ASSEMBLY COMMITTEE AGENDA



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MEMORANDUM IN SUPPORT

LEGISLATIVE A.4738-A – by M. of A. Gottfried –Codes Committee **REFERENCE** S.4840-A – by Senator Rivera – Health Committee

TITLE: AN ACT to amend the public health law and the state finance law, in relation to enacting the "New York Health Act" and to establishing New York Health.

SUMMARY OF PROVISIONS

The bill will create the New York Health program, a comprehensive system of access to health insurance that will make a health plan available to every New York resident. The program does not require its participants to pay any premium or other types of cost-sharing and provides all benefits currently included in Medicaid, Medicare, Child Health Plus and other state programs.

New York State will work to obtain waivers from the federal government related to Medicaid, Medicare, Child Health Plus and the Affordable Care Act (ACA) and receive federal payments in bulk or lump-sum to the New York Health trust fund. These payments will be utilized to finance a single-payer health insurance system. The program will also be funded by a progressively graduated tax on all payroll and self-employed income received by New York State residents and out-of-state residents employed in New York, as well as other taxable incomes, including interest, dividends and capital gains.

REASONS FOR SUPPORT

The City of New York supports this legislation which would implement a single-payer system and provide universal publicly financed health care. This bill would enable health insurance access to all residents in New York State regardless of their age, employment household income, immigration status, or health status.

As a result of the repeal of the individual mandate penalty under the Tax Cuts & Jobs Act of 2017, the number of uninsured and underinsured in New York State could significantly increase. Should the Federal administration's additional policy proposals to undercut the federal subsidies and enrollee benefit protection provided by ACA and Medicaid also be implemented, the uninsured rate would likely further increase. It is estimated that, if the ACA is completely repealed, over one million New York City residents could face significant loss of health care. Those who manage to keep their health insurance may pay more for fewer benefits or go without needed care. New

Yorkers have come to rely on the protections afforded by the ACA – preventive services like immunizations and cancer screenings, annual wellness visits for Medicaid patients and prescription drug coverage for Medicare recipients. If these protections are taken away, it could put a strain on the public health and public hospital systems, like NYC Health + Hospitals, and lead to poorer health outcomes for New Yorkers.

NYC Health + Hospitals is the largest public health care system in the nation and serves approximately 1.1 million patients each year, of which over 415,000 are uninsured. Our public healthcare system is the safety-net for the uninsured and underserved in New York City. Health + Hospitals could see approximately 200,000 patients lose coverage if the ACA is repealed. The New York Health program would promote Health + Hospitals' mission of ensuring that each and every New Yorker, regardless of income or immigration status, has access to the affordable high-quality care they need.

Access to timely and appropriate health care is one of the key ingredients to enhancing people's quality of life. Lack of insurance impedes one's ability to get the critical care they may need, and the uninsured tend to bear a higher financial burden from medical bills and suffer from worse health outcomes.

New York City has seen a steady reduction in the number of uninsured since the New York State of Health Marketplace opened in 2013. However, over 1.1 million New Yorkers (6.1%), including 663,731 NYC residents (7.8%) among all ages, remain uninsured in 2016. It is estimated that the New York Health Act would provide coverage to these uninsured New Yorkers and enhance access to care for 1.28 million who are under-insured and have been denied access to care due to their inability to pay. This new system will get critical care to those who need it most and increase positive health care outcomes for all New Yorkers.

Accordingly, the Mayor urges the earliest possible favorable consideration of this proposal by the Legislature.

Respectfully submitted,

SIMONIA O. BROWN Director

TD: 4/17/18