

The Small Business Coalition for Affordable Healthcare

www.SmallBusinessHealthcareCoalition.com

February 4, 2009

Dear Chairwoman Velazquez and Ranking Member Graves:

On behalf of the **Small Business Coalition For Affordable Healthcare**, the nation's leading small business coalition dedicated to increasing access and affordability of health insurance for the small-business owners, their employees, the self-employed and their dependents, we are writing to express our strong desire to work together with lawmakers to construct meaningful healthcare solutions for our nation's job creators – small business.

America's small businesses play an essential role in our nation's economy. Small businesses employ half of all private sector employees and have generated 60 to 70 percent of net new jobs over the last decade.

Our country, this Congress and the Administration face many challenges – most significantly a slowing economy and growing financial insecurities. As Congress explores ways to rebuild and strengthen our economy, the Coalition urges lawmakers to be mindful that the cost of health insurance is one of the most critical economic issues facing small businesses – and for them it is both a healthcare issue and a pocketbook issue.

Health insurance remains one of the fastest growing and most unpredictable costs small employers face from year to year. For example, since 1999 health insurance costs for small firms have increased by 113 percent. Although small businesses cover nearly 68 million people through the employer-based system, still only about half can afford to even offer insurance. Those not offering health insurance cite cost as the primary explanation. Furthermore, the nation's smallest firms pay an average of 18 percent more in health insurance premiums for the same benefits than those in the largest firms.

The necessity for healthcare solutions tailored to the needs of the small business community cannot be overstated. Small businesses have struggled with this problem for years. We believe that in order to do something about coverage, something must be done about cost – the two are not mutually exclusive. Simply put, Congress *must* do something about costs – for the individual, the employee, the employer and the overall delivery system. That begins with transforming the broken marketplace of today into a system where private insurance is available and is built on quality, value, competition and, most of all, affordability.

Thank you for holding the first hearing of the year focusing on the unique needs and challenges facing the small business community. America's small businesses are the risk takers and job creators in our economy. But in the current economic environment, small businesses like the rest of the economy are struggling. The **Small Business Coalition for Affordable Healthcare** looks forward to working with all those in Congress and the new Administration who are dedicated to crafting meaningful solutions for small business during the healthcare reform debate.

Sincerely,

(see reverse for signing organizations)

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American Association of Advertising Agencies
American Bakers Association
American Farm Bureau Federation
American Foundry Society
American Hotel & Lodging Association
American Institute of Architects
American Rental Association
American Society of Association Executives
American Society of Home Inspectors
American Veterinary Medical Association
Associated General Contractors of America
Association of Ship Brokers & Agents
Automotive Aftermarket Industry Association
Automotive Recyclers Association
Commercial Photographers International
Computing Technology Industry Association
Evidence Photographers International Council
Independent Office Products & Furniture Dealers Association
Interlocking Concrete Pavement Institute
International Franchise Association
International Housewares Association
Motor & Equipment Manufacturers Association
National Association of Computer Consultant Businesses
National Association of Convenience Stores
National Association of Home Builders
National Association of Manufacturers
National Association of Mortgage Brokers
National Association of Realtors
National Association of Theatre Owners
National Association of Wholesaler-Distributors
National Club Association
National Federation of Independent Business
National Funeral Directors Association
National Lumber and Building Material Dealers Association
National Retail Federation
National Newspaper Association
National Restaurant Association
National Roofing Contractors Association
National Tooling and Machining Association
Ohio Valley Automotive Aftermarket Association
Outdoor Industry Association
Printing Industries of America
Precision Metalforming Association
Professional Golfers' Association of America
Professional Photographers of America
Service Station Dealers of America and Allied Trades
Small Business & Entrepreneurship Council (SBE Council)
Society of American Florists
Society of Association Executives
Specialty Equipment Market Association
Student Photographic Society

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Textile Rental Services Association of America
The Adhesive and Sealant Council, Inc.
The Society of Sport and Event Photographers
The Society of the Plastics Industry
Tire Industry Association
U.S. Chamber of Commerce
Wedding & Event Videographers Association International