

Mr. Chairman and members of the Committee, my name is Andrea Pfennig, and I am the Vice President of Government Affairs for the Greater North Dakota Chamber. GNDC is North Dakota's largest statewide business advocacy organization, with membership represented by small and large businesses, local chambers, and trade and industry associations across the state. We stand in **opposition** of House Bill 1114.

In our 2024 ND Economics and Employer Survey of our membership, when asked to name one thing state government could do to help your business, the top answer was to make healthcare more affordable.

Our members oppose mandates that increase business burdens and costs. That is exactly what this bill does. The fiscal note of this bill indicates that this is a cost shift. Rather than making healthcare more affordable, this will increase costs for businesses by shifting them to the employer.

It is unclear that the desired impacts of this bill will be achieved. In a report to the Employee Benefits Program Committee on Sept. 12, 2024, Rebecca Fricke, CEO of PERS, indicated that for the 2023-2025 biennium, utilization of insulin and diabetic supplies did not change significantly after inclusion of the price cap. Additionally, it was reported that pharmaceutical companies have been reducing the price of insulin and the majority of the diabetic supplies filled by NDPERS members cost less than the \$25/month cap.

This bill challenges the free market system that GNDC strongly supports. Free markets work. They give strength to the consumer by enticing companies to compete among each other for their business. This competition has led our nation to innovate and develop world-class products at reasonable prices, all at the demand and access of the consumer.

When considering a healthcare mandate that will be applied to the private sector, we ask that the committee also consider the benefits of a free market economy and the importance of a policy framework that enables that system, and our businesses, to thrive. We hope you will oppose this bill.