

Congress of the United States
U.S. House of Representatives
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515-6315

October 31, 2013

The Honorable Kathleen Sebelius
Secretary
200 Independence Avenue, SW
United States Department of Health and Human Services
Washington, DC 20201

Dear Secretary Sebelius:

As Chairman of the Committee on Small Business, I continue to be disturbed by the numerous and ongoing problems, misinformation and delays associated with the implementation of the health care law. These issues have persisted for months, despite repeated official assurances from Administration officials that the implementation was on track. Small business owners who are subject to the law's many mandates and face penalties and fines for noncompliance are perplexed, confused and sometimes unaware of what is expected of them. Each day seems to bring new challenges and a changing script.

Just before the October 1, 2013 launch of open enrollment, we learned that the part of the health care law's federal website that we were told was intended to allow small employers to compare health plans would be delayed until November. In fact, a September 26, 2013 Department of Health and Human Services press release promised that "[A]ll functions for SHOP will be available in November and employers and employees enrolled by December 15, 2013, coverage will begin Jan. 1, 2014."

And most recently, before the House Ways and Means Committee on October 29, 2013, Centers for Medicare and Medicaid Services Administrator Marilyn Tavenner was asked if the SHOP website for small businesses that was delayed would be fully functional during November. Administrator Tavenner responded, "Yes, we will institute the SHOP component at the end of November," signaling a further delay. But on September 26, 2013, White House Press Secretary Jay Carney clarified in a press briefing that "...[small businesses] will be able to enroll, if you will, for these programs beginning November 1st."

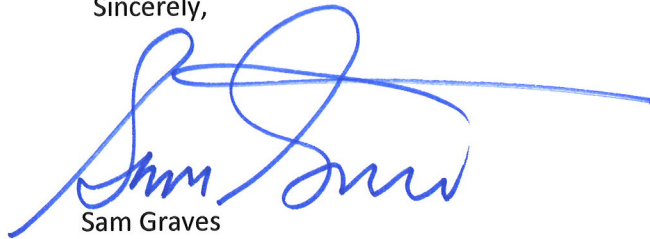
However, if the SHOPS will not be operating until November 30, 2013, and, as Administrator Tavenner testified, small business owners must enroll by December 15, 2013 for policies to be effective on January 1, 2014, that leaves precious little time -- possible a mere 16 days -- for an already busy and burdened small business owner to learn about various insurance plans and make a decision so that he or she has coverage in place on January 1. The situation may be even more urgent for employers who are being informed that their current policies are being cancelled due to the law's requirements. The numerous and well-publicized website problems that are reportedly causing consumers, including small

business owners, to be "timed out" of website sessions, blocked from even creating an account that may learn about and compare plans and premiums, will cause this process to be even more difficult.

Madam Secretary, small business owners are our best job creators. They are already struggling to regain their footing in a recovering economy. The Administration's irresponsible pattern of misinformation, glitches and delays on the SHOPS has created additional confusion and uncertainty among our entrepreneurs.

I urge you to publicly clarify the most current information and deadlines for small businesses so they can be certain of the requirements they must meet without incurring a fine or penalty. And as you go forward, I hope you will consider the effect of the Administration's decisions on the SHOPS on America's small business owners.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sam Graves", with a long horizontal flourish extending to the right.

Sam Graves
Chairman