Local Business Relief Coalition Launches

Diverse Group of Business Groups Call for Healthcare Affordability Reform for Small and Local Businesses

Albany, NY— A diverse group of business groups, representing tens of thousands of small and local businesses throughout New York, launched a campaign today to highlight the escalating and unaffordable healthcare costs for local businesses in the State. The Local Business Relief Coalition is advocating for common-sense, fiscally responsible policies to promote the affordability of healthcare and the sustainability of local businesses throughout the State.

"If the Governor desires to prioritize affordability, she and the Legislature must take action this year to address the actual underlying costs of healthcare in the State," **said the Local Business Relief Coalition.** "Anything less leaves our local businesses and the people who depend on them struggling just to make it."

While the Governor emphasized the state's "affordability" crisis during her 2025 State of the State Address, business groups across the state were disappointed in the lack of attention given to one of the most pressing affordability issues: the rising cost of healthcare. Small and local businesses are crucial to New York's economy, representing 98% of companies and employing 40% of the private sector workforce. However, these businesses face significant challenges due to rising healthcare costs, especially severe spikes in hospital reimbursements, that ultimately prohibit local businesses from adequately providing healthcare coverage for themselves and their employees.

Healthcare inflation has significantly outpaced general inflation, with medical care prices increasing 121.3%, compared to an 86.1% increase for all other consumer goods and services since 2000. This trend has been particularly difficult for New York's local businesses, which pay health insurance premiums 23% higher than the U.S. average.

The unreasonably steep increases in healthcare costs are attributable to several factors, including:

- Rapidly increasing hospital reimbursement costs;
- Consolidation of healthcare providers into large, multi-state corporate hospital systems;
- Rising hospital drug costs; and

- Hidden healthcare taxes and state mandates

To address these issues, the coalition proposes reviewing hospital mergers and acquisitions and the consolidation of doctors' practices by private equity firms, to assess their impact on coverage costs before they occur, implementing greater transparency measures on healthcare charges, disallowing outlandish mark-ups on medications in the hospital setting and enacting fairness in practices that impact the affordability of care.

The Local Business Relief Coalition urges Governor Hochul and the respective leaders of the State Legislature to finally prioritize controlling the actual costs of healthcare that lead to unaffordable coverage for local businesses.

“Small businesses are the bedrock of our communities. They are facing unprecedented financial challenges, including exorbitant healthcare costs, that threaten their very ability to stay in business,” **said Chelsea Lemon, Director of Government Affairs for the Business Council of New York State**. “New York lawmakers must listen to their concerns and implement solutions that target the real cost-drivers in healthcare to keep coverage affordable and sustainable for local businesses and their employees.”

“We are constantly looking for ways to ease the very serious financial pressures felt by our local African American-owned businesses,” **said Tosha Miller, President of the New York City Black Chamber of Commerce**. “Lately, that means that I spend a lot of time thinking about costs and affordability, especially the affordability of necessities like healthcare. Logic dictates that the Governor and the Legislature must do more to address the actual costs of healthcare. The New York City Black Chamber of Commerce looks forward to working with the Local Business Relief Coalition and lawmakers to pass reasonable solutions to promote affordability in healthcare for our local businesses, their employees, and families.”

“The affordability proposals in this year’s budget fall short on making healthcare affordable for local businesses,” **said Ashley Ranslow, New York State Director of NFIB**. “Skyrocketing healthcare costs have forced many local businesses to cut staff and reduce hours, threatening their viability. Just this month an NFIB report found that premiums have more than doubled in 20 years, resulting in dramatically decreasing small business’s abilities to offer coverage and threatening many others with the same. This unsustainable trend in healthcare costs needs to be addressed by lawmakers. The common sense approaches we are proposing are a good starting point.”

“As a local business owner, I witness the steep year-to year increases in my business’s health care costs,” **said Bob Confer, CEO of Confer Plastics**. “It's becoming extremely difficult to offer affordable, quality health coverage to my team and their families. Increased benefits costs always stymie growth and that’s just bad for my company, our community, and the local economy. I recognize that my health insurance premiums are a direct result and reflection of the cost of healthcare. It’s time to take a hard look at what is making that healthcare so unaffordable and fix it.”

“From record-breaking inflation to adopting policies that continue to pass the buck onto taxpayers, New Yorkers are desperate for measures that make the cost of living and doing business more affordable," **said Justin Wilcox, Executive Director of Upstate United.** "Despite identifying the need to prioritize affordability, the Governor and Legislative leaders have done little to advance tangible policies that will make a difference for hardworking New Yorkers - especially when it comes to the ever-growing costs of healthcare. If our state representatives are serious about easing the financial pressures faced by consumers and business owners alike, then they must take substantial steps in this year’s budget to cut the actual costs of health care in the state. Without real action, our small, local businesses and the communities that depend on them will be left with no other options than to shutter their doors.”

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About the Local Business Relief Coalition

The Local Business Relief Coalition is a diverse group of business organizations, representing businesses of all sizes around New York State. The coalition aims to educate lawmakers about the realities and effects of the affordability crisis in New York, particularly regarding employee health insurance for small and local businesses.

Coalition members include:

- Associated Building Contractors (ABC)
- Associated General Contractors of New York State
- Empire State Forest Products Association
- Food Industry Alliance of New York State (FIA)
- National Association of Benefits and Insurance Professionals – New York State Chapter (NABIP New York)
- National Federation of Independent Business (NFIB)
- New York Association of Convenience Stores (NYACS)
- New York City Black Chamber of Commerce
- New York Health Plan Association (NYHPA)
- New York State Conference of Blue Cross Blue Shield Plans (NYSCOP)
- New York State Restaurant Association (NYSRA)
- Northeast Dairy Foods & Suppliers Associations
- Rochester Technology and Manufacturing Association (RTMA)
- Small Business Majority
- The Business Council of New York State (BCNYS)
- Upstate United