

NYC Comptroller Estimated Benefits



\$649M

Life Expectancy

55 premature deaths
prevented each year



\$22M

Labor Productivity

1.5M hours of work
gained per year



\$20M

Personal Finances

\$442 in lower annual out-of-
pocket costs per person



\$19M

Health Care System

7,764 fewer ER visits
per year

**ANNUAL
BENEFITS**

=

\$710M



NEW YORK CITY COMPTROLLER
BRAD LANDER

Economic Benefits of Coverage for All

MARCH 2022

“Coverage for All” (A880A/S1572A) would create a state-funded Essential Plan for all New Yorkers up to 200% of the federal poverty level (FPL) who are excluded due to immigration status. While low-income undocumented adults with a serious medical emergency can access Emergency Medicaid, undocumented adults are currently ineligible for public or Marketplace coverage, impeding access to primary and preventative care. New York State offers insurance to children under age 19, regardless of immigration status through Child Health Plus. To inform state lawmakers and the public, New York City Comptroller Brad Lander estimated the economic benefits for individuals, families, employers, and health care providers.

The NYC Comptroller’s estimates build on the work of the Community Service Society (CSS) and the Citizens Budget Commission (CBC) who found that 250,000 state residents are uninsured due to immigration status, including 154,000 below 200% of FPL, and estimated that Coverage for All would result in 46,000 new Essential Plan enrollees at an annual **net cost of \$345 million**, after subtracting offsets.

<https://cbcny.org/research/narrowing-new-yorks-health-insurance-coverage-gap>

Sources and Assumptions

Life Expectancy

- 830 adults gaining health insurance prevents 1 death per year.
- The federal government estimates the population's willingness to pay for reducing the risk of death, known as the Value of Statistical Life (VSL). Agencies utilize the VSL measure when conducting a benefit-cost analysis of a new policy or regulation that may affect public health, such as reducing traffic fatalities.
- Current Value of Statistical Life=\$11.8 million

Sommers et. Al. (2014) Changes in Mortality After Massachusetts Health Care Reform: A Quasi-Experimental Study, *Annals of Internal Medicine*, 160(9), 585-593. <https://pubmed.ncbi.nlm.nih.gov/24798521/>

U.S. Department of Transportation, "Guidance on Valuation of a Statistical Life in Economic Analysis" <https://www.transportation.gov/office-policy/transportation-policy/revised-departmental-guidance-on-valuation-of-a-statistical-life-in-economic-analysis>

U.S. Environmental Protection Agency, "Mortality Risk Valuation" <https://www.epa.gov/environmental-economics/mortality-risk-valuation#meanscost>

Labor Productivity

- Workers with health insurance miss 76.54% fewer workdays (1.7 vs 7.25 days per year).
- Employment rate is assumed to be 72%.
- Wage rate is assumed to be \$15 per hour (minimum wage).

Dizioli, A. and Pinheiro, R., (2016) Health Insurance as a Productive Factor. *Labour Economics*, 40, 1-24. <http://dx.doi.org/10.1016/j.labeco.2016.03.002>

Borjas, George J., (2013) Labor Supply of Undocumented Immigrants. https://www.nber.org/system/files/working_papers/w22102/w22102.pdf

Personal Finances

- Medicaid expansion reduced out-of-pocket costs by \$344 in 2018 (expected to be \$442 in 2023) for people between 100-138 percent of poverty.

Blavin et al (2018), Medicaid Versus Marketplace Coverage for Near-Poor Adults: Effects on Out-Of-Pocket Spending and Coverage, *Health Affairs*, 37(2)122-129. <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2017.1166>

Centers for Medicare and Medicaid Services, "National Health Expenditure Projections 2019-28" (March 24, 2020). <https://www.cms.gov/files/document/national-health-expenditure-projections-2019-28.pdf>

Health Care System

- Insured New York State adults (age 19-64) had 0.46 emergency department visits per person in 2019, compared to 0.63 among uninsured.

Department of Health and Human Services, *Healthcare Cost and Utilization Project*. <http://www.hcup-us.ahrq.gov/faststats/StatePayerEDServlet?state1=NY>

U.S. Census Bureau, American Community Survey: 1-Year 2019. <https://data.census.gov/cedsci/table?q=insured&g=04000000US36&tid=ACST1Y2019.S2701>

Community Service Society and Citizens Budget Commission, *Narrowing New York's Health Insurance Gap* (January 11, 2022), <https://cbcny.org/research/narrowing-new-yorks-health-insurance-coverage-gap>.