

New York Survey: Small Businesses Need Healthcare Reform

The current system is failing the state's small businesses.

Fully half of New York small businesses do not provide health insurance. Among those that do, many are being forced to cut benefits or raise costs to employees to maintain some coverage. If nothing changes, small businesses surveyed anticipate they will have to implement one or more of these negative actions:

- Change to a high-deductible plan: 39%
- Increase employees' contribution: 26%
- Reduce benefits: 20%
- Drop coverage: 20%

Ability to offer health insurance affects small-business success.

New York small businesses say attracting and retaining quality workers is the most important reason to offer health insurance: 70% cited it as important or extremely important.

New York small businesses see healthcare as a shared responsibility.

- 81% agree that sharing the financial responsibility for healthcare among individuals, employers, and government is important to making it more affordable.
- 55% of those that offer health insurance agree that small businesses have a responsibility to provide it (only 17% disagree).
- 85% agree that we need government to act as a watchdog to protect businesses and consumers from large rate hikes and unfair practices by health insurance companies.

New York small businesses are open to a range of solutions.

- 81% of respondents favor a system jointly financed by businesses, employees, and government.
- 72% favor giving businesses the ability to pay a fee to a statewide pool that would bargain down costs and then provide coverage to employees at favorable rates.

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About this research: The Health Care Pulse of New York Small Business survey was conducted in April and May 2008 by Global Marketing Research Services for BALCONY, the Business and Labor Coalition of New York; Small Business Majority; the American Cancer Society; and AARP. The scientific telephone survey focused on businesses with fewer than 500 employees across New York state. These results represent the responses of 409 small businesses. The margin of error is +/- 4.9%.