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New York State Hearing

New York Health Act

Joint Senate and Assembly Committees on Health

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Good morning Chairpersons Gottfried and Rivera and members of the Assembly and Senate Committees on Health. I am Mitch Katz, M.D., President and Chief Executive Officer of the New York City Health + Hospitals (“Health + Hospitals”). On behalf of Health + Hospitals and the de Blasio Administration, thank you for the opportunity to provide testimony in support of the New York Health Act.

It is well established that health insurance coverage plays a critical role in enhancing one’s access to needed care and maintaining or improving health status. There is strong evidence that insurance coverage is associated with having a consistent source of care and being able to afford needed care, both of which are critical for achieving better health outcomes.ⁱ Not having insurance also increases health disparities across race, ethnicity and socioeconomic status. Health insurance plays a major role in access to primary care and evidence-based preventive health services, which can help people avoid or delay the onset of disease, slow or prevent the progression of diseases, lead productive lives and reduce costs. In fact, studies have shown that lack of health insurance may increase the likelihood of mortality.ⁱⁱ

Health insurance coverage is also important for the city’s economy and job markets, as it directly supports health care providers, including hospitals, community health centers, nursing facilities, and health insurance plans. Expanding access to health insurance coverage and implementing a single payer system would support NYC Health + Hospitals mission to provide high quality health care services to all New Yorkers regardless of their ability to pay. Health + Hospitals is the largest public health care system in the nation and serves over a million patients each year, of which nearly 400,000 are uninsured.

Since the Affordable Care Act (ACA) was enacted in 2010, the uninsured rate in New York City across all ages has dropped significantly. During the most recent open enrollment period, a record 1 million New Yorkers, 57% of whom were New York City residents, enrolled in health insurance through the state's ACA exchange; almost three quarters of those individuals signed up for Essential Plan.ⁱⁱⁱ Overall, New York's ACA exchange saw a 70,000 (7%) increase in Essential Plan and qualified health plan enrollment from the previous year^{iv}, despite the fact that enrollment through the federally facilitated exchange declined by approximately 4% during the same period.^v Unfortunately, coverage gaps remain; over 1.1 million New Yorkers, including the estimated 600,000 New York City residents that remain uninsured.

A single payer health system would provide coverage to these uninsured and underinsured New Yorkers. The New York Health Act would create a comprehensive system of access to health insurance to provide a health plan available to every New York State resident. The program does not require participants to pay any premium or out-of-pocket costs, and provides all benefits currently included in Medicaid, Medicare, Child Health Plus and other state programs. This new system will ensure access to critical care for those who need it most, and will increase positive health care outcomes for all New Yorkers. We have read about concerns expressed by labor about the New York Health Act, and we are confident that the bill sponsors can address the concerns raised.

A single payer system would also make major strides to decrease segregation of care based on insurance type. Research has shown that many private practices do not accept Medicaid^{vi}; other studies suggest that Medicaid is generally accepted at

hospital clinics, but not necessarily in the faculty practices of the same hospitals.^{vii} The difference in rates paid by Medicaid when compared to private insurance is a contributor to this inequity, which would be eliminated with a single payer system.

As a primary care doctor, what is most important is care. A single payer system would allow me to spend more time on patient care than checking formularies. The current system makes me check formularies of each insurance company rather than providing prescriptions that I know work for my patients. It would also alleviate administrative burdens that safety net hospitals face. Health + Hospitals is currently fighting to make sure insurance companies pay us back when they have underpaid us in the past for care provided to patients.

The continued effort to undermine or eliminate the ACA is a threat to all New Yorkers and especially to Health + Hospitals patients. The threat of Federal Disproportionate Share Hospital payments cuts which will be devastating to Health + Hospitals, the proposed public charge rule and immigration policy changes harm our efforts to reach new patients and provide them the care they need. Despite these risks, Health + Hospitals will not be deterred from serving our patients across our health system.

As the Trump Administration continues its assault on the ACA and Medicaid, it is our job to ensure that everyone, regardless of their age, employment status, household income, immigration status or health status, has access to health care. The New York Health Act would guarantee this access for every New York State resident.

The City of New York strongly supports the New York Health Act. Thank you for the opportunity to join the growing chorus of voices in support of a single payer health care system.

Thank you to the Chairs of the Assembly and Senate Health Committees for your tremendous support of Health + Hospitals and I look forward to taking your questions.

[†] Shartzter, A., Long, S. K., & Anderson, N. (2015). Access to care and affordability have improved following Affordable Care Act implementation; problems remain. *Health Affairs*, 35(1), 161-168; Collins SR, Gunja MZ, Doty MM et al. *Americans' experiences with ACA Marketplace and Medicaid coverage: access to care and satisfaction* (Commonwealth Fund, May 2016). <https://www.commonwealthfund.org/publications/issue-briefs/2016/may/americans-experiences-aca-marketplace-and-medicaid-coverage>; Starfield, B., Shi, L., & Macinko, J. (2005). Contribution of primary care to health systems and health. *The milbank quarterly*, 83(3), 457-502.

[‡] Woolhandler, S., & Himmelstein, D. U. (2017). The relationship of health insurance and mortality: is lack of insurance deadly?. *Annals of internal medicine*, 167(6), 424-431. Hadley, J. (2003). Sicker and poorer—The consequences of being uninsured: A review of the research on the relationship between health insurance, medical care use, health, work, and income. *Medical Care Research and Review*, 60(2_suppl), 3S-75S. Michael McWilliams, J. (2009). Health consequences of uninsurance among adults in the United States: recent evidence and implications. *The Milbank Quarterly*, 87(2), 443-494.

[§] New York State of Health Marketplace, 2019 Coverage Year County Level Enrollment Data, available at <https://info.nystateofhealth.ny.gov/2019countylevelenrollmentdata>, compared to 2018 Coverage Year County Level Enrollment Data, available at <https://info.nystateofhealth.ny.gov/2018CountyLevelEnrollmentData>

[¶] New York State of Health Marketplace, May 2019, NYSOH 2019 Open Enrollment Report, available at https://info.nystateofhealth.ny.gov/sites/default/files/NYSOH%202019%20Open%20Enrollment%20Report_0.pdf

[•] CMS, 2019 Exchange Open Enrollment Period Final Report, available at <https://www.cms.gov/newsroom/fact-sheets/health-insurance-exchanges-2019-open-enrollment-report>

^{¶¶} Hsiang, W. R., Lukasiewicz, A., Gentry, M., Kim, C. Y., Leslie, M. P., Pelker, R., ... & Wiznia, D. H. (2019). Medicaid Patients Have Greater Difficulty Scheduling Health Care Appointments Compared With Private Insurance Patients: A Meta-Analysis. *INQUIRY: The Journal of Health Care Organization, Provision, and Financing*, 56, 0046958019838118. Medicaid and CHIP Payment and Access Commission, January 2019, Physician Acceptance of New Medicaid Patients: New Findings, available at <https://www.macpac.gov/publication/physician-acceptance-of-new-medicaid-patients-new-findings/> See also Hogleash, K., & Heberlein, M. (2019). Physician Acceptance of New Medicaid Patients: What Matters and What Doesn't. *Health Affairs Blog*, available at <https://www.healthaffairs.org/doi/10.1377/hblog20190401.678690/full/>

^{¶¶¶} Calman, N. S., Golub, M., Ruddock, C., & Le, L. (2006). Separate and unequal care in New York City. *J. Health Care L. & Pol'y*, 9, 105.