



**SENATE BILL 227 – GROUP PLAN CLAIM INFORMATION**

**WRITTEN PROPONENT TESTIMONY**

**OHIO SENATE INSURANCE & FINANCIAL INSTITUTIONS COMMITTEE**

**APRIL 17, 2018**

Chairman Hottinger, Vice-chair Hackett, Ranking-Member Brown and members of the Ohio Senate Government Insurance & Financial Institutions Committee, I am submitting this testimony on behalf of the nearly 23,000 governing members of the National Federation of Independent Business/Ohio to lend our support for Senate Bill 227. I would be remiss if we did not thank Senator Huffman for introducing this bill.

By way of background, a typical NFIB/Ohio member employs 20 or fewer 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.

Health insurance continues to be the top issue of concern for small business owners. In fact, in the NFIB Research Foundation's quadrennial publication Problems and Priorities, cost of health insurance is the number one concern both in Ohio and nationally<sup>1</sup>. This survey of small business owners poses 75 different business issues that our members may encounter in their operations. They are asked to rank the biggest problem or impediment facing their respective businesses.

While we acknowledge that the impact from changes at the federal level are out of the control of this committee and the Ohio General Assembly, there are steps that can help provide some relief, while others can exacerbate upward pressures on health insurance premiums.

Providing health insurance has been a challenge for our members for decades. The desire to provide this benefit is great, but unfortunately, economic realities sometimes serve as a major obstacle.

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

According to the Kaiser Family Foundation, 38.2% of employers with 50 or fewer employees provide health insurance compared with 96.4% of those with more than 50 employees<sup>2</sup>.

Given this struggle, our typical member needs to have the ability to ascertain as much information as possible to shop the health insurance marketplace competitively. We believe the transparency provisions in Senate Bill 227 serve to provide appropriate claims data to allow meaningful shopping, all while balancing the privacy of employee health information.

We have heard directly from some of our members, with more covered lives, that they have access to the information Senate Bill 227 requires to be shared. Senate Bill 227 aims to level the playing field and offer smaller businesses the opportunity to understand factors driving their health insurance premiums. Access to this information may allow the business owner or his/her authorized representative to negotiate a better plan and/or premium.

We believe Senate Bill 227 empowers small business owners with more information that may be useful for negotiating better health insurance premiums and potentially a stronger plan. We urge this committee for a favorable recommendation of Senate Bill 227. Thank you for the opportunity to submit written testimony. I may be reached via email at [chris.ferruso@nfib.org](mailto:chris.ferruso@nfib.org) or via phone at 614-221-4107.

Sincerely,

Chris Ferruso  
Legislative Director  
NFIB/Ohio

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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>