

**Statement for the Record  
Submitted by Mark Derbyshire  
Before the Committee on Education and Labor, Subcommittee on Health,  
Employment, Labor and Pensions  
March 10, 2009**

**Strengthening Employer-Based Health Care**

My name is Mark Derbyshire. I'm the owner of Park Moving and Storage in Aberdeen MD. My father started the small packing and moving business in 1956. Aberdeen is a small town near Baltimore. In the area there are many small businesses and we often find ourselves competing to attract good employees. Park Moving and Storage employs about 30 full time employees and I invest a lot in them. I want to attract people who are interested in staying with the company for a long time.

One of the benefits that I am most proud to offer our employees is health insurance. Times are tough and good workers are looking for the best job opportunities. It is important to me to limit turnover so I try to make sure that the people I invest my time and energy in are committed to the company. I do not want to train people that might leave as soon as something better comes along. I have learned that the higher the compensation, the higher the motivation and that is one of the reasons why I provide health insurance. Also, I know my workers want to give 100 percent to their jobs, but if they have health problems that are left untreated, they can't. That hurts them and hurts my bottom line.

It is not easy to provide insurance to all of our employees. Every year, the premiums go up, and every year I have to go back to our employees to ask them to give a little more. Right now we pay for 85% of the premiums for individual coverage and about 75% for family coverage. I can't continue to pay more, year after year as premiums go up by double digit percentages

Often, we small business owners are attacked for not offering health benefits. What people fail to realize is the high cost of administering coverage for each employee, in addition to the rising cost of the premiums. For a small business the increased costs for fuel and raw materials, along with decreased revenue can be a lethal combination. Many of my fellow business owners have been struggling with the idea of ending employee health coverage to reduce overhead. All around me companies fold under the pressure of rising health care costs and stop offering benefits altogether. That's a choice I hope I will not have to make. I worry about what will happen to our employees if they do not have health insurance. And I cannot afford to have productivity decline because people are sick.

Businesses like mine that do provide health insurance end up bearing the brunt of the costs for the uninsured workers of other companies. That hardly seems fair—especially for small businesses like mine with tight profit margins. It difficult enough to provide insurance for my

own workers. I cannot afford to have my premiums go up every year to help pay for the care of the uninsured workers of other businesses or my competitors. When those uninsured workers end up at the emergency room, the cost of that care shows up on the hospital bills for my workers. My insurance company passes on those higher costs to me in higher premiums. Those of us who do the right thing by providing health insurance now have to bear the unfair burden placed on us by businesses that do not do their fair share in paying for health care costs.

It is a vicious cycle. When premiums go up, businesses drop coverage, resulting in more uninsured workers. Those of us who continue to do the right thing by providing insurance get left holding the bag. Every year the bag gets heavier. This year, I do not know if I will be able to continue offering family coverage. I try not to think about what would happen if I got rid of this benefit. What would happen to my employees' kids? I worry that some people will look for other jobs and that I might have a tough time finding the same caliber of hard working, high quality employees.

If all businesses were required to offer health insurance, the burden would be lightened for those of us who already provide insurance. Businesses like mine need the Federal Government to help us by leveling the playing field. All business should pay their fair share of the cost of health care coverage so that none of us have to take on an extra burden.