



**SENATE BILL 9 – GROUP PLAN CLAIM INFORMATION**

**PROPONENT TESTIMONY**

**OHIO HOUSE INSURANCE COMMITTEE**

**APRIL 30, 2019**

Chairman Brinkman, Vice Chair Antani, Ranking Member Boggs and members of the Ohio House Insurance Committee, my name is Chris Ferruso, and I am here on behalf of the nearly 22,000 governing members of the National Federation of Independent Business (NFIB) in Ohio to lend our support for Senate Bill 9. I would like to thank Senator Huffman for introducing this important piece of legislation.

By way of background, a typical NFIB member employs 20 or fewer employees and has less than \$2 million in annual sales. Our members come from all industries, and we look like any Main Street in your legislative districts.

The cost of health insurance has been a top issue for small business owners for decades. In fact, the NFIB Research Foundation has found the cost of health insurance to be the *number one* concern for NFIB members both in Ohio and nationwide<sup>1</sup>.

While we acknowledge this committee has no control over changes at the federal level, there are steps that can provide some relief, while there are others that can make the problem worse.

Providing health insurance is a constant struggle for small business owners. Their desire to provide this benefit is great, but unfortunately, economic realities serve as a major obstacle. According to the Kaiser Family Foundation, only 33% of Ohio employers with 50

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<sup>1</sup> <https://www.nfib.com/assets/NFIB-Problems-and-Priorities-2016.pdf>

or fewer employees provide health insurance compared with 96% of those with more than 50 employees<sup>2</sup>.

Given this struggle, our members need to have the ability to obtain as much information as possible to shop the health insurance marketplace competitively. We believe the transparency provisions in Senate Bill 9 serve to provide appropriate claims data, allowing meaningful shopping, all while balancing the privacy of employee health information. As you know federal HIPAA laws would still apply.

We have heard directly from our members who have access to this type of information. They indicate that this data is helpful when shopping for a health plan that best fits the needs of their employees. This bill levels the playing field and offers smaller businesses the same information as their larger counterparts. Accessing this information may allow the business owner, or their authorized representative, to negotiate a better plan and/or premium. While our preference is all employers be furnished with claims data information, we still believe this bill is a step in the right direction.

The bottom line is that Senate Bill 9 gives small business owners more information to potentially lower their health insurance costs. If/when new products are developed in the marketplace, we hope the legislature is willing to reconsider allowing all group policyholders to receive this information. Last General Assembly and this General Assembly, this bill unanimously passed the Ohio Senate. We urge the committee for a favorable recommendation. Thank you for your consideration and I am happy to try and address any questions.

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<sup>2</sup> <https://www.kff.org/other/state-indicator/firms-offering-coverage-by-size/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>