a laudable goal and closing the insurance gap must remain a priority. The good news is we continue to make progress in this area. The number of state residents without coverage now stands at less than 5% of the population. Why not invest in better outreach and provide greater financial incentives to obtain insurance coverage? Changing the current system for people who already have coverage is unnecessary. Eliminating Medicare, Medicaid, private insurance and other programs used by 95% of New Yorkers would not only be disruptive, it would lead to the loss of tens of thousands of health related jobs.

The NYHA would also create a huge new bureaucracy that we simply do not need. I am also concerned about the state's ability to manage such a system. Over the past year, we have seen inefficiencies and breakdowns in the administration and distribution of unemployment benefits through the state's Department of Labor. Phone lines were clogged and websites crashed at the time New Yorkers needed them most. It begs the question whether the state is up to task of managing health care for 20 million residents.

As we strive to ensure that all New Yorkers have access to quality, affordable health care, let's be careful we don't make things worse. A government run, taxpayer funded system is not the answer.