

To: Partnership for Coverage

From: Manatt, Phelps and Phillips, LLP for the New York State Coalition of Prepaid Health Services Plans

Date: July 21, 2008

Subject: Comments on Draft Instructions for Modeling Proposals to Expand Health Insurance in New York

Thank you for the opportunity to comment on the Partnership for Coverage's ("the Partnership's") draft modeling instructions for proposals to expand health coverage in New York. The New York State Coalition of Prepaid Health Services Plans ("PHSP Coalition" or "Coalition") has long supported efforts to expand health care coverage to the more than two million uninsured New Yorkers, and it offered testimony before the Partnership on October 30, 2007 outlining support for an approach that leveraged New York's strong public program infrastructure to expand health coverage.

The PHSP Coalition offers brief comments relating to two issues – first, the enrollment and renewal simplification policies being modeled as part of the "Combined Public-Private Model," ("Combined Model") and second, the manner in which the numerous proposals in the Combined Model are analyzed.

The PHSP Coalition supports all of the public program simplification measures being proposed for modeling and would suggest the addition of at least three more: administrative renewal, rolling renewal, and elimination or extreme simplification of the assets test. All of these approaches are in use in other states and show promise for overcoming the many barriers that exist as part of the enrollment and renewal processes for eligible individuals to enroll and maintain public health insurance coverage.

A more significant concern is the apparent weakness of the Health Insurance Policy Simulation Model ("HIPSM") in accurately measuring the impact of enrollment and renewal simplifications. The PHSP Coalition suggests that the Partnership consider some supplemental modeling, to look at the impact of program simplifications separately. This suggestion is based in part on a concern that policies not showing real coverage impacts through the HIPSM will be disadvantaged in the subsequent health reform discussion, and in part on a perspective that if there are limited resources available for expanding coverage, covering the currently eligible by

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eliminating unnecessary barriers to coverage would be a reasonable first step. To ensure that simplification measures can be viewed as critically important components of health reform, an in-depth, sophisticated analysis of the costs and coverage effects of simplification is critical.

With respect to the various programmatic components of the Combined Model, the Coalition suggests that the employer and individual buy-in options, the Family Health Plus program eligibility expansions, and the private insurance market reforms be modeled separately, as well as in combination. Both of the Family Health Plus reforms could offer effective incremental coverage expansions. As such, they should be analyzed as potential stand-alone policies if short term budget constraints make whole system reform unlikely.

Finally, the Coalition supports the Partnership's decision to model expansions of the Family Health Plus program through expanded eligibility, direct subsidies with automatic enrollment or buy-in approaches. Family Health Plus and its managed care infrastructure have made for a highly successful Medicaid expansion model, and expanding on its success is in keeping with the Partnership's approach of building on current health coverage foundations.

Thank you, again, for the opportunity to comment on these modeling instructions. Please contact Andrea Cohen (212-790-4562) or Tony Fiori (212-790-4582) with any questions.