



**SMALL BUSINESS MAJORITY**  
*A NEW POLITICAL VOICE*

# **Small Business and Healthcare Reform**

**September 14, 2007**

**Washington, DC**



# Summary

1. **Small Business is an essential ally for healthcare reform.**
2. **Healthcare reform is necessary for small business success and prosperity.**
3. **Small business wants to play a constructive role - California case study.**



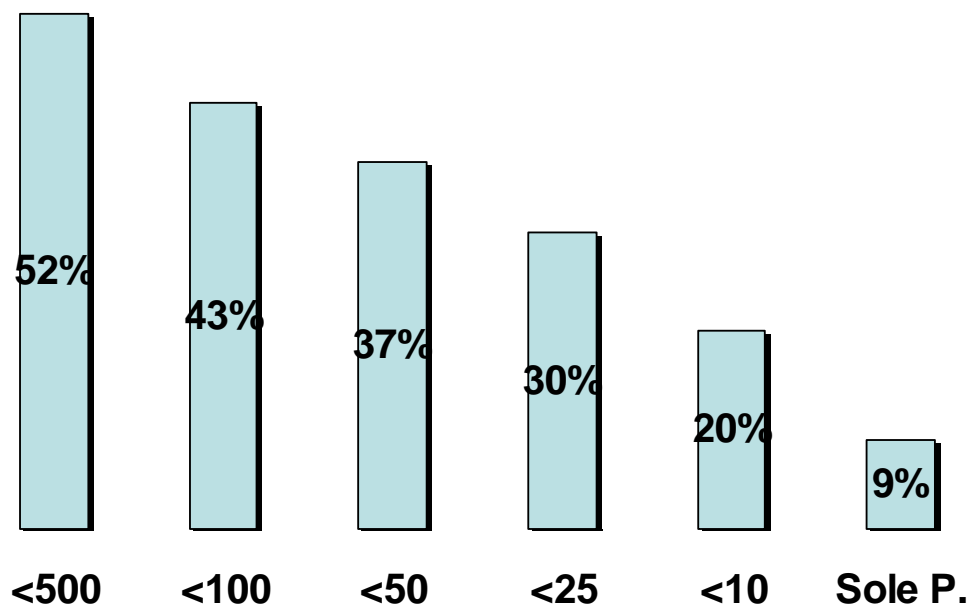
**SMALL BUSINESS MAJORITY**  
*A NEW POLITICAL VOICE*

# 1. Small Business is an essential ally for healthcare reform

# Small Business in the United States

- 52% of private sector workforce
- 50%+ of private non-farm GDP
- 75% of net new jobs
- 14 times as many patents as big business
- Anchors of our communities

# Small Business by Employment



- **21<sup>st</sup> century economy is radically different from that of the last century – fueling entrepreneurial activity**
- **A strong and healthy entrepreneurial sector is essential to middle-class prosperity**
- **Therefore - small businesses must be active participants in favor of comprehensive healthcare reform**



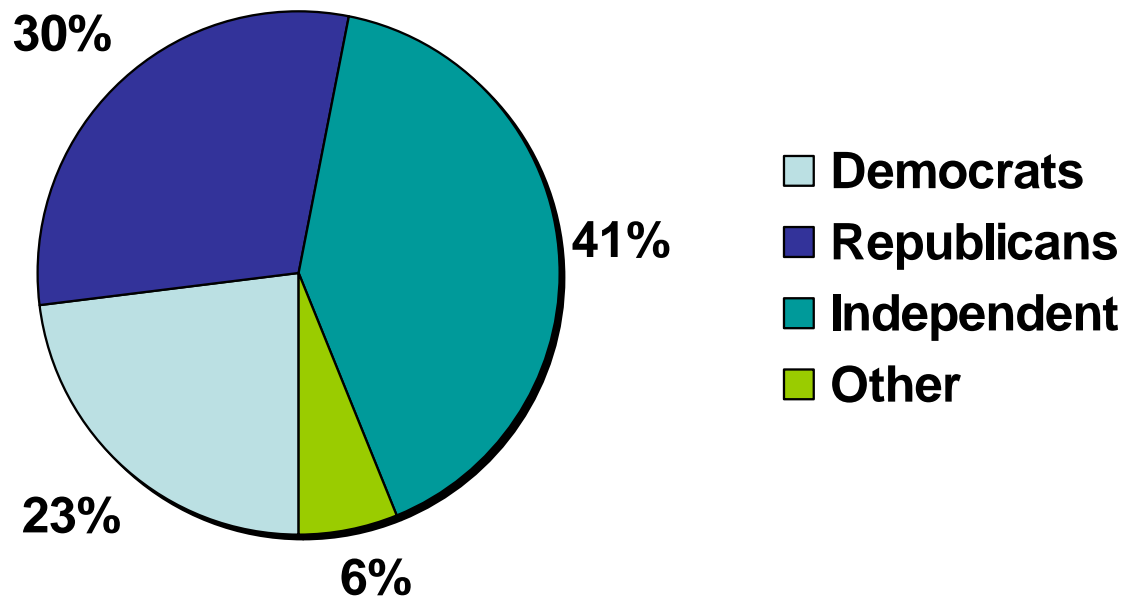
**SMALL BUSINESS MAJORITY**  
*A NEW POLITICAL VOICE*

## **2. Healthcare reform is necessary for small business success and prosperity**

- Healthcare is the single biggest problem facing small businesses
- The present healthcare system undermines entrepreneurism and the free market
- Therefore - small business is a natural ally in the fight for comprehensive healthcare reform



# Small Business – Party Affiliation





**SMALL BUSINESS MAJORITY**  
*A NEW POLITICAL VOICE*

### **3. Small business wants to play a constructive role – California case study**

# Preliminary – 2006 National Survey

- **87% ranked health care as extremely or very important**
- **63% supported a government sponsored healthcare solution**
- **81% favored access to purchasing pools**
- **60% were in favor of mandating that all companies provide health insurance**



**SMALL BUSINESS MAJORITY**  
*A NEW POLITICAL VOICE*

# Launched Coalition



[www.smallbusinessforhealthcare.org](http://www.smallbusinessforhealthcare.org)

# California Survey – August 2007

- 15 minute telephone and on-line poll (50-50)
- 506 randomly-selected small business owners and senior managers
- Survey conducted by Core Strategies, a 10-year old market research firm based in Laguna Hills, California.
- Responses were limited to owners and senior managers of companies with fewer than 100 employees.
- 95% confidence interval and a 4% margin of error



**SMALL BUSINESS MAJORITY**  
*A NEW POLITICAL VOICE*

# Key Findings

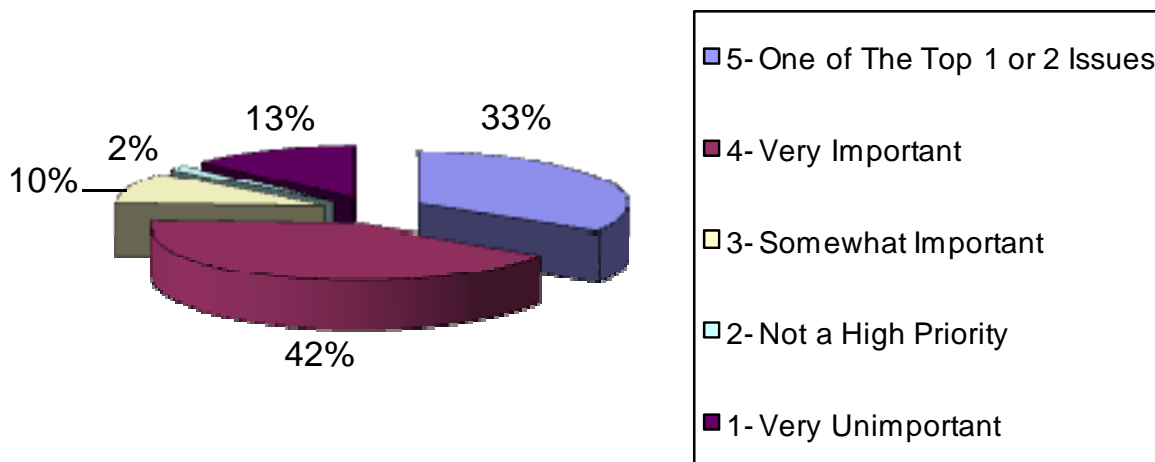


**80% of those who expressed an opinion felt that employers should pay to provide healthcare to their employees, but they were split on how much they should pay. Of those who expressed an opinion:**

- 20% felt they should pay 7.5% or more
- 23% felt they should pay more than 4% up to 7.5%
- 37% felt they should pay 4% or less
- 20% felt they should not have to pay anything

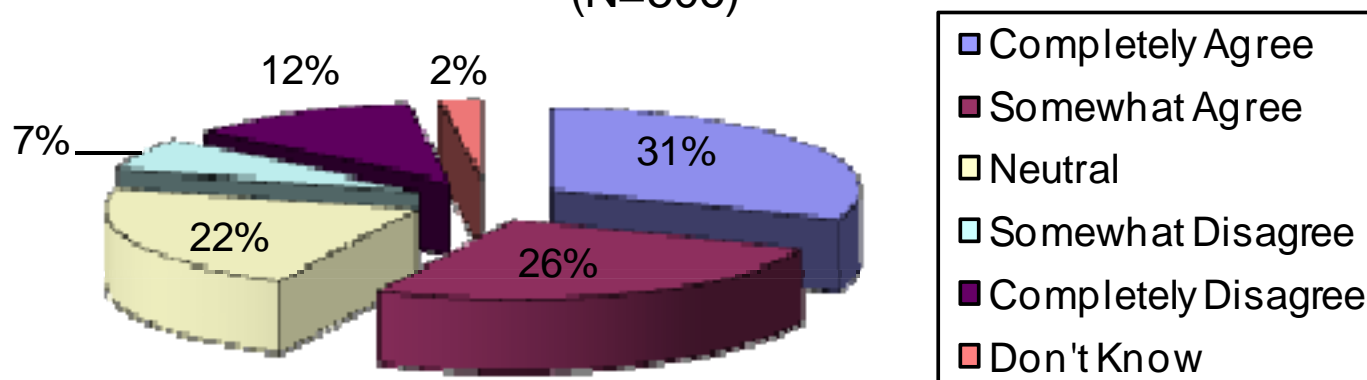
**75% rated the availability of affordable healthcare “Very Important” or “One of the top one or two issues we face in business today”**

**How Important An Issue Is The Availability Of Affordable Health Care For The People Of California? (N=506)**



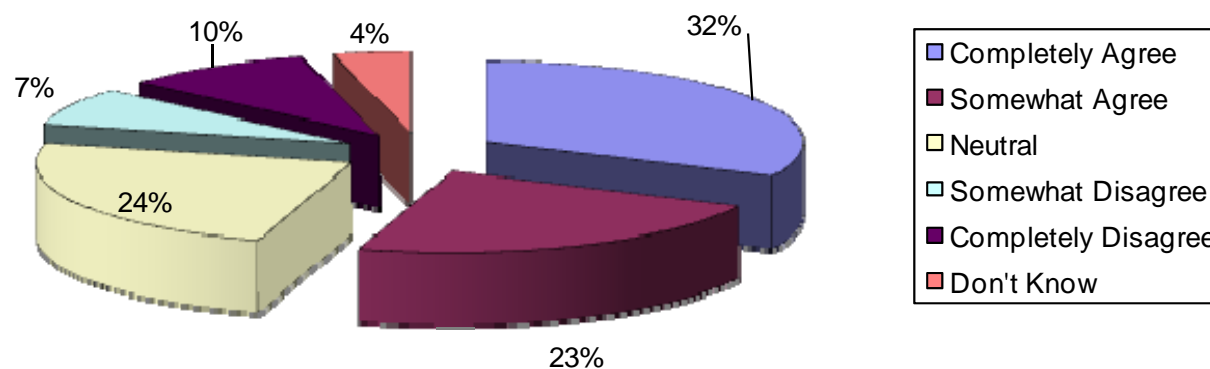
**57% of businesses see healthcare financing as a shared responsibility among individuals, employers and government – almost 3 times as many who do not (19%)**

Share Responsibility Among Individuals, Employers and Government  
(N=506)



**55% were in favor of paying into a statewide pool that would enable their employees to obtain coverage at favorable rates – over 3 times greater than those opposed (17%).**

**Pay A Fee To A Statewide Pool That Bargains Down Costs, Then Provide Coverage To Workers  
(N=506)**





**SMALL BUSINESS MAJORITY**  
*A NEW POLITICAL VOICE*

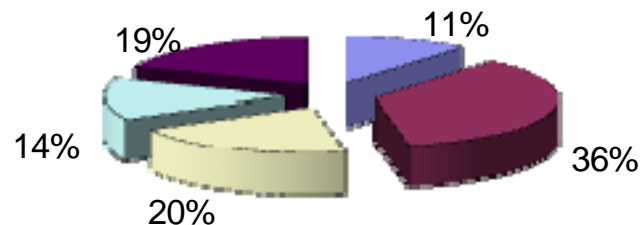
# California Proposals



# Mandate 7.5% Employer Contribution; Employees Must Buy Into Pool

**47-33% in favor**

Proposal A. "Expand coverage by requiring all employers that do not provide health coverage to pay 7.5% of their total payroll costs into a statewide pool that would enable their employees to purchase subsidized coverage on a sliding scale..." (N=506)



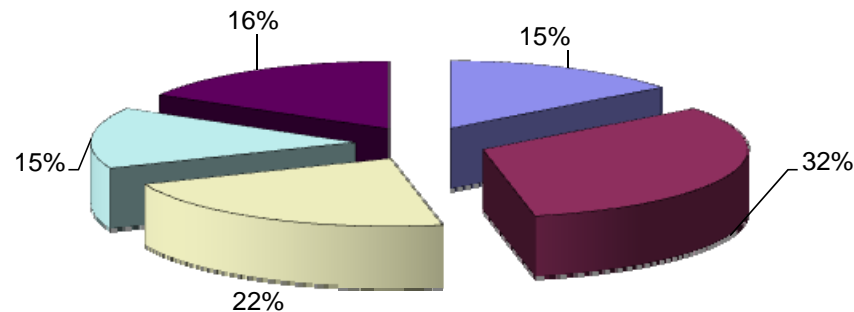
■ 1-Completely Supportive ■ 2-Somewhat Supportive □ 3 - Neutral  
■ 4-Somewhat Against ■ 5-Completely Against



# Require Individuals To Purchase Insurance; Mandate 4% Employer Contribution

## 47%-31% in favor

**Proposal B. Expand coverage by requiring all individuals to purchase health coverage, and require all employers that do not provide health insurance to pay 4% of their total payroll costs to help subsidize broader public health programs . . . (N=506)**



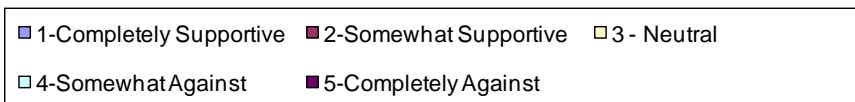
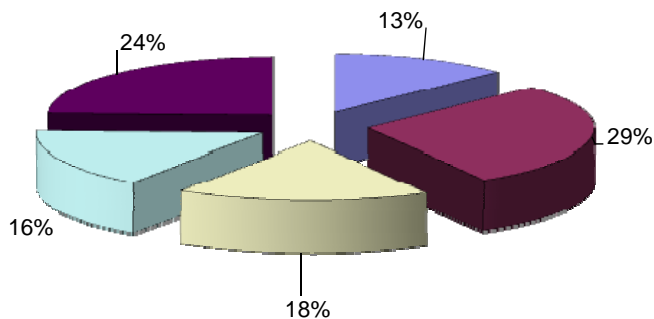
■ 1-Completely Supportive ■ 2-Somewhat Supportive □ 3-Neutral  
□ 4-Somewhat Against ■ 5-Completely Against



# Single Payer System

42-40% in favor

**Proposal C. Guarantee health care for all Californians by having a single statewide system, like Medicare, provide health coverage. The system would be funded through an additional 8 percent . . . (N=506)**





# Other Responses

- **74% agreed that health insurers and prescription drug companies are making healthcare unaffordable because of their power to dictate prices.**
- **58% felt that more people would start businesses if they knew they could get affordable health insurance without regard to pre-existing conditions.**
- **46% were in favor of a one percent sales tax to make healthcare more affordable – vs. 35% opposed**

# Key Cross-Tabs

- Whether or not business offers insurance: 1-7% swing
- Size of business: negligible difference
- Type of business: some swing for retail establishments – less likely to support reform
- Political Party Affiliation: only factor showing significant differences in results



**SMALL BUSINESS MAJORITY**  
*A NEW POLITICAL VOICE*

# Continued Work

- **Media Outreach**
- **Organizing and Mobilization**
- **Communication with Political Leaders**
- **Expansion to Other States and Nationally**



# Recap

1. **Small Business is an essential ally for healthcare reform.**
2. **Healthcare reform is necessary for small business success and prosperity.**
3. **Small business wants to play a constructive role.**