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**PUBLIC COMMENTS OF  
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)  
TO THE  
BOARD OF DIRECTORS, ACCESS HEALTH CT  
SPECIAL MEETING  
JUNE 22, 2023  
IN OPPOSITION TO  
AGENDA ITEM E. – MARKETPLACE ASSESSMENT**

*NFIB is the leading small business association in the nation with thousands of members in Connecticut representing a cross-section of the state's economy. For more than 75 years, NFIB has been advocating on behalf of America's small and independent business owners, both in Washington, D.C., and in all 50 state capitals. NFIB is nonprofit, nonpartisan, and member-driven. Since our founding in 1943, NFIB has been exclusively dedicated to small and independent businesses and remains so today. On behalf of those small- and independent- job-providers here in Connecticut, NFIB offers the following comments:*

NFIB is committed to seeking healthcare reforms - particularly those that address rising health insurance costs - that can help small business owners and their employees; as such, NFIB has significant concerns with the proposed marketplace assessment as reflected in item E. on today's agenda and suggests the measure be tabled or rejected at this time. Increasing the assessment that will be charged to plans in the small group and individual markets will adversely impact small business owners with potential higher premium costs and does nothing to decrease or help address the rising costs of health insurance.

According to the tenth edition of *Small Business Problems & Priorities* by the NFIB Research Center (published in July 2020), the "Cost of Health Insurance" continues as the number one small business problem, a position it has held for 29 years. Health insurance costs for small businesses have risen 43 percent in the last decade, outpacing wages and inflation.

Furthermore, according to a recent Small Business Health Insurance Survey by the NFIB Research Center (published in March 2023) the most important reason small employers don't offer health insurance is that it's too expensive, with 65% reporting this reason. Ninety-four percent (94%) of small employers find it challenging to some degree for their business to manage the cost of offering employer-sponsored health insurance. The impact

In addition to being the most reported reason for not offering health insurance, cost is



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also a critical problem for those offering health insurance. Almost all (98%) of small employers offering health insurance are concerned that the cost of providing health insurance to their employees will become unsustainable in the next 5-10 years.

The impacts of rising health insurance premiums continue to be far-reaching within the small business sector. Almost half (49%) of small employers have taken a lower profit or suffered a loss to pay for health insurance premium increases over the last 5 years. Forty-six percent of small employers have raised prices and another 36% have become more productive and efficient. Eighteen percent have increased employee cost-share. Seventeen percent said they have delayed, postponed, or reduced business investment and 11% said freeze or reduce wages.

NFIB's goal is to ensure that small business owners can have access to health insurance that is *affordable, flexible, and predictable*, but further increasing the assessments during this time of high inflation, workforce shortages, and post-pandemic economic recovery will do nothing to stabilize costs in the ever-shrinking market available to small businesses and their employees. As such, NFIB encourages Board Members to strongly consider the effects of today's potential vote on all those who purchase insurance in the fully insured market and to reject or delay the increases in assessment until such time as alternative funding sources, including budget reserves as well as savings from non-recurring expenditures such as IT updates that have already been completed, can be fully explored and weighed against the impact of increased assessments on fully insured policy holders and their market as a whole.

Thank you to the Board for your consideration of NFIB's comments and concerns on behalf of small business. For any questions or additional information, please feel free to contact Andy Markowski, NFIB's State Director in Connecticut, at 860-248-NFIB or [aem@statehouseassociates.com](mailto:aem@statehouseassociates.com).