

## Health Reform Law Eases Insurance Costs for Small Business

*"Employers who have postponed wage increases and sacrificed business growth in order to keep their workers covered, and those who have been forced to drop coverage altogether due to cost, will finally be able to provide their workers with the peace of mind that comes with health insurance. Not only will the credits ease the health insurance burdens experienced by existing small businesses, but they may spur the growth of new small businesses by allaying the concerns about health coverage that have discouraged some from starting a business until now."*

*-[Families USA & Small Business Majority, 7/10](#)*

Small businesses will see real benefits under the health care reform law. The new law provides employers with a tax credit for employee health insurance **starting this year**. These tax credits will help ensure that small businesses and their employees can access quality, affordable health care.

While small businesses are the backbone of our economy, providing affordable health insurance has been an increasing challenge for too many small business owners. Since 2000, insurance costs for small businesses have increased 113%. If Republicans had their way and repealed the health care reform law, it would mean a return to the status quo for small businesses – and millions of employers would be left struggling to stay afloat in the face of skyrocketing health care costs.

When it comes to protecting small businesses from skyrocketing health care costs, the numbers are clear:

**Small businesses eligible to receive a tax credit for the purchase of employee health insurance in 2010:**

Under the health care reform law: **4,015,300 small businesses**

If Republicans repealed health care reform: **0 small businesses**

**States in which more than 80 percent of small businesses will be eligible to receive a tax credit in 2010:**

Under the health care reform law: **43 states**

If Republicans repealed health care reform: **0 states**

**Small businesses eligible to receive the maximum tax credit in 2010:**

Under the health care reform law: **1,198,700 small businesses**

If Republicans repealed health care reform: **0 small businesses**

Source: [Small Business Majority & Families USA, 7/10](#)

By 2014, health insurance exchanges will provide employers comparable and clear information on benefits and costs of insurance plans so they can determine what best meets the needs of their employees. Once they are established, small business owners will be eligible for tax credits up to 50 percent of the costs of covering their workers through the exchanges. These exchanges and accompanying tax credits will ensure a transparent and competitive marketplace that puts small businesses in charge of their health coverage and care.