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House Committee on Health Care

RE: HB2269

Thank you to Chair Salinas and Vice-Chair Nosse and the members of the committee.

My name is Jim Houser and my wife and I own and operate Hawthorne Auto Clinic in SE Portland. I also serve on the Oregon Health Insurance Marketplace Advisory Committee. I am co-chair of the Main Street Alliance of Oregon.

Currently Hawthorne Auto Clinic has 10 full-time staff. For all of our 36 years our company has provided full-family health insurance coverage for our employees and their dependents. Health insurance is expensive, but so is the cost of recruiting and training replacement staff to competently repair late model, hi-tech automobiles. As I have learned over the years you don't want your best customers to even think of going anywhere else. The same holds true for your capable, loyal employees.

The trouble for companies like mine that provide good benefits is that we are at a competitive disadvantage with mostly larger companies, with larger marketing and other resources, but not providing health care support. Like the companies addressed with this bill. Additionally, when their employees require medical attention they can't afford, and don't have medical coverage, the rest of us end up paying for it, whether in a public program, or uncompensated care and the higher insurance rates that come with that cost.

This bill is also a positive in that it fills some of the gaps in the ACA employer mandate. This bill levels the playing field for smaller businesses and for other businesses that are doing the right thing by covering the premiums for their staff.

Oregon is a small business state. I don't have the exact figures for Oregon, but nationally 95% of businesses have fewer than 50 employees. Small businesses aren't directly affected by this bill. The bill preserves choice for small businesses. I know that it's important in the small business community to keep the most flexibility—the choice of whether or not to support employee health care—for small businesses. This bill does that. However I should add that during the campaign to create the what became the Affordable Care Act, the Main Street Alliance of Oregon conducted a great deal of polling of small business owners in Oregon. Many said they would be perfectly amenable to providing health insurance coverage for their staff if their competitors did the same.

Overall, the bill is a good balance between flexibility for small businesses, and fairness among all businesses.

Thank you for your time and attention. I would be happy to answer questions from the committee.

Jim Houser