

August 22, 2011

Mr. Charles Lovejoy  
Health Bureau  
New York State Insurance Department  
25 Beaver Street  
New York, NY 10004

Re: Comments on Rate Increases for HealthNow New York

Dear Mr. Lovejoy:

I am writing to you as an employer that offers health insurance coverage to my employees through BlueShield of Northeastern New York and as a consumer of their services. I am the owner of a small business in [REDACTED] and am so grateful to be able to offer my employees coverage of their health benefits, but each year the costs continue to go up and up. Every year, we end up reducing the level of coverage that the employees receive so that our costs remain manageable. I am concerned that I will no longer be able to offer the benefit of health insurance coverage to my employees; because in this difficult economy, we cannot continue to increase our expenses.

I just received notice that HealthNow New York (the parent company of BlueShield of Northeastern New York) has requested to increase the rates once again. Although it was expected, as it happens each year, it was again a great disappointment to me. We've been with BlueShield for a few years now, and have had to decrease level our coverage from year to year, while still increasing our premium costs. The plan that we were offering was increasing 23% at our renewal, which is just unacceptable! How is such an increase justified each year? We've actually decided to switch carriers, due to the high increases that continue to come. CDPHP was able to offer us similar coverage, which was still at an increased cost from our prior year costs, but not as high of an increase as BlueShield.

If every year I was to increase the costs to my clients by even one or two percent, I would be out of business as they would go elsewhere. I wish that there was an alternate company that would offer practical coverage at a reasonable cost, but that just doesn't seem to exist! You need to put a stop to these companies unjustly continuing to increase their premium rates. You must decline these substantial rate increases from HealthNow New York and other health carriers.

I am copying my state and federal representatives so that they can continue to be aware of the challenges that small businesses in their district face and so they can continue to monitor the health insurance industry's unreasonable demands for ever higher compensation.

Thank you for your time.

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