



Healthcare Association
of New York State

FOR IMMEDIATE RELEASE
JANUARY 29, 2008

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GHI/HIP CONVERSION APPROVAL MUST INCLUDE IMPROVED HMO PERFORMANCE, PENALTIES FOR HMO MISCONDUCT

Statement From HANYS President Daniel Sisto

ALBANY, N.Y. — “In light of the significant financial challenges facing New Yorkers, particularly in funding quality health care services and new health care reform initiatives, HANYS is led to the inevitable conclusion that directing the vast bulk of the proceeds of the proposed GHI/HIP conversion into the Health Care Reform Act (HCRA) pools is of such paramount importance to the millions of New Yorkers served by our health care system, that, in this case, it must override our significant concerns about for-profit conversions, generally, as well as other concerns specific to this merger.

“HANYS is nevertheless compelled to point out that GHI and HIP are below-average performers when it comes to overall New York State consumer satisfaction ratings. The plans rank significantly below the statewide average in terms of timely access to needed care and customer service, according to rankings published by the 2007 *New York State Consumer Guide to Health Insurers*. This, coupled with fact that for-profit plans generally underperform when compared to not-for-profit insurers in New York, reinforces our concern about the direction of this future entity and the HMO industry as a whole.

“Therefore, HANYS believes it is critical that the state should seek, as a condition of conversion, specific commitments for performance improvement from GHI and HIP, including tangible consequences should they fail to meet those goals.

“HANYS also believes that the public discussion of the conversion proposal is a prime opportunity to highlight the need for broader reform in the current managed care system and ensure more accountability from payers, particularly for-profits.”

The Healthcare Association of New York State (HANYS) is the only statewide hospital and continuing care association in New York State, representing more than 550 non-profit and public hospitals, nursing homes, home care agencies, and other health care organizations.