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Hearing on pre-approval for health insurance product rates

New York State Health Insurance Committee
New York State Assemblyman and Chairman, Joe Morelle

Thank you for the opportunity to be here today representing the Livingston County Chamber of Commerce. I am here to share my testimony, experience and to ask for your support.

As Member Benefits Specialist at the Livingston County Chamber of Commerce in Geneseo New York I administer insurance for over 800 live policies. This is one of the largest chamber groups in Western New York. With twenty-one years working with our members looking for affordable and accessible health insurance I would like to make a few brief but important observations.

The Livingston County Chamber of Commerce supports the Chamber Alliance of New York State (CANYS) position on the legislation for reinstatement of prior approval of health insurance premium rates by the Department of Insurance. This support is in hopes of oversight to insure a fair cost of insurance for our members.

- For our individual members and our business members, health insurance has become unaffordable. **Period.** Our members are struggling to pay for their own insurance, insurance for their employees, state and federally funded insurance for others that qualify and for the uninsured that are seen in hospital emergency rooms around the state. With our shrinking workforce and tax base this cannot continue.

Suggestions: Create a private/public state system that insures all New Yorkers in a fair and sustainable model. Close all "gaps" in access to coverage, examples: the just out of college group and early retirees.

- The end of the calendar year is the worst possible time for a once-a-year Open Enrollment period. Business owners and individuals are already stressed due to year-end business reports, taxes, and the holiday season find it difficult to make important insurance decisions. A hurried decision is something the subscriber has to live with the rest of the year.

Suggestions: Create additional enrollment period at mid-year. Mandate announcement of rate increases earlier. If one open enrollment only, then schedule for mid-year. Subscriber perception is that this is calculated.

- Subscriber decision making cut short due to the late release of rate increases which creates stressed, confused and uninformed subscribers.

Suggestion: 90 day release minimum.

- Creating products that get the subscriber involved in understanding the “real cost” of health insurance.

Suggestions: reimbursement products and “real” cost of treatment identified to consumer. Incentives for subscriber to “shop” for cost and quality of services.

- Choices for individuals are basically nonexistent and at best limited and costly.

Suggestions: Look at creative ways to offer this group alternatives to tax funded health care, becoming uninsured or leaving the state.

I was around when pre-approval was in effect and I was there when it went a way. Now, for almost a decade, we have hung on for the ride of double digit increases and members scrambling to switch companies and products annually only to eventually give up on the game and drop their insurance completely.

There is no quick fix to this multi-faceted issue and rest assured, I’ve been in the business long enough to know, pre-approval legislation will not solve all our problems.

Pro - business usually means less government intervention, and it is rare for a chamber, as a business membership organization, to ask for government oversight.

I believe we are at a historical turning point, not only for our members, but also for New York State. Let’s work together to control the spiraling cost of health insurance and the great exodus of businesses and taxpayers from our state.

Thank you!