

Oregon

April 3, 2013

NFIB Position: SB 365 / HB 2897

Mandates health insurance coverage for autism spectrum disorders

Representing Oregon's 7,500 small business members, we are concerned with the mandated health insurance coverage represented in SB 365 (HB 2897). The number one identified cost concern for small businesses is the cost of health insurance coverage for themselves, their family and their employees. While income has dropped for many small business owners, health insurance costs continue to escalate. In 2014, when many of the health care reform provisions commence, it is projected small businesses will see the cost of health insurance increase 38% or more.

Health insurance mandates are especially burdensome for the small business owner. Due to federal law, large businesses, many who are self-insured, will not be forced to comply with this mandate putting most of the burden on the individual and small business markets – two segments of our economy which continue to struggle in the current economic landscape. Small businesses already pay 18% more in health insurance premiums than big business.

According to the 2010 report from The Council for Affordable Health Insurance (www.cahi.org), Oregon has approximately 49 health insurance mandates, only 14 states have more. Their annual analysis further stated that mandated benefits currently increase the cost of basic health coverage from slightly less than 10 percent to more than 50 percent. Actuaries have repeatedly warned that virtually all mandates increase the cost of coverage.

While individual mandates may not seem to amount to much, the accumulative effect of multiple mandates is causing health insurance to financially impact more and more of our small business owners, leaving them unsavory choices:

- Do not provide health care coverage for themselves, their family or their employees
- Drop existing coverage which has become too costly
- Choose between adding a needed employee or paying increased insurance rates

Small business owners in Oregon understand the medical and financial challenges this bill addresses, which can be significant and heartbreaking for each individual and family affected. However, the coverage of autism spectrum disorder is one of the most expensive insurance benefits to cover due to the life-long nature of the condition and the broad spectrum of treatments.



This bill promotes a “one size fits all” approach to health insurance. We believe that the small business employer must have an opportunity to choose the coverage that fits their ability to pay and the makeup of their employees. At a time when so much effort is being expended by this legislature to bring down health care costs for all, additional mandates will force the unintentional consequence of more Oregonians going without health insurance because neither the employer nor the individual can afford the insurance premiums that go along with such mandated coverage.

On behalf of Oregon’s small businesses **NFIB OPPOSES SB 365 / HB 2897**