



The Guaranty Fund is a Hidden Tax on Health Insurance

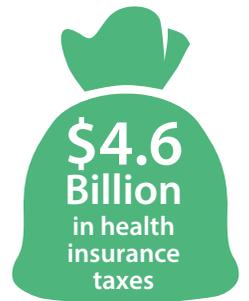
There's a lot of talk about the Guaranty Fund at the State Capitol, but very few people know anything about it.

All you need to know is that it's another hidden health care tax on the already overtaxed 9.4 million New Yorkers who get their insurance through their job.

Here are 3 facts you should know

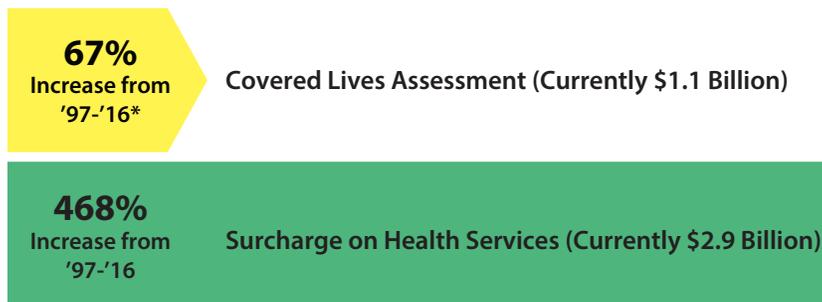
Fact #1: The Guaranty Fund is an assessment on all health insurers to bail out other insolvent insurers. In essence, it is a tax on privately insured to pay for the sins of other insurers.

The real solution is to prevent insurers from becoming insolvent, not increasing the burden on privately insured New Yorkers by adding another tax to their health insurance.



Fact #2: This trend has grown dramatically over the last 20 budget cycles.

Trends in the Covered Lives Assessment and Surcharge on Health Services, 1997-2016

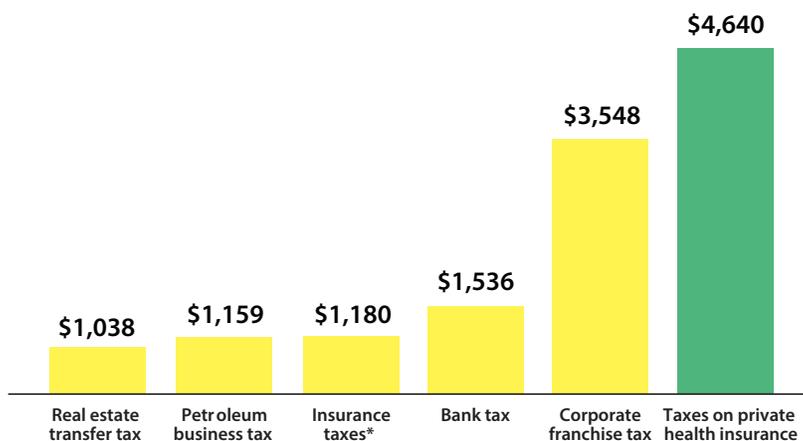


Source: Data supplied by the New York State Enacted Budget, Financial Plans and Fiscal Year 2016 Executive Budget Five-Year Financial Plan <http://www.budget.ny.gov/>

*More than \$400 million in taxes on private insurance was a part of the 2009 Deficit Reduction Plan, which included \$240 million in added covered lives assessments.

Fact #3 Taxes on private health insurance coverage are already the largest business taxes that any New York state employer pays.

Taxes on New York State Employers that Offer Private Health Insurance Coverage for their Employees Compared to New York State Business Taxes, Fiscal Year 2015-2016



*Insurance taxes do not include an estimated \$353 million collected through a 1.75 percent premium tax on commercial health insurers.

Top 10 New York State Tax Collections, by Type, Fiscal Year 2015-2016

FY 2015-2016	Total (in Millions)
Personal Income Tax	\$43,709
Sales and Use Tax	\$12,991
Taxes on Private Health Insurance	\$4,640
Corporation Franchise Tax	\$3,548
Bank Tax	\$1,536
Motor Vehicle Fees	\$1,319
Cigarette and Tobacco Taxes	\$1,314
Insurance Taxes*	\$1,180
Estate Taxes	\$1,109
Petroleum Business Tax	\$1,159

Source: Data from the 2015-2016 Enacted Budget <http://www.budget.ny.gov/>

Among all of the state taxes collected, taxes on private health insurance (\$4.6 billion) rank third highest after personal income taxes (\$43.7 billion) and sales tax (\$13 billion).