

Dear Editorial Board

We are writing to ask for your editorial support in favor of a universal health care program in New York State that provides quality health care to all New Yorkers while reducing costs. We believe that requires a major overhaul if not elimination of our present system of private health insurance; in particular, we believe that mandating the consumers buy health insurance as Massachusetts recently did is the wrong approach. We also believe that health care should be progressively financed and that all residents need to be covered without pre-conditions such as upfront payments to access the system.

In this year's state budget, \$200,000 was allocated to the Department of Health for a series of studies on how New York can best provide health care to all its residents. The value of such studies is that they will provide lawmakers with objective data on the various approaches to health care for all, rather than relying on studies paid for by one special interest or another. Governor Spitzer has also created a Task Force with the Departments of Health and Insurance to develop a universal health care proposal by May 2008.

The New York Universal Health Care Options Campaign, coordinated by Hunger Action Network and Rekindling Reform, represents more than 250 organizations which worked for the last four years to promote these initiatives. New York spends far too much public and private funds for a "sick care" system that does not provide quality health care to many New Yorkers despite having access to some of the best medical professionals and equipment in the world. New York needs to figure out how to improve the quality of our health care system while promoting a "patient first" policy and controlling costs for consumers, taxpayers and employers.

Hunger Action Network is working with the Campaign to develop a set of health care reform principles to guide the next stage of our work to achieve quality affordable health care for all. The most recent draft is attached.

New York faces a series of challenges in achieving universal health care. Probably the most critical – and daunting – is political leadership that is willing put the public interest ahead of the political clout of the insurance companies, drug firms and other special interests (e.g., hospitals, nursing homes, and health care unions) that traditionally have freely utilized campaign contributions to ensure their needs carry the most weight. Health care reforms that are standard in other democracies (e.g., a single payer system that slashes administrative costs and paperwork) are routinely dismissed by elected officials in the US for not being politically feasible (i.e., some special interest opposes them). True health care reform is only possible if elected officials are willing to put the interests of the average New Yorkers first.

As Michael Moore's new movie SICKO illustrates, private health insurance is a major problem with the American health care system. Their defenders argue that dueling insurance companies are essential to the American concept of "competition" and "choice." But private insurance adds tremendous costs to our health care system while providing a profit motive to deny essential health care services. New York can not afford a health care system that spends 20 to 35 cents of every health care dollar paying for the costs, profits and bureaucracy of private health insurance. In contrast, Medicare spends about 3% on administrative costs.

A study conducted for California estimated that a single payer Medicare for All type of health care system for the state would save \$38 billion annually over a ten year period. A similar study is now to be conducted for New York. We would expect savings in the \$10 to \$15 billion – while providing coverage for all New Yorkers. Given that such a system would save far more money than other universal health care systems, while preserving freedom of choice for consumers in terms of where they get health services from, we hope that Governor Spitzer and state lawmakers keep an open mind about such an approach.

Reducing the costs associated with private health insurance will provide the greatest savings but there are other steps New York should take as well. One reform that at least some HMOs have understood is the need to invest in preventive health care and wellness programs. It is cheaper to keep people healthy than to cure them once they are sick. Affordable housing programs reduce health expenditures by reducing the number of children exposed to lead paint, diesel fumes or other toxic sources. Everyone understands the cost benefits from computerizing medical records; it just hasn't made sense for HMOs to invest in it when people switch insurance coverage every few years. We need to take action when one hospital spends far more money treating certain illnesses but the patients' outcomes are the same (i.e., there is no demonstrated benefit from the additional expenditures).

The Spitzer administration has committed to holding at least five hearings this fall to give the public the opportunity to be heard about the hopes and concerns with universal health care. While recent public opinion polls show overwhelming and growing public support for a publicly financed universal health care system, insurance companies and others invariably run campaign commercials citing concerns about waiting lists or not wanting to "have the government tell you which doctor you can see." Such concerns and misinformation need to be addressed through both the study process and an extensive public education campaign by state health officials.

At first glance, the recent "universal health care plan" announced by Massachusetts seems like an important reform, and many elected officials have stepped forward to embrace it. The heart of the proposal however is that if consumers do not otherwise get health care from the government or their employer, they have to buy it. This unfortunately does little to nothing to control skyrocketing health care costs. It also means that in order to make "health insurance affordable" to moderate income families, policies would have to be created with very high deductibles and co-payments. Financially strapped households would shell out their limited funds to pay for insurance plans that would often not cover them when they most need it. We already see this problem with 58% of the bankruptcies in upstate New York being related to medical bills – in many cases these families have health insurance.

Such mandates also fail to provide true 100% universal health care coverage. For instance, 48 states mandate auto insurance. Yet on average 16% of the drivers in these states don't have auto insurance despite the mandate. Unless you have 100% coverage, you fail to "close" the system that allows for savings in other areas closely tied to health insurance, such as workers' compensation, medical malpractice and auto insurance (e.g., bodily injury).

Americans already pay for universal health care – we just don't get it. We spend more per capita on Medicare and Medicaid than any other country does for health care – and then we pay a lot more on top of that for private health insurance. Other countries spend far less but have better health outcomes than we do. And they include everyone in their health care system.

The study process that the state is undertaking provides a real opportunity for a fair analysis of the pros and cons of the various approaches to universal health care. This process needs to be as open and transparent as process, and it is critical that the public be fully engaged in deciding how to most cost effectively provide health care to all New Yorkers. In 1993, Hillary Clinton, rather than trying to devise the best health care system, instead proposed one that sought to buy off all the stakeholders by throwing money at them. Her proposal was justifiably defeated. New York needs to avoid this politics as usual approach to resolving our health care crisis.

Please give me a call at 518 434-7371 xt 1# if you have any questions or need additional information.

Sincerely,

Mark A. Dunlea, Esq.  
Associate Director