

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 Senate Bill 2370.

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.

Last fall, the Insurance Commissioner approved small group insurance premium increases between 6.3 and 15.3 percent for the 2025 plan year. Healthcare and prescription drug coverage mandates, like SB 2370, increase business burdens and costs. These increases leave employers with hard decisions. Do they continue offering employer-sponsored health insurance, or do they provide cost-of-living raises to help employees pay for rent and groceries?

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.

Our members oppose mandates that increase business burdens and costs. The fiscal note of this bill indicates that this is a cost shift. Rather than making healthcare more affordable, this will increase business costs by shifting them to the employer. This is especially concerning when considering that there are eight other bills this session that include healthcare and drug mandates that either would or could be applied to the private sector in the future. These costs add up, and they don't go away.

We respectfully urge you to oppose SB 2370.