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## **NFIB and AHIP Urge Focus on Affordable Health Care for Small Businesses**

*Release of AHIP's new survey of small group coverage*

WASHINGTON, D.C. – Affordable coverage options for small businesses must be a top priority as the nation pursues health care reform, the National Federation of Independent Business (NFIB) and America's Health Insurance Plans (AHIP) said today at a joint press conference.

“We must work together to pursue creative, private market solutions to what has become an unsustainable problem for small businesses – increasing healthcare costs,” said Dan Danner, president and CEO, NFIB. “It is imperative that insurance market reform – specifically in the individual and small group markets – leads to greater access to larger pools, increased portability and competitive choices.”

“Health plans are committed to making health care coverage more affordable for America's small business owners and their employees,” said Karen Ignagni, President and CEO of AHIP. “Policymakers should focus their efforts on reforms that cover every American, contain the rising cost of medical care and allow flexibility for health plans to offer small businesses high-value, affordable coverage options.”

The two organizations come to the table offering reform principles and policy solutions that were developed following their own extensive outreach to the American people.

NFIB's national campaign, Solutions Start Here, traveled the country to hear first-hand from small business owners, so that their voices and ideas are represented as NFIB brings solutions to the reform table.

Too often policy leaders are focused on coverage, but small business owners are focused on cost. It is imperative that we address cost and coverage together. For NFIB, that means transforming today's healthcare system through an approach that utilizes pooling, insurance market reform and tax treatment to reform the broken system of today into a more cohesive system for everyone. Only then can we have a private insurance market that is built on quality, value, competition and, most of all, affordability.

AHIP's Campaign for an American Solution conducted a nationwide listening tour to hear directly from the American people about their health care experiences and ideas for reform. Last December, AHIP's Board of Directors released a comprehensive health care reform proposal that addressed the concerns and incorporates the ideas that were raised during the tour.

The AHIP Board also today released a statement on addressing the unique health care needs of small businesses that focuses on making coverage more affordable, making the process more flexible, and simplifying choice.

At the press conference, AHIP also unveiled the latest survey of coverage options for small businesses, which includes information on average premiums, product choices, copayments and coinsurance, deductible levels, out-of-pocket limits, and lifetime maximums. Highlights of the survey:

- In 2008, the average premium for small group health insurance was \$346 per month (\$4,155 per year) for single coverage and \$913 per month (\$10,956 annually) for family coverage.
- Among states, average premiums ranged from a high of \$504 per month for single coverage (\$1,329 for family coverage) in Alaska to a low of \$198 per month for single coverage (\$521 for family coverage) in Washington.
- Firms with larger numbers of employees had lower premiums than those with fewer employees. Businesses with 26-50 employees had an average monthly premium of \$311 compared to \$378 for those with less than ten employees.
- Fifty percent of small business employees had a PPO plan in 2008, 41 percent had an HMO, and 7 percent were enrolled in a health savings account (HSA) plan.
- Nine percent of small business employees had a choice of two or more coverage options.
- Of workers offered an HSA plan, approximately one-third also had a choice of an alternative plan. When offered a choice, 42 percent of workers chose to enroll in an HSA plan over an alternative option due to the lower premiums these plans provide.

The survey includes premium and benefit data from more than 761,000 small groups (those with 50 or fewer employees), covering five million workers and 3.9 million dependents. Click here to view the full survey results: <http://www.ahipresearch.org/pdfs/smallgroupsurvey.pdf>.

The full AHIP Board statement is available here: <http://www.ahip.org/content/default.aspx?bc=31|44|26214>.

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*America's Health Insurance Plans – Providing Health Benefits to More Than 200 Million Americans. To learn more please visit [www.americanhealthsolution.org](http://www.americanhealthsolution.org)*

*NFIB is the nation's leading small business association, representing small businesses in Washington, D.C. and all 50 state capitals. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB gives small and independent business owners a voice in shaping the public policy issues that affect their business. NFIB's powerful network of grassroots activists send their views directly to state and federal lawmakers through our unique member-only ballot, thus playing a critical role in supporting America's free enterprise system. NFIB's mission is to promote and protect the right of our members to own, operate and grow their businesses. More information about NFIB's healthcare initiative is available online [www.FixedforAmerica.com](http://www.FixedforAmerica.com).*