



## Impact of 2016 Small Group Expansion

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Small Business Majority

### About Small Business Majority



- **Small business education and advocacy organization** – founded and run by small business owners. Been in business nine years.
- **National** – 14 offices in Washington, D.C., California, Colorado, Illinois, Maryland, Michigan, Missouri, New Jersey, New York, Ohio, Oregon, Virginia and Washington state
- **Focus on issues of top importance to small businesses** (<100 employees) and the self-employed, including access to capital, workforce, healthcare, retirement, taxes, technology and energy savings.
- Work supported by extensive **research**

## SHOP implementation struggles



- Transitional policies
- SHOP online enrollment
- Employee choice
- Technical difficulties—federal marketplace and in the states
- Low awareness of tax credits and other small business-friendly provisions

## Need to strengthen small business provisions

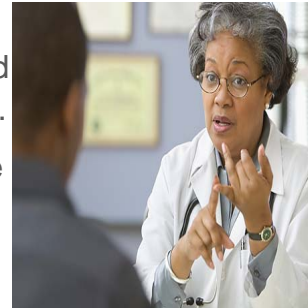


- Delaying expansion of the small group market would be another example of delaying key small business provisions under the healthcare law.
- Need to strengthen the law's small business provisions, rather than chipping away at them, by:
  - Ensuring SHOP continues to provide more coverage options over time
  - Fully implementing employee choice in all SHOP marketplaces
  - Simplifying and expanding small business healthcare tax credit

## Benefits of small group expansion



- 2016 expansion will **increase the size of the insurance pool** and **help spread risk** among a larger group of people, lowering healthcare costs overall.
- Employers will not be charged more based on **gender** or **health status** of employees.
- **Limits in place** to control how much more a business can be charged for older workers.
- Plans will cover **all essential health benefits**, including emergency room visits.



## Benefits of small group expansion to SHOP



- Expansion can bring **new wave of growth** to small group market, which is crucial to the success of SHOP.
- Expands the **number of lives eligible** for SHOP
- Larger businesses will have **more familiarity** with health insurance and **additional time and resources** to engage in SHOP.
- Encourage more **broker involvement** in SHOP.



## Potential delay of 2016 expansion



- Delaying expansion of the small group market to 50-99 employer firms would be **harmful to SHOP**, the **entire small group market** and **small businesses looking forward to this option**.
- Small group expansion is **required by the healthcare law**.

## Questions?



### Small Business Majority

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

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