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March 10, 2023

RE: AN ACT to amend the public health law, in relation to establishing the primary care reform commission

S.1197 (Rivera)

MEMORANDUM IN OPPOSITION

Submitted on behalf of the Blue Cross and Blue Shield Plans

While the New York State Conference of Blue Cross and Blue Shield Plans is supportive of the intended purpose of this bill – to increase utilization of primary care services – we oppose its passage and enactment because the proposed requirements of insurers are onerous and duplicative. Further, the focus on “barriers, including payment methodologies by health care payors” indicates that the bill ultimately seeks to restrain insurers’ ability to negotiate terms of participation with providers – which would necessarily interfere with the ability of plans to reduce the cost of premiums while ensuring the provision of high-quality care.

Specifically, this bill would require all insurers to submit information for the prior five years including, but not limited to: (1) primary care spending, (2) total health care spending, and (3) the total cost of care provided annually. Given the volume of claims processed by plans, this could entail an enormous amount of data – including proprietary pricing information. Further, the All Payer Database established by legislation enacted a decade ago already includes a wealth of payor data collected to complete a “comprehensive picture of the health care being provided to New Yorkers.”¹ By requiring the submission of extensive and duplicative information, this bill would impose significant financial and administrative burdens on insurers.

Additionally, fundamental to a plan’s ability to minimize consumer cost-sharing and facilitate high-quality care is its ability to negotiate terms – including price, quality, and access criteria – with prospective in-network providers. Implementation of any recommendations resulting from this bill that obstruct this critical function would be unprecedented, and significantly hamper the insurers’ efforts to offer affordable premiums with minimal cost-sharing responsibilities.

¹ New York Department of Health, *All Payer Database*, available at https://www.health.ny.gov/technology/all_payer_database/.

For all the foregoing reasons, we strongly oppose the passage of this bill.

Respectfully submitted,

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Legislative Counsel for the Blue Cross and Blue Shield Plans

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