

## **REIMAGINING THE HEALTH CARE MARKETPLACE FOR AMERICA'S SMALL BUSINESSES**

### **February 7, 2017**

#### **AS PREPARED FOR DELIVERY**

Good morning. Thank you all for being with us today as we discuss a critical issue facing America's small businesses, the continuing catastrophe that is our health insurance marketplace.

President Obama's signature legislation has proven to be a disaster, especially for America's small businesses.

From the very beginning, President Obama made numerous promises which turned out to be falsehoods. He said premiums would decrease by \$2,500 per year. Instead, average premiums in job-based coverage have increased by \$3,775. He famously promised: "If you like your doctor, you can keep your doctor. If you like your health care plan, you can keep your health care plan."

Nothing could be further from the truth. As a result of losses in the market, major insurers have bolted for the exits. Their withdrawal from Obamacare-established marketplaces left little to no competition within the exchanges and leaving consumers fewer choices in health insurance options.

Doing nothing is not an option because the current system is in a death spiral. Every day the Obamacare mandates remain on the books is a day where it gets harder for small businesses to make their books.

We must move forward to eliminate the destructive policies of the past and enact real, patient-centered reforms that lower costs, improve portability, and ensure coverage for the millions of Americans who are struggling to find affordable and reliable health insurance.

In 2016, the National Federation of Independent Businesses, or NFIB, published a survey which found that the cost of health insurance continues as the number one problem small businesses face.



NFIB members aren't the only ones concerned. In late 2015, the National Small Business Association, or NSBA, released a survey that found that while the majority of employers think offering health insurance is very important to recruiting and retaining good employees, just 41 percent of firms with zero to five employees offered health benefits, down from 46 percent in 2014. Overall, the NSBA survey found that 65 percent of small firms reported offering health insurance in 2015, down from 70 percent in 2014.

Surveys results like these track with what we have been hearing from our constituents for the past eight years. We hear from small business owners in our districts who want to provide health insurance for their employees, not just as a recruitment and retention tool, but also out of a sense of duty to do right by their workers who are like family to them.

It is important to remember that the damage done by Obamacare was not limited to the new problems it created for the health care marketplace. It also exacerbated and made worse long-standing problems in that marketplace. While we have a badly damaged system right now, I believe there is a light at the end of the tunnel. We have a real opportunity to enact positive change, and we're going to do it the right way, a better way.

America's small businesses will not be an afterthought or a bill payer this time around. We're going to listen to what they are telling us because they are on the front lines and can help us craft the step-by-step solutions that will improve access, lower costs, and fix a broken system.

We have an excellent panel of witnesses today and I want to thank them again for working with our Committee on this critical issue. I now yield to Ms. Velázquez for her opening remarks.

