

***75 small business leaders discuss challenges faced by small businesses and how health insurance reform will affect their companies***

Brentwood, NY – On Friday, Rep. Steve Israel (D-Huntington) held a roundtable for small business leaders about proposed health insurance reform legislation. Seventy-five Long Island business leaders attended to discuss the costs of health insurance faced by small businesses and the possible impact of reform efforts.

“Just in the last few weeks, small businesses on Long Island have been hit with double-digit increases in the cost of providing health insurance to their employees. For our 86,000 small businesses, health insurance is becoming a bigger burden every day,” said Rep. Israel. “By giving small businesses access to high quality, affordable health insurance, they can finally begin to put more of their resources back into their businesses, pass on their profits to workers in the form of raises and compete on a level playing field with big businesses for top talent.”

“The rising cost of healthcare has obviously been a concern for small businesses for many years leading up to this point. I think it's a testament to Congressman Israel's leadership that he is willing to sit and meet with local small business owners to discuss this volatile issue,” said Anne Shybunko-Moore, President of GSE Dynamics, Inc. “My hope is that conflicting views can be debated rationally, that people gain a better sense of understanding, and that progress can be achieved.”

Due to high broker fees, fixed administrative costs, and adverse selection, small businesses pay as much as 18 percent more per worker than large firms for the same health insurance policy and deductibles are often more than double.

Legislation pending in the House of Representatives would create a new Health Insurance Exchange that would give individuals and small businesses the ability to choose between a number of quality, affordable plans. The House proposal also includes tax credits for certain small businesses (those with fewer than 25 employees and an average annual wage of less than \$40,000) that provide health insurance for their employees. Additionally, small businesses with payrolls less than \$500,000 a year, which accounts for nearly all small businesses, would be exempt from the penalty some businesses that do not offer health insurance to their employees could face.

Rep. Israel serves on the House Appropriations Committee.