

Data Regarding Small Businesses and the Self-Employed and Health Insurance

Small Businesses

- There are more than 5.8 million businesses with fewer than 100 employees. (www.census.gov/csd/susb/susb04.htm)
- 47.1 million individuals between the ages of 18 and 64 work for small businesses (fewer than 100 employees). (EBRI, October 2007)
- 13.5 million individuals working for small businesses (fewer than 100 employees) are uninsured. (EBRI, October 2007)
- 28.7% of individuals working for small businesses (fewer than 100 employees) are uninsured. (EBRI, October 2007)
- The average national monthly premium for small firms (3 to 199 employees) was \$379 for single coverage (\$4,553 annual premium) and \$986 for family coverage (\$11,835 annual premium) in 2007. (Kaiser Family Foundation and Health Research & Educational Trust, 2007)
- The percentage of the smallest businesses (3 to 9 employees) offering health coverage has decreased from 58% in 2002 to 45% in 2007. (Kaiser Family Foundation and Health Research & Educational Trust, 2007)
- For all small firms (3 to 199 employees), the percentage offering health coverage has decreased from 68% in 2000 to 59% in 2007. (Kaiser Family Foundation and Health Research & Educational Trust, 2007)
- 35% of small employers (between 2 and 50 workers) switched health plans between 2001 and 2002. (EBRI, January 2003)

Self-Employed Individuals

- 14.1 million individuals between the ages of 18 and 64 are self-employed. (EBRI, October 2007)
- 3.8 million self-employed individuals are uninsured. (EBRI, October 2007)
- 27.0% of self-employed individuals are uninsured. (EBRI, October 2007)

Health Insurance Premium Increases

- Premiums for family coverage increased 6.1% in 2007. Since 2001, the cost of health insurance premiums has increased by 78%. (Kaiser Family Foundation and Health Research & Educational Trust, 2007)
- “From 20 to 25 percent of small employers’ premiums typically go toward expenses other than benefits, compared with about 10 percent for large employers.” (GAO, October 2001)
- “For the same claims per covered employee or enrollee, small group plans pay up to 20 percent to 30 percent in total premiums more than larger health plans. Administrative expenses for small group plans are 3 to 7 times higher as a percentage of claims.” (SBA Office of Advocacy, 2003)
- Ten percent of covered workers are employed by firms that experienced premium increases of greater than 15% in 2007. (Kaiser Family Foundation and Health Research & Educational Trust, 2007)
- For all small firms (3 to 199 employees) not offering health insurance, 72% cite high premiums as a very important reason for not offering health insurance. (Kaiser Family Foundation and Health Research & Educational Trust, 2007)

Small Business Dissatisfaction with Current Health Insurance Landscape

- 82% of Americans are dissatisfied with the cost of health insurance, or with costs not covered by health insurance. (EBRI, October 2007)
- 48% of those who work in small businesses with less than 10 employees believe that the health care system is not meeting their needs, a much higher level than for workers in larger firms, where the average level of dissatisfaction was 27.3 percent. (NAR Survey, March 2006)
- In small businesses with 10 or fewer employees, 41 percent of workers were dissatisfied with their lack of choice in selecting health plans. (NAR Survey, March 2006)