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RELEASE**
March 2010
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Health Insurers Are Vital to New York's Economy, Supporting an Estimated 99,000 jobs and Accounting for More Than \$4.6 Billion in Annual Economic Impact for the State

Albany, NY – The New York State Conference of Blue Cross Blue Shield Plans (NYSCOP) today released analysis detailing the economic benefits of New York's private health insurance industry.

The analysis, "The Economic Impact of the Health Insurance Industry in New York State," examined employment, wages and tax revenue of New York's health plans. Conducted by Health Management Associates, a private research and consulting organization, the report concludes that health insurers are a vital component in New York's economy.

According to the report, private health insurers in New York directly employ approximately 30,000 people, making New York State the third largest employer of health insurance industry jobs in the nation. Factoring in indirect jobs that are associated with the health insurance industry, this number grows to an estimated 99,000 people working in relation to this industry.

"There is no question, New York's health plans play a substantial role in our economy – especially Upstate," said Deborah Fasser, NYSCOP spokeswoman. "In fact, more than 17,000 of New York's health insurance jobs are located in Upstate New York, including more than 4,800 jobs in the Capital Region and more than 4,000 jobs located in Western New York."

The report also found that New York's health insurance industry:

- Paid \$4 billion in surcharges and fees that support New York State's budget and health care programs;
- Generated \$601.8 million in state and federal income tax revenue;
- Increased its employment roles by approximately 20 percent between 2001 and 2006 – substantial job growth during a period other sectors were shedding jobs; and
- Insured 10.6 million people.

"This report underscores the fact that health insurers contribute significantly to New York's bottom line, not only through high quality jobs and tax revenue generated for the state, but through the positive philanthropic support they provide in their communities," Fasser said. "Yet just last year, lawmakers imposed \$730 million in additional hidden taxes and fees on this industry. And this year, the governor has proposed an additional \$100 million hit in the form of a HCRA surcharge expansion."

The HCRA surcharge has increased by 351 percent since its inception in 1997. "The proposed HCRA expansion is a perfect example of typical Albany. While lawmakers spend countless sums

on one-shot incentives to entice companies to make New York their home, they over tax and regulate companies that are already here,” Fasser said. “Clearly, the goal of lawmakers should be to develop policy that is designed to foster economic growth and strength. Based on this fundamental belief, lawmakers must help protect existing New York companies, not suppress them.”

The New York State Conference of Blue Cross and Blue Shield Plans (NYSCOP) is a partnership of Rochester-based Excellus Blue Cross Blue Shield and New York City-based Empire Blue Cross Blue Shield. Together, the two health insurance plans provide comprehensive health coverage for millions of New Yorkers and are dedicated to educating the public through in-depth research and analysis of the cost, access and quality of health care.

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