

NFIB Healthcare Chat Transcript, November 4, 2009
<http://www.nfib.com/member-benefits/healthcare-chats/>

All times shown in EDT

Time	Who	Comment
[11/04/2009 11:55:03 AM]	NFIB Shannon.Majors:	<i>NFIB's "Conversations about the Healthcare Cost Crisis" will begin in 5 minutes!</i>
[11/04/2009 11:59:38 AM]	NFIB Shannon.Majors:	<i>Thank you for attending our chat today. Please welcome Michelle Dimarob, NFIB Healthcare Expert. Michelle... would you like to begin with some opening remarks before we open up for questions?</i>
[11/04/2009 12:03:16 PM]	NFIB Michelle Dimarob:	Welcome -- thanks to all of you for joining us today. This is a big week for small business. The House is expected to vote on H.R. 3962. This bill is the 'how to' on how NOT to do healthcare reform. As we have said since its original introduction, this bill is not the kind of reform America's small businesses need nor want. Small businesses have long supported reform that provides more affordable and accessible healthcare options for them and their workers.
[11/04/2009 12:04:13 PM]	NFIB Michelle Dimarob:	Happy to answer questions about the provisions that affect small business.
[11/04/2009 12:05:53 PM]	Doug.Fearing:	Does anybody actually have a clue on what's in this? Is there a place we can go to see the interpretations?
[11/04/2009 12:06:25 PM]	Sherry.Russ:	If we operate 2 restaurants, but they are separate entities, will the \$500,000 annual payroll be lumped together or kept separate?
[11/04/2009 12:07:05 PM]	NFIB Michelle Dimarob:	While we agree that reforms must be made to improve access to quality, affordable healthcare, NFIB is deeply concerned about the devastating impact this legislation will have on their businesses, their employees and the overall economic recovery. Two particularly, egregious provisions include and employer mandate with a payroll tax and a surtax on employers.
[11/04/2009 12:08:14 PM]	NFIB Michelle Dimarob:	DOUG: You can visit www.nfib.com/healthcare to get our Top 15 reasons the bill is bad for small business. We can also provide a link to the bill.
[11/04/2009 12:08:19 PM]	Jeffrey.Williamson:	Is this all testing or is there a number to call to hear verbal discussion
[11/04/2009 12:08:51 PM]	Beryle.Carey:	Our Massachusetts company employs 6 people. We have a health insurance plan which the company pays 50% and the employee pays 50%. Currently only 1 employee is on the plan. He is 25 years old. We hired a 61-year-old person who would like to get onto the plan. If he does, it will double the premium. So, our 25-year-old employee will be paying double the amount he is paying now (plus the company's portion as well). How fair is that???
[11/04/2009 12:09:20 PM]	NFIB Shannon.Majors:	<i>Jeffrey - This chat is exclusively online.</i>
[11/04/2009 12:09:32 PM]	NFIB Michelle Dimarob:	SHERRY: You ask a good question. I wish I had a good answer, but the bill does not make this clear. instead, the newly appointed commissioner will be vested with the ability to make many of these decisions AFTER the bill becomes law.
[11/04/2009 12:10:32 PM]	Jim.Olson:	Online with no sound?
[11/04/2009 12:11:11 PM]	Matt.Conrad:	Correct. Near as I can tell.
[11/04/2009 12:11:37 PM]	NFIB Shannon.Majors:	Jim - this is a text chat only.
[11/04/2009 12:12:39 PM]	Teresa.Akkola:	We offer health insurance to employees that average 30 per week each year. Are we going to have to offer health insurance to all employees or face a fine. Is that a correct understanding of the bill
[11/04/2009 12:12:54 PM]	Dave.Watson:	I find it hard to believe that this bill is ALL bad. What is positive about it in your opinion?

NFIB Healthcare Chat Transcript, November 4, 2009

<http://www.nfib.com/member-benefits/healthcare-chats/>

[11/04/2009 12:13:17 PM] **NFIB Michelle Dimarob:** Berlye: Good comment – you raise a great point about how complicated the legislation is. While there are some insurance rating provisions dealing with age, they would create the problem you just described. The age provisions will NOT incent younger folks to purchase coverage, and their participation tend to help offset some of the more expensive premiums for folks who are older

[11/04/2009 12:13:32 PM] **Matt.Conrad:** Can you explain the employer mandate a bit more? Will that include restaurant employees or agricultural workers?

[11/04/2009 12:13:50 PM] **NFIB Shannon.Majors:** ** Chat participants: feel free to chime in if you have a comment on a question or answer.

[11/04/2009 12:14:29 PM] **Beryle.Carey:** So, what can we do to make it more fair for all ages???

[11/04/2009 12:15:49 PM] **NFIB Michelle Dimarob:** Teresa: Thanks for the question! For those who haven't been able to read the WHOLE bill (1,990 pages!), here is what employers have to do. First off, this is all based on payroll (if you have a payroll of \$500,000 or more, you HAVE TO provide health insurance or pay a payroll tax). For hours, the new commissioner will define who is full-time, part-time and seasonal. That will happen AFTER the bill is law. A non-offering employer will pay a payroll tax of either 2, 4, 6 or 8 percent. Offering Employers must meet all of the following: A. Offer "qualified" individual and family coverage B. Meet premium contribution requirements of at least a. 72.5% for individuals and b. 65% for family plans C. Offer a "qualified" plan as defined by a government-appointed board

[11/04/2009 12:17:38 PM] **Rich.Terry:** Michelle, Is there anything in this bill that deals with containing costs? Without cost containment this bill will cost our children dearly.

[11/04/2009 12:18:57 PM] **Jeffrey.Williamson:** I am in insurance. The information that we are getting from our companies is that the new bill will require them to increase coverage on 80% of their plans. Increased coverage means increased premiums. The second issue is pre existing conditions. When insurance companies have to provide increased coverage and insure people who have conditions like cancer and heart, they will have to charge additional premium to pay for the increase healthcare expense. Both these items will result in substantially higher premiums.

[11/04/2009 12:19:31 PM] **NFIB Michelle Dimarob:** DAVE: Thanks for the question. I would say that the positive aspect of the bill is that it provides an exchange for insurance. This creates a simpler and more efficient way to shop for insurance. The exchange will be available in 2013 and in year 1 it would be open to individuals and businesses with up to 25 employees. In year 2, the exchange is opened to small businesses with up to 50 employees. Important to remember that the bill requires a specific set of benefits to be sold in each plan – and in 5 years ALL employers, regardless of size or whether they are in/out of exchange will have to purchase "at least" the minimum plan in the exchange.

[11/04/2009 12:20:39 PM] **NFIB Michelle Dimarob:** Matt -- see above regarding the comments about the lack of definition for seasonal and part-time -- a huge concern for small employers.

[11/04/2009 12:23:16 PM] **NFIB Michelle Dimarob:** RICH: The cost of this bill is a big concern – small business owners have called COST the biggest issue that Washington, DC should be dealing with. The bill does make some efforts to inspire cost containment in the Medicare program, but it is tough to tell how much of that will survive, let alone bring down costs. Certainly, the hope is that it will help. But important to note, those are long-term savings and I do think lots of folks are hoping to see more immediate downward movement on their individual premiums.

[11/04/2009 12:24:23 PM] **Dave.Watson:** What are people's thoughts on some of the points raised by attendees? Is covering everyone a good thing or a bad thing? Is covering all medical conditions good or bad? Should people be left to fend for themselves when dumped by or forzen out of the insurance market? All these things cost \$. Are they worth paying for or not? I know what the

NFIB Healthcare Chat Transcript, November 4, 2009

<http://www.nfib.com/member-benefits/healthcare-chats/>

- media loud-mouths think. What do people in this forum think?
- [11/04/2009 12:25:43 PM] **Matt.Conrad:** Michelle, I keep hearing a wide array of numbers relative to the actual cost of this bill. Is it truly deficit neutral? Is the cost 1.3 trillion, 800 billion, or something else?
- [11/04/2009 12:25:43 PM] **NFIB Michelle Dimarob:** Jeffrey: thanks for the comment and the insight. We continue to question whether this will bring down or increase insurance costs. H.R. 3962 gives a political board the power to define "coverage" and will determine whether an employer plan is "acceptable." The bill does nothing to ensure that the new plans will be less costly than what small employers are paying today and even requires some small employers to cover benefits that are not currently mandated under federal law.
- [11/04/2009 12:25:44 PM] **Dave.Watson:** If this bill fails to pass is there a desirable plan ready to go? or are we back to business as usual?
- [11/04/2009 12:26:34 PM] **Larry.Watson:** Other contries can cover everyone at half the cost. So there is plenty of money being spent. It is just brocken.
- [11/04/2009 12:26:37 PM] **Teresa.Akkola:** The cost of covering everyone would actually lead us to look at just paying the % because we would actually have to double our health cost to cover all of our part time employees and does the bill state if the health coverage woudl have to be immediate or would there be a waiting period
- [11/04/2009 12:27:09 PM] **Rich.Terry:** How do we handle illegals? They'll need health care but who pays for them?
- [11/04/2009 12:28:06 PM] **Jeffrey.Williamson:** Why is it not possible to define what health conditions insurers can exclude, so that premiums do not increase. When everyone is required to seek insurance and some are denied for pre existing conditions why can't they then become eligible for medicare, Medicare is in place. Let medicare review the rejection to be sure it is valid. After the first couple years everyone will be insured one place or the other and pre existing conditions are no longer an issue.
- [11/04/2009 12:29:38 PM] **NFIB Michelle Dimarob:** DAVE: There are a lot of strategies being developed, and it is important to keep in mind that the House is one stop, but the Senate is the other. In the Senate there has been a greater willingness to include legislative proposals that help small business, insurance market reforms, including interstate purchasing and small employer purchasing pools. An example of this would be the SHOP Act, S. 971. Many of these concepts are reflected in various Senate proposals. Without a doubt, the vote this week is mile 3 of a 300 mile journey.
- [11/04/2009 12:30:58 PM] **DAVID BERGERON:** Folks, the problem here is that if a plan passes its only the beginning. What we are going to end up with is the tax code for health insurance. No one understands the tax code, and in a few years the health bill will be the same.
- [11/04/2009 12:32:31 PM] **NFIB Michelle Dimarob:** RICH: There is much debate about how HR 3962 handles illegal immigrants. The bill has language specifying that those here illegally are not eligible for coverage. However, there is much disagreement about whether the language is specific enough. It is a big bone of contention and it is not clear how it will be addressed.
- [11/04/2009 12:33:57 PM] **Dave.Watson:** My concern is that if this bill fails then there will be no house-senate reconciliation process through which the good points of a Senate bill can be brought in. If this fails I really believe nothing will happen for a long time (years). In my opinion, doing nothing is not an option.
- [11/04/2009 12:34:20 PM] **NFIB Michelle Dimarob:** AGAIN, be sure to visit www.nfib.com/healthcare to gather resources and to take action by calling, writing or emailing your Member of Congressman about the effect HR 3962 will have on you.
- [11/04/2009 12:34:28 PM] **DAVID BERGERON:** Don't worry about illegals. Immigration reform is due for legislation next year. By 2013 there will be no illegal aliens. Therefore no question about coverage.
- [11/04/2009 12:35:20 PM] **Dave.Watson:** That is funny!

NFIB Healthcare Chat Transcript, November 4, 2009

<http://www.nfib.com/member-benefits/healthcare-chats/>

- [11/04/2009 12:36:10 PM] **Larry.Watson:** I agree with Dave, doing nothing is not an option. What we need is a vehicle that we can use to drive down costs. That is why I support the Public Option. Nothing is going to be correct out of the gate, but we need a way forward.
- [11/04/2009 12:38:29 PM] **NFIB Michelle Dimarob:** DAVE: We completely agree that doing nothing is NOT an option. Like our members we think action must be taken to make things better, but not worse than where we are today. The House bill will make things worse, plain and simple. The Senate provides a greater opportunity to secure reform. But we are all working on alternatives if the process is stymied. Since this is 1/6th of our economy, and it is our tax dollars, we have got to get this right. But yes, the clock is ticking because elected officials DO NOT LIKE taking tough votes in an election year – like 2010!
- [11/04/2009 12:40:47 PM] **NFIB Michelle Dimarob:** LARRY: Thanks for your comment. Small employers have long sought a reformed, private insurance marketplace that can provide businesses and employees with more affordable coverage and a sustainable choice of plans. Instead, the public option is an “easy way out” for elected officials who, instead of enacting meaningful reforms on the insurance industry, decided to simply grow the size of government. NFIB is deeply concerned that a “public option” will further compromise the viability of private insurance and restrict choice to a single plan: the government-run plan, which will ultimately be funded on the backs of small businesses.
- [11/04/2009 12:41:00 PM] **Teresa.Akkola:** I agree with Doug, they can not handle the fraud with in Medicare and Medicaid why would we trust that a public option would control cost
- [11/04/2009 12:42:53 PM] **DAVID BERGERON:** Once the public plan eliminates the private sector plans, how will we know what cost containment is?
- [11/04/2009 12:43:09 PM] **NFIB Michelle Dimarob:** Doug: Have to say, you sound like many of our members. They very rarely say that the government makes anything cheaper or more efficient. We are talking about a healthcare program that, based on history, will have the efficiency of the post office, the cost containment of AMTRAK and the heart of the IRS.
- [11/04/2009 12:43:26 PM] **Beryle.Carey:** It doesn't seem to be only Medicare and Medicaid problems. The general insurance industry has gone crazy - making their own rules, and making big bucks because of it. The government should be looking into making some rules for the insurance companies to follow, so health insurance costs will be fair for EVERYONE.....
- [11/04/2009 12:44:15 PM] **Jeffrey.Williamson:** Larry, the public option is the worst option. The first bill which was 1000 pages was read by myself and 9 others unrelated to the insurance industry. It gives authority with few limitations to a secretary tp provide affordable quality healthcare without increasing the deficit. Open ended no limitation. The GAO evaluated this and assigned a cost. How could they when they don't have any idea the direction this will take or the decision that will be made. The studies and oversight will alone increase the cost of healthcare. The consequences of 1900 pages can't be calculated and it's a bridge we can't go back over after the crossing. Yes though something needs to be done and there is a lot that can be.
- [11/04/2009 12:45:21 PM] **Jeffrey.Williamson:** The debt won't go up, taxes will come, so it all falls on premiums.
- [11/04/2009 12:45:42 PM] **Teresa.Akkola:** This goes way past the Bush admin, the country has been working on this for over 20 years
- [11/04/2009 12:45:55 PM] **NFIB Michelle Dimarob:** You might also be sure to check out the Top 15 list to see about the new paperwork reporting requirements. H.R. 3962 places a new tax-compliance paperwork burden on all small businesses. Called “corporate reporting,” this expansion on reporting requirements increases the cost of operating a small business and diverts resources away from growing and creating jobs. The amount is for services of \$600 or more that would be subject to the new reporting requirements.

NFIB Healthcare Chat Transcript, November 4, 2009

<http://www.nfib.com/member-benefits/healthcare-chats/>

- [11/04/2009 12:47:57 PM] **DAVID BERGERON:** Want a preview of the "Public option". Call Medicare and ask a question. They are as informed and cooperative as the IRS.
- [11/04/2009 12:48:36 PM] **NFIB Ani.Matson:** *Top 15 Reasons We Oppose H.R. 3962 - <http://www.nfib.com/issues-elections/issues-elections-item/cmsid/50151/>*
- [11/04/2009 12:48:39 PM] **NFIB Michelle Dimarob:** Also, while I am thinking of it, neither the payroll tax threshold of \$500,000 or the surtax are indexed for inflation. It is like AMT for small business. If you are exempt now, you won't be for long. Eventually, everyone will be mandated.
- [11/04/2009 12:49:18 PM] **NFIB Michelle Dimarob:** Doug: don't be sick -- be active! Call your member of congress and tell them to vote NO on HR 3962!
- [11/04/2009 12:50:13 PM] **DAVID BERGERON:** My wife and I have been contacting our reps for two years. All we get back is recorded answers and form letters.
- [11/04/2009 12:50:24 PM] **NFIB Michelle Dimarob:** Does anyone here have an HSA? H.R. 3962 prohibits individuals from using HSA, MSA and HRA funds to purchase over-the-counter health products (except for insulin). This further limits the utility of this health insurance option, making it harder for people to "keep what they have."
- [11/04/2009 12:50:26 PM] **Matt.Conrad:** Michelle, what else should we be doing? I've called but I get the impression...(What David says...)
- [11/04/2009 12:51:09 PM] **NFIB Shannon.Majors:** ***** We have ten minutes remaining to ask Michelle questions. But remember.... save up your questions for our next chat sessions.... Wednesday, Nov. 11 and 18. Same time... same place!*
- [11/04/2009 12:51:25 PM] **Dave.Watson:** The gvmt. plan MIGHT drive down cost because of competition but so far no one is willing to admit it. The cost of this bill is a concern. So is my annual 20% insurance premium increases for which I get no increased coverage and from which I have no options-and the insurance industry knows it.
- [11/04/2009 12:51:31 PM] **NFIB Michelle Dimarob:** Matt: you can write a letter to the editor, invite members of congress for a tour so they can meet you and your employees and by all means, ask your employees and fellow business owners to add their voices, too.
- [11/04/2009 12:52:37 PM] **NFIB Michelle Dimarob:** Doug: She might not vote with you, but you gotta do it! And please call Cong. Kagen's office -- he needs attention.
- [11/04/2009 12:53:55 PM] **Dave.Watson:** Yes Michelle, everyone in my company has an HSA. In my personal situation there is no money left after paying for things insurance doesn't cover so the fact that I can't buy over the counter products doesn't concern me.
- [11/04/2009 12:54:19 PM] **NFIB Michelle Dimarob:** Dave: understand the frustration, but there is little credible evidence that a public plan will drive down costs. Think of Fannie and Freddie -- the government plans are always TOO BIG TO FAIL.
- [11/04/2009 12:55:00 PM] **Dave.Watson:** Agreed. But I just can't accept "doing nothing";
- [11/04/2009 12:55:12 PM] **Larry.Watson:** Michelle -NFIB has known that cost is the big issue for 20 years, but they continue to just sing the Republican song of allowing health insurance companies to do what ever they want. Don't you think it is time to stop scaring people and come up with solutions?
- [11/04/2009 12:55:56 PM] **NFIB Michelle Dimarob:** Dave: Good observation. However, want to caution y'all that there will not be any ability for these to remain an attractive option. They are eliminating this provision to pay for the bill. HSAs and other accounts like them are in serious jeopardy of going the way of the dinosaur.
- [11/04/2009 12:56:16 PM] **Todd.Page:** Nice job Michelle !! excellent info !!
- [11/04/2009 12:57:23 PM] **Rich.Terry:** I just talked to my Ins. rep. and she said to expect a 20-40% premium increase next year. It seems that the gov't subsidizing of COBRA benefits has resulted in increased claim activity. In my opinion no matter what the gov't does it will cost us more.
- [11/04/2009 12:57:34 PM] **DAVID BERGERON:** Do yourselves a favor. Google "payroll tax origins" and research what congress did to get the public to accept the payroll tax

NFIB Healthcare Chat Transcript, November 4, 2009
<http://www.nfib.com/member-benefits/healthcare-chats/>

with businesses assuming the costs of collections. They started small knowing they could increase taxes later and incrementally without the general population complaining too much. Much easier than doing it in larger chunks.

[11/04/2009 12:57:56 PM] **NFIB Michelle Dimarob:**

Larry – First of all, not trying to upset our insurance agent members, but we are NOT a friend of the insurance companies – in 2006 we fought for Small Business Health Plans, and the insurers killed it. And then in 2008 and 2009 we have introduced the SHOP act, which requires reform of insurance markets. They haven't liked that, either. We work with republicans and democrats because when you go to the doctor, they don't ask for political affiliation and they only want to know if you have insurance.

[11/04/2009 12:58:57 PM] **NFIB Michelle Dimarob:**

RICH: Good reminder -- COBRA is expanded in the bill. Folks can take COBRA until 2013 under this legislation.

[11/04/2009 01:00:03 PM] **NFIB Michelle Dimarob:**

Looks like we are out of time --thanks to all of you! be active!!! call your member and tell them no on hr 3962. Thank you for your membership and for being engaged in the process.

[11/04/2009 01:00:12 PM] **NFIB Shannon.Majors:**

*** Thank you all for attending today's chat session... and thank you Michelle for taking the time to answer questions. We will meet in the same place, same time on Wednesday, Nov. 11 and 18. For more information you can visit <http://www.NFIB.com/Healthcare>

[11/04/2009 01:04:06 PM] **Matt.Conrad:**

Any folks from Virginia on here who want to collaborate?