

## California Survey: Small Businesses Need Healthcare Reform

### **The high cost of health insurance is a financial burden for small businesses.**

In August 2009, Small Business Majority commissioned a telephone survey of 700 small business owners in California, which included Latino and rural small business people. The survey found that just 45% offer health insurance coverage for their employees; of the 55% who don't, the vast majority (86%) say they can't afford to. Of rural respondents, an overwhelming 97% say they can't afford to provide employee health coverage.

Other findings:

- Of those who offer insurance, 70% overall struggle to do so, as do 83% of the rural group.
- 54% describe their access to affordable health insurance as fair or poor; it's worse for rural small business owners, 71% of whom report fair or poor access. Also, 44% of the Latino business owners lack coverage for themselves, compared with 16% of all respondents.

### **Small business owners want reform in many parts of the healthcare system.**

- 61% agree that healthcare reform is needed now to get the economy back on track.
- The top concern for California's small businesses in healthcare reform is controlling costs.
- 86% of California small business owners say that people should be able to buy health insurance without regard to any past health problems, and 67% believe more entrepreneurs would start businesses if they didn't face those obstacles to coverage.
- 81% support the creation of a health insurance exchange from which small businesses could choose coverage from competing health plans; 66% of small business owners want a choice between public and private health plans.

### **Employers see financing of affordable coverage as a shared responsibility.**

- 68% say it's important for individuals, employers, insurers, the government and healthcare providers to share the responsibility for making healthcare more affordable.
- 53% agree that employers should pay some percentage of their payroll toward their employees' insurance if they don't offer a plan themselves, as do 76% of the Latino respondents. Just 32% overall say that employers should not be required to pay anything.
- 62% say their company has a responsibility to offer health insurance to their workers.

### **Respondents are politically varied.**

- 36% of the survey respondents identified themselves as Republican, 30% as Democrat and 22% as independent.

**About this research:** The national public opinion firms Lake Research Partners and Public Opinion Strategies conducted this telephone poll of 500 randomly selected small business owners in California, with additional samples of 100 Latino small business owners and 100 rural small business owners, in August 2009. The survey included owners of companies with fewer than 100 employees as well as sole proprietors. It has a margin of error of 4.4%.