

Assembly Hearing on Increasing Access to Health Insurance Coverage and Moving toward Universal Health Care Coverage: Glens Falls – September 5, 2007

I want to begin by thanking Governor Spitzer and NYS Departments of Health and Insurance for conducting these public hearings. Since the taskforce to study this issue was announced groups have been advocating for an opportunity for stakeholders to have input into this process and we are happy for this opportunity to do so.

I am speaking as a member of the steering committee of the Tompkins County Workers' Center whose mission is to stand up with all people treated unfairly at work or faced with critical poverty, racial, housing, health care issues and to support and advocate for a more just world. A part of that work has been to advocate for a Single Payer plan for all New Yorkers. I have looked at other proposals which have been recommended over the years and continue to be proposed at increasing rates both at the state and national level. With each incremental plan I become more convinced that a Single Payer, one risk pool plan which is publicly financed and privately delivered is the only answer.

The urgent need for such a plan was all too clear when in 2005 I walked close to 400 miles across the southern tier of New York State talking with people and holding rallies and forums. We built a network of agencies, groups, legislators and individuals who are concerned about this issue. As we walked we talked with farmers who did not have health insurance and were one accident away from losing their farm, with people working in social agencies who helped others try to enroll in programs such as Family Health Plus but who did not have health care for their own family because they earned just a little too much money to qualify and to others whose clients needed substance abuse treatment but their insurance would cover only a minimal number of visits which were not enough to make them well. We talked with Medicaid recipients who could not find doctors and dentists who would take Medicaid patients and they ended up putting off visits until their health needs were so serious that they required emergency room treatment. We talked with doctors who could no longer stay in private practice because they could not afford the staff necessary to process the paperwork. Others spent much of their time on the phone trying to get approval for a procedure, many said it was cheaper to treat Medicaid patients pro bono than to try to get the reimbursement. We talked with a nurse who said that the bulk of her time was spent filling out paperwork and she no longer felt she was doing the nursing she was trained for. We even met a fellow who when he saw our sign saying Health Care for All told us to "go to Canada", at first I thought he was being facetious but as we talked more it turned out that he lives in Canada and had hurt his foot and had been cared for in Canada by showing his health card, he was now on vacation and very happy with the care he received. Everywhere we went we heard heart wrenching stories from people who were suffering as a result of our current patchwork system. Just this week I heard of a young woman who had lost her job and her insurance which then precipitated a bout of depression so serious that she admitted herself to the psychiatric unit of our local hospital so that she would be safe. After getting medication and being there for a couple of days she was released and as a nurses aide walked her to

her car she started to tremble and said she couldn't believe she had done this, she was now going to have huge bills and she was afraid she would lose her car. When someone is in such a fragile state they should not have worry about health care bills.

Daily I hear stories of workers who cannot afford the rising cost of premiums and out of pocket costs which are increasing annually. They put off visits to the doctors and skip medications. State workers at Cornell are concerned with the lack of choice with doctors and lack of specialists in the system with their plan. They would even be willing to pay a little more in order to keep their doctor of choice. Small business owners cannot afford health insurance for themselves or their employees and this discourages people from opening a business. Local library workers are involved in a contract dispute about health care benefits. This is repeated over and over as contracts are negotiated not for higher wages but for retention of health care benefits.

The first universal health care proposal was introduced in the assembly in 1915 but we now have almost 3 Million New Yorkers without insurance and many more who are underinsured despite the fact that Medicaid costs in NY are one of the highest in the nation and there has been broad-based public financing for safety-net programs. A number of legislators are recommending that we should extend our safety net programs such as Child and Family Health Plus. This approach will not lower the cost of health care but will increase the cost for government and the tax payers. Such programs force people to prove that they qualify ie deserve the service Enrolling is complex, re-enrolling is difficult and many applicants are lost during this process and care is sporadic. It is estimated that close to half the children who qualify are not enrolled because the system is so complex. I know Governor Spitzer has recommended changes to simplify the system and raise the eligibility limits however, we have seen that putting patches on the current system will not work and will never cover everyone unless enrollment is automatic. Despite the increase in numbers receiving these programs the number of uninsured has remained the same largely because employers have been dropping coverage due to the high cost of providing health care for their employees. Employers cannot pay such high prices and also compete in the global market. The average cost of premiums according to a recent study is over \$10,000 for a family plan. If we had a state or national health care plan where everyone was enrolled at birth in a comprehensive, one risk pool plan such as A7364 and companion bill S3107 proposes this would no longer be an issue. A national proposal such as HR676 would provide comprehensive health care for everyone and would save over \$300 Billion in administrative and prescriptions drug costs. HR676 would cover primary care and prevention, in and out patient care, emergency care, prescription drugs, durable medical equipment, long term care, mental health services, dental, vision and hearing services, substance abuse treatment, and chiropractic services. I would urge this committee to look at this plan.

Many say that we cannot afford such a plan, that it would raise taxes. In fact we are already paying for 2/3 of our current health care system through our taxes. We are already paying for a national health insurance plan but we are not getting it. U.S. pays over \$7,000 per capita which is about twice as much as other industrialized nations who cover everyone.

Other states have looked at the costs and the Lewin Group has done a cost analysis of a Single Payer plan in California SB840 which passed in both the house and senate but was vetoed by the governor. The study affirms that we can create a fiscally sound, reliable state insurance plan that covers all residents and controls health cost inflation. It shows that individuals, families, businesses and the state will all save money. In this study it was predicted that total health spending for California residents under the current system would be about \$184.2 billion in 2006. This includes spending for benefits and administration currently covered by all payers including governments, employers, and families. The study estimated that the Act would achieve universal coverage while actually reducing total health spending for California by about \$8 billion.

Colorado has had a blue ribbon commission for Health Care Reform and the Lewin group did a cost analysis of 4 plans which were chosen from 31 submitted plans. Three of the plans are variations of our current system with expansions of public plans such as Medicaid, Child and Family Health Plans and combinations of Employer and Individual mandates. Plan 1 would cover 41% of the population and would cost \$595million, Plan 2 would cover 83% and would cost \$271 million, Plan 3 would cover 87% and would cost \$1.3billion. The fourth plan, a single payer plan would provide a more comprehensive benefit package, would put everyone in one risk pool with no premiums or requirements to qualify. They would not be subject to denials and out of pocket costs and everyone would be covered. This would SAVE the state \$1.4billion. (See attached report from the Lewin Study)

A single payer plan would allow workers to negotiate for a living wage. It would give workers the freedom to choose his or her own health care providers and also be free to change jobs, start a family, start a business, continue education or change residences and be secure in the knowledge that his or her relationships with trusted health care givers will be secure.

Some say it is not politically feasible and that the insurance companies will mount a huge battle. We don't doubt that they will but I feel that will happen no matter what plan is suggested. Poll after poll indicates that Americans want and need a systemic change and are willing to have a government financed plan as long as doctors are free to practice privately and they retain freedom of choice. Governor Spitzer has taken on difficult battles before and I call on you all to be willing to take a bold move and support a Single Payer system, for profit insurance has failed to lower premiums and the only time they have been at all competitive is when they are subsidized by the government as is currently happening with Medicare Advantage. No workers should have to fear losing their job and going bankrupt due to medical bills.

I would like to present you with petitions signed by more than 2200 people this summer in support of a Single Payer plan for all in New York State. I look forward to seeing your proposal and to have an opportunity to have input at that time. Rebecca Elgie,

Ithaca, NY