



News Release

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Affordable Health Care Coverage Continues to Be a Top Concern for Women Business Owners

Washington, DC – Women business owners list rising health care costs as a top concern for their companies and expect to see premium increases between 18 and 20 percent for 2004. They expect to absorb up to two-thirds of the increases, but many are concerned that they will have to pass higher costs on to their employees, or reduce and possibly eliminate coverage.

This information is from a survey commissioned by Access America, a U.S. Chamber of Commerce initiative that opens doors to networks and capital markets, and fosters strategic alliances and investments for women and minority business leaders and entrepreneurs. The survey, entitled “Women Business Leaders’ Outlook on Healthcare in 2003,” interviewed a nationally-representative sample of over 300 women business owners, predominantly those with fewer than 21 employees, and investigated their outlook on health care issues for the upcoming year. The survey was released at the Chamber’s National Businesswomen’s Health Care Summit on September 17, 2003, which was held in collaboration with the National Women’s Business Council (NWBC).

When asked about possible solutions to this key business issue, the majority of respondents favor “making it easier for small businesses to buy health care coverage for their employees by creating large group purchasing plans.” Overall, 67% of women with small businesses and 73% of women with larger firms strongly favor this proposed solution. Women business owners clearly do not want additional government mandates or requirements. The proposal to “require employers to offer minimum health insurance benefits by having them pay into a public program that will provide health benefits” is met with significant resistance – 40% would strongly oppose this idea.

“The results of this study have given us important insight about the challenges women business owners face when providing affordable health care coverage to their employees,” said U.S. Chamber Vice President and Counselor to

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the President, Reta J. Lewis, who leads *Access America*. “The U.S. Chamber of Commerce supports federal legislation allowing small group associations to offer insurance to their members’ employees, which could alleviate the burden on small companies by lowering their premiums.”

Most women business owners surveyed stated that cost is the determining factor as to whether they can afford health benefits for their employees. Among the owners of smaller companies surveyed (4 to 20 employees), only 38% offer health benefits; among the larger companies (21 or more employees), 69% offer health benefits. Among those not offering health benefits, the high cost of the premiums is the overriding factor. Only 9% of smaller companies and 19% of larger firms offer long-term care insurance to their employees. But if there was a federal tax incentive, another 45% of all respondents said that they would likely offer long-term care insurance. When addressing the challenge of providing affordable health care coverage, women business owners acknowledge that health benefits play a significant role in allowing them to stay competitive in the job market. More than three-quarters of those currently offering benefits are concerned that changing coverage will affect their ability to attract good employees.

The Chamber advocates strengthening and expanding the current health care system through a number of initiatives including: tax incentives for individuals who buy their own health insurance, including refundable tax credits for low-income people; pooled purchasing under ERISA for small businesses, the self-employed and other individuals; and expanded use of tax-favored health savings accounts.

The Chamber and the National Women’s Business Council also support proposals now under consideration to establish Association Health Plans as one option for small businesses to access affordable health insurance. Association Health Plans would allow professional associations to offer lower-cost insurance nationwide to their membership.

“We estimate that as many as 7.3 million of the uninsured are employed by women-owned firms in the United States,” said Marilyn Carlson Nelson, Chairman and CEO of Carlson Companies and Chair of the National Women’s Business Council. “The National Women’s Business Council is deeply committed to serving as an advocate for women business owners on this issue. Working alongside others in the women’s business community, we are determined to make sure that affordable health care options for small businesses are a top priority for this Congress.”

The study also covered other women’s health topics, including work-life balance issues, providing care for elderly

relatives, and women's health issues. To learn more about the study "Women Business Leaders' Outlook on Healthcare 2003," visit the *Access America* web site at

http://www.accessamerica.org/access/press/0310_execsummary.htm. To view the archived web cast of the Chamber's National Businesswomen's Health Care Summit, visit <http://www.uschamber.com/ViewEvent.asp?eventID=176>.

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The National Women's Business Council is a bi-partisan Federal government council created to serve as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners. Members of the Council are prominent women business owners and leaders of women's business organizations. The National Women's Business Council is committed to conducting research on issues of importance to women business owners and their organizations; to communicating these findings widely; to connecting the women's business community to public policy makers; and to providing programs and platforms for change in order to expand and improve opportunities for women business owners and their enterprises. For more information about the Council, its mission and activities, contact: National Women's Business Council, 409 3rd Street, SW, Suite 210, Washington, DC 20024; phone: 202-205-3850; fax: 202-205-6825, e-mail: nwbc@sba.gov; web site www.nwbc.gov.

The U.S. Chamber of Commerce

The U.S. Chamber of Commerce is the world's largest business federation representing more than three million businesses and organizations of every size sector and region. Access America is the U.S. Chamber's initiative designed to bolster women-and minority-owned businesses by tackling traditional barriers to their growth: access to strategic partnerships, access to opportunities, and access to capital. In addition to opening doors to networks and capital markets, Access America fosters strategic alliances for women and minority business leaders and entrepreneurs. Access America's program draw on existing Chamber partnerships and its federation of states and local chambers, major corporations, government agencies, and civic and trade associations to address the challenges facing women and minority business owners.

Methodology

Public Opinion Strategies conducted a national telephone survey of 300 women business owners on behalf of *Access America*/U.S. Chamber of Commerce.

Access America is a strategic initiative of the U.S. Chamber of Commerce created to address the specific concerns of women and minority business leaders and to bolster the growth of these businesses.

The 300 interviews were segmented by company size; 200 interviews were conducted among smaller business owners (4 to 20 employees), and 100 interviews were conducted among larger business owners (more than 21 employees).

The margin of error for the 4-20 employee segment is $\pm 6.9\%$ and for the 21+ employee segment $\pm 9.8\%$. The survey was conducted from August 25 to September 10, 2003.