



Is New York Backtracking on Health Care Reform?

John Farley | September 15, 2011 6:06 AM VIDEO ↴



New York State Senator Greg Ball. Ball and several Republican Senators are opposing health exchange legislation. Photo courtesy of nysenate.gov.

After President Barack Obama signed the Patient Protection and Affordable Care Act into law in March, 2010, New York seemed to be on the fast-track to implementing health care reform.

But thanks to a surge in G.O.P. opposition to the plan in the State Senate, New York's ability to pass legislation creating a health insurance exchange – a mandatory, publicly operated, one-stop-shopping market where businesses and individuals can purchase health insurance – is less certain.

On Sept. 14, the *Capital Report's* Susan Arbetter talked with two State Senators, the head of the American Cancer Society and a political strategist to discuss the stakes if the Senate misses its next deadline to pass health exchange legislation on Sept. 30.

Until now, New York State seemed to be ahead of the curve when it came to enacting the new laws. After the Affordable Care Act, a more privatized version of the Democrats' original health care reform plan, was passed, [New York received a \\$1 million planning grant to create a health exchange](#), reported the *New York Times*.

While 28 other states, believing that mandatory health insurance violates state rights, sued the federal government to overturn parts of the Affordable Care Act, New York was chugging along with its implementation of the plan. In Feb. 2011, New York became one of a small number of states to receive a prized "Early Innovator" grant to the tune of \$27 million. Then, in August, the state received a \$10.7 million "establishment grant," reported the *Times Union*. That grant was intended to help New York move forward with the creation of an exchange.

What is a health care exchange? New York State currently has 2.6 million uninsured residents. An exchange provides a centralized location where consumers can look at multiple private insurance plans and select the best one, which, according to advocates, can create competition among the insurance companies and drive the prices down. This eases the burden not only for individuals, but also for small businesses trying to insure their employees.

"Because there's no individual mandate, that means that only very sick people are motivated to buy coverage, so that's one of the reasons it's so expensive to buy coverage in New York State," Elisabeth Benjamin, vice president of health initiatives for the Community Service Society of New York, told WNYC's Brian Lehrer in June.

WATCH VIDEO:

search MetroFocus GO

SUPPORT PROVIDED BY:

A Smart Alternative to Today's Low Interest Rates

Details >

MUTUAL OF AMERICA
Your Retirement Company

Receive email updates directly to your inbox
enter your email address SUBMIT

MetroFocus on Facebook

Like

369 people like **MetroFocus**.

Vashti Duplessey-M Michael Chrissy Irma
Jim Diana JiHee

Facebook social plugin

MetroFocus **MetroFocus**

What would Jane Jacobs say? @NYC_DOT @degoldstein
<http://ow.ly/6wely> #highline #urbanplanning
3 hours ago · reply · retweet · favorite

#TonyBennett, #Homeschooling on the Rise & #Cultural Picks for #Fall <http://t.co/MMJduwSG> #events #free #roundup
3 hours ago · reply · retweet · favorite

The inside #scoop on @Cynthia_Rowley's #fall collection
<http://ow.ly/6vD1W> #NYFW
21 hours ago · reply · retweet · favorite

Imagine a #bookstore with only one section: #cookbooks - check out our latest #mynewyork with @Momofuku's David Chang <http://ow.ly/6vBlg>
21 hours ago · reply · retweet · favorite

Join the conversation

To view the full experience of this website, please download and install [Adobe Flash Player 9](#).

Susan Arbetter discusses the impact of the Senate's health insurance exchange legislation. Video courtesy of WCNY.

Backtracking on Healthcare. Despite raking together more federal health exchange funds than any other state, and with 2.6 million uninsured citizens standing to benefit from the new health care legislation, New York State Senate failed to pass a bill to create and determine its health exchange model before its last session ended in June.

"To be honest, some of us were pretty damned shocked that there wasn't even any debate about holding up voting on the bill," Democratic Senator Liz Krueger told Arbetter.

State Senator Greg Ball said that the G.O.P. decided not to bring the health exchange vote to the floor in June because there wasn't enough time for his party to debate it. The party also feared that a hastily created health exchange could threaten New York's strong Medicaid rules, reported Arbetter. It was a disappointment for the Democrats, but with \$38.7 million in federal funding, there seemed to have been an assumption that things would go more smoothly in the next session. Not so.

In September, Ball and several other Republicans came out in strong opposition to a health exchange vote.

"I would fight very vociferously to make sure that we're not seen as implementing and expediting Obamacare," said Ball, who pointed out that if Obama is defeated in the next election there could be a major reversal in the direction of health care reform policy, reported the *New York Times*.

What if the bill to create a state health care exchange doesn't pass? The federal government has allotted hundreds of millions of dollars to set up health exchanges in each state, but there are quarterly deadlines for states to make sufficient progress to warrant their receipt of those funds. The next deadline for New York is on Sept. 30, which the *New York Times* reports will likely not be reached. The state could potentially lose between \$50 to \$100 million worth of funds that it has asked for. That doesn't necessarily mean it's the last chance to get the funds, but it stalls progress in implementing reform.

Some health care reform activists are quick to point fingers at Gov. Andrew Cuomo for not pushing health exchange legislation. Cuomo hasn't spoken on the issue since the last session.

"The Cuomo administration said, 'it would be best if the health insurance exchanges were created this year,'" Blair Horner, vice president for advocacy for the American Cancer Society, told Arbetter.

The Affordable Care Act says that states have until the start of 2013 to prove to the federal government that they're in shape to have operational health exchanges by 2014. Otherwise, the federal government will set up a health exchange for the state. This may cause a lot of problems, since the federally implemented health exchanges will likely fail to account for specific local health needs.

Different health exchange models. The Affordable Care Act gives states a great deal of choice in determining how their health exchanges work, and the 13 states which have already passed health exchange legislation vary widely in terms of

function and effect. Utah, for example, offers a model that's effectively similar to the way insurance purchasing worked before the Affordable Care Act was even written.

"Utah has a clearinghouse model, replicating what we already have," Benjamin told WNYC's Brian Lehrer. "Any insurer can come put up their wares and the poor consumer has to sort through them all...one carrier has 28,000 different product lines. It's absolutely nonsense for a person on their own to sort through the chaos that exists in our current system."



What New York Democrats and pro-health care reform Republicans are hoping for, and what the Affordable Care Act was intended to do, is to set up a health exchange similar to the one Massachusetts has designed with an "active purchaser" — a state employee or group of employees whose job it is to strike bargains with the insurance companies and create an organized assortment of standardized plans for different types of people and businesses.

The bill that passed by the Assembly in June was somewhat vague in terms in terms of how the exchange would work, reported *Politics on the Hudson*, and Benjamin told the *Times Union* that the Senate has done little work making those decisions thus far.

Tags: Albany, Andrew Cuomo, Elisabeth Benjamin, government, Greg Ball, health exchange, healthcare reform, law, Susan Arbetter

You may also like...

- Guide for the Last Minute Voter: 2011 Primary and Special Election
- Officials Tracking 'Credible' Terror Threat in New York City, D.C.
- Department of Environmental Conservation Commissioner Discusses Fracking
- The Ups and Downs of NYC's Privately Funded Public Spaces
- Long Island Authority Slow to Bring Back Power; Cuomo Slow to Bring Power to Authority

Like Print Email 1 Comment + Share  

One Response

GoodScout

September 15, 2011 -- 7:02 am

Great. The flat-earthers in the Senate are going to oppose something that's good for their constituents to score brownie points with their tea party base. When will everyone wise up that voting for Republicans is a sure-fire route to ruin?

[Reply](#)

Leave a Reply

Your email address will not be published. Required fields are marked *

Name *

Email *

Comment

POST COMMENT

[↑ Back to top](#)

[About Us](#) [Contact Us](#) [The MetroFocus Team](#) [WNET Pressroom](#)

MetroFocus is made possible by James and Meryl Tisch, the Cheryl and Philip Milstein Family, Josh and Judy Weston, Jody and John Arnhold, The Shelley & Donald Rubin Foundation and Jean and Ralph Baruch. Corporate funding is provided by Mutual of America.

RUBIN MUSEUM OF ART

MUTUAL OF AMERICA
Your Retirement Company

© 2011 WNET All Rights Reserved. 825 Eighth Avenue New York, NY 10019

5