



December 19, 2019

Hon. Andrew M. Cuomo
Governor New York State
NYS State Capitol Building
Albany, NY 12224

Hon. Andrea Stewart-Cousins
Senate Majority Leader
Room 907, LOB
Albany, NY 12247

Hon. Carl Heastie
Assembly Speaker
Room 932, LOB
Albany, NY 12248

Dear Governor Cuomo, Leader Stewart-Cousins and Speaker Heastie:

On behalf of a broad group of organizations representing employers that are committed to ensuring access to quality and affordable health care, we are writing with regard to the discussions on the current funding shortfall in Medicaid and to express our opposition to any efforts to increase health insurance taxes to close this gap.

Year-after-year the business community has asked for relief from the various surcharges and assessments on health insurance collected under the Health Care Reform Act (HCRA). While we recognize it is unlikely that there will be a reduction in HCRA given the state's fiscal challenges, keeping those assessments from increasing is vital to avoid adding to the cost of health insurance for New York businesses and the individuals they employ.

Originally, the HCRA taxes were intended for specific health delivery uses, such as funding hospital bad debt and charity care and graduate medical education and training. However, HCRA taxes are now used to fund myriad programs that go far beyond the original scope and mission of the program, and, worse yet, repeatedly plug holes in the state budget. As a result, the taxes today under HCRA adds well over \$5 billion annually to the cost of health insurance, amounting to well over \$1,000 per premium for the average family buying a policy in New York. These taxes far exceed national averages and other New York State taxes on employers and employees.

Controlling rising health care costs is a critical issue facing employers, as increases in the cost of health care stymies their ability to create jobs, invest in their companies and improve the state's economy. Increasing assessments exacerbates the challenge employers face to make high-

quality, affordable coverage available to their employees and makes the cost of doing business even more expensive in New York.

For all these reasons, we ask that you reject any proposed increases to HCRA.

Sincerely,

The Business Council of New York State
Capitol Region Chamber
Employer Alliance for Affordable Health Care
Greater Binghamton Chamber
National Federation of Independent Businesses-NY
New York State Association of Health Underwriters

Buffalo-Niagara Partnership
CenterState Corporation for Economic Opportunity
Food Industry Alliance of NY
Long Island Association
Northeast Dairy Foods Association
Unshackle Upstate