

## The Agenda for America's Entrepreneurs: Healthcare



The Patient Protection and Affordable Care Act (ACA) has strengthened the small group market and more importantly, has provided healthcare to millions of small business owners, their employees and self-employed entrepreneurs.

Indeed, since 2010 the increase in small business healthcare costs has been at the lowest level in years. Meanwhile, the number of uninsured small business employees (those working at firms with fewer than 50 workers) dropped by [more than four million](#) between 2013 and 2015. Additionally, [more than half](#) of all ACA marketplace enrollees are small business owners, self-employed or small business employees.

But, we must protect and strengthen the ACA by (1) expanding access to health coverage and (2) maintaining stable healthcare markets, while (3) simultaneously reducing drug prices and containing other inefficient underlying costs in the system.

### Expand access to coverage

- Guarantee health protections for individuals with pre-existing conditions. This provision has enabled many would-be entrepreneurs to leave traditional jobs to start their own small businesses now that they can access affordable, quality health coverage on their own through the ACA health insurance marketplaces. This includes ensuring that Section 1332 "state innovation" waivers uphold the ACA's principles and do not encourage people to sign up for less comprehensive coverage or destabilize the insurance markets
- Strengthen the current system of subsidies that has helped make healthcare more affordable for many entrepreneurs. For example, offer additional cost sharing to those who are otherwise eligible for premium tax credits and have incomes below 400% of the federal poverty level (FPL) and expanding subsidies to people making up to 600% of FPL would benefit many small business owners and independent entrepreneurs.
- Close the coverage gap by continuing to expand Medicaid in states that haven't done so. Roughly [616,000 small business employees](#) could gain coverage if all remaining states expanded Medicaid.
- Provide additional health coverage options by allowing people to buy in to Medicare or Medicaid. Currently, there are numerous proposals on the table in Congress and in state legislatures to provide more options by allowing individuals to buy coverage through Medicaid or Medicare, which should be fully explored and considered.
- Fix the so-called "family glitch" to ensure more children and adults have access to affordable coverage. The federal government should expand the ACA "affordability" standard to include the cost to cover dependents, thus making families eligible for subsidies.
- Ensure access to reproductive healthcare and birth control, which our polling shows is [critical to women entrepreneurs](#) as they launch and grow their businesses.

## Strengthen market stability

- Block the extension of short-term, limited duration insurance plans. These plans are intended to fill gaps in coverage in the event of job loss or other life changes, but are not required to cover essential health benefits like prescription coverage or mental health treatment and can come with hefty deductibles. Leaving them in place will cause younger and healthier people to leave the marketplaces and create an unbalanced risk pool that raises costs for everyone else.
- Oppose efforts to implement association health plans (AHPs), which would encourage younger, healthier groups to purchase inadequate coverage, thus increasing costs for most of the small group market and potentially cause a market death spiral.
- Reinstate the individual mandate at the federal level and absent that, implement it at the state level to ensure that healthcare risk pools are as robust as possible, thus bringing down healthcare costs for everyone.
- Create a reinsurance program to help stabilize premiums in the health insurance marketplaces by providing support for insurers facing high financial losses.
- Guarantee payments to insurers for cost-sharing subsidies, which will help many entrepreneurs and small business employees afford health coverage.
- Strengthen risk adjustment for carriers in order to keep costs down for consumers and incentivize insurers to remain in the health insurance marketplaces.

## Aggressively address underlying issues of cost and affordability

- Address the rising costs of prescription drugs, as these costs are [hurting small business owners' bottom lines](#). Solutions include increasing drug pricing transparency, allowing Medicare to negotiate prices with drug companies and preventing drug companies from paying generic drug manufacturers to delay entering the market once patent protection has lapsed.
- Protect consumers from surprise billing by limiting patient cost-sharing to the amount they would owe to an in-network provider, setting a payment standard regarding what insurers owe providers in these situations and prohibiting providers from balance billing patients, as proposed in the Protecting Patients from Surprise Medical Bills Act introduced in Congress last year.
- Pass healthcare tax equity for the self-employed so that freelancers can deduct their healthcare expenses from their FICA tax obligations-just like other business entities.