

June 9, 2017

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DEBBIE PEDRO Greater Hermiston Chamber Dear Co-Chairs Girod & Holvey and members of the Capital Construction Subcommittee,

The Oregon State Chamber of Commerce represents 84 local Chambers of Commerce and 24,000 local businesses in every corner of Oregon. OSCC opposes SB 1067 as introduced.

To be clear, OSCC opposes Sections 29-34 of the bill. If these sections are removed, OSCC would be in support. Sections 29-34 set in law the rates paid to health care providers by the insurance plans who contract with PEBB and OEBB to provide public employee health benefits. The rates in SB 1067 are tethered to Medicare reimbursement rates.

This is not cost containment – it's \$90 million worth of cost-shifting on to the commercial health insurance market which affects primarily small and medium sized businesses.

Small and medium sized businesses will already be paying higher health insurance premiums under the premium tax provisions of HB 2391 which is being used to make the state's Medicaid budget whole.

SB 1067, as introduced, would essentially be a 'double hit' on small employer health insurance premiums.

Sincerely,

Alison Hart

Executive Director

Oregon State Chamber of Commerce