First, I very much appreciate being appointed to the Regional Advisory Committee for Western New York and look forward to working with the DOH, the Governor's Office and the community to make the Exchange achieve its promise in WNY.

As observed at the last stakeholder meeting I am concerned that the EHB formula results in a QHP product that will be more expensive in the first year than what is commercially available (grandfathered). This will impact the risk pool in ways that may not be anticipated including skewing of risks. This could result in rates having to be substantially raised in the second and subsequent year, and/or lack of participation by quality health plans.

One approach could be legislative relief from federal and/or state mandates so the EHB is more "essential." There is always a reluctance to cut existing benefits but a look at how we got there might inform a different view. For many years the legislature passed a mandate per year thinking it was no cost to the taxpayer. The taxpayer applauded these new benefits. Some of which addressed provider rather than patient needs. Some addressed real or perceived manage care abuses. There was no realization that these benefits were costing the taxpayers more in their own insurance rates and in the taxes paid to state federal and local government for employee coverage. Now that the cost has reached unaffordable heights it may be the right time to pare down some of the benefits that can easily be afforded by patients so that QHP premium rates are less expensive in terms of benefits and administrative expense.

Also to be considered is whether the patient service surcharge and covered lives assessment should be applied to QHP products. With so many more people covered under ACA and risk adjustment part of the structure there is no further need for these add ons.