

## **The Affordable Care Act Helps Small Businesses**

For too long, too many hard working Americans paid the price for policies that handed free rein to insurance companies and put barriers between patients and their doctors. The Affordable Care Act gives hard-working families the security they deserve. The new health care law forces insurance companies to play by the rules, prohibiting them from dropping your coverage if you get sick, billing you into bankruptcy because of an annual or lifetime limit, or, soon, discriminating against anyone with a pre-existing condition. And it includes substantial new benefits for small businesses.

For too long, small business owners have struggled to keep up with the ever rising cost of health insurance for their employees. The Affordable Care Act makes it easier for businesses to find better coverage options and builds on the employer-based insurance market already in place. It stops insurance companies from taking advantage of you, giving the consumer and business owner more control and making health care coverage more affordable.

*Health reform is already making a difference:*

### ***Small Business Tax Credit***

Small businesses have historically paid 18 percent more for health coverage than larger employees. Today, a tax credit is available to businesses with 25 or fewer full-time-equivalent employees and average wages of \$50,000 or less. These tax credits will benefit an estimated two million workers who get their insurance from an estimated 360,000 small employers who will receive the credit in 2011. In 2014, small business owners will get more relief with tax credits and affordable insurance choices in the new Affordable Insurance Exchanges in every State.

### ***Finding Insurance Options***

For the first time ever, small businesses have access to a new tool that lets them research and compare their health insurance options in one place – HealthCare.gov. Just enter some basic information about your business, and you'll see a list of all the insurance options available in your area, broken down by how much they cost and what coverage they offer. And starting in 2014, Affordable Insurance Exchanges will make buying health insurance easy. Small business owners will be able to offer their employees a range of plans from different insurers just like big employers do, while still receiving a single bill and writing a single check. They'll also still be able to choose how much of their employees' insurance costs they want to cover. And because small business owners will be joining a much bigger risk pool, they'll no longer be vulnerable to sharp swings in their rates based on the health of a few employees.

### ***Building on Employer-Based Insurance Market***

The average U.S. family and their employer pay \$1,000 a year extra in health insurance costs to cover care for the uninsured. By bringing the uninsured into the system and tackling the drivers of health care costs, the new health care law will make health insurance more affordable for businesses.

### ***More Affordable Care***

Today, we have the new 80/20 rule: insurance companies must spend at least 80 cents of your premium dollar on your health care or improvements to care. Insurance companies must publicly justify their actions if they want to raise premiums by 10 percent or more for small businesses. And an increasing number of States have more power to block unreasonable premium increases from taking effect.

### ***Common Sense Approach***

The new health care law makes improvements to the health insurance system we already have, and gives States significant flexibility to implement the new law in the way that makes sense for their insurance markets. And, the new law does not add a dime to the deficit. According to Congress's official independent scorekeeper, the Congressional Budget Office, the new law is completely paid for through a wide range of cost-saving reforms, from cracking down on health care fraud to helping hospitals and doctors spend their health dollars more wisely.