



March 9, 2012 | 10:41 AM | By **Colby Hamilton**

Whither the health insurance exchange?

That's what Senate Democratic Minority Leader John Sampson asks his colleague on the other side of the aisle in a letter sent out today.

As part of the federal health reform passed two years ago—you may know it as “Obamacare”—the state's obligated under law to set up a health insurance exchange. The Assembly has already passed a bill from the Governor's office to create “market-place for the purchase and sale of qualified health plans in the State of New York.”

This isn't the first time Sampson's pushed Skelos to adopt the Governor-supported health insurance exchange: “In response to my previous letter, you assert that it would be both ‘fiscally irresponsible’ and a ‘disservice to New York taxpayers’ to comply with the federal statute at this time. On the contrary, the time to act is now.”

That letter Sampson refers to was sent on February 27 and spent much of the ink blasting senate Democrats over their stewardship as the majority in 2009 and 2010. Skelos also pointed to what he said were the prohibitive costs of enacting the plan, writing, “One study estimates these federal health reforms could cost New York taxpayers more that \$65 billion for the Medicaid portion alone!”

Sampson counters: “Your letter incorrectly states that setting up an exchange will drive up costs for New Yorkers. The \$65 billion figure you cite comes from a report by the conservative-leaning Cato Institute, which fails to acknowledge that – because New York already offers coverage to certain expanded populations – it is due to receive enhanced reimbursements once the law is implemented.”

And that's not the half of it, he goes on to say. Sure there are what he sees as the—more affordable rates, an easier to understand system, etc.—but do you really want the feds making this decision for us?

“[I]f New York does not have a health exchange up and running by January 1, 2013, the federal government will establish one for us. I cannot imagine that you would prefer that option. Simply put, time is running out for New York to have the mechanism in place to

comply with the federal mandate,” Sampson writes. “I am sure you agree that New Yorkers, rather than Washington, D.C. bureaucrats, should be making these decisions for our state.”

[Health Exchange Letter to Skelos 3 8 12 Final 1](#)

March 8, 2012

Hon. Dean G. Skelos Temporary President and Majority Leader New York State Senate New York State Capitol Albany, New York 12247

Dear Senator Skelos: I am writing in response to your February 27, 2012 letter to once again urge

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in advance

of the Republican Conference’s anticipated budget resolution –
that you accept Governor

Cuomo’s proposal to comply with federal law and pass enabling legislation to create a Health Benefit Exchange for New York. In response to my previous letter, you assert that it would be

both “fiscally irresponsible” and a “disservice to New York taxpayers” to comply with the federal statute at this time. On the contrary, the time to act is now. Your letter incorrectly states that setting up an exchange will drive up costs for New Yorkers. The \$65 billion figure you cite comes from a report by the conservative-leaning Cato Institute, which fails to acknowledge that

—
because New York already offers coverage to certain expanded populations

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it is due to receive enhanced reimbursements once the law is implemented. Even more disturbing, your letter ignores the fact that the exchange will benefit all New Yorkers by: Making health insurance rates more affordable; Giving consumers and small businesses real help in comparing insurance products and choosing the one that is right for them; Letting consumers and small businesses better navigate insurance paperwork and changes relating to things like new jobs or changing family circumstances; and Bringing greater transparency and accountability to health insurance plans. I fail to see why you do not agree we should move quickly to reach these important goals.

Moreover, if New York does not have a health exchange up and running by January 1, 2013, the federal government will establish one for us. I cannot imagine that you would prefer that option. Simply put, time is running out for New York to have the mechanism in place to comply with the federal mandate. Your suggestion that we do not act because of possible future court decisions seems at best imprudent and at worst quite reckless. If we do not act to set up the exchange, and thereby ensure health insurance coverage for 1 million uninsured New Yorkers, the federal government will create an exchange for us. I am sure you agree that New Yorkers, rather than Washington, D.C. bureaucrats, should be making these decisions for our state. I hope you will reconsider

your position and accept the Governor’s proposal

to establish the Health Benefit Exchange in the 2012-2013 Budget. Very truly yours, John L. Sampson cc: Senator Neil D. Breslin Senator Thomas K. Duane Senator John A. DeFrancisco Senator Kemp Hannon Senator James L. Seward