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New York's Privately Insured Pay More Than \$4.1 billion in Taxes and Fees on Health Insurance

ALBANY, NY - The New York State Conference of Blue Cross and Blue Shield Plans (NYSCOP) has updated its analysis of health insurance taxes, entitled, "The Facts About Taxes on New York's Privately Insured."

According to the report, New Yorkers with private health coverage pay more than **\$4.1 billion in state health insurance taxes**. With employers paying most of the private health insurance premiums, the state tax on private coverage is nothing more than a "hidden" business tax. Among all business taxes levied by the State, when totaled, the taxes imposed on the privately insured would rank as New York's single highest business tax.

The report highlights the four state taxes which directly affect the cost of your premium. They are:

- Premium taxes on those who receive health coverage from commercial insurers: \$353 million.
- "Assessments" on all health plans to fund the State Insurance Department operations: \$270 million.
- A 9.63 percent tax on "sales" hospital and other health care services: \$2.33 billion.
- A tax on health plans for each covered life that they insure, known as the Covered Lives Assessment: \$1.16 billion.

What does this mean for the average New Yorker? A typical family coverage premium for small businesses in the Albany region will pay \$1,885 in taxes per year. A similar business in New York City will pay \$3,600 per year in taxes. These payments are included in their annual premiums.

"Increasing state taxes on health insurance will increase premium rates which in turn will force individuals to drop coverage – increasing the number of uninsured," said Deborah Fasser, spokeswoman for NYSCOP. "These taxes are a tremendous burden on the cost of coverage and are completely inconsistent with both our state and nations goal of trying to decrease the number of uninsured New Yorkers."

To view the latest version on this report, please visit www.nysblues.org and go to the Fact Sheet section.