

To: Senate Committee on Health Care
From: Main Street Alliance of Oregon Small Businesses
Date: May 4, 2015
Re: Letter in Support of SB 631, Health Care for All Oregon Act

Chair Monnes Anderson, Vice-Chair Kruse, and Members of the Committee,

The Main Street Alliance of Oregon, a coalition of more than 2500 small businesses across Oregon, supports SB 631, the Health Care for All Oregon Act. Our member firms range from 400 employees to sole proprietors with no employees. 95% of our members have 25 or fewer employees.

One of our key areas of concern is healthcare reform. We have advocated for and defended the Affordable Care Act and continue to advocate for a Small Business Health Options Program (SHOP) that works for Oregon small businesses. Members of our Executive Team have been deeply engaged with Oregon's Health Insurance Exchange. However, the ACA, and even the development of a functional SHOP doesn't solve all the problems with providing healthcare to our state.

Currently, about 30% of our member's employees presently have coverage through the business, and although this is up from 15% two years ago, there is still a long way to go towards universal coverage. Just over 72% of the business owners we surveyed have coverage themselves—the majority of which is through an individual policy—often with very high premiums and limited coverage.

The Main Street Alliance of Oregon has been supportive of the Affordable Care and Patient Protections Act. However, the ACA 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; this leaves more Oregonians unprotected. Many employees with coverage will choose not to purchase 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.

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 2014 survey conducted by the Main Street Alliance of Oregon 76% of the Oregon small business surveyed indicated they favor a universal healthcare or single payer system that provides coverage to all

Oregonian regardless of their work status.


A universal healthcare or single payer system would greatly help Oregon Main Street businesses. It would:

- 1. Remove business owners from the health care management business.** Universal care relieves employers of all administrative responsibilities. Employers do not need to manage funds, determine benefits, or pay providers.
- 2. Keep health care costs predictable.** Universal care allows every business to know its costs beforehand. These costs do not change regardless of employee health, family size, or full-time/part-time status.
- 3. Keep employees, full- and part-time, healthy and productive.** By removing deductibles and co-pays, universal care encourages employees to seek health care early. Employees stay healthier and more productive, reducing sick time costs.
- 4. Provide employees with competitive health care benefits. Keep productive employees from seeking better benefits at another company.** Universal care means every employee gets the same comprehensive benefits regardless of employer. Entrepreneurs can start a new business and retain health care access for themselves, their families, and new employees. Employers do not need to split full-time positions into multiple part time positions to reduce health care costs.
- 5. Keep health care costs similar to competitors, so other companies aren't paying less by reducing or eliminating health care benefits.** Companies of similar size in the same industry will pay the same amount per employee. Oregon companies can better compete internationally with countries already providing universal care.
- 6. Assure health care independent of labor-management negotiations.** Benefits are determined by the single payer agency, not by individual labor-management contracts.
- 7. Remove the costs of providing care for retired and disabled employees.** A universal health care system provides everyone in Oregon with the same benefits, regardless of age, employment status, or disability.

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 SB 631 and encourages its thorough review and passage.

Yours respectfully,



Jim Houser, co-chair
Hawthorne Auto Clinic, Portland



Mark Kellenbeck, co-chair
Brainjoy LLC, Medford