



U.S SMALL BUSINESS ADMINISTRATION
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WRITTEN TESTIMONY OF

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BEFORE THE

U.S. SENATE COMMITTEE ON SMALL BUSINESS
AND ENTREPRENEURSHIP

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Chair Landrieu, Ranking Member Risch and members of the Committee – thank you for having me here today to discuss the U.S. Small Business Administration’s (SBA) efforts to educate small businesses about the Affordable Care Act.

As SBA’s Regional Administrator for Region V, I serve as the agency’s principal representative in Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin. In this role, I oversee SBA’s Affordable Care Act outreach through our seven district offices in the Midwest.

America’s 28 million small businesses are the backbone of our economy, creating two out of every three net new jobs and employing half of America’s workforce. At SBA, we are committed to providing entrepreneurs with the tools and resources they need to start and grow businesses. This includes an aggressive outreach effort around the Affordable Care Act to ensure that small business owners have the facts they need to make sound decisions for their businesses and employees.

SBA is uniquely situated to provide outreach and education around the Affordable Care Act, thanks in large part to our network of 68 district offices. Since February 2013, we have participated in more than 1,200 Affordable Care Act outreach events throughout the country, reaching over 68,000 small business owners and stakeholders. I have personally presented at more than 20 health care forums and my team in Region V has participated in an additional 100 plus events across the Midwest. Often hosted in partnership with local chambers and other community organizations, these town hall meetings and roundtable discussions enable SBA to connect with a wide range of entrepreneurs.

Moreover, in conjunction with our federal partners, SBA provides small business owners with the most updated information on the Affordable Care Act. We continue to educate entrepreneurs on issues such as the impact of the law based on size, tax credits available for small companies, and eligibility and enrollment details relevant to the Small Business Health Options Program (SHOP) Marketplace.

There is a great deal of misinformation about the health care law. In my travels, I frequently meet with small business owners who are anxious and apprehensive about how the Affordable Care Act may

impact their businesses. When I speak at outreach events, many entrepreneurs, regardless of their business's size, often mistakenly believe that they will be affected by the Employer Shared Responsibility rules. I am able to reassure them that this is not the case. In fact, 96 percent of all businesses, and most of the businesses I encounter in these sessions, are too small to be impacted. Of the remaining four percent, the vast majority already provide health care that meets the standards required by the law.

When entrepreneurs have access to accurate information and are able to have their questions answered, they leave better equipped to make educated decisions about what is best for their businesses.

SBA also educates small businesses about the benefits available to them through the SHOP Marketplace. Whether a state-run exchange or the federal program, these new marketplaces are designed to give small businesses with generally up to 50 full-time employees the same purchasing power and options enjoyed by larger companies. While there is no requirement for employers to participate, the marketplaces provide a tremendous opportunity for many small business owners who want to purchase quality, affordable health insurance for their employees.

SBA has developed a robust online and digital effort to provide additional information about the Affordable Care Act, including a direct e-newsletter that reaches more than one million subscribers. We've also created extensive online content at both SBA.gov and BusinessUSA.gov, which together receive more than 2 million visitors per month.

And since July, in partnership with Small Business Majority, SBA has held more than 35 Affordable Care Act 101 webinars for small businesses across the country. The webinars, which take place every Thursday, have had over 16,000 attendees and have received very positive feedback.

SBA also continues to leverage our resource partners to help educate small businesses about the Affordable Care Act. Earlier this year, we held a series of comprehensive webinar trainings for our staff, federal partners, and our extensive network of Small Business Development Centers, Women's Business Centers, and SCORE. These partners, working with over one million small businesses each year, are able to expand our outreach efforts and serve as resources on the Affordable Care Act for small businesses in their communities.

As the Affordable Care Act continues to be implemented, SBA is committed to leveraging our resources and federal partnerships with the Department of Health and Human Services, Department of Labor, and others to ensure that small business owners have the facts and resources they need to understand and benefit from the law.

Thank you for the opportunity and I look forward to your questions.