



September 16, 2020

The Honorable Alex M. Azar
Secretary, U.S. Department of Health and
Human Services
200 Independence Avenue, SW
Washington, DC 20200

The Honorable Seema Verma
Administrator, Centers for Medicare &
Medicaid Services
7500 Security Blvd.
Baltimore, MD 21244

The Honorable Steven Mnuchin
Secretary, U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20200

The Honorable David J. Kautter
Assistant Secretary for Tax Policy
1500 Pennsylvania Avenue NW
Washington, DC 20220

RE: Georgia's Section 1332 waiver

Dear Secretary Azar, Secretary Mnuchin, Administrator Verma and Assistant Secretary Kautter:

As a representative of America's 30 million small businesses and Georgia's 1.1 million small businesses, Small Business Majority writes to express our concern about Georgia's Section 1332 waiver request for the proposed Georgia Access model, which would waive federal rules under the Affordable Care Act (ACA) and jeopardize the individual marketplace that small businesses and their employees rely on for access to quality and affordable coverage.

Small Business Majority is a national small business advocacy organization, founded and run by small business owners to ensure America's entrepreneurs are a key part of a thriving and inclusive economy. With a network of more than 70,000 small businesses, we are actively engaging small business owners and policymakers in support of long- and short-term policies that will lead to a healthy recovery in the wake of COVID-19. We know from this work that healthcare coverage is an issue of top concern for small businesses in Georgia and across the country.

It's important to note that a majority of small business owners and their employees access their health coverage through the individual marketplace, and [our research](#) has found that more than half of all ACA marketplace enrollees are small business owners, self-employed individuals or small business employees.

In Georgia alone, more than 450,000 individuals bought affordable, comprehensive coverage through HealthCare.gov in 2020, with 9 in 20 Georgians receiving financial help to lower their premiums and out-of-pocket costs.

Leaving HealthCare.gov for the Georgia Access model would harm consumers, including small business owners and employees, which means Georgia's proposal is not approvable under federal law. Georgia's waiver fails the ACA's tests of coverage, comprehensiveness and affordability. There is a high chance that the waiver would cause thousands of Georgians to lose coverage and there is no reason to expect it would meaningfully increase coverage. It also would likely leave many in the small business community with less affordable or less comprehensive coverage than they would otherwise have, which is critically important during a pandemic.

Despite our concerns related to the Georgia Access portion of the state's waiver application, Small Business Majority is very supportive of the proposed reinsurance program because it would help improve healthcare costs for small businesses. Like those approved in other states, the reinsurance portion of Georgia's proposal would reduce premiums and provide market stability. It would be a positive move forward for Georgia consumers. However, endorsing the Georgia Access model could create a setback for improved costs under a reinsurance program.

Thank you for your consideration of our comments on Georgia's Section 1332 waiver application.

Sincerely,

Rachel Shanklin
Georgia Outreach Manager, Small Business Majority