



May 24, 2019

Hon. Gustavo Rivera  
New York State Senate  
Chair, Health Committee  
172 State Street  
Capitol Building, Room 502 C  
Albany, NY 12247

Hon. Richard Gottfried  
New York State Assembly  
Chair, Health Committee  
LOB 822  
Albany, NY 12248

**Re: Testimony regarding the New York Health Act**

The Buffalo Niagara Partnership, on behalf of its members who employ more than a quarter of a million people in the region, opposes the New York Health Act. Ensuring that all New Yorkers have access to affordable healthcare should be the goal of New York State. In an effort to achieve that goal, the New York Health Act upends the current healthcare system for 95 percent of New Yorkers already insured, creating alarming uncertainty for both patients and providers, and putting New York State on the path to fiscal ruin. Simply put, New York cannot afford single payer healthcare.

The New York Health Act would replace all private insurance and existing government plans such as Medicare and Medicaid creating a single, state-run and financed health plan. As a result, Albany bureaucrats will be in charge of the healthcare for all 20 million New Yorkers. In addition to using all existing state and federal healthcare funds, this legislation would require the creation of two new taxes, a payroll tax split between employers (80%) and employees (20%), and a tax on non-payroll income. According to conservative estimates, the New York Health Act would require \$139 billion in new taxes in 2022 and climb to \$210 billion in new taxes by year 2031. That number jumps to more than \$250 billion in new taxes if long-term care coverage is included as many single payer advocates promise. These already scary cost projections would be blown out of the water if wealthy residents decide to leave the state to avoid higher taxes.

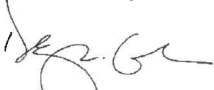
The 80 percent employer tax that will be used to fund the New York Health Act would have devastating implications for businesses in New York State. Employers would no longer have the option to select healthcare plans that make sense for their employees, forcing everyone to use the same government healthcare plan. This kind of expensive, one-size-fits-all approach proves why New York is consistently ranked as having one of the worst state business tax climates in the nation. The massive new taxes that would be imposed to fund the New York Health Act will certainly cement that standing, turning jobs and investment away from New York in the process. The New York Health Act would also have a significant impact on the workforce in the state, eliminating nearly 150,000 jobs and potentially the entire insurance industry, disrupting the state's economy.

According to a report by the RAND Corporation, under the New York Health Act, healthcare use in New York State would rise while patient demand would not be fully met. This troubling premonition would be compounded by the reality of doctors and other medical professionals fleeing New York for other states where decision making authority and provider reimbursement rates are not totally controlled by the government.

Instead of creating chaos in a healthcare system that works for the vast majority of New Yorkers, the state should be focusing on lowering healthcare costs across the board and insuring the five percent of New Yorkers currently lacking access for affordable healthcare.

For these reasons, the Buffalo Niagara Partnership opposes this legislation.

Sincerely,



Dottie Gallagher  
President & CEO  
Buffalo Niagara Partnership

CC: Hon. Patrick Gallivan, NYS Senate  
Hon. Andrew Raia, NYS Assembly