

I thank the honorable Chairman Issa for the invitation to address the distinguished men and women of this body today. I have been asked to speak to you about The Affordable Care Act and the impact that it is having on our family. I hope that my remarks will be helpful to you as you struggle to fix the horrible situation we are in with regards to health insurance in this country.

By way of introduction, my name is Juli Dalton. I am 46 years old. My husband and I are the parents of 3 fine sons. We live in Prescott AZ where my husband owns a small business which he purchased from his father in 2000.

We are very active in our community and in our church and we believe that it is our sacred obligation to first take care of our own needs and then to use our means to assist others.

In that same spirit of self reliance, we decided in 2011 that we needed to purchase health insurance. We felt uncertain about how the future would unfold with the changes in the Affordable Care Act that were sure to come. But our president had assured us that if we had a plan and we liked it we could keep it. So we felt it prudent to purchase a good plan while we thought we still could.

What our president didn't tell us is that we had missed an important 2010 deadline and that the plan we were purchasing would not be grandfathered into the Affordable Care Act anyway.

Our agent worked very hard to find us something that was just right for us. We chose a plan with a \$375 premium. Under this plan, our children were covered until they were 30 years old. Each member of the family had a 5 million dollar cap on benefits. The deductible was high but the prescription coverage was good. We were all healthy, so the plan was a perfect fit for us.

When we enrolled, Blue Cross tried to deny me for what they determined to be a pre existing condition, but we were able to resolve that by submitting additional documentation provided by our doctor. We felt very good about the fact that, in the event of a catastrophic injury or illness, we had been able to provide protection for our family at a price we could afford.

In October of this year, our agent called and told us that our plan was no longer going to be available under the Affordable Care Act. He told us that, starting the first of the year, it would cost us \$1,180 for a similar plan under the new rules. To put that into perspective for you, \$1,180 is about the same size as the mortgage payment on our home. I did some calculations and discovered that this \$800 a month difference amounts to an almost 320% increase in our premium.

Our agent offered to rewrite our old plan for us so that we could at least keep it for 7 more months. At the time I thought how sad it was that we could only plan for our family's security seven months at a time. Seven more months and then what?

Since that time, the rules of the game have changed again and we have been told that BCBS is now extending the renewal date to December 2014 for everyone. But no one knows what will happen after that. If something is not done our premiums will skyrocket just 6 days after Christmas next year.

I was asked to comment on how these changes will impact our family's bottom line and discuss with you what our options are at this point.

We could opt to pay the 320% increase in our premium. But where would this additional \$800 a month come from? I would like to help you all understand what the value of \$800 means to our family. We could save \$800 a month by selling both of our cars. We could save \$800 by selling our house and moving in with my husband's brother. We could get a second job just to pay for our health insurance. I could choose to save money on occasional travel expenses and opt to never see my dad again. Or we could suspend all charitable giving. None of these options are workable.

One of our sons will be serving a two year mission to Chile beginning in January, which will cost \$400 a month. Where will that money come from now? Our oldest son is very bright and is on full scholarship to Brigham Young University where he is on track for a career in medicine. We will not be able to help him financially.

We could opt to purchase insurance through the government subsidized exchanges, but for a family of four at our income level, living in Yavapai County, the subsidy would only be \$252 a month, making our new premium \$998, which is still more than a 250% increase over what we have been paying.

Our agent has informed us that three of the five major insurance carriers operating in Arizona have pulled out of the exchanges in Yavapai County, effectively reducing our ability to find good competitive prices on the exchange by 75%.

To stay within our budget we could choose to drop our insurance altogether and opt to pay the penalty instead. This looks good on paper, but the reality is that when my husband or I, now in our middle age, ever contract a serious disease it will completely wipe us out and we could lose everything, including our retirement.

In short, we have no good options.

Thank you.