

July 9, 2008

New York State Insurance Department
Partnership for Coverage, Suite 1700
One Commerce Plaza
Albany, New York, 12257

New York State Department of Health
Partnership for Coverage
Empire State Plaza, Corning Tower, Room 2001,
Albany, New York, 12237.

Re: Instructions for the Partnership for Coverage Modeling of Options for Expansion of Health Insurance Coverage for New Yorkers

Dear Dr. Daines and Superintendent Dinallo:

We appreciate the opportunity to respond to the universal health care modeling instructions you are submitting to the Urban Institute. This study, the first such comparative analysis ever done for New York State, can provide a basis for contrasting policy proposals designed to address the critical problems facing our health care system. As such, it is important that it be as comprehensive and evenhanded as possible:

1. **Issues to be Addressed** We believe you recognize that the three questions that the Urban Institute's HIPSM model addresses -- impact of a proposal on the number of uninsured, the response of employers and workers to various subsidies, and the effect on risk pools -- are exceedingly limited. They do not at all encompass the range of issues that we would hope that this study would explore. As you suggest subsequently, in accordance with the legislation creating the study, other issues would be studied as well. We would hope that such issues as the following would be given equal importance:

- What will be the economic impact of the reform on employers, families, providers, and state and local governments?
- To what extent will the reform enable the cost of health care to be controlled?
- How will the reform affect the quality of care and choice of care providers available to the public?

2. **Replacement of Public Programs** We agree that, for this analysis, the existing Medicare program would be assumed to continue, so that only the impact on the under-65 population would be studied. However, in discussing "common parameters," you suggest that Medicaid, Family Health Plus, and Child Health Plus would also continue to serve their existing populations. Since those programs all rely on private insurance, which is

eliminated under the Single Payer proposal, we assume that those existing programs would not be continued under the Single Payer proposal (except for some special supplemental services provided through Medicaid). The fundamental simplification that Single Payer would make possible for providers, including global budgeting for institutional providers and simplified billing for private practitioners, can only be achieved if everyone under 65 is assumed to be covered under the same program. Therefore, we would expect the Urban Institute analysis to assume that presently existing Public Programs are ended and that their funds and recipients are incorporated into the Single Payer program.

3. **Common Parameters** Your Modeling Parameters for Single Payer mention eligibility determination, but the only such determination that is needed is the residence determination, and that should be common to all of the proposals. Similarly, the Modeling Parameters mention “negotiating reimbursement rates, overseeing consumer disputes, engaging in health care facility planning, administering provider payments, measuring quality and facilitating uniform electronic medical records.” Most if not all of those items are, again, common to all of the proposals, albeit in somewhat different forms in each proposal. If these are to be mentioned at all, they more properly belong in your earlier listing of common parameters, rather than in a listing of the parameters for the Single Payer proposal alone.

4. **Cost-Sharing and Primary Care** Your instructions for the Single Payer proposal do not mention cost-sharing. We believe you should say explicitly that there would be no cost-sharing under the Single Payer proposal. The elimination of cost-sharing encourages patients to seek the care they need and eliminates the need for complex, costly eligibility determinations. Along with this, the Single Payer proposal should be assumed to include an emphasis on primary and preventive care as a way of facilitating access to care and potentially restraining the cost of care.

Again, we welcome the opportunity to provide these comments and look forward to this study making a valuable and constructive contribution to the health care policy process.

Yours truly,

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Chair, New York Metro Chapter
Physicians for a National Health Program

Paul Sorum, MD
Chair, Capital District Chapter
Physicians for a National Health Program