



Opening Statement of Rep. Tim Walberg (R-MI), Chairman, Subcommittee on Health, Employment, Labor, and Pensions Hearing on “Expanding Affordable Health Care Options: Examining the Department of Labor’s Proposed Rule on Association Health Plans”

Good morning, and welcome to today’s subcommittee hearing. I would like to thank our panel of witnesses and our members for joining today’s important discussion on the Department of Labor’s proposed rule on association health plans, or AHPs, and how we can make affordable health care options a reality for more working Americans.

The timing of this particular hearing is appropriate as this week marks eight years since the passage of Obamacare. Since Obamacare became the law of the land, America’s small businesses have struggled to dig themselves out from under the law’s crushing weight.

Since 2008, the share of small businesses with fewer than 10 employees offering health coverage has dropped by a shocking 36 percent, leaving working Americans with fewer health care options or no coverage at all. It is estimated that 300,000 small business jobs have been eliminated because of Obamacare, and 10,000 small businesses nationwide have been forced to close their doors. The financial burden this law has placed on Main Street businesses has been debilitating, with its costs and mandates amounting to an estimated \$19 billion in lost wages for small business employees.

Time and again, those of us on this Committee have heard from small business owners that one of their [greatest concerns](#) is the high cost of health insurance. America’s job creators deserve better than the failing status quo of limited coverage options at sky-high prices. Instead, small businesses should be empowered to negotiate for the very best coverage at the very best prices on behalf of their employees, just as big businesses and labor unions do.

In 2017, this Committee favorably reported, and the House passed, H.R. 1101, the [Small Business Health Fairness Act](#), legislation I introduced with our colleague Rep. Sam Johnson (R-TX), chairman of the Ways and Means Subcommittee on Social Security. This legislation would expand health care coverage and lower costs for workers by empowering small businesses to band together through association health plans and negotiate for lower costs on behalf of their employees.

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By granting small businesses the ability to join together through AHPs, small businesses would be able to strengthen their bargaining power in the health insurance market in order to secure health coverage options on par with that of larger companies and unions.

In October of last year, President Trump issued an executive order directing the Departments of Labor, Health and Human Services, and the Treasury to use their regulatory authority to expand access to AHPs. In response to the President's directive, the Department of Labor proposed a rule in January to broaden the criteria for determining when employers may join together in an employer group or association in order to form an AHP.

Given the Committee's longstanding interest and activity on AHPs, this recent action by DOL presents an opportunity to examine the Department's plan to expand small business access to affordable health care options, and thereby decrease the number of uninsured individuals. Empowering small businesses to form AHPs is especially near and dear to my heart, and I am pleased to see such strong progress on an issue that will directly benefit our nation's job creators and their employees.

I look forward to hearing from our panel of witnesses and from other members of the subcommittee today as we examine this proposed rule and work to do right by America's small businesses.

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