

2011 POLICY

AFFORDABLE HEALTH INSURANCE FOR SMALL BUSINESS

NFDA Position

That NFDA strongly support legislative and regulatory initiatives that improve access to affordable health insurance for small business.

Background

In today's business environment many small businesses, including funeral homes, have been unable to provide or retain affordable health insurance for themselves or their employees. State mandated benefits require many who do obtain insurance to carry and pay for coverage they do not need. In contrast, larger employers have been able to reduce their health insurance costs due to economies-of-scale and their ability to either self-insure or to take advantage of managed care alternatives. In short, cost increases and ever proliferating regulation have discouraged or otherwise prevented small employers from offering health insurance to their employees. The skyrocketing cost of health insurance is the number one concern for most NFDA members.

Discussion

The 111th Congress passed and the President signed into law the massive "*Patient Protection and Affordable Care Act*", which among many other provisions, would mandate employers provide health insurance for their employees or pay a penalty and would require all individuals to have health insurance or pay a penalty. There would be so-called state and regional exchanges where individuals and employers could purchase "qualified" health insurance plans. A panel of experts would determine what a qualified plan would include.

Since most of the law does not go into effect until 2014, it is impossible, at this time, to determine the actual impact on the availability and cost of health insurance for anyone including small business. Given the requirements on employers and insurance companies, it does not appear that insurance costs will be lower or more affordable than they are now and in fact may even be more expensive at least in the short term. Longer term prospects may mitigate those effects and actually provide stability and affordability in the health insurance market.

With the change in party control of the House and an increase in Republicans in the Senate as a result of the 2010 mid-term elections, it is a sure bet that many of the more onerous provisions of the health care law will be attempted to be repealed. NFDA will engage in the process for the benefit of funeral service and small business.

NFDA Governance History:

1998: Committee Action 1/13/98; Policy Board Action 3/30/98

1999: Committee Action 1/26/99; Policy Board Action 3/15/99

2000: Committee Action 2/1/00; Policy Board Action 3/27/00

2001: Committee Action 1/30/01; Policy Board Action 3/19/01

2002: Committee Action 1/29/02; Policy Board Action 3/18/02

2003: Committee Action 1/23/03; Policy Board Action 3/24/03

2004: Committee Action 1/26/04; Policy Board Action 3/15/04

2005: Committee Action 1/18/05; Policy Board Action 3/7/05

2006: Committee Action 1/17/06; Policy Board Action 3/8/06

2007: Committee Action 1/16/07; Policy Board Action 3/26/07

2008: Committee Action 1/14/08; Policy Board Action 3/10/08

2009: Committee Action 1/29/09; Policy Board Action 3/30/09

2010: Committee Action 1/20/10; Policy Board Action 3/08/10

2011: Committee Action 1/27/11; Policy Board Action 3/09/11

Attest: NFDA Policy Board (original resolution) Date: March 30, 1998 File Code: RES036/Policybd