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Testimony of

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Public Hearing:

**INCREASING ACCESS TO HEALTH INSURANCE COVERAGE
AND MOVING TOWARD UNIVERSAL HEALTHCARE COVERAGE:
DEFINING THE GOALS AND IDENTIFYING STEPS**

Office of Health Insurance Programs
New York State Department of Health
and
New York State Insurance Department

DECEMBER 5, 2007

Presented at:
SUNY College at Old Westbury

*The Women's City Club of New York, founded in 1915,
is a nonprofit, nonpartisan organization that shapes public policy
through education, advocacy and citizen participation.*

Thank you for the opportunity to discuss this critical issue with you. I am Annette Choolfaian, chair of the Health Issues Committee of the Women's City Club of New York.

The Women's City Club of New York (WCC) is a nonprofit, nonpartisan organization that, since its founding in 1915, has shaped public policy through education, advocacy and citizen participation. For many decades our efforts have responded and contributed to the contemporary needs of all New Yorkers in order to ensure their inclusion and equity in basic quality of life issues. Today our advocacy addresses issues of affordable housing, poverty reduction, gender equality, infrastructure, government reforms, and most relevant to today's hearing, universal access to quality and affordable health care.

The Women's City Club applauds the efforts of Governor Spitzer and the State of New York to reform our health care delivery system and expand health insurance coverage.

At present, the systems for the financing and delivery of health care are costly and inequitable, marked by huge gaps in coverage, lack of continuity, and multiple barriers against easy access. [Institute of Medicine, 2002] The result is frequent consumer and provider dissatisfaction, poor health outcomes [Institute of Medicine 2003], [Hadley, J 2007] and inefficient use of our health care dollars [Collins, S R., 2006]. Incremental approaches to reform in recent decades have failed to alleviate these problems and in some cases have exacerbated them. [Collins S.R., 2007]

While we are mindful of the need to control health care costs, we expect that reforms should occur within a framework that recognizes health care as a basic human right which must be guaranteed. In addition, the provision of health care requires a system of financing which is universal, affordable, accountable to the public, consumer-oriented and comprehensive.

Universal health care can best be achieved by developing a health care financing plan for all persons which will be publicly administered and allow consumer choice. To be successful, this plan must ensure both consumer and provider satisfaction. The choice of physicians and practice arrangements is a critical factor in consumer satisfaction [Lambrew, J.M. 2005].

Compensation that acknowledges education, training, experience and regional differences is crucial to the satisfaction of providers. Both are lynchpins which will contribute to success.

As an incentive to increase the supply of family/primary care providers, we recommend reducing the burden of their educational loans. This would parallel current incentives for teachers of selected subjects in key geographic areas as well as the National Health Service Corps scholarship and loan repayment program for health professionals in exchange for serving in designated areas.

The system we support would follow the general approach of Medicare as it operated from 1965 to 2003, prior to revisions in the Medicare Modernization Act of 2003. Even though the Medicare program has significant imperfections, the Women's City Club thinks it is the only health insurance plan in America that generally operates in conformity with the principles we support. It covers nearly all individuals in the prescribed age group with a uniform set of benefits, has very low administrative costs, and affords public accountability. Financing is through payroll taxes, and administrative procedures are comparatively simple and nationally uniform. Current efforts to develop a comprehensive plan for all New Yorkers are necessary. However, it is an onerous task for states to fund universal coverage on a state by state basis for the long term. Therefore concurrent to the state based effort New York should put its political energy into advocating at the federal level as the only realistic way to get and maintain universal coverage for New Yorkers as well as others

When savings in administrative costs projected under a single payer universal plan are factored in with present combined government and non-government expenditures for health care, there should be sufficient funds to substantially finance a universal system [Physicians for a National Health Program Working Group, 2003] [Woolhandler et al, 2003].

The Women's City Club has spent decades evaluating the health care issues confronted by New Yorkers and advocating for improvements. We believe that the following principles for a universal health care system must be reflected in any change of the health care financing system:

1. Universal

All persons in New York should have continuous access to needed care regardless of age, income, employment status, health status, pre-existing conditions, geographic location, immigration status and ability to pay.

2. Comprehensive

Every person should receive health supervision by a primary health care provider including a full range of services: health, mental health, dental, hearing and vision services, rehabilitation, and hospice care. Health promotion, preventive care, early intervention and appropriate services for all forms of disability throughout the entire life cycle should be fundamental elements of the care provided.

3. Affordable and Cost Efficient

Access to health care should be affordable for all. The financing of care should be equitably distributed throughout the entire population; the revenue stream can be generated through taxes, employer payments and/or out-of-pocket. Subsidies should be available for low-income persons. Affordability will be enhanced through improved utilization of health care services, simplified clerical systems and more efficient operating systems. The use of advanced information technology such as the integrated electronic record should be applied to assist in the system improvements.

The role of profit in the health care system must be carefully examined. While we acknowledge attitudes within our capitalistic society, we do not believe that profit should drive our health care system. We urge you to develop the means to reduce and regulate the role of profit making in the health care system.

4. Accountable

Accountability is a public responsibility. Information and data on costs, utilization, and all aspects of the system should be clearly reported and publicly accessible on a timely basis. Policy determination, quality assessment, and system changes should be publicly announced with adequate opportunity for input from individuals, providers and all those served by the system.

5. Consumer Oriented

The financing system must consider the rights and responsibilities of consumers and providers, and ensure that they are educated to understand and appropriately deal with the requirements of the system. Access to health care must be clear and simple, with both medical providers and consumers understanding the services that are covered. Patients should be free of administrative and logistical obstacles to achieving care. Confidentiality must remain a non-negotiable component for consumer-oriented care.

Change - whether incremental or fundamental - will not occur without the support of the general public. It will not occur unless those who are satisfied with their health care and health coverage today recognize that, without fundamental change in the system, their benefits are at risk and will erode. If incremental steps are aimed primarily at covering the uninsured, we will not achieve health care for all.

As to whether our society can afford to provide coverage for all, our response is that we cannot afford not to provide coverage for all. People who have no coverage or too little coverage face serious health and financial difficulties.[Collins, S. R., 2006] Individuals who have employment based health care coverage can face similar difficulties if their employers choose to change or reduce their health benefits.[Claxton, G 2007] [Community Service Society, 2007] [Robert Wood Johnson Foundation, 2006]. In the end we are all at risk without the presence of a mandated insurance program that carries comprehensive and accessible benefits not subject to arbitrary change by business and/or government

The time has come to try once more for a universal, equitable and workable approach to financing health care in New York State.

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