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Testimony Provided to the New York State Senate and Assembly Health Committee on the Proposed New York Health Act

Testimony delivered & submitted by John Ravitz, Executive Vice President/COO, BCW

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Chairman Gottfried, Chairman Rivera and members of the New York State Assembly and Senate Health Committees, thank you for giving me the opportunity to testify today on this important issue.

My name is John Ravitz and I am the Executive Vice President/COO of The Business Council of Westchester (BCW) the county's only membership organization focusing on economic development and advocacy issues. The BCW has 1,000 members which include multinational corporations, hospitals, universities, biotech pioneers, not-for profits, professional service firms and companies of all sizes.

Each year, the BCW issues a legislative agenda. Our goal is to ensure that Westchester's elected officials who represent all levels of government can hear from the Westchester business community on issues that will have an impact on their industry.

One issue that the BCW has opposed is the New York Health Act. Our opposition is based on the following points;

- According to a recent report from the Rand Corporation, it is estimated that New York State would need another \$139 billion in new tax revenues to implement the New York Health Act and that number would grow to \$210 billion by 2031.
- The New York Health Act would take over and replace Medicare and Medicaid.
- There will be cuts in reimbursement rates to hospitals and other health care providers all negotiated by the state- this could lead to hospital closures and providers leaving the state. The BCW is proud to have all the county's hospitals as members. We have heard from many of them about the negative impact the New York Health Act would have for their patients and employees. In Westchester County we are proud of the work that our health care institutions are doing. We should not be

putting fiscal burdens in their way that will stifle important innovation and research that are helping to save lives.

- Approximately 25% of New Yorkers are in self-insured plans which is pre-empted by federal law and they will not have to participate in the New York Health Act, but the employer/employee will still be responsible for additional payroll taxes.
- Organizations with Collective Bargaining Agreements might need to renegotiate their healthcare agreements.
- Due to the implementation of the New York Health Exchange, New York currently covers 95% of its residents under a combination of private and public health plans.

I'd like to spend a moment on that last point. In 2012, the BCW became a sub-contractor with the Community Service Society of New York (CSSNY) and held workshops throughout Westchester County regarding the Affordable Care Act. We informed businesses on critical issues associated with the new law.

Months before the New York State Health Exchange went live, the BCW became a sub-contractor with the CSSNY's statewide Navigator Network Service Program. We hired a Navigator who was trained and certified by the state to begin to assist Westchester businesses and residents to enroll in the New York State Health Exchange. I am proud to report that the BCW's Navigator enrolled 1,230 Westchester residents into the New York Health Exchange Program.

During that time period, I had a front row seat to see the important role that our Navigator played in helping individuals and families select a health care plan under the New York State Exchange that worked within their budget and provided the services they needed. The work that the Navigator had to do was hard. He had to earn their trust as they worked together to select the appropriate plan. I was also encouraged to see that many of the people that our Navigator worked with had received permission from their employers to come to our office to meet with the Navigator.

As a former member of the New York State Assembly, who served as Chairman Gottfried's Ranking Member on the Assembly's Health Committee from 1992-1998, I had many doubts that New York State could design and build the New York Health Exchange in the time frame that they were given to comply with the Affordable Care Act. It was gratifying to see that the implementation of the New York Health Exchange was done successfully. The state was able to create a program that has worked. Throughout the state employers and employees have participated in enrolling in the Exchange,

One of things I was most proud about during my time in the New York State Assembly and a member of the Assembly Health Committee was the implementation of the Child Care Plus program. The goal was to give families the opportunity to move away from using hospital emergency rooms as their primary health

care providers. Many of the Westchester residents who the BCW's Navigator assisted had been using the Westchester hospital's emergency rooms in that same manner. They along with all New Yorkers who have enrolled in the New York State Exchange program no longer have that issue.

My question to all of you is why would we want to dismantle a statewide program that is accomplishing its mission? The cost to New York State to implement the New York Health Act has already been documented. The increase to future New York State budgets would be catastrophic and would force the legislature to close huge deficits by having to reduce funding in other important essential services. The bottom line is that New York State can't afford and should not tear down their existing health care system that has already enrolled 4.8 million New Yorkers.

Next year the Governor and the Legislature will be faced with another huge problem. It has been reported that New York's Medicaid program expenses are running at least 3 billion dollars over budget. In last Thursday's "Wall Street Journal" in a story regarding the Medicaid cost, Chairman Gottfried stated "What we expect to be dealing with in this coming fiscal year is on the scale of billions. Paying for health care in New York is expensive. So, when you talk about a 5 or 10% cut in the program, you really can't do that without causing serious damage." If we already know that New York State must address this challenge, why would we entertain the thought of tearing down a system that is moving in the right direction and build a new one that New York can't afford. Chairman Gottfried will remember one of my political mentors, the late Assembly Minority Leader Rapp Rappleyea. In the early 1990s, when we would be debating budget bills when the state was facing billion-dollar deficits, Rapp would always remind us that New York could not afford to play the "spend and pretend" game. Which simply meant, spending money that the state did not have and pretend that everything will eventually work out. New York's health care system is too important to play that kind of game.

Can New York State provide a better health care system? The answer is yes. Rather than pass the New York Health Act, the BCW would like to see the New York State Legislature work with stakeholders to make improvements to the New York State Health Exchange so that those New Yorkers who have not yet enrolled in the program have the opportunity to identify and select a sustainable health care plan. New York State did a great deal of work to build the New York State Health Exchange. Don't tear down what all of you worked so hard to achieve. I urge you to focus on the unintended consequences that the passing of the New York Health Act will have to the economy of our state which will jeopardize providing the quality health care that all New Yorkers deserve the right to have.