



February 23, 2015

Chairwoman Yvette M. Alexander
Committee on Health and Human Services
1350 Pennsylvania Avenue, N.W.
Washington, DC 20004

Dear Chairwoman Alexander:

In response to the Committee on Health & Human Services February 25 Performance Oversight Hearing, ASAE submits the following comments regarding our concern about use of the D.C. “Small Business Health Options Program” (SHOP) exchange as the only option for small employers in DC. My name is John Graham, President and CEO of the American Society of Association Executives (“ASAE”), a 501 (c)(6) tax exempt organization founded in 1920, based in Washington, DC, and representing 21,000 members. Among the services provided by ASAE to its members are education and knowledge resources, credentialing, industry research, and advocacy on issues that impact or threaten the success of the association and nonprofit corporation community.

ASAE represents more than 3,200 association executives that are located in DC, along with almost 800 organizations that are based in the District. Most of these associations currently provide healthcare to their employees, though many small associations struggle to afford this important benefit. Over 82 percent of our DC member organizations are smaller than 50 employees and are currently mandated to enter the Exchange, yet there is confusion and concern in the association community about the details and costs of this new system. Technical problems and ongoing delays are also major concerns for our members.

Last summer we saw a new tax on all health-related insurance products passed to help fund DC Health Link. It’s unclear if this tax will be increased. Our members are concerned that future tax increases may impact their ability to provide quality health care to their employees. For many associations, providing insurance is one of their highest budget costs annually. That is why it is critical that the affordable options found in the private market still be available. DC associations are concerned that they will be forced to change their business model if costs rise at an unsustainable rate.

ASAE members have written to us that they are troubled the SHOP does not currently have the technological capability needed to ensure its success. We are extremely concerned that when the private marketplace is closed for businesses with 51-100 employees, the SHOP may not be able to handle the increased traffic.

ASAE urges you and your fellow Councilmembers to delay any changes that could overburden DC Health Link before the technology is ready. Healthcare is an extremely important benefit that



our members offer to their employees, and it is imperative that the private marketplace remain open and that this benefit continues to be affordable. Should you have any questions, please contact me or Jim Clarke, sr. vice president of public policy, at (202) 626-2865 or jclarke@asaenet.org.

Sincerely,

John H. Graham IV, FASAE, CAE
President & CEO

Copies to:
Members of the Council of the District of Columbia
The Honorable Muriel Bowser, Mayor of the District of Columbia