

POSITION PAPER: SMALL BUSINESS HEALTH PLANS

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The American Supply Association Supports Small Business Health Plans.

- ASA supports federal legislative efforts to allow creation of federally regulated small business health plans (SBHPs), also known as association health plans.
- The small business health insurance system is broken. SBHP legislation provides the tools to fix it now.
- SBHPs will increase access and affordability of health insurance for small businesses without costly and expensive mandates.
- SBHPs would allow small businesses to join together across state lines through their trade associations to purchase health insurance at group rates. This would make health insurance more affordable by spreading the risk among a much larger group.
- SBHPs will empower small businesses with tools similar to those used by large employers and labor unions to make health insurance more affordable –such as increased bargaining power, administrative savings with one set of rules across state lines, design flexibility and increased competition in health insurance markets.
- SBHPs would give small businesses a level playing field with their larger competitors, allowing these businesses to provide more affordable health insurance to their employees and their families.
- Small businesses could bargain with providers, which they can not do now. SBHPs would not give small businesses an advantage; it would simply put them on equal footing with larger companies.

