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Oral Testimony to: **Joint Senate and Assembly Public Hearing**  
On: **The New York Health Act**

By: Cornelis J Drost,  
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Dear Senators and Assembly Members,

I am Cor Drost, President and CEO of Transonic Systems Inc., a company I founded in 1983 as an offspring of Cornell University. With me is our Chief Financial Officer, Ms. Emig-Rosekrans.

We strongly urge you to vote the New York Health Act into law: it is very good for New York businesses and institutions, it reduces school and local government taxes, and it will make your voting constituents very happy.

In our Medical Device sphere, we invented new diagnostic technologies that are now gold standard world-wide. From our Upstate New York location, we built a world-class company with worldwide markets. Because of the gold-standard recognition of our technologies, we now see tough competition from Western European companies. These competitors are in countries with single-payer healthcare, an approach that runs at about half the cost of the USA for-profit system. Thus, our competitors can undercut our prices, and re-invest a larger part of their profits in R&D and New Product Development. This forces us to evaluate the question: How can Transonic remain a competitive world leader, and this is why I am here today.

Transonic has Divisions in single-payer healthcare countries: Canada, The Netherlands, Taiwan and Japan. So we know quite well how much their healthcare is liked by their residents, and how costs-beneficial it is to our competitors. One of our hard realities is, that Transonic can level the playing field with our competitors by moving to Ontario where we already have a Division. We hope to convince you to install single-payer universal healthcare in our State. This will level the playing field for all New York State businesses, and it is very doable.

How would this be funded? Will it cost more? And what are the benefits to New York?

The per capita cost for medical insurance in Canada, Western Europe and Japan is 50% or less than the USA per capita cost. These countries provide universal healthcare coverage, so for an apples to apples comparison, NY State will need to add the uninsured residents. This places the total cost for a New York State single-payer universal healthcare program at approximately 60% of what all our collective institutions in New York now pay.

This is not a Democratic or Republican issue. Single-payer healthcare is simply the most economical way to run a statewide or nationwide healthcare system. All cost studies on the subject agree that single-payer healthcare costs less than our current system. This was pre-Obamacare, and Obamacare has not changed this bigger picture.

On the funding side, I realize that you already have a detailed funding plan in front of you. I present you with two extremes. These two and anything in-between would carry our support:

1. If you make the legislative decision that single-payer healthcare must be paid fully through payroll taxes, our company and other New York State institutions will embrace a healthcare employer contribution to our employees' pay stub: it will save us money. The choice between paying 100% to an insurance provider or only 60% to a payroll plan for our employees' healthcare is an easy business decision.
2. A plan to fund this in the Medicare fashion was priced out by Dr. Gerald Friedman, Economics Professor at the University of Massachusetts. That plan calls for an added payroll tax of 8.2%. For Transonic and many companies like us, healthcare is around 30% of our payroll cost. That plan provides even greater savings to companies like Transonic.

How would these two extremes work out in actual budget numbers for Transonic?

1. Our annual sales are around \$22 Million. 10% of this, \$2.2 Million, goes directly to employee health insurance. If you would decide on a single-payer plan that is fully paid through payroll taxes, we'd be paying some 60% of what we pay now, or \$1.32 Million. We would gain \$880,000 per year to grow our business.
2. Our payroll is \$7 Million per year. If you would decide on a Friedman-style single-payer plan, we would contribute 8.2% of \$7 Million: \$574,000. We would gain some \$1.6 million per year to grow our business. This would make New York State once again the most ideal business location for Transonic.

The same level of savings applies to local schools and governments: their healthcare cost would drop to anywhere between 60% of their current medical insurance, and 8.2% of gross payroll. This will save taxpayers' money and free up more funds to benefit the greater good.

Single-payer healthcare will also improve our State's competitive position to attract new businesses. A 40% or higher savings in employee healthcare will be a big plus to out-of-state companies.

I urge you to visit the website: [www.fixithehealthcare.com](http://www.fixithehealthcare.com). Produced by business leaders, and with interviews of health policy experts, economists and doctors, this site presents the business case for single-payer healthcare very well. The site includes an in-depth comparison between the USA and our neighbor Canada, and it dispels all the myths and fear-mongering that you will hear from others at this Public Hearing.

The economies of single-payer healthcare provides you with a unique opportunity to make New York State once more the place to be for businesses, and to reduce school and local government taxes.

Your voters, the beneficiaries of far more efficient medical services without co-pays, will be thankful as well. A Canada politician by the name of Tom Douglas was voted in 2004 as "The Greatest Canadian" for his work to set up Canada's Medicare-style single-payer healthcare system...

Thank you for listening. We will be happy to answer questions that you may have.

Thank you for the opportunity to testify. I am here because I lost my brother, mother, father and childhood home in three years. The death of my brother and my father illustrate the atrocities of a wealth care system that places profits above people.

My brother had a history of mental illness starting in his late teens. He was almost certainly manic depressive, but no one understood. He lived in California and had only Veteran's medical insurance. He could only be treated in Veteran's hospitals or clinics. He had a deep dislike and distrust of the VA. After retirement he moved to Canandaigua NY. He became very depressed. My father said "go get help and I will completely pay for it." I thought of Clifton Springs Hospital: it was close by, he did not want to go to the VA, it had a psychiatric unit, he had been a patient there before, and he had been carried out of there as a baby bundle in 1951. On February 24<sup>th</sup>, 2014 my sister took him to the ER at Clifton Springs Hospital. He was depressed and suicidal. He was seen by two psychiatrists who wanted to admit him and an admission was planned. He had on a hospital gown, and lab work had been done. Along came a "crisis manager" who looked at his medical insurance and not his medical condition. She told him he should go to the VA Hospital in Syracuse, when he had already stated he did not want anything to do with the VA. She said he could stay there but it would cost.

My brother left the hospital. Twenty-six hours later he called my father and said "thank you for having me". He called my sister to see if she would come to help him clean the house the next day. When my sister arrived, no one answered the door. He was lying there, something was terribly wrong. She went outside to call 911. She went back into the house to see if he had a pulse. Then she saw the gun and the chest wound. He was sixty-two years old.

It was winter when my father called. "Your brother is dead, he has shot himself in the chest." "Oh my God, my God", was all I could say. When the snow stopped I went to see my parents in Spencerport NY. They were ninety-one and ninety-two years old. There, on a little table in the living room was a picture of my brother at about age ten, with some little cowboy boots he had worn as a child underneath the table. "That is the way we want to remember him", they said. I just screamed, and screamed and screamed. My mother stated she did not want to live anymore. "When he died so did I", she said. She went into a terrible depression and died fifteen months later. I felt physically numb, for months.

My father wanted to stay in his own house and managed well for awhile. But one night he fell. He called 911 and was taken to the ER at Unity Hospital in Rochester. He was found to have a urinary tract infection. He lay there for hours. My sister called to see what was going on, and the hospital stated they did not want to admit him because they did not think the insurance company would pay. He was ninety-four years old, and lived alone. It was the middle of the night. My sister talked them into admitting him.

About a day later my sister and the social services department at the hospital decided he should go to Ontario County Nursing Home for "rehab". The reason being that insurance companies would pay for physical therapy, but otherwise not for a nursing home bed. He had no sleep and almost nothing to eat the entire time he was there so he could have one half and hour of physical therapy a day. Conditions there were appalling. I offered to take him home, he thought my sister must be right. I went home to try to speed up his transfer to an assisted living facility that my sister had selected.

There was a flu epidemic at the assisted living facility and in about two days my father was taken to an urgent care facility where he waited for hours. He was sent by them to the ER at Thompson Hospital in Canandaigua. I took from 1:00PM until 1:00 AM until he was admitted. After one or two days at that hospital they were already to discharge him. He was very ill and did not feel comfortable about leaving. I knew it was not safe to send him back to assisted living. They would not listen to me, and I was told by the Director of Nursing that if he stayed there another day he would have to pay for it himself, and that if I argued with her she would call security.

Back at the assisted living facility his condition continued to deteriorate. He kept falling in spite of all the physical therapy given and had persistent diarrhea. One night he called me and said, "Laurie, I am so weak, it takes two to get me up." From his voice I knew something was very wrong. I suspected a low potassium and a Clostridium difficile infection. I drove down and told the nurse what I thought was going on. He fell right after that and she said "maybe you are right" and sent him to the ER at Thompson Hospital.

On arrival his potassium level was only 2.7, his white cell count 23,000, he had a massive urinary tract infection and a Clostridium difficile infection. His legs were covered with bruises, bandages and blood, from falls. The emergency room physician was appalled. He was admitted to acute care for IV antibiotics and potassium. He was then discharged to the nursing home at Thompson Hospital. In no time flat the MD and social services department were insisting on more physical therapy and rehab. I was told point blank by the social services department that physical therapy was needed so that the insurance company would pay for the nursing home bed. I told her I disagreed with this. It was painful for him. I told him to refuse. My wonderful father, intelligent and kind, who worked hard all his life, died a painful, humiliating and degrading death.

In both cases the hospitals were more concerned with money than medical care. My father had assets of over three million dollars. No one in our family asked these hospitals for financial advice. We asked them to provide medical care. Yet decisions were based on what insurance companies would, or would not pay for.

Here is a country that has the money to conduct genocides all over the globe, yet my brother and my father, who had worked hard all of their lives could not rest in a hospital bed even for twenty-four hours. It is time to replace ignorance and greed with justice and compassion. Passage of the New York Single Payer health plan would be an excellent start.

Respectfully,

*Laura Potts*

Laura Potts