



August 13, 2020

The Honorable Bill Monning  
State Capitol, Room 4040  
Sacramento, CA 95814

*RE: Support for SB 977— Health care system consolidation*

Dear Senator Monning,

As a representative of the 30 million small businesses in America and the more than 4 million in California, Small Business Majority writes in support of SB 977, which would give the Attorney General more authority to counter the anti-competitive effects of healthcare consolidation that could increase the cost of healthcare and limit the access to it. This issue is of particular concern to our small businesses that are struggling with healthcare costs.

Small Business Majority is a national small business organization with multiple offices throughout California, founded and run by small business owners to ensure America's entrepreneurs are a key part of a thriving and inclusive economy. We actively engage small business owners and policymakers in support of solutions that promote small business growth and drive a strong economy. A key component of our work involves outreach and education to small business owners on a range of small business issues, including healthcare, retirement security, access to responsible capital and more.

The spread of COVID-19 has highlighted deficiencies in our healthcare system that small business owners were already privy to. Now more than ever, access to affordable healthcare is a top barrier to entrepreneurship and a top concern for small business owners. In our polling of California small business owners, we have found that [76% of respondents agree](#) that health provider consolidation should be prohibited if there is no demonstrated benefit in health or cost outcomes. SB 977 will address rising cost in the private sector that have impacted every aspect of the system, including raising premiums in the public sector.

Thank you for authoring SB 977 and working to create a healthy, competitive marketplace in California. Addressing anti-competitive contracting practices will improve value and affordability for anyone purchasing or receiving healthcare in California, including thousands of small business owners and workers.

Sincerely,

Mark Herbert, Vice President, California  
Small Business Majority