

Oregon State House Committee On Health Care
State Capitol Building
900 Court Street NE
Salem, Oregon 97301
Re: Endorse HB 2010 -1

Dear Chairwoman Prusak, Vice-Chair Hayden and members of the Committee

My name is Jim Houser, I am a recently retired auto mechanic, co-founder of Hawthorne Auto Clinic in SE Portland and Co-Chair of the Main Street Alliance of Oregon. I respectfully submit this testimony in support of HB 2010 with the amendment -1.

When Liz Dally and I started Hawthorne Auto Clinic in Portland, Oregon in 1983 we already knew what HR professionals emphasize even more strongly today, 95% of employees say that healthcare coverage is the most important benefit an employer can provide in an applicant making the decision to accept a job offer. That nearly 90% of large corporations provide employee healthcare coverage attests to this fact of modern business life. Today auto repair is a high-tech field. Liz and I knew that if we were going to be able to compete with larger companies for the best staff, we were going to have to provide family wages and good benefits, including good healthcare coverage. Our decision to provide good benefits to our employees and their families proved to be a good one. In 2019 the average tenure of our full-time staff approached 16 years. But it wasn't easy. Health insurance costs in 2019 for our nine full-time employees and their dependents equaled nearly 20% of payroll. As we all know, and has been confirmed as recently as a 2018 report of the National Conference of State Legislatures, small businesses pay between 8% and 18% more for healthcare for their employees than do large corporations. So long as employers in this country are expected to provide healthcare coverage for their employees, small businesses are going to have to secure a more level playing field relative to large businesses in order to lower their healthcare premium costs. One way to achieve better negotiating power with health insurance carriers and healthcare providers for price and quality improvements is by both increasing the size of the buying group, and establishing some reasonable limitations on medical care reimbursement rates. HB2010, the Public Option Health Insurance Bill, meets both of these criteria. For that reason I endorse and recommend passage of HB2010.

Jim Houser, co-founder Hawthorne Auto Clinic (ret.); Co-Chair, Main Street Alliance of Oregon