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More Likely to Offer Insurance**

Survey shows tax credits and insurance exchanges make one-third of employers not offering insurance to workers more likely to do so

Sausalito, CA, Jan. 4, 2011—Small business owners say key provisions of the Patient Protection and Affordable Care Act will make them more likely to provide health insurance to their employees, according to a poll by Small Business Majority, a national nonprofit small business advocacy organization.

Small Business Majority's national survey of 619 small business owners with fewer than 50 employees shows how entrepreneurs view two critical components of the healthcare law, small business tax credits and insurance exchanges. It found that one-third (33 percent) of employers who currently don't offer insurance said they'd be more likely to do so because of the tax credits. Another 33 percent of respondents not offering insurance said they'd be more likely to because of insurance exchanges. The results for employers already providing benefits are almost identical.

"These findings are very encouraging," said John Arensmeyer, CEO of Small Business Majority. "Once small business owners learn about the tax credits and insurance exchanges, they realize these provisions will help them provide insurance to their workers, many for the first time ever. However, many employers don't know these provisions exist, so it's imperative to continue getting the word out so they can take advantage of these benefits."

Among the survey's other findings:

- An average of 31 percent of respondents—including 40 percent of businesses with 3-9 employees—who currently offer health insurance said the tax credits will make them more likely to continue providing insurance.
- Nearly one-third (31 percent) of respondents already offering insurance said the exchange makes them more likely to continue offering it.
- Only 31 percent of small business owners are very or somewhat familiar with the exchange, and 67 percent are a little or not at all familiar with it.

- The margin is smaller when asked about the small business tax credit: 43 percent of respondents are very or somewhat familiar with it, and 56 percent are a little or not at all familiar with this provision of the law.

The small business tax credits allow businesses with fewer than 25 employees that have average annual wages under \$50,000 to get a tax credit of up to 35 percent of their health insurance costs beginning in tax year 2010. Insurance exchanges, which go into effect in 2014, are online marketplaces where small businesses and individuals can band together to purchase insurance.

The survey results and methodology are available online at <http://www.smallbusinessmajority.org/small-business-research/small-business-healthcare-survey.php>

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About Small Business Majority

Small Business Majority is a national nonprofit organization 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 nonpartisan small business voices to the public policy table.