



AARP New York State Office

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Establishing a Health Insurance Exchange

Baruch College

New York, New York

Introduction

Good morning. My Name is Susan Ryckman from AARP. AARP is a membership organization with over 2.5 million members in New York and about 40 million members across the country.

Thank you for the opportunity to make some comments today regarding the establishment of a Health Insurance Exchange in New York State.

AARP believes that New York has an opportunity to create an efficient, affordable and consumer-friendly health care exchange for those in need of affordable health insurance. We believe that Exchanges are vital in the effort to extend health coverage, while

improving access and affordability for those already in the individual and small group markets.

In particular AARP believes the Exchange should function as an “active purchaser,” meaning, it should aggressively leverage it’s market share to negotiate the best value for consumers. The Exchange should also have a limited number of quality plans that are offered.

The Exchange should also have strong consumer assistance to help people understand their options and enroll into plans that are appropriate for their needs. In addition, the Exchange should be developed to allow for maximum transparency and accountability.

AARP believes the Exchange is a great benefit to people age 50-64. Approximately one-third of our membership is between this age group. In New York State there are close to a half million people between the ages of 50-64 who are uninsured and could directly benefit from the establishment of an Exchange.

A recent AARP survey of New Yorkers age 50-64 revealed that 65% of New Yorkers in that age group were worried about being able to afford health care for themselves or their family.

This age group is at a higher risk for a change in their personal health status, than those who are younger.

Between the ages of 50-64, people face an increased

onset of chronic conditions or disabilities. Medical problems and health costs commonly increase with age. This age group is not yet eligible for Medicare and if there is a change in employer based health care coverage, due to downsizing or other factors, this group is likely to become uninsured. Because of these factors having health coverage during midlife takes on growing importance.

AARP strongly believes that the Governor and the Legislature must move quickly to establish, at minimum, the basic structure of an exchange and establish how it will operate in a transparent and open manner.

Conclusion

Thank you again for the opportunity to testify here today on the need for legislation to establish a Health Insurance Exchange in New York State.

This is something that needs to happen this session so our state can take full advantage of federal money that would be used to establish the exchange that would benefit so many New Yorkers in need. AARP looks forward to working with the leaders of our state to ensure the health exchange is implemented in an open and transparent manner. With fewer than 10 scheduled working days remaining in the legislative session, we believe there is an urgent need for action by the Governor and the Legislature to pass and enact legislation to build a consumer friendly exchange that meets the needs of all New Yorkers.

