

Statement of Mick Landauer

To All Honorable Members on the Subcommittee on Oversight and Investigations, I am here today to give but one story on the high cost of small business health insurance.

I do own my own business. I have been an owner of the company for over thirty years. One of the perks I offer at the company is a group health insurance policy for those employees who desire coverage. The cost is split on a 50-50 basis. And those costs keep rising.

In 2006 our health insurance costs were \$17,500. That was about 2% of our business costs. In 2007 our health insurance costs rose to \$22,000. That was at 2.4% of our costs. In 2008 health insurance rose to \$25,500. That came to around 2.7% of our costs. In 2009 our health insurance through September has cost \$21,660, which comes to \$29,000 for the year. It is now 3% of our costs.

The rates per employee have been rising tremendously. In order to keep them down, our deductible has been rising instead. Our monthly premiums are now around \$400 for an individual and \$800 for a family plan. The deductible is at \$8,000 for an individual policy and \$16,000 for a family plan. The muffler shop pays for half of the deductible with the plan we have now.

Last year we had deductibles of \$4,000 for an individual and \$8,000 for a family plan. Two years ago the deductible was at \$2,000 for an individual and \$4,000 for a family plan. And you can see our monthly rates in the previous years were lower also. At the shops next sign-up period for health insurance, I expect the deductibles to double once again with the monthly rates going up by 50-100 dollars.

How can this be you may ask? It is because one employee was born with congenital heart disease. He visits a specialist twice a year. A routine visit may cost from \$1,200 to \$1,500. Any specialized tests will run \$10,000 and up. The employee with the heart condition, that is myself.

The only way I see to keep our monthly rates and deductibles reasonable is by removing myself from the company policy. I will not be able to get health insurance anywhere else as I turned down our companies group plan that was available to me. So I ask you, what options do I have?

Pay for my own medical costs in which case I would be forced to sell the business? Quit going to doctors, including the Congenital Heart Specialist? Or maybe move to Canada, which has a national health care plan, and ultimately being forced to sell my business?

To me, owning your own business is the American Dream. A dream that unfortunately now seems to be just that, a dream and not a reality. I turned fifty-three last Thursday and am beginning to wonder how it could all go so wrong?

I employ eleven people, including myself, and used to feel very successful in the business community. I am a member of our local church. I am also a member of two non-profit

organizations, the American Heart Association and the Children's Heart Foundation. I am on the national board with the Children's Heart Foundation besides forming a local chapter. But I've learned that that it could all change in an instant.

Anyway, I would like to personally thank you for letting me have my time at the hearing. I know that our health insurance landscape needs a change. I know that it is an issue with all Americans as it does affect each and every one of us. I do understand that there are as many reasons for a change in our health care system as there are against it. And I see that there is no right or wrong answer on the question of health care. As for me, I am for a change in the way health insurance policies can be written. Whether we make them available nationwide, or let the government offer their own policy, I feel it is time for a change. Health insurance is not just a purchased item as is car insurance, but rather a part of America that affects all Americans.

I know that you have a difficult task ahead of you and I wish you the best in trying to solve America's Healthcare Dilemma. I wish you the best of luck in the decisions you are going to make that will not only impact me, but the rest of America as well. Each and everyone one of us will be affected by your decisions.

Once again, thank you for letting me testify today before you. It has been my utmost honor to have the privilege of speaking before you and try to give a voice for others besides myself.