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Proposed Rules in Healthcare Reform will Help Lower Small Businesses' Insurance Costs

Statement by John Arensmeyer, CEO, Small Business Majority, about the U.S. Labor Department's proposed rules to crack down on healthcare fraud:

Proposed rules announced today under the healthcare reform law will contain insurance costs for small businesses by reducing fraud within the healthcare system. Small business owners and their employees have lost vast sums of money over time due to waste, fraud and abuse in the health insurance market. The Affordable Care Act strengthens the authority of the Department of Labor's Employee Benefits Security Administration to identify and curb abuse.

The proposed rules would improve the Department of Labor's ability to track specific types of coverage that mislead small business owners into thinking they're more affordable than they really are. These plans can end up costing far more than initially represented, often due to excessive administrative waste. And in some cases, those promoting these coverage arrangements have taken advantage of regulatory gaps that allowed them to operate without adequate funding, ultimately leaving small business owners footing the final bill.

We are pleased to see the Affordable Care Act giving small businesses protection from fraud and abuse within the system that needlessly hikes their rates. Improving the Department of Labor's ability to monitor historically wasteful healthcare activities will be crucial in containing costs for small businesses from here forward.

For more information on the rules, click <u>here:</u> (http://www.dol.gov/ebsa/newsroom/2011/11-1677-NAT.html).

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Small Business Majority is a national nonpartisan small business advocacy organization, founded and run by small business owners, and focused on solving the biggest problems facing America's 28 million small businesses. We conduct extensive opinion and economic research and work with small business owners, policy experts and elected officials nationwide to bring small business voices to the public policy table.