

July 21, 2008

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

To Whom It May Concern,

Thank you for the opportunity to comment on the modeling of options for the expansion of health insurance coverage for New Yorkers. Please note that our comments do not discuss the merits of the four proposed models. Instead, we suggest modifications to the parameters for two of the models, i.e., the Combined Public-Private Reform and the Freedom Plan. Our comments take into account the unique needs of small businesses and their workers.

Please let us know if you have any questions about our suggestions.

Sincerely,



Carl Hum
President & CEO
Brooklyn Chamber of Commerce



Dean Mohs
Executive Director
Brooklyn HealthWorks

Combined Public-Private Reform

1. Consider building into the exchange an option for individuals and small employers to purchase coverage with or without the assistance of a broker. For those not using a broker, provide them a discounted price that eliminates broker commissions and bonuses.
2. Consider building into the model the impact of incorporating prior approval into rate setting for individual and small group premiums.
3. Consider building into the model the impact of incorporating premium rate reductions for individuals and small groups who successfully participate in wellness/prevention/disease management efforts.
4. Consider modeling runs that will introduce additional standardized benefit packages—ranging from comprehensive to high deductible health plans as well as the impact of offering a competing public option and a discrete “young invincible” product. The standardized benefit packages should include options that eliminate some of the state mandates, such as Healthy NY. We think these options should be modeled immediately—to give policy makers and legislators complete information.
5. Consider allowing small employers that do not meet the eligibility requirements to buy-in to Healthy NY at full actuarial value.
6. Consider modeling a smaller employer percentage contribution or a flat contribution—similar to the levels suggested in the United Hospital Fund’s Blueprint for Coverage. We are opposed to employer mandates and believe the level proposed in this model will be vulnerable to ERISA challenges.
7. Consider adding an employer direct premium subsidy. Brooklyn HealthWorks has demonstrated the success of this model in maintaining the affordability of health insurance for small businesses.

The Freedom Plan

1. Consider adding an option for individuals and small employers to purchase coverage with or without the assistance of a broker. For those not using a broker, provide them a discounted price that eliminates broker commissions and bonuses.
2. Consider building into the model the impact of incorporating prior approval into rate setting for individual and small group premiums.
3. Consider building into the model the impact of incorporating premium rate reductions for individuals and small groups who successfully participate in wellness/prevention/disease management efforts.
4. Consider modeling the addition of standardized benefit packages that eliminate some of the state mandates. This modeling parameter should not be limited to high deductible health plans.
5. Instead of increasing the emergency co-payment for Healthy NY and the annual cap on prescription drug coverage, consider modeling these additions using optional group riders.