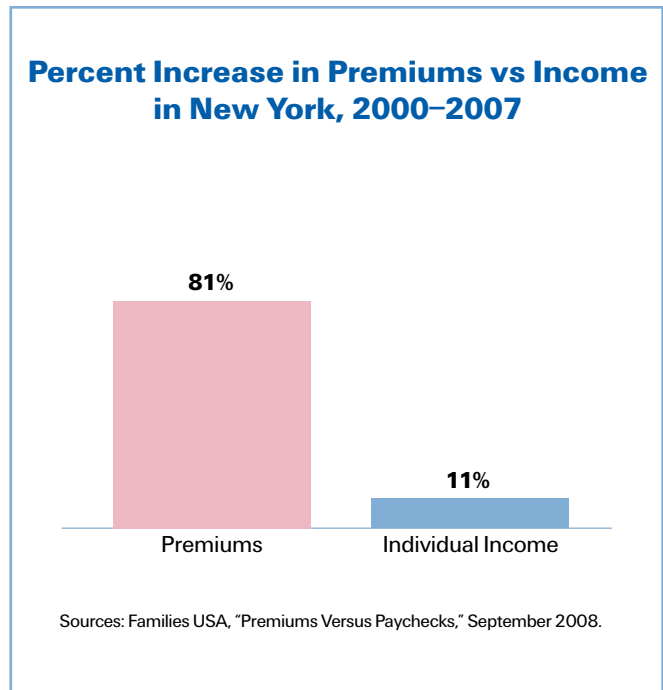
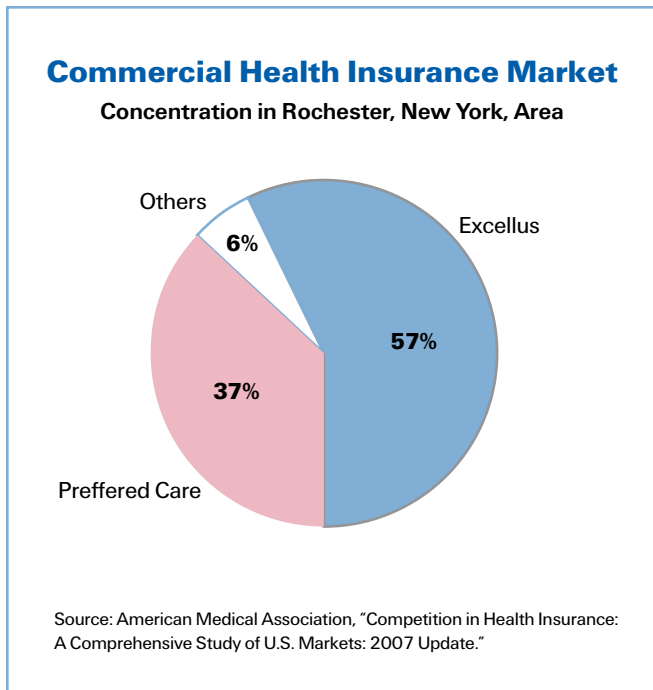


# Results of Market Failure in New York

- GHI, New York’s biggest health insurer, holds 26 percent of the state’s market. GHI and Empire Blue Cross and Blue Shield, a subsidiary of WellPoint Inc., control 47 percent of the commercial market.<sup>40</sup>
- Local markets are even more concentrated; in Rochester, Excellus BlueCross BlueShield and Preferred Care<sup>41</sup> together control 94 percent of the commercial market.<sup>42</sup>
- Excellus reported net income of \$198 million in 2005. The top three insurers posted a combined profit of \$573 million from New York operations in 2007.<sup>43</sup>
- Health insurance premiums for New York working families have skyrocketed, increasing 81 percent from 2000 to 2007.<sup>44</sup>
- For family health coverage in New York during this period, the average annual combined premium for employers and employees rose from \$7,090 to \$12,811.<sup>45</sup>
- For family health coverage in New York from 2000 to 2007, the average employer’s portion of annual premiums rose 79 percent, while the average worker’s share increased 88 percent.<sup>46</sup>
- From 2000 to 2007, the median earnings of New York workers increased 11 percent, from \$28,153 to \$31,263. During that time health insurance premiums for New York working families rose 7.3 times faster than median earnings.<sup>47</sup>



## ENDNOTES

<sup>1</sup>AMA data in this report are based on combined enrollment in preferred provider organizations (PPOs) and health maintenance organizations (HMOs) in states and metropolitan statistical areas (MSAs) as defined by the U.S. Census Bureau. The AMA calculates market share by dividing an insurer's enrollment in a given product by the total enrollment across all insurers in a market multiplied by 100. Total enrollment is for commercial products only, including self-insured employer-sponsored PPO plans and individual coverage, and does not include Medicare, Medicaid, or Children's Health Insurance Program enrollments. Self-insured employer plans refer to PPOs only. Accessed at <http://www.ama-assn.org/go/competition2007>.

<sup>2</sup>Preferred Care is now called MVP Health Care.

<sup>3</sup>American Medical Association, "Competition in health insurance: A comprehensive study of U.S. Markets: 2007 update."

<sup>4</sup>Northwest Federation of Community Organizations, "Insuring Health or Ensuring Profit?," 2008. Accessed at [http://www.nwfco.org/pubs/2008.0727\\_insuring.health.or.ensuring.profit.pdf](http://www.nwfco.org/pubs/2008.0727_insuring.health.or.ensuring.profit.pdf).

<sup>5</sup>Families USA, "Premiums versus Paychecks," September 2008. Accessed at <http://www.familiesusa.org/resources/publications/reports/premiums-vs-paychecks-2008.html>.

<sup>6</sup>Ibid.

<sup>7</sup>Ibid.

<sup>8</sup>Ibid.

This report makes use of data published by the American Medical Association (AMA), which is not a member of the Health Care for America Now coalition. The AMA did not collaborate with HCAN on this report.