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COMMENTS ON PARTNERSHIP FOR COVERAGE DRAFT MODELING OPTIONS

Page 2, Health Insurance Policy Simulation Model.

The 3 bullets should be replaced with the actual criteria set out in the 2007 Budget language, arranged as bullets. That is what the Legislature and the Governor agreed to and directed to be studied.

Page 2, State-Specific Baseline Database.

Insert “and” before “distribution” in the last line, to clarify that “distribution” modifies all the items that follow.

Page 3, Behavioral Model.

Change “prices” to “costs.” “Price” is only the cost of a single unit of something.

Page 4-5, Cost Containment.

This appears to also leave out savings in administration and transaction costs – to various parties, including providers – that are key features of Single-Payer and, to a lesser extent, the “public” components of other plans. Leaving out this factor creates a significant bias against publicly-sponsored coverage.

Page 6, New York Health Plus

The first bullet should read: Public health coverage based on Family Health Plus will be offered to all residents.

After the second bullet, add a new bullet: The state pays the premium for every enrollee, with no deductibles.

Last bullet: Change “have invested in” to “spend on.” Change “insurance” to “coverage.” Not all coverage is in the form of insurance.

Page 6, The Plan.

The first sentence should begin: “Coverage based on FHP is offered to all New Yorkers through . . .”

Page 6, Benefit Levels.

Change the second sentence to read: “There would be no deductibles and only minimal coinsurance requirements (as under FHP now).”

Page 6, Choice of Private Coverage.

In the first sentence, delete “and supplemental coverage” to avoid implying that FHP has gaps that need supplementing. Change “remain” to “remains.”

The initial modeling run should also evaluate 60% and 70% credits.

In the last sentence, delete the second “80 percent of.”

Page 6.

The modeling for the “public-private” proposal will assess the impact of financing options. That should be done for New York Health Plus as well.

Page 8, Merger of Individual and Small Group Markets.

The model should identify how much this merger will increase premiums for current small group coverage, and estimate how many employers will stop offering coverage as a result.

Page 8, Establishment of a Health Insurance Exchange.

The reference to a “young invincible” product should be deleted. This idea should not be promoted, even in this limited way. It is really another way of saying there would be a higher-premium “older and starting to fall apart” product and a higher-premium “young but not medically perfect” product.

Page 10, The Freedom Plan.

Third bullet: Change “adjusted” to “reduced.”

Page 12, footnote 9

Change “Member” to “Health Committee chair.” Add middle initial N.