

COALITION FOR
AFFORDABLE HOSPITALS

HOSPITAL EQUITY & AFFORDABILITY LAW (HEAL)

S07199/A08169, Sponsored by Senator Andrew Gounardes and Assemblymember Catalina Cruz

Out-of-Control Hospital Prices Are The Main Driver Of Escalating Health Care Costs. We Need to HEAL New York's Broken System to Protect Patient Access to Affordable, High-Quality Care.

THE PROBLEM

Skyrocketing hospital prices are the main cause of the rising cost of health care in New York and across the nation, making it harder for individuals to access the affordable, quality care they need and deserve. A lack of transparency around high hospital costs and anti-competitive contracting practices by hospital systems makes it almost impossible to combat this growing problem.

This is unsustainable.

THE SOLUTION

HEAL, the Hospital Equity and Affordability Law, will improve hospital pricing transparency and end anti-competitive hospital contracting practices, helping to protect and increase access to affordable, high-quality healthcare for all New Yorkers. HEAL tackles the discrepancies in pricing between some of New York's largest hospital systems, including NewYork-Presbyterian, which charges more for certain standard procedures than other area systems.

HEAL WILL



Eliminate certain contract terms and requirements that prevent patients from seeking treatment at a hospital system's competitor. This will provide patients with the flexibility and choice within their networks that they desire and need.



Stop letting hospitals dictate the terms by which health plans can offer clinical initiatives to participants, which could endanger innovative programs like the 32BJ Health Fund's zero-copay maternity program.



Increase pricing transparency by allowing insurers to disclose cost and quality information regarding negotiated rates and other discounts with care providers. The secretive nature of negotiations leaves purchasers in the dark, which hurts patients when it comes to pricing.



Enable insurers to create a tiered network or benefits plan based on both quality of care and affordability. Patients should be incentivized to stay within the network that provides quality care at the most affordable price.



Regulate hospital pricing by prohibiting the use of "most favored nation provisions," which requires using the highest healthcare price available rather than the one negotiated with each individual hospital.

HEAL can spur large hospital systems to establish fair prices, which means major savings for working people and State and Local Governments. If we do not act now, out-of-control hospital pricing will continue to drive health care costs into the stratosphere, putting affordable and high-quality care out of reach for an ever-growing number of New Yorkers. Every dollar spent on health care by a union like 32BJ SEIU is a dollar that cannot be used to improve wages and other benefits. But the problem is much larger than that, as the 32BJ Health Fund's total annual healthcare spending is a fraction of the amount spent by local and state governments to provide coverage for their workers. New York City's Fiscal Year 2022 Preliminary Budget includes \$6.925 billion for employee and retiree healthcare expense – a cost expected to increase up to \$8.94 billion by FY 2025. Billions could be saved by reining in escalating hospital costs.

IN ORDER TO PRESERVE ACCESS TO AFFORDABLE CARE FOR HARD-WORKING NEW YORKERS, IT'S TIME TO PASS HEAL.

