



# Representative Rush Holt Making Health Care More Affordable for Small Businesses



*“When I supported health care reform I thought of the small business owners who told me of their struggles with the rising costs of covering employees and their families. The new law supports our small businesses by providing critical tax relief and allowing businesses to band together to get coverage at better rates” – Representative Rush Holt*

Small businesses face insurance premiums that are up to 18 percent higher than large firms and they have greater difficulty finding an insurance plan for their employees. An estimated 27 million of the 47 million Americans without health insurance are small business owners, their employees, and their families. The health reform package signed into law will reduce the burden of skyrocketing health care costs on these small businesses, allowing them to retain employees and create new jobs in our communities.

## What’s in the Reform Bill for Small Businesses?

- *Tax Credits For Health Care:* Immediately, small businesses with fewer than 25 employees that provide their workers insurance will benefit from a tax credit of up to 35 percent of their health care expenses. This will help nearly 18,000 small businesses in Central New Jersey and 60 percent of small businesses nationwide.
- *New Health Insurance Marketplace:* Over the next few years, the bill creates a new marketplace where small businesses can join together to get lower rates, providing small businesses the same leverage that big companies currently enjoy and reducing these companies’ administrative costs. This will benefit more than 19,000 small businesses in Central New Jersey.
- *More Stable Premiums:* Small businesses will be protected from sudden, arbitrary rate hikes because a worker or family member gets sick. These businesses also will benefit from new rules preventing insurers from charging more (or excluding coverage altogether) because a worker has a pre-existing condition like cancer, heart disease, or pregnancy.
- *New Consumer Protections:* All employers and employees will benefit from new common sense rules of the road. Insurers will be prohibited from dropping coverage if someone becomes sick and prohibited from setting annual or lifetime limits beyond which the insurer refuses to pay, leaving families facing bankruptcy. Insurance companies will have to spend more (at least 80 percent) of each premium dollar on providing healthcare.
- *Exemption from Shared Responsibility Requirement:* The bill recognizes the constraints facing small businesses and exempts small employers with fewer than 50 employees from the requirement to provide insurance for their employees.

## What Are Businesses Saying About Reform?

Small business groups like the Main Street Alliance and the Small Business Majority supported reform, highlighting its cost savings. The Business Roundtable, which represents the CEOs of the nation’s largest businesses, said that “key components of health care reform could slow the growth of health care costs and offer real savings for companies and their employees.”

**Have additional Questions? Need more information? Call Representative Holt at 1-87-RUSH-HOLT.**