



MICHIGAN

To: Honorable Members of the Senate Health Policy Committee

From: Charles Owens, State Director

Date: November 8, 2011

RE: Senate Bill 693 and SR 95 – Health Insurance Exchanges

We writing to you concerning SB 693 that would begin the process of establishing a health care exchange under the federal Patient Protection and Affordable Care Act supported by the Obama administration and passed by Congress in 2010.

We support the approach of this bill and we appreciate the efforts of Senator Marleau and his staff in addressing many of our concerns with a state exchange. The new substitute bill (Draft 6) includes sunset language and language making it clear that the act establishing an exchange does not recognize the constitutionality of the federal law.

We also support Senate Resolution 95 that expresses support for the continued efforts of the Michigan Attorney General to oppose the implementation of the federal Act and to memorialize Congress to repeal it.

However, while we understand the concern of the possibility of a federally run exchange being imposed if one is not in put in place by the state, we urge the legislature to await the outcome of a number of pending lawsuits concerning the overall constitutionality of the federal law before establishing a state exchange.

NFIB has been in litigation against the federal Patient Protection and Affordable Care Act (PPACA) since it's' passage in 2010. After a successful decision in August in the 11th Circuit Court of Appeals, NFIB filed a petition asking the Supreme Court of the United States to hear the case challenging the constitutionality of the Patient Protection and Affordable Care Act (PPACA). On the same day the federal government filed their own petition also asking the Supreme Court to hear the case. If the Court agrees to hear the case, then a decision is likely by June of 2012. A copy of the petition can be downloaded at <http://www.nfib.com/press-media/press-media-item?cmsid=58312>.

It is our understanding that the Supreme Court will announce whether they will hear this case on Thursday of this week.

Thank you for your support of small business.