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March 4, 2020

Senator Dave Burke
Chair, Ohio Senate Health, Human Services & Medicaid Committee
1 Capitol Square, Ground Floor
Columbus, OH 43215

Dear Chairman Burke:

I am writing on behalf of the nearly 22,000 governing members of NFIB in Ohio to express our concerns with respect to Senate Bill 252, legislation that would establish a new health insurance mandate. Our association has long been concerned about the passage of state-imposed health insurance mandates and their impact on cost, equity and coverage. Thank you for the opportunity to provide written comments.

Cost of healthcare has long been a top problem amongst our members. In fact, it has been our top issue since 1986. While our members strive to provide this desired benefit, economic realities become the deciding factor in many instances. The cost of health insurance for the fully-insured market where the large majority of NFIB members purchase coverage has certainly been volatile. According to the Kaiser Family Foundation, since 2009, average family premiums for firms with 3-24 employees have increased 55 percent. The average employee contribution to plans has increased 64 percent, far outpacing inflation. These costs siphon resources out of the economy for both business and worker. While the decisions that flow from Washington D.C. are outside the auspices and control of the Ohio General Assembly, there are policies contemplated that may impact cost of premiums for our members.

Additionally, the ability to impact a large swath of businesses is negated by federal ERISA law, which typically exempts self-insured plans from state mandate laws. These self-insured plans tend to have many more employees than a typical NFIB member and can, absent federal mandates, design a plan that fits their budgets and employee needs. This reality serves as a source of consternation amongst our members who are left wondering why they are faced with potential premium increases while their self-insured colleagues are not.

Further, while it may seem that passing any mandate will provide coverage for all with health insurance, it leaves a significant portion of the private sector without. Fully-insured plans comprises less than 20% of eligible insureds. We understand the intent of the bill sponsors and proponents, however, we are concerned with the push to pass state-imposed health insurance mandates to address healthcare related issues. We believe if there is a compelling public health need to respond to a perceived lack of coverage or access, the state should undertake a more comprehensive approach to find a way to provide all Ohioans with the desired

benefit such as through a state appropriation or some other alternative(s) prior to passage of any health insurance mandate.

Thank you for the opportunity to provide comments on Senate Bill 252.

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher J. Ferruso". The signature is fluid and cursive, with a large initial "C" and "F".

Christopher J. Ferruso
Legislative Director