

**TESTIMONY**  
**BEFORE THE HOUSE HEALTH & INSURANCE COMMITTEE**  
**ON THE**  
**HB 21-1232: COLORADO HEALTH INSURANCE OPTION**

**April 9, 2021**

**Lindsey Vigoda**

**Small Business Majority**

Thank you, Chairwoman Lontine, Vice Chairwoman Caraveo, and Members of the Committee:

My name is Lindsey Vigoda and I'm the Colorado Director for Small Business Majority, a small business organization with offices nationwide, including here in Colorado. Our mission is to empower entrepreneurs to build a thriving and inclusive economy. I am here to express my support for House Bill 21-1232, which would help establish a public health insurance option that will offer more accessible and affordable health coverage for small businesses.

Colorado is facing a healthcare affordability crisis that is harming our small business community. The state is wrestling with some of the highest individual health insurance premiums in the country, which is particularly harmful for solo entrepreneurs. In fact, 1 in 5 Coloradans have gone without necessary care, simply because they cannot afford it.

This is equally challenging for small businesses with employees. Colorado small businesses already struggled pre-pandemic to afford health insurance for their employees and their families. And it's no secret that the COVID-19 pandemic has laid bare the gaps that exist in our current health coverage market. Research from Small Business Majority found that more 1 in 3 small businesses have struggled to access health insurance for themselves and their employees during the pandemic. This is also an equity issue, as Black, Latino and AAPI small business owners are more likely to list this as a challenge than white small business owners.

Many of our state's 650,000 small businesses are facing increasing costs of premiums, deductibles, and other out-of-pocket expenses. Employers are struggling to absorb these costs, and as a result, many are being forced to pass these on to their employees. Meanwhile, self-employed entrepreneurs and micro business owners are at risk of being uninsured during a global health crisis. Our economic recovery hinges on the success of our small business community, and they need access to health coverage that makes sense for their bottom lines and ensures they and their workforce can stay healthy. The Colorado Health Insurance Option is a sustainable solution that will create a new market for small businesses and Coloradans alike to choose the option that serves them best.

And this is an issue that finds broad support among small business owners. Small Business Majority conducts polling and engages with small businesses in Colorado to gauge the most pressing needs of our job creators, and access to affordable healthcare remains a top concern for them. Last fall, we convened a series of [roundtable discussions](#) to hear directly from small business owners about their views on a public health option in Colorado. We found small businesses are supportive of this legislation, as it would help lower their out-of-pocket costs and make it easier to access coverage. Additionally, [a national opinion poll](#) from Small Business Majority reveals that a strong majority, in fact 75%, support a public health insurance option that anyone could purchase.

Passing this legislation will help create a more equal and fair market, where insurers will compete in the individual and small employer market. The Colorado Health Insurance Option will be another pathway for consumers to access health insurance and would not affect the existing marketplace or how people get health insurance.

It's also important to note that the current healthcare market in our state is set up in a way that serves bigger businesses and entities —not small businesses. However, some are arguing that the small group market must be removed from the Colorado Health Insurance Option. We strongly urge you to keep the small group market in the legislation to ensure small employers will benefit from the Option. We have heard extensively from small business owners across the state about how access to affordable benefits can and will directly benefit their businesses and elevate small business industries that face barriers to accessing affordable health coverage. This is why it's critical to drive down costs in the small group market and ensure small businesses are included as part of this important legislation.

I urge you to consider this legislation as a stepping stone to increase access to and lower the costs of healthcare in our state. A vote in favor of HB 21-1232 is a vote to support Colorado's small business community.

Thank you,

Lindsey Vigoda  
Colorado Director, Small Business Majority