<u>HB 2922 Testimony – Mark S. Kellenbeck, Main Street Alliance, Statewide Co-Chair</u>

Good day. My name is Mark Kellenbeck; I am the statewide co-chair of the Main Street Alliance of Oregon a coalition of over 1200 small businesses throughout the state. Our member firms range from 400 employees to sole proprietors with no employees. Eighty per cent of our members have six or less employees.

When it comes to health insurance only 20% of our member's employees presently have coverage; and only 40% of our member employers themselves have coverage.

Ten years ago 60% of small business provided health insurance for employers and 40% covered their employees. In the past seven years, the cost of health insurance to employers has doubled, causing them to raise deductibles, co pays or drop coverage all together.

The Main Street Alliance of Oregon has been very supportive of the Affordable Care and Patient Protections Act known as Obamacare. Among its many benefits, the state managed health insurance exchange offers the promise of standardized health insurance coverage and larger insurance pools that should overtime lower the complexity and cost of health insurance coverage for small business in Oregon.   The tax credit that the Affordable Care Act provides to small business which otherwise could not afford coverage for themselves or their employees is a significant plus.

The Affordable Care Act does not however cover every working Oregonian, let alone every Oregonian. For the working class it continues to make health insurance a matter of employment, leaving the fate of workers and their family's health and financial security to the discretion of the employer's choice of health insurance plan which may have prohibitively expensive deductibles and co-pays.

 Most employees will not have family dependent coverage offered by their employer as this is not required by the Affordable Care Act and most employees with lower paying wages will not be able to afford the additional premium to provide coverage for their families.   Many employees with coverage will choose not to puchase needed healthcare due to high deductibles, practically meaning neither they nor their spouse or children will seek timely and appropriate healthcare, leading to potentially serious conditions.

Insurance premiums under the Affordable Care Act continue to rise, although generally at a slower rate than in the past. However, it is expected when the high risk individuals who have not had adequate healthcare for a long time and are at higher risk enter the Exchange Pool, rates will spike and rise rapidly once again.

<u>HB 2922 Testimony – Mark S. Kellenbeck, Main Street Alliance, Statewide Co-Chair</u>

For its many benefits, particularly protection of patient rights and non-exclusion rights, the Affordable Care Act is a step forward. It very clearly is not the total answer to small business and most Oregonian's healthcare needs.

In a 2012 survey conducted by the Main Street Alliance of the over 800 Oregon small business 77% of the respondents indicated they favor a universal healthcare or single payer system that provides coverage to all Oregonian regardless of their work status.

Oregon small businesses favor universal or single payer health care for many reasons some cited are:

- Off-loading the financial cost and administrative burden of providing health insurance is a significant boon to small business
- Only comprehensive public healthcare systems such as is found in other industrialized countries have the ability to create a truly efficient and cost effective system of healthcare delivery.
- Everyone including small businesses benefits from a healthier and financially more secure populace.

The Main Street Alliance of Oregon strongly believes a publicly funded universal healthcare system in Oregon and eventually the entire country is the only feasible and sensible way to provide the healthcare that every Oregon citizen both deserves and needs.

The Main Street Alliance of Oregon strongly endorses HB 2922 and encourages its thorough review and passage.   Thank You.