



March 31, 2014

The Honorable Harry Reid
Majority Leader, U.S. Senate
522 Hart Senate Office Building
Washington, D.C. 20510

The Honorable John Boehner
Speaker, U.S. House of Representatives
H-232 The Capitol
Washington, D.C. 20515

Dear Majority Leader Reid and Speaker Boehner:

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business organization, I am writing in support of Section 213 of H.R. 4302, the Protecting Access to Medicare Act of 2014. This provision would repeal the discriminatory small group market deductible limitation required by the Patient Protection and Affordable Care Act (PPACA).

According to the NFIB Research Foundation, the rising cost of health insurance has been the most critical problem facing small-business owners since 1986.¹ In the past, small-business owners could mitigate annual premium increases by adjusting deductibles or modifying benefit packages. Twenty-eight percent of small businesses increased deductibles between the 2012 and 2013 benefit years.²

Section 1302 of PPACA unnecessarily and arbitrarily limits deductibles in the small group health insurance marketplace. Beginning in 2014, small business health insurance policies cannot exceed \$2,000 deductibles for employee-only plans and \$4,000 deductibles for family plans for in-network services. This limitation exclusively applies to the small group health insurance marketplace, and does not apply to the individual or large group marketplaces.

The Department of Health and Human Services (HHS) has allowed specific, temporary waivers from these deductible limits through regulation, but the statutory requirement remains. Section 213 of H.R. 4302 would repeal the statutory limitation, and permit small-business owners some relief and ability to control inevitable health insurance premium increases.

NFIB encourages Congress to pass this important, bipartisan small-business relief provision, and continue to pursue relief for small-business owners from the cost pressures of PPACA. We look forward to working with you on this and other matters that are important to small business in the 113th Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan Eckerly". The signature is fluid and cursive, written over a horizontal line.

Susan Eckerly
Senior Vice President
Public Policy

¹ Holly Wade, Small Business Problems and Priorities, NFIB Research Foundation: Washington, DC, August 2012.

² Dennis, Denny, Small Businesses' Introduction to the Affordable Care Act, Part 1, NFIB Research Foundation: Washington, DC, October 2013.