
Canfield Machine & Tool LLC

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Date: May 9, 2022
To: New York State Assembly Committee on Codes
Re: Memo in Opposition
Legislation: S.5474 (Rivera) / A.6058 (Gottfried)
Title: AN ACT to amend the public health law and the state finance law, in relation to establishing the "New York health act" and to establishing New York Health

Canfield Machine & Tool LLC opposes this legislation that would create a government run, single payer health care system. If passed, this legislation would replace New York's current system of health coverage with a single payer system to be financed by a mandatory new payroll tax on both employers and employees, as well as new taxes on other income such as interest and capital gains.

The New York Health Act would result in the largest state tax increase in the history of the U.S. An independent study conducted by the RAND Corporation found that the legislation will require at least \$210 Billion in new taxes when fully implemented. RAND did not include the cost of long-term care benefits, which requires an additional \$42.7 billion in taxes. This is three times more than what New York State currently collects to pay for everything from schools to roads and bridges.

The proposed single payer health care system is not like providing "Medicare for All." Medicare allows people to choose a health plan and purchase additional coverage if desired. Under this legislation, New Yorkers would have no choice in their health care coverage. The only option available would be the government-run single payer system.

Currently Canfield Machine & Tool LLC offers a choice of health insurance options for our employees. They also have the option to obtain health insurance from other sources if that is their preference. Our employees, who are all residents of New York State, value this flexibility. The proposed system would take away their options and at the same time increase their payroll taxes.

We believe that the increased taxes and decreased flexibility in health care would incentivize hard-working New Yorkers to move to other states they would perceive as having more freedom and opportunity. This would make it more difficult for New York employers to hire good employees and would contribute to a downward cycle for New York's economy.

Today more than 95% of New Yorkers have health care coverage through a combination of private, employer-sponsored and government supported plans. The legislation destroys the current system of health care coverage by banning the sale of private health insurance in New York State, and it does not do anything to address the increasing costs of health care.

The single payer health care system this legislation would create is not only impractical but would be a financial disaster for New York State. For these reasons, Canfield Machine & Tool LLC opposes this legislation.
