

Moving Forward...Protecting Small Businesses

March 23rd marks the one year anniversary of the Affordable Care Act being signed into law. While Republicans want to re-fight the same old political wars to give control of health care back to insurance companies, it's time to move forward to protect small businesses. Moving forward means giving small businesses the level playing field they deserve. Moving forward means giving small businesses the choice and the freedom to come together to get the same rates as larger companies. It means that small businesses know that they can afford to offer their employees' health care and that there are tax breaks to make it possible. It's time to move forward...small businesses cannot afford to go back.

The Affordable Care Act Ends 'Job Lock.' A prospective entrepreneur who has a preexisting medical condition, or has a family member with a preexisting condition, cannot leave their job, launch a new company and help grow our economy because they are "locked" in their old job and health coverage. The Small Business Majority conducted research with MIT economist Jonathan Gruber and found that 1.6 million small business workers suffer from "job lock." The Affordable Care Act ends this job lock by providing the freedom and security for workers to choose the job they want, which will help give the economy a much-needed boost. [Small Business Majority, [Health Care: Economic Research](#)]

The Affordable Care Act Helps Small Business To Create Jobs. Before the Affordable Care Act was passed, a study from the Small Business Majority found health care costs were rising so much that it would cost 178,000 jobs by 2018. The law lowers health costs to small businesses through tax credits and other cost containment measures, meaning they can use those savings and invest them in job creation. Small businesses create 70 percent of new jobs. [Small Business Majority, [Health Care: Economic Research](#)]

The Affordable Care Act Lowers Health Care Costs For And Provides More Choices For Small Businesses, Allowing Them To Compete. The Affordable Care Act lowers health costs for small businesses by allowing them to band together in health exchanges that will be created in each state. This will provide small businesses with more choices and allow them to receive the same rates as large companies. Before, insurance companies charged small businesses in the individual market an average 18 percent more in premiums than larger businesses. [Center for American Progress, [7/23/10](#)]

The Affordable Care Act Lowers Premiums For 4 Million Small Businesses By Providing Tax Breaks To Make Health Care More Affordable. The Affordable Care Act lowers health care costs for small businesses. Right now, 4 million small businesses have access to tax credits to help with the cost of health premiums. Lower premiums means small businesses have the opportunity to offer their employees coverage, and it means they do not have to put the costs of providing health care over hiring more workers. [Small Business Majority, [July 2010](#)]

The Affordable Care Act Provides Flexibility To Small Businesses. The vast majority of small businesses are exempt from requirements put on employers. Under the law, large companies that do not provide affordable coverage to their workers must pay a small responsibility fee. However, 96 percent of all firms are exempt from this fee. [PolitiFact.com, [10/5/10](#)]

The Affordable Care Act Ends The Worst Insurance Company Abuses. The Affordable Care Act ends some of the worst insurance company abuses that small businesses owners and their workers faced in the individual market. Under the law, insurance companies will no longer be able to deny coverage because of a pre-existing condition, drop coverage when you get sick or charge you more because of your health status. Right now, insurance companies can no longer cap your lifetime benefits, and they are limits to the annual caps they can have until they are banned all together in 2014. Insurers in the small group market also must spend at least 80 percent of premium dollars on your care, instead of CEO pay, profits and other administrative costs. [Healthcare.gov]