

EMPIRE STATE SUPERVISORS AND ADMINISTRATORS ASSOCIATION

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MEMO IN OPPOSITION

Legislation: S.5474 (Rivera) / A.6058 (Gottfried)

<u>Title: AN ACT to amend the public health law and the state finance law, in relation to establishing the "New</u> York health act" and to establishing New York Health

The Empire State Supervisors Administrators Association (ESSAA) and its over 7000 active and retired members ardently opposes this legislation, which would create a government run, "single payer" health care system that would replace New York's current system of health coverage. The single payer system would be financed by a mandatory new payroll tax on both employers and employees, as well as new taxes on other income such as interest and capital gains.

The New York Health Act would result in the largest state tax increase in the history of the U.S. An independent study conducted by the RAND Corporation found that the legislation will require at least \$210 Billion in new taxes when fully implemented. RAND did not include the cost of long-term care benefits, which requires an additional \$42.7 billion in taxes. This is three times more than what New York State currently collects to pay for everything from schools to roads and bridges.

Although proponents of single payer health care systems like the New York Health Act like to say they would be "Medicare for All," Medicare allows people to choose a health plan and purchase additional coverage if desired. Under this legislation, New Yorkers would not have any choice in their health care coverage; the only option available would be the government-run single payer system.

Today more than 95% of New Yorkers have health care coverage through a combination of private, employersponsored and government supported plans. The legislation destroys the current system of health care coverage by banning the sale of private health insurance in New York State, while doing nothing to address the increasing costs of health care.

The single payer health care system this legislation creates is not only impractical but would be a financial disaster for New York. It would also be a disaster for the millions of active and retired public service employees. For these reasons, the Empire State Supervisors Administrators Association (ESSAA), opposes this legislation.