2021 Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where New York is doing well and areas where it can improve. It reflects policies implemented as of Dec. 31, 2020.

STATE: NEW YORK **RANK: 13** out of 47 states + DC

***TOTAL SCORE:** 43.9 OUT OF 80 POSSIBLE POINTS*

New York has many policies to address affordability, but still has much work to do to ensure wise health spending and affordability for its residents. According to the Healthcare Value Hub's CHESS survey, 52% of NY adults experienced healthcare affordability burdens as of 2019.* While NY's uninsurance rate (5.2%) may be a factor, healthcare is increasingly unaffordable largely due to high costs that affect everyone. According to the PCE, healthcare spending per person in NY grew 37% between 2013 and 2019, totaling $9,165 in 2019.*

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
CURB EXCESS PRICES IN THE SYSTEM	**3.3 OUT OF 10 POINTS** NY has made some progress in this area, with an active APCD and a drug spending oversight entity. However, their policies can still be expanded.	**0.0 OUT OF 10 POINTS** High private prices are one factor driving costs. NY is the most expensive state with inpatient private payer prices at 241% of Medicare prices. Ranked 49 out of 49 states, plus DC.	*Year-over-year increases in healthcare prices overwhelmingly drive state healthcare spending. NY should consider creating health spending targets and expanding their oversight entity to target all spending beyond drugs.*
REDUCE LOW-VALUE CARE	**0.8 OUT OF 10 POINTS** NY has not enacted meaningful patient safety reporting. 94% of hospitals have adopted antibiotic stewardship. NY has not yet measured the extent of low-value care being provided.	**6.0 OUT OF 10 POINTS** NY's use of low-value care is close to the national average. Ranked 16 out of 50 states, plus DC.	*NY should consider using claims and EHR data to identify unnecessary care and enacting a multi-stakeholder effort to reduce it.*
EXTEND COVERAGE TO ALL RESIDENTS	**8.3 OUT OF 10 POINTS** Medicaid coverage for childless adults extends to 138% of FPL. Only some immigrants can access state coverage options. NY uses a Basic Health Plan to reduce costs in the non-group market.	**8.6 OUT OF 10 POINTS** NY is among the states with the least uninsured people. Still, 5% of NY residents are uninsured. Ranked 8 out of 50 states, plus DC.	*NY should consider offering coverage options for undocumented adults and adding affordability criteria to rate review.*
MAKE OUT-OF-POCKET COSTS AFFORDABLE	**10 OUT OF 10 POINTS** NY has banned or heavily regulated STLD health plans; has comprehensive SMB protections; caps cost-sharing for some high-value services; and has patient-centered, standard plan designs on their exchange.	**6.9 OUT OF 10 POINTS** 12% of adults could not get needed medical care due to cost. The share of people with other affordability burdens is far higher.	*New York is a leader in select policies intended to make out-of-pocket costs more affordable, but residents still suffer from affordability problems. NY should consider exploring new policies targeting high deductibles and prescription drugs, although there are limits to state influence on employer insurance and Medicare.*

APCD = All-Payer Claims Database **CHESS** = Consumer Healthcare Experience State Survey **CMS** = Centers for Medicare and Medicaid Services **EHR** = Electronic Health Records **FPL** = Federal Poverty Level **PCE** = Personal Consumption Expenditure (Healthcare PCE measures spending growth among households as well as nonprofit, commercial and government hospitals/nursing homes) **SHADAC** = State Health Access Data Assistance Center **SMB** = Surprise Medical Bill **STLD** = Short-Term, Limited-Duration

Full report and additional details at **www.HealthcareValueHub.org/Affordability-Scorecard/New-York**

ALTARUM HEALTHCARE VALUE HUB

Healthcare Affordability State Policy Scorecard

STATE: NEW YORK **RANK: 13** out of 47 states + DC

NEW YORK NOTES

Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states. For a complete discussion of methodology, please see healthcarevaluehub.org/affordability-scorecard/methodology.

Curb Excess Prices in the System:

NY has a healthcare spending oversight entity that targets drug spending and an APCD, however there is still significant room for improvement. NY established a Drug Accountability Board in 2020. In order to receive credit for price transparency tools, a state's tool had to be public-facing, searchable by specific procedure and hospital and show the negotiated rate paid by insurance plans/patients (not chargemaster rate). New York did not have a tool that met this criteria in 2020. Looking ahead: In April 2021 the NY DOH commissioned the development of a price transparency tool—a consumer-friendly website that would provide healthcare pricing for all the state's care providers in one place.

Reduce Low-Value Care:

According to the Johns Hopkins Overuse Index created using Medicare data, NY's overuse of low-value care is -0.4 standard deviations below the national average, which is likely a good thing assuming they are also delivering appropriate care (however, the value is still relatively close to the national average). Data on patient safety reporting is not available for New York. Improper use of antibiotics is another type of low-value care. Antibiotic stewardship is the effort to measure and improve how antibiotics are prescribed by clinicians and used by patients—states were scored on what share of their hospitals follow the CDC's stewardship program.

Extend Coverage to All Residents:

NY has operated a Basic Health Plan program since 2015. NY offers Medicaid coverage to lawfully residing immigrant pregnant women and children without a 5-year wait, uses state-only funds to cover income-eligible children regardless of immigration status and provides some services not covered through emergency Medicaid for certain pregnant or postpartum women who would otherwise be ineligible due to immigration status. In 2019, New York City offered undocumented immigrants access to healthcare through a new $100 million program. NY does not offer coverage options for undocumented adults. NY's Department of Financial Services reviews premium adjustments requested by health insurers before insurers can apply the rates. The Department may approve, reject or modify an insurer's request for a premium rate increase if it is unreasonable, excessive, inadequate or unfairly discriminatory.

Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. According to SHADAC, the average family deductible among employer insurance plans in NY rose 28% between 2013 and 2019, totaling $2,899 in 2019. States should consider exploring new policies to reduce financial barriers to care for people with high-deductible health plans, although there are limits to how much states can influence employer insurance and Medicare. In response to rising insurance costs, some people turn to STLD health plans, which offer lower monthly premiums compared to ACA-compliant plans. However, these policies offer less coverage, can discriminate against people with pre-existing conditions and pose significant financial risks for consumers. States received credit depending on how much they limit or protect against these plans.

NY has comprehensive protections against SMB. 'Comprehensive' SMB protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have 'partial' protections. The federal No Surprises Act prohibits surprise medical billing in most plans effective January 2022. However, it does not cover ground ambulances which often result in surprise bills. States can still implement protections in this area—59% of ground ambulance rides in NY charged to commercial insurance plans had the potential for surprise medical billing.*

NY's Basic Health Program offers standardized benefits and low cost sharing. Standard plan designs in the exchange aim to keep deductibles as low as possible, but only generic drugs have standard copays in the design. NY also prohibits the use of prescription drug specialty tiers in the fully-insured market to reduce financial barriers to care. In 2020, NY limited cost-sharing for insulin to $100 per 30-day supply for people with state-regulated commercial insurance.

* Informational data, not used in state score or ranking. Scorecard Updated: Oct. 27, 2021.