

Firms want health reform

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A survey of Utah small-business owners should erase any doubt that the country needs to reform health care, and reform it now.

Businesses here with two to 100 employees not only rank the cost of medical care — insurance rates in particular — as the single biggest financial impediment in their companies, more than two-thirds of arguably the most free-market-oriented economic sector in the country are demanding comprehensive change, even if it means partnering with state and federal government.

"That's because this very pragmatic, bottom-line oriented core of the economy recognizes that it's going to require partnership of individuals, employers, insurers, health-care providers and yes, government, to fix the system," said John Arensmeyer, founder and chief executive officer of Small Business Majority. The national small-business advocacy group has been targeting health-care reform for four years. The group announced the results of its latest random poll of Utah small businesses at a Wednesday news conference.

"Here and nationwide, the soaring cost of care is dictating whether a business expands, limiting new hires and even if someone starts a new business," Arensmeyer told the Deseret News in an interview. "The vast majority of small-business owners here and across the country believe they have not only the financial but the moral imperative to offer medical insurance."

The survey shows unequivocally that small businesses want the state and federal government to be partners in reform, with the federal government establishing standards but building in flexibility that individual businesses and state governments can live with, the survey shows.

Of the 300 business owners polled in June, 49 percent labeled themselves Republican, 14 percent Democrat and 24 percent said they are independent.

The system has become a "behemoth problem" for the economy, even in a state where health-care costs are lower and quality of care is higher than anywhere in the country, said Natalie Gochnour, the Salt Lake Chamber's CEO.

"Reform is no less critical to the long-term strength of business in Utah," she said, adding that businesses that stop offering coverage and employees who lose or don't enroll in a medical-insurance plan save money in the short run but add to the cost of the system over time, creating the "economic behemoth" that health care has become.

Only 40 percent of Utah businesses provide coverage to employees. That's nearly 30 percent fewer than 15 years ago. The decline has pitched sharply downward in the past few years, and chambers of commerce statewide expect the trend to continue as the economy contracts.

The kink in the current system, which represents the largest single sector of the U.S. economy and \$2.4 trillion in spending, is that health-care services are sought and provided regardless of whether someone

has insurance, said Salt Lake small-business owner Keith Trickett, who has so far avoided having to reduce his 10-employee staff due to health-care costs.

Trickett, who is originally from Great Britain and has run high-tech companies in nine different countries and lived under nine different health-care systems, said the U.S. model restricts a company's capacity to operate and grow, and in the process, pulls down the productivity of employees.

"It's always on our minds," he said. "People criticize other health-care systems around the world, but this is the one that is twice as expensive as any other and is the only country on earth where if you get sick enough, you will lose your house. And for some reason, we're fine with that."

Small Business Majority survey

-80 percent of Utah small businesses want a health-insurance pool in which individuals choose their coverage, not just sign up for the group plan offered at work.

-79 percent want to eliminate the pre-existing condition rules; 74 percent see them as a huge barrier to starting a business.

-69 percent prefer having the choice of a private or public health-insurance plan, a notion that has been proposed by federal reformers but generally ridiculed by many Utah policy makers and insurers as "socialized medicine"; only 20 percent of small businesses want a private-only solution.

-67 percent say it's important for individuals, employers, insurers, the government and health-care providers to share the responsibility for making health care more affordable.

The results are based on a random survey of 300 small-business owners in Utah between June 2 and June 9. The entire survey, which has a 5.7 percent margin of error, is available at www.smallbusinessmajority.org.