



STATEMENT FOR THE RECORD
BEFORE THE HOUSE COMMITTEE ON HEALTH & INSURANCE
ON THE
COLORADO AFFORDABLE HEALTH CARE OPTION

March 11, 2020

Hunter Railey, Colorado Director
Small Business Majority

Dear Chairwoman Lontine, Vice Chairwoman Caraveo, and members of the Committee:

My name is Hunter Railey, and I'm the Colorado Director for Small Business Majority, a national small business advocacy organization that was founded and is run by small business owners to ensure America's entrepreneurs are part of a thriving and inclusive economy. Thank you for allowing me to share comments with you on the vital role the Colorado Affordable Health Care Option will play in helping to strengthen the small business community.

Colorado is facing a healthcare affordability crisis. 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.

And for the 630,000 small businesses in Colorado, the landscape is even more challenging. In my line of work, I frequently hear from entrepreneurs that they are worried about the cost of health insurance for themselves, their families, and their employees. Small Business Majority's independent, third party research has found that nearly half of all small business owners view the rising cost of healthcare as a threat to growing and maintaining their business.

To make matters worse, in recent years Colorado has witnessed significant deductible increases, and between 2010 and 2017, deductibles rose by 65%. For small business owners and self-employed people, healthcare costs are a significant threat to their businesses' bottom lines and livelihoods.

As the engine of job creation in our state, small business success is vital to our economy nationwide and especially here in Colorado. In one year alone small businesses created 46,000 new jobs in Colorado and they currently employ more than 1.1 million people across the state. However, without affordable and quality healthcare, this strength is at risk.

Our research has also found that a majority of business owners strongly support taking necessary measures to help drive down costs because it is good for the longevity of their business. This is why Small Business Majority stands firmly behind legislation to establish the Colorado Affordable Health Care Option.

The Colorado Affordable Health Care Option is an innovative approach to the insurance model. Facilitated through a public-private partnership, it is expected to lower premium costs by 9% to 18%, while ensuring that taxpayers are not left to foot the bill. Additionally, the legislation

includes an important provision to thoughtfully and proactively pave the way for expanding small group plans.

This model would ensure that our state's entrepreneurs and small business employees have access to more affordable health coverage choices, while also helping to control costs throughout the state. Enacting the Colorado Affordable Health Care Option would be a boon for small businesses across the state.

I urge lawmakers to keep the needs of entrepreneurs—the drivers of our economy—in mind and move quickly to pass the Colorado Affordable Health Care Option.

Thank you.

Hunter Railey, Colorado Director
Small Business Majority