

Honorable Eric R. Dinallo  
New York State Superintendent of Insurance, One Commerce Plaza  
Albany, NY, 12257

Dear Mr. Dinallo,

Good day. I am writing to you to express my concerns over the recently disclosed proposal to merge the health insurance carriers GHI and HIP into a new for-profit corporation named Emblem Health. As you are aware, privatized health care has left more than 45 million Americans uninsured and the proposed merger threatens to add to this national problem. More specifically, I oppose the proposed merger for three reasons.

First, the conversion plan offered by GHI and HIP proposes to not only merge the two entities, but, in the process create a new for-profit corporation. GHI and HIP are currently not-for-profit healthcare providers who espouse the laudable goal of providing low-cost, quality healthcare to New Yorkers. Creating a for-profit company ensures that the new company's primary concern will be the generation of profits. This represents an abandonment of GHI and HIP's historical missions and presents thousands of New Yorkers with the prospect of higher premiums and restrictions on access to care in order to enhance profitability.

Second, the sheer size of the proposed merged company seems to challenge the spirit, if not the letter, of anti-trust laws. It is my understanding that the policies of some 93% of all municipal workers will be held by the new company. This means that a 1% increase in premiums would represent a charge of \$27.5 million against the city budget. It is my opinion that this is a dangerous relationship. Simply put, no single corporation should be given the power to create such a significant fiscal stress on our public budget.

Finally, the process for public review and discussion of this important issue seems unnecessarily brief. The proposal was first disclosed publicly on December 17, 2007. The documents provided by GHI and HIP fail to sufficiently address my above stated complaints. Frankly put, the burden of proof is on GHI and HIP to prove that their conversion proposal is made in the public interest. They have failed to do so.

To remedy the above complaints, I would recommend a more thorough publicly conducted discussion which explores multiple proposals for the re-organization of GHI and HIP. Public hearings and discussion should play a significant role in this process and

hearings should be held on a borough-by-borough basis at a time which will allow for the maximum public participation. Proposals generated from this process should then be voted on as part of a public referendum.

I believe that the establishment of a single-payer national healthcare system is an important priority for our country. The proposed merger is step away from this goal. Instead of enhancing access and improving care it will merely re-enforce the notion that the provision of healthcare should be based on its profitability.

In closing, I thank you for reading this letter and look forward to receiving a response from you.

Sincerely,

Your Name

Organizational Affiliation

Snail Mail Address

Email Address