

# Stable Cost – Secure Choices – Quality Care

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## How Health Insurance Reform Will Help Small Businesses

### Lower Costs for Small Businesses

- ✓ **Preventive Care for Healthier Workers:**
  - Chronic disease costs \$1 trillion in lost productivity each year and small businesses do not have a reserve of workers they can rely on when someone calls out sick. Health reform will require insurance plans to provide free preventive services and create a system that manages illness and disease instead of just treating it when it's too late and costs more.
- ✓ **End the “Hidden Insurance Tax:”**
  - Nearly three-quarters of small businesses that do not offer benefits cite high premiums as the reason. Premiums are high, in part, because of a “hidden insurance tax” of more than \$1,000 for the unpaid costs of care of the uninsured. Health insurance reform will address this burden by reforming the system and offering affordable insurance options for all Americans.
- ✓ **Invest In Businesses Again:**
  - As health care costs continue to rise, other business investments get crowded out. In fact, 40 percent of small businesses say that health care costs have had a negative impact on other parts of their business. By lowering health care costs through more efficient care, more of our nation's dollars can go towards investments in our economy, enabling businesses to thrive.

### Greater Choices for Small Businesses and Their Employees

- ✓ **One-Stop Shopping – Lower Administrative Costs:**
  - Small businesses pay three times the administrative costs of large businesses for health insurance. Health reform will create a health insurance exchange that will significantly reduce administrative costs by reforming the health insurance market, enabling small businesses to easily and simply compare the prices, benefits and performance of health plans.
- ✓ **More Affordable Choices and Insurance Competition:**
  - In several states, one health insurance company dominates more than 70% of the small group insurance market. With an exchange, competitive private plans and a public option will increase the choices for small businesses and promote competition that holds private insurers accountable.

### Quality, Affordable Health Care Options for Small Businesses

- ✓ **Tax Credits to Provide Health Benefits:**
  - Health insurance reform will provide small businesses with tax credits to help them provide health insurance for their employees. This will make health care more affordable for small businesses and their workers.

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✓ **Fairness for Small Businesses:**

- To level the playing field and help small business, big employers that do not support their workers' health benefits would share in their costs through an assessment. Given the unique challenges facing the smallest businesses, they will be exempt from such a requirement.