



**TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)
BY
ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR
OPPOSING
HB-6305, AAC IMPLEMENTATION OF THE SUSTINET PLAN
BEFORE THE
PUBLIC HEALTH, INSURANCE & REAL ESTATE, AND HUMAN SERVICES COMMITTEES
FEBRUARY 14, 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:

NFIB/Connecticut strongly *opposes* this bill, which would establish and implement the SustiNet plan in the state of Connecticut. Passage of this legislation would do nothing to reduce the cost of health insurance for many small businesses, thus not only harming existing small business in Connecticut, but also discouraging entrepreneurship and relocation of new businesses to the state.

NFIB is committed to seeking legislative reforms that help small businesses. And, since 1986, our small business members have told us that increasing healthcare costs is their No. 1 problem. NFIB has worked tirelessly to offer solutions and encourage Congress and state legislatures to pursue reforms that will help lower healthcare costs and provide affordable options for small businesses. Unfortunately, however, NFIB/Connecticut feels that HB-6305 is not a viable solution.

At the federal level, NFIB opposed the new healthcare law because we believe it will increase costs for small businesses. Similarly, we feel that SustiNet would do the same thing at the state level. NFIB continues to advocate for policies and legislative proposals that will help small business, not harm them in the long run, do nothing to address the escalating cost of care, and only add to the size and cost of state government. Furthermore, with great uncertainty regarding the federal PPACA and whether it will withstand legal and legislative challenges, implementing the SustiNet plan, which is heavily dependent on federal subsidies, is most certainly inappropriate.

While many of the components contained in the Sustinet proposal are laudable and supported by small business (particularly those aimed at reducing health care costs and improving quality such as increasing Medicaid reimbursement rates, improving technology and increasing access to health care data), overall, small business objects to the type of sweeping state-level comprehensive reforms contained in this proposal, especially in light of the recently passed federal PPACA and the current state budget deficit.

Lawmakers should keep in mind the following points when considering health care reform proposals such as SustiNet:



- Business owners are best equipped to make the decision about when, what type, and how much health insurance they can afford to provide.
- In today's competitive employment market, voluntarily providing robust benefits is a key way small businesses attract and keep good employees.
- Lawmakers should focus on providing incentives to business owners to provide health insurance.
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Although NFIB is supportive of common-sense initiatives to bend the curve on health-care costs, small business will continue to oppose government-run health care or systems that impose new mandates.

Finally, it is worth addressing questions which may periodically arise about the representativeness of NFIB policy positions. Do NFIB positions really represent the small business population as a whole or just NFIB members? A research study conducted in January 2009 concluded that NFIB policy positions do indeed represent those of the general small business population as a whole, not just NFIB members, thus truly making NFIB the "Voice of Small Business"® throughout Connecticut on health care reform and other important issues as well.

Thank you for the opportunity to comment, and NFIB/Connecticut urges rejection of the bill.