

From: Town of Barton <bartontown@comcast.net>

Sent: Tuesday, February 26, 2019 9:02 AM

To: Faith Brown <FBrown@leg.state.vt.us>

Subject: Testimony on S.103

Good Morning,

I wish to submit the following written testimony on S.103, regarding association health plans. If e-mailing you is not the appropriate way to go about this please let me know and instruct me on how to proceed. Thank you so much for your help in this matter.

The Town of Barton, a small municipality with 5 full time employees, joined an association health plan in 2019. By doing so we decreased our health care costs by 3.6% while improving the offerings for our employees. In addition we were anticipating an increase of about 2% had we stayed in our current plans, meaning our true savings over maintaining the old system was 5.6%. This is a huge benefit to not only our employees but also our tax payers. Our employees were able to decrease their out of pocket maximum, keep the providers they were comfortable with, and do so while the town spent less on health care. This legislation shifts costs to small businesses like ours while allowing larger businesses to continue taking advantage of lower rates. Individuals in the market are not being offered group rates, and that is unfortunate, but forcing small businesses to join at those individual rates instead of joining associations is not the way to solve the problem. If the goal is to lower the costs of individuals covered on the exchange I do not believe raising costs for small businesses is going to help. I would instead question why exchange rates are so much higher (5.6% or more), and work to allow all those in the exchange to join a similar program to the association health plan we have so benefited by joining.

If the association health plan were to go away next year I would anticipate not only the 5.6% increase we saved ourselves from taking on this year but also next year's market rate increase, which as we all know can be quite high by itself. What this means is a large jump in the tax rate for the taxpayers in Barton. Please do not hesitate to reach out to me with any questions you may have for me, I would be more than happy to answer them and testify either in person or by phone if called upon to do so. I greatly appreciate your time and consideration of my concerns.

Sincerely,

Kristin Atwood

Barton Town Clerk / Treasurer