



## Legislation Text

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### Res. No. 558

Resolution calling upon the New York State Legislature to pass, and the Governor to sign, S.4097 requiring a New York State health benefit plan hospital pricing report.

By Council Members Menin, Narcisse, Schulman, Restler and Brewer

Whereas, The New York State Health Insurance Programs (NYSHIP) is one of the largest public employer health insurance programs in the country, insuring over 1.2 million active government employees, retirees and their families; and

Whereas, Variations in hospital pricing have an impact on NYSHIP premiums, ultimately impacting both public employees and the state's fiscal health; and

Whereas, The Centers for Medicare and Medicaid Services issued a rule requiring hospitals to provide clear, accessible pricing information online about the items and services they provide as of January 1, 2021; and

Whereas, According to a June 2022 article published in JAMA, hospitals have been slow to comply with the federal transparency rules and fewer than 6 percent of hospitals had disclosed prices as required between July and September 2021; and

Whereas, An analysis published by the Robert Wood Johnson Foundation found that even when hospitals comply with the Centers for Medicare and Medicaid Services rules regarding price transparency, the data are “consistently inconsistent” in terms of how elements are defined and displayed, making it difficult for third parties to make connections across hospitals and payers; and

Whereas, 32BJ Health Fund reports that it paid private hospital systems in New York City more than 300 percent of Medicare rates on average and that New York City hospital prices paid by the Fund increased by 21 percent from 2016 to 2019, compared to an 8 percent increase

in Connecticut, a 12 percent increase in Pennsylvania, and a 4 percent decrease in New Jersey during that same time period; and

Whereas, Enhanced service quality, improved health outcomes, community benefit, or increased charity care could not explain the variation in prices paid by 32BJ Health Fund; and

Whereas, Understanding the underlying costs of hospital services is an important aspect of ensuring that NYSHIP continues to be fiscally strong and taxpayer dollars are spent prudently; and

Whereas, The civil service commission can collect NYSHIP health care claims data relating to the price and utilization of hospital benefits by active employees, retired employees, and their dependents; and

Whereas, The state should take advantage of its access to data on expenditures made for hospital services to provide transparency and visibility into hospital pricing; and

Whereas, S.4097A, introduced by State Senator Andrew Gounardes and pending in the New York State Senate, would require the Department of Civil Service to conduct an annual hospital pricing report, including a comparative analysis of prices for inpatient, outpatient, and emergency hospital services, as well as a comprehensive analysis of the prior five years of hospital prices and expenditures, to establish trends in hospital prices and total expenditures; now, therefore, be it,

Resolved, That the Council of the City of New York calls on the New York State Legislature to pass, and the Governor to sign, S.4097 requiring a New York State health benefit plan hospital pricing report.

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LS # 12538  
3/27/23