



NEW YORK STATE SENATOR

Dean G. Skelos

Senate Democrats Oppose GOP Effort to Reduce Soaring Health Care Costs for Small Businesses, Taxpayers

DEAN G. SKELOS March 18, 2009

SENATE DEMOCRATS OPPOSE GOP EFFORT TO REDUCE SOARING HEALTH CARE COSTS FOR SMALL BUSINESSES, TAXPAYERS

Amendments would have rolled back new Democrat health insurance tax, extended State's Healthy NY program to help small businesses afford coverage

Senate Democrats today rejected a pair of Republican-sponsored amendments that would have reduced skyrocketing health care costs in New York, ensuring that affordable health coverage will continue to remain out of reach for many small businesses, New Yorkers and their families.

The initial amendment would have rolled back the Governor's ill-advised "health insurance tax," approved last month as part of the so-called Deficit Reduction Package (DRP). The \$240 million increased assessment on insurance companies will raise the cost of health insurance premiums for families, individuals and businesses by more than a third. The tax hike was passed as a result of unanimous Democrat support.

According to the New York State Insurance Department, small business health premiums have increased an average of 13.5% annually since 2000.

The Democrat-backed “health insurance tax” will impact New Yorkers from every corner of the State by raising the cost of both individual and family health insurance coverage, in some cases up to \$200 more a year.

“At a time when the Federal government and many States are seeking to find innovative ways to make health care insurance more affordable, Governor Paterson and the Senate Democrats have maintained the status quo and hiked health care taxes at a time when New Yorkers can least afford it. Today, given the opportunity to rescind this new tax, they have refused to do the right thing,” Senate Republican Leader Dean G. Skelos said.

“Our proposal reduces health care costs and benefits every family in New York State,” said Senator Kemp Hannon (R,C,I-Garden City), the ranking Republican on the Senate’s Health Committee.

In addition to defeating the roll back of the health insurance tax, Senate Democrats unanimously opposed a plan by Senate Republicans that would expand access to affordable, quality health care by reducing the cost of health insurance policies for small businesses offered by the Healthy NY program.