



# Health Care Reform

- NATO is part of the **Small Business Coalition for Affordable Healthcare**, with more than 150 organizations promoting legislation to increase access and affordability of health insurance for the largest segment of the uninsured — small business owners, employees, the self-employed, and their dependents.
- Momentum for health care reform this year is building. Lawmakers are working with business groups, labor unions, consumer groups, doctors, hospital executives, and other health care stakeholders to develop a consensus on reform.
- Democrats in Congress have set a goal of passing health care reform by August. Many Democrats support the use of a special process—known as budget reconciliation—that would allow passage of a health care reform bill with 51 votes in the Senate instead of the usual 60-vote supermajority that would be required to avoid a filibuster.
- There is strong opposition to a **single payer government system** on both sides of the aisle. Reform is likely to be an expansion that would build on the current system, relying on employer coverage and public programs. Small businesses are likely to get tax incentives and subsidies to help cover their workers.
- Employers of all sizes are opposed to an **employer mandate** requiring businesses to cover workers or pay into a fund. But there is a lot of pressure from various lawmakers and groups to include this mandate in any reform bill.
- Any reform needs to address the soaring cost of health care in the United States. The number of uninsured Americans has grown to record numbers. Of the estimated 47 million Americans without health care, **more than 28 million are small business owners**, their employees, and their dependents, according to the United States Census Bureau.
- While small businesses drive job growth in the United States, they are hit harder by high health care costs than big companies. Small businesses, including independent movie theaters, want to offer their employees and dependents meaningful and affordable coverage, but they cannot because premiums continue soaring. According to a Kaiser/HRET 2008 study:
  - Average **premiums for family coverage have increased 119%** since 1999.
  - In 2008, the average premium for workers with health insurance offered through their employer was \$4,704 for single coverage and \$12,680 for family coverage — a 5% increase from 2007.
  - A Commonwealth Fund report found employees in the nation's smallest firms pay an average of 18 percent more in health insurance premiums for the same benefits than those in the largest firms.
- NATO has long actively promoted **small business health plans** (SBHPs), which would allow small employers to band together across state lines to increase their purchasing power and lower health insurance costs. Currently, large companies and labor unions can offer a uniform set of health benefits nationwide and avoid costly state mandates, while health insurance plans offered by small business owners must include mandates that differ from state to state. SBHPs would go some distance toward leveling this playing field.
- State lawmakers have become active on health care. States have introduced and acted on measures ranging from tax credits to small businesses that offer health care, to pooling arrangements, to universal coverage. For example, Massachusetts and Vermont enacted laws in 2006 to provide near-universal coverage while addressing cost and accessibility.