

Written Testimony
Of

Miss Sheila A. Salter
Founder & CEO, early2surg

Before the
U. S. Senate Committee on Small Business & Entrepreneurship
Wednesday, November 20, 2013

Good morning Madame Chair Landrieu, Ranking Member Risch and other distinguished members of this Committee. I am honored to have this opportunity to share the negative impact Obamacare has had on my small business and me.

My name is Sheila A. Salter and I am the sole proprietor of early2surg, which is a Marketing Consulting business whose mission is to improve/accelerate the development, and commercial launch of surgical devices for start-up device companies.

For over 35 years my career has been in the healthcare field. I am aware of the many strengths and weaknesses within our healthcare system. I do not think there is a person in this great country of ours that does not wish for every individual to have healthcare.

Obamacare has negatively impacted my business and filled me with uncertainty. I am my business. I planned for many years to have my own business. I invested my time and money to begin early2surg this past February.

I am still establishing the company but my business plan includes growth and eventually, expansion. Because I have no employees I am **not** eligible for SHOP at this time, but it would be my reality if and when I could afford to expand.

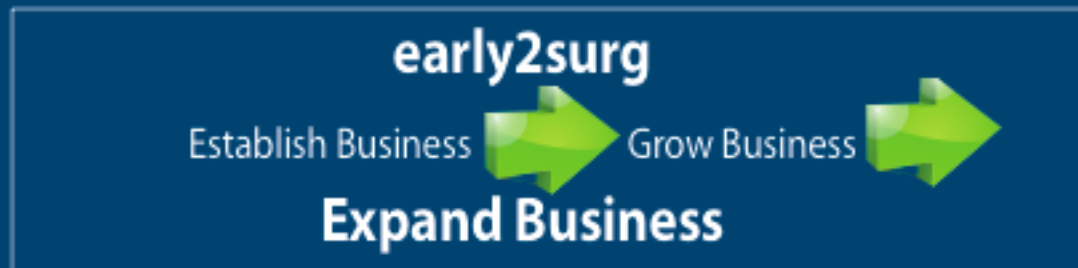
I'd like to direct you to the screen to clarify my points. (Content embedded below)

\$4,584 bite out of my business

2014 Essential Health Benefits	Sheila's Plan	Cost for Sheila's Plan	Cost for AC Bronze Level
(Required by All under ACA)		\$202 \$3500 Ded/\$25 co-pay	\$584 \$5000 Ded/\$45 co-pay
Ambulatory Patient Services	Yes		
Emergency Services	Yes		
Hospitalization	Yes		
Maternity and Newborn	No		
Increased benefits for Mental Health & Substance Abuse	Partial		
Prescription Drugs	Yes		
Rehabilitative and habilitative services & devices	Partial		
Lab Services	Yes		
Preventive and wellness services and chronic disease management	Yes		
Pediatric Services, including oral and vision	No		

NOTE: Sheila is 61 and has no children or history of alcohol or drug abuse

Sheila's Plan/ Year	ACA Plan/Year	Difference Per Year
\$2,424	\$7,008	\$4,584



I was shocked when I received notice from BC/BS the end of September my insurance would be cancelled effective January 1, 2014. I looked over the federally mandated 10 Essential Benefits (listed on the left side of the screen) and it was immediately clear to me the federal government has taken away my freedom and ability to select healthcare services I want.

Please look at the column titled "Sheila's Plan" which is the plan I enjoyed *prior* to implementation of Obamacare. I was able to shop and find healthcare that suited me for \$202/month. The proposed BC/BS replacement policy for \$584/month includes services mandated by law and it has a higher deductible and co-pay. Does anyone here think my current policy is substandard?

I emailed my U. S. Congressman, David Price (Democrat) to ask for assistance. Part of his response to me (attached is full response) was to shop on the healthcare.gov website. That site was not working at the time and is still not secure. He also placed blame on the insurance companies and the governor of NC.

Clearly, there is one healthcare plan, which you see on the left hand column. The federal government has legislated this plan is best for everyone, male or female. "Shopping" under the federal law is deciding deductibles, co-pays but it does not allow for one to choose one's own healthcare. I shopped for my healthcare and found one I am very happy with for \$202. Having my healthcare freedom of choice taken from me is unacceptable now, 12 months from now, and will never be acceptable.

How has Obamacare affected my business? It has a huge snowball effect. My plans to establish, grow and expand are minimized and delayed. In addition, my potential clients face the same impact. They may delay contracting my services so they can pay their healthcare premiums.

Of course, ramifications of potential identity theft on my company and me could wipe me out financially to the point I could never recover.

In my business we have a motto: **First do no harm**. I am faced with uncertainty and this law has harmed me.

Again, I want everyone to have healthcare. I am happy to assist you in improving or rebuilding an optimal plan for healthcare. **But first do no harm**.

Thank you again.

From: **Rep. David Price** nc04dpinbox@mail.house.gov
Subject: **Reply from Congressman Price**
Date: **November 1, 2013 at 5:30 PM**
To: Sasalter@aol.com

Thank you for contacting me regarding the notification you received from your insurance provider about changes to your plan and premium for 2014. Although I cannot speak for your insurance company, I appreciate the opportunity to clarify the relationship between these changes and the Affordable Care Act, and to summarize your health insurance options under the law.

If you have a plan that was "grandfathered" under the Affordable Care Act (one that was in existence on March 23, 2010) and have not made changes to your coverage since then, you can choose to keep your plan. Grandfathered plans do not include important new consumer protections, such as a guaranteed right to appeal disputed insurance decisions and rate reviews that hold insurers accountable for excessive premiums. But if your plan was grandfathered and you are satisfied with it, the law does not require you to leave it. You can learn more about grandfathered plans at: <https://www.healthcare.gov/what-if-i-have-a-grandfathered-health-plan/>.

If you received a notification from your insurance provider stating that you must enroll in a new plan, the provider is either assuming that your current plan is not grandfathered or has decided to no longer offer the plan. You may decide to purchase the coverage your insurance company is suggesting, but this may or may not be the best option for you. Before deciding how to proceed, I encourage you to visit healthcare.gov to determine which plans are offered in your area and what the bottom-line cost to you would be. Deciding which insurance plan works for you can be confusing, but there are unbiased resources available – online, over the phone, or in person – to help you decide which private insurance company and level of insurance work best for you. You can find these free resources at: localhelp.healthcare.gov/.

Finally, I understand your concern about the rising cost of health care premiums. Although the Affordable Care Act does not prohibit insurance companies from increasing premium rates in response to changing market conditions, it does make them justify their rate increases, prohibit them from charging higher rates due to pre-existing medical conditions, and require them to spend at least 80 percent of premiums on medical care – or refund the difference to you. In addition, many individuals and families are eligible for subsidies, tax credits, and cost sharing that will reduce the amount you pay for your premiums and out-of-pocket expenses. To determine if you are eligible for these features, visit healthcare.gov. You can find out more about this part of the law at: <https://www.healthcare.gov/will-i-qualify-to-save-on-monthly-premiums/>.

Unfortunately, the North Carolina General Assembly and Governor Pat McCrory refused to set up a state-run insurance marketplace, which could have attracted more competition between insurers, produced plans better tailored to the state's needs, and resulted in lower premiums.

I am under no illusion that the health care law is perfect, but I also know the health insurance marketplace we had before was badly broken and needed to be repaired. I remain confident that the Affordable Care Act will produce better care at a more affordable cost as it is fully implemented, and I am willing to work with anyone who wants to amend the law to make it work better. I am not, however, willing to go back to the system we had before, or tell the many North Carolinians who lack affordable coverage that they have to wait yet another year to get the insurance they so desperately need.

I hope this information is helpful, and please continue to keep in touch on issues of concern.