April 17, 2012

The Honorable (Legislator’s First & Last Name)

(Address Line 1)

Sacramento, CA (Zip Code)

***Re: Opposition to SB 1431***

Dear (Senator/Assemblyman) (Legislator’s Last Name),

As the owner of (name of business) which employers (number of employees) Californians, I respectfully, but strongly, urge you to oppose SB 1431; legislation that will directly limit a small business’ options to offer its employees healthcare coverage.

As a small business owner, I can relay firsthand how such legislation would restrict my ability to offer coverage. I can also say that this proposal would both increase the cost of the coverage I offer, as-well-as my ability to offer a generous benefits package.

I choose to sponsor a self-insured plan because of the cost-efficiencies and plan flexibility it enables. I am able to target covered benefits to the wants and needs of my employees. I also have the ability to reinvest plan savings into future lower employee contributions and/or expand benefits I can cover. Lastly, the cost-savings I see, as-well-as the flexibility I maintain, allow me to offer prevention and wellness programs that keep my employees healthy and costs down for both my business and the plan participants.

I purchase a stop-loss policy as a means to limit the cost-exposure to the plan and to my business. Without my stop-loss policy, I risk facing high-cost claims that could either force me to drop coverage, or even worse, put me out of business.

SB 1431 would restrict stop-loss policies above where I could practically and responsibly offer a self-insured health plan to my employees. Meaning, it would either cost more to both my business and my employees for healthcare coverage, or I would longer be able to offer coverage and all my employees and their families would be uninsured.

As a small business owner, I want to offer coverage that is both affordable and sufficient to my employees and their families, but should SB 1431 be enacted, I don’t know if I would still be able to do so. At a time when we should aim to lower healthcare costs and expand coverage access, it is clear to see that SB 1431 is just bad policy.

I urge you to stand up for small businesses and oppose SB 1431. Should you have any questions or would like to discuss further, I can be reached at (phone number) or (email address). Thank you in advance for your time and consideration.

Sincerely,

(Your first and last name)

(Business name)