



**TESTIMONY OF  
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)  
BY  
ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR  
REGARDING  
SB-1204, AN ACT ESTABLISHING THE CONNECTICUT HEALTH  
INSURANCE EXCHANGE  
BEFORE THE  
PUBLIC HEALTH COMMITTEE  
MARCH 23, 2011**

*A non-profit, non-partisan organization founded in 1943, NFIB is Connecticut's and the nation's leading small-business association. In Connecticut, NFIB represents thousands of members and their employees and membership is scattered across the state and ranges from sophisticated high technology enterprises to single-person "Mom & Pop" shops that operate in traditional ways. NFIB's mission is "To promote and protect the right of its members to own, operate, and grow their businesses." On behalf of those small- and independent- job-providers in Connecticut, I offer the following comments:*

The Federal Patient Protection and Affordable Care Act (PPACA) requires that states establish exchanges for the sale of insurance. Individuals and small employers will be eligible to purchase insurance policies through the exchanges (and states will have the option to include employers with up to 100 employees) starting in 2014. Currently, the National Association of Insurance Commissioners (NAIC) is developing model language that states will use as a base/floor that Connecticut could use in establishing its exchange. NAIC also plans to release a series of white papers that will provide information about more granular elements of the exchanges such as financing, how to regulate policies sold in and outside of the exchange, eligibility determination, and enrollment. While NFIB/Connecticut recognizes the need for the state of Connecticut to begin planning for the establishment of its exchange as outlined in SB-1204, we suggest that this current legislative effort be tabled until the NAIC model language is fully vetted and released; and additional federal regulatory guidance is developed and issued as expected throughout the course of this year.

However, when it comes to addressing small employer needs, at a minimum, NFIB/Connecticut feels that a Connecticut exchange ought to:

1. Provide opportunities to purchase quality health insurance that is affordable for the consumers accessing the exchange – small businesses,
2. Provide small business and their employees with helpful information about their healthcare and healthcare financing options, including information on aggregating premiums from multiple employers for a single employee,
3. Provide a mechanism for employers and employees to compare and choose a health insurance policy that meets their needs (including voluntarily using an agent/broker throughout the process),
4. Provide a standardized application,
5. Provide all small businesses with an easy "one check" option to pay for the health insurance for multiple employees, policies and carriers,
6. Enable purchase of coverage with pre-tax dollars through Section 125 plans,
7. Allow "pooling" of premiums for part-time workers, and
8. Offer easy-to-understand education, outreach, and assistance programs/advice.



As the legislature and the administration works to develop the establishment of an exchange, one thing is clear – small business owners remain committed to working as partners to develop an insurance marketplace that is simple, efficient and responsive to their consumer needs. We deeply believe that the input of small business will be critical to ensuring that the foundation of the exchange can address the needs of employers – both today and in the future.

NFIB/Connecticut suggests that in establishing the Connecticut Health Insurance Exchange, as outlined in SB-1204, there should be a place reserved on the “board” specifically for the small business community to be represented. As the only state-wide and national association exclusively dedicated to small and independent businesses, NFIB would be able to provide a unique and necessary perspective to the Connecticut Health Insurance Exchange and we would be willing to lend our organization’s expertise and service to the board as a representative of small employers. Please consider those small business voices as you continue this process so that together, we can construct a marketplace where small businesses can get the coverage they need – at a price they can afford.

Thank you for the opportunity to comment.