

# Federal Health Reform—What’s in it for NY?

## Why do we need health reform?

Our health insurance system is broken and unsustainable. In New York, premiums for job-based health insurance have gone up by 92%, while median earnings have only risen by 14% between 2000 and 2009. More and more working families are no longer able to afford health insurance.

There are currently 2.6 million New Yorkers without health insurance, and this number is growing daily. If we do nothing, it is estimated that by 2019:

- 522,000 more New Yorkers will become uninsured;
- As many as 1.2 million New Yorkers will lose their job-based health insurance (an increase of 48%); and
- Health spending for New York’s families could increase by as much as \$11 billion (an increase of 55%).<sup>1</sup>

## What’s in it for New York?

Federal health reform will lower the cost of health insurance and make it easier to use. People who already have good insurance will be able to keep it. Most people who don’t have insurance will be able to get it—it is estimated that in New York alone 2 million people will newly gain coverage. And everyone who utilizes the health care system will benefit from improvements.

Specifically, health reform will:

- **Lower the price of insurance.**  
Health care must be affordable so people can get the coverage they need. People earning less than 400% of FPL (\$73,200 for a family of three) will be able to get subsidies to help them pay for insurance. With these subsidies, costs for insurance on the direct-pay or individual market will go down by about 50%.



**Federal health reform will allow families to pay less for good health insurance.**

- **Get federal funding to cover New Yorkers over the next 10 years.**
  - Over \$25 billion to help working New Yorkers buy quality affordable coverage.
  - Nearly \$30 billion in federal Medicaid funding.
- **Hold health insurers accountable.**  
With federal health reform, new rules will govern insurance plans:
  - Plans will not be able to deny coverage due to a person’s health conditions, or impose annual or lifetime benefits.
  - Plans will be required to cover preventive services for free.
  - Young people will get to stay on their parents’ plans for longer.
  - Insurance plans must follow rules about how much of your premium will be spent on care—instead of profits.
  - States can get funding to better regulate insurance companies.

## Make it happen!

Health reform is still on track, but the fight is not over yet. HCFANY is working hard to make sure that health reform not only passes, but that it is done right.

<sup>1</sup> Garret B., Hoalan J., Doan L et al. *The Cost of Failure to Enact Health Reform: Implications for States.* September 2009.

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