



SELF-INSURANCE INSTITUTE OF AMERICA, INC.

May 2, 2003

The Honorable John Boehner
Chairman, Education and the Workforce Committee
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Boehner:

We are writing to express our strong support for the *Small Business Health Fairness Act of 2003* (HR 660) which was introduced on a bi-partisan basis in February, 2003 and passed the Subcommittee on Employer-Employee Relations on April 8, 2003.

The Self-Insurance Institute of America, Inc. (SIIA) is a national trade association that represents employers with self-insured health care and workers' compensation plans, as well as other companies involved in the self-insurance industry.

Under the legislation, small employers are permitted to pool together as part of federally-regulated association health plans (AHPs) to provide benefits for their collective work-force.

Association health plans represent a private sector solution to the challenge faced by small business owners by providing affordable health benefits to their workers. We believe AHPs will help thousands of small businesses provide affordable health coverage to employees.

It is estimated that for employer-groups of less than 50 lives, health care costs have been increasing, on average, at the rate of 15% to 25% per year for the past 3 years. Plan costs are being shared with employees as the average deductible has increased from \$250 to \$600 per person in the past 4 years and doctor office visit co-pays have gone from \$10 to \$25, on average, during the past 3 years.

SIIA believes AHPs can provide coverage to small employers in a more efficient and cost-effective manner, allowing them to take advantage of risk financing options utilized mainly by large employers.

We urge you to vote "Yes" on HR 660 the *Small Business Health Fairness Act of 2003*.

Sincerely,

James A. Kinder
Chief Executive Officer