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## \$50 Billion Health Plan Is Eyed

BY JACOB GERSHMAN

Among the various options for providing universal health care coverage to New Yorkers, Governor Spitzer will be considering a plan developed by a prominent Democratic state lawmaker that would eliminate premiums and income eligibility and cost the state more than \$50 billion.

Inspired by the public education system model, the program would be financed mostly by state tax revenue, with support from existing federal matching funds. If adopted, it would almost double the size of the state budget.

While New Yorkers would see a dramatic hike in their taxes, which are already among the highest in the nation, residents would no longer be responsible for health care premium, deductible, and co-payment costs, and employers would no longer be required to pay for health coverage for their employees. Enrollment would be virtually automatic, but as with public schools, New Yorkers could opt out and pay for private insurance instead.

The plan is the brainchild of the chairman of the Assembly's health committee, Richard Gottfried, a veteran liberal lawmaker from Manhattan. Mr. Gottfried is expected to release a report detailing components of his idea in coming days.

In an interview, Mr. Gottfried said his initiative builds on existing public health insurance programs in New York, Child Health Plus and Family Health Plus, which are now limited to low-income residents who don't qualify for Medicaid and are bankrolled to a large degree by the federal government. His plan would differ from a single-payer system, allowing New Yorkers to choose from a range of private health carriers that contract with the state.

The lawmaker is pushing his universal coverage solution as the Spitzer administration is poised to announce the awarding of a \$200,000 contract to an outside group hired to evaluate a range of policy options. Next summer, Mr. Spitzer is expected to present to the Legislature a long-term path toward covering the estimated 2.8 million New Yorkers who lack insurance.

Other health care groups have begun to roll out smaller-scale plans, presenting them to New York's health commissioner and insurance superintendent at recent public hearings. For instance, the Community Service Society of New York, a poverty group, is advancing a proposal that would raise income eligibility caps of Family Health Plus to five times the poverty level and ensure that premiums don't exceed 5% of a family's gross income.

Mr. Gottfried said a main advantage of his idea is that it bypasses employers, making the program more accountable to the public.

While it would require Mr. Spitzer to break his promise not to raise taxes, "anything that anybody proposes that could credibly be called universal health coverage is going to require some new spending and revenue," he said.

Mr. Gottfried said the Spitzer administration is "currently considering" his ideas but acknowledged that it could years for New York to accept such a radical shakeup of its health care system. "He couldn't do it overnight, but I think he could get it enacted," he said. The administration did not respond to requests for comment yesterday.

New York is one of several states that are aggressively pursuing universal health care. California is inching closer to an agreement on a program similar to Massachusetts's that would require residents to buy insurance and raises taxes to pay for subsidized coverage.

Thus far, Mr. Spitzer has favored a piecemeal process that extends coverage by stretching out the income eligibility of federally sponsored insurance programs.

Mr. Spitzer's approach first started with children, as he signed legislation this year that sought to raise the income cap of the State Children's Health Insurance Program to four times the federal poverty level, extending subsidized coverage to an additional 70,000 children. Of the 400,000 children in New York who don't have insurance, most live in families that are eligible for coverage but for a variety of reasons have not enrolled.

Mr. Spitzer counted on the Bush administration to go along with his effort and grant New York permission to extend Schip to New York's middle-income families. Instead, the White House rejected New York's proposed waiver and vetoed an Schip reauthorization bill passed by Congress, leaving the future of the 10-year-old program in jeopardy.

While Senator Clinton and other Democratic presidential candidates have unveiled national plans for universal health care, health care activists are increasingly pushing for action on the state level, where they believe they have a better chance for success.

"As time continues to tick away, more and more people are talking about what we can do at the state level to tide us over until we get a federal solution," Jennifer Cunningham, an adviser to the health care labor union, 1199 SEIU United Healthcare Workers East, said in an interview.

The union has hired organizers in preparation for a major push for universal coverage next year. Before advancing a particular plan, however, the union is waiting for the dust to settle in Washington, Ms Cunningham said.

"If you can't secure the expansion for the kids, spending time and energy on trying to expand the adult program, Family Health Plus, seems like it's not going to yield a lot of success," Ms. Cunningham said.