

Grant Outcomes Report

Examining the Feasibility of Expanding New York State's Family Health Plus Employer Buy-in Program

The Problem:

Half of New York State's uninsured workers work in businesses with fewer than 25 employees or are self-employed.¹ These small businesses and sole proprietors pay more for health insurance, and their costs have grown faster than other categories of employers by size. While some programs have increased coverage for workers in small businesses, these have generally had a dedicated funding source.²

Grant Activities & Outcomes:

Fidelis Care is the business name for the New York State Catholic Health Plan, Inc., a nonprofit 501(c)(3) managed care organization for members who receive health insurance from public programs: Medicaid, Child Health Plus, Family Health Plus, Family Health Plus Employer Buy-in, and some categories of Medicare.

The Plan

In 2007, New York State enacted legislation establishing the Family Health Plus Employer Buy-in program. This program allows employers to purchase the Family Health Plus benefit package with the potential of State subsidies to reduce the cost of premiums. This coverage was first extended to members participating in the Section 1199 Benefit Fund—and Fidelis Care was selected as the insurer—but the statute also allowed expanding this coverage to other employers.

¹ New York State Health Foundation Request for Proposals, released January 7, 2008. Retrieved from <http://www.nyshealthfoundation.org/userfiles/file/Small%20Group%20%20%20Individual%20Market%20RFP.pdf>, December 6, 2010.

² New York State Catholic Health Plan, Inc., proposal to the New York State Health Foundation, March 25, 2008.

KEY INFORMATION:

GRANTEE

New York State Catholic Health Plan, Inc., doing business as Fidelis Care New York

GRANT TITLE

Leveraging Coverage Through "Employer Partnerships for Family Health Plus"

DATES

January 1, 2009 to December 31, 2009

GRANT AMOUNT

\$99,820

GRANT ID

2371278

FUNDING

Expanding Coverage Options in the Small Group and Individual Market in New York State (2008 RFP)

With a planning grant from the New York State Health Foundation's "Expanding Coverage Options in the Small Group and Individual Market in New York State" program, Fidelis Care examined the feasibility of expanding the Family Health Plus Employer Buy-in program to employers outside of those belonging to the Section 1199 Benefit Fund. It proposed to use its planning funds to examine the feasibility of covering a much wider group of businesses.

In its proposal, Fidelis Care, noted "we believe that the New York State legislation coupled with the work that Fidelis Care has completed. . . presents the opportunity for a model that could be used to make health insurance available to small businesses in various markets across the State."

The Results

After the State Department of Health released details of the Family Health Plus Employer Buy-In program in mid 2009, Fidelis Care concluded, "Design changes from the original demonstration have made the expansion program less desirable as a coverage option in the small business community." Some of these design issues were addressed through subsequent legislation that resulted from efforts led by the Community Service Society and advice provided by Fidelis Care and others; however, the cost of coverage was still considered expansive for small businesses. Fidelis Care is now considering whether it will extend coverage to additional employers through the Family Health Plus Employer Buy-in program.

Because Fidelis Care was unable to promote the expansion of the program as it was originally proposed to the Foundation, Fidelis returned its entire grant award to the Foundation. It played an important role in further exploring the potential of the Family Health Plus Employer Buy-In program, but viewed its contribution as more of an in-kind effort than one meriting Foundation resources.³

According to NYSHealth Senior Vice President David Sandman, "We had separately funded Community Service Society to examine the feasibility of making the Family Health Plus Employer Buy-In available to small businesses. Fidelis Care had done significant work on this issue and provided valuable advice to us, Community Service Society, and others. The meetings we convened prompted further work and good partnerships. The Foundation gained a lot from this project and the relationship we forged with Fidelis."

³ For more information about the Community Service Society project, see <http://www.nyshealthfoundation.org/content/grant/detail/1875>.

BACKGROUND INFORMATION:

ABOUT THE GRANTEE

Fidelis Care New York is a nonprofit, prepaid health services plan founded in 1993. Its 360,000 members receive health insurance from public programs: Medicaid, Child Health Plus, Family Health Plus, Medicare risk, people dually eligible for Medicare and Medicaid, and managed long-term care. Fidelis operates in over 50 counties and has major regional offices in Queens, Albany, Syracuse, and Buffalo. It has an extensive provider network and a breadth of operations, infrastructure, and statewide presence.

GRANTEE CONTACT

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