

S.4785 (Rivera) / **A.6019** (Paulin)

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BILL

S.4785 (Rivera) / A.6019 (Paulin)

SUBJECT

Permitting Health Care Providers, Including Physicians, To Collectively Bargain with Health Plans

DATE

March 18, 2024

OPPOSE

The Business Council of New York State opposes S.4785 (Rivera) / A.6019 (Paulin) which would permit health care providers, including physicians, to collectively bargain with health plans. The bill would allow unrelated physicians to join together for no other purpose than to increase their revenues under a new exemption to New York antitrust laws.

As changes resulting from implementation of the federal Affordable Care Act and the Health Care Exchanges continue to substantially alter the landscape of health care delivery and cost both nationally and in New York, it is not the time to introduce State specific authorization to permit health care providers to organize to fix costs. This bill will allow New York's physicians to unilaterally set prices at any level they decide, giving health plans no bargaining position and dramatically increasing the cost of health care for businesses, employees and individuals throughout the State.

This bill is unnecessary in light of existing New York and Federal laws. Antitrust laws currently allow for joint activities among health care providers when those activities are pro-competition and likely to benefit the consumer. This bill would only serve the financial interests of health care providers and ignore the needs of average New Yorkers for affordable health care.

The cost for employer-sponsored coverage continues to rise and policy makers continue to avoid the very serious conversation on how to "bend the cost curve" for the health care system. Allowing health care providers to organize for the purpose of collectively bargaining with health plans distracts from addressing the issues driving health care costs and utilization and will provide yet another way for the providers to shift costs to the employers, employees and individuals who are already struggling to maintain health coverage.

For these reasons, The Business Council respectfully opposes S.4785 (Rivera) / A.6019 (Paulin).