

AUGUST RECESS TALKING POINTS

1. Independent Insurance Agents and Brokers Support Real and Substantive Reform and Want To Be Part of the Solution

- As small business people and health insurance advisors, independent agents and brokers know all too well about the inequalities of the current health care system.
- Congress must act in a bipartisan manner to implement real and substantive reform of the private market to address the serious problems with the United States health care system, including:
 - Give every American access to affordable private health insurance, regardless of their pre-existing health conditions.
 - Give every American the opportunity to choose from several private health insurance plans and find the coverage that best meets their individual needs.
 - Lower costs by eliminating fraud in Medicare (accounts for \$60 billion per year in waste) and by implementing the following: medical liability reform, evidence-based medicine, consumer incentives for wellness programs, preventive care screenings and disease management programs, and electronic medical records.
- Independent insurance agents and brokers serve as consumer advocates for individuals and businesses of all sizes, helping clients and employees with claims issues, service questions and compliance matters throughout the life of each policy.
- Independent insurance agents and brokers want to play a big part in helping to enroll the 47 million uninsured Americans and educate new enrollees and businesses on the available options and help them find the best health care solutions to meet their needs.

2. A Government-Run Health Insurance Plan Is Not the Answer for Consumers

- A government-run health insurance plan would create an inherently unlevel playing field that would drive private insurers out of the market over time and dismantle the employed-based health care system. The federal government sets its own rules and there is nothing fair or level about them.
- A government-run plan would limit consumer choice. According to a 2007 survey by the American Medical Association, 60% of doctors say they limit the number of new Medicare patients they see.
- A government-run plan would not result in a more efficient marketplace. The federal government has not proven itself to be a model for health care efficiency. Each year, Medicare loses \$60 billion due to fraud alone.
- A government-run plan would increase the taxpayer burden. Take Medicare for example, according to the Medicare trustees, the Medicare Trust Fund will be exhausted by 2017. The Congressional Budget Office estimates that individual and corporate income tax rates would have to rise by about 90% to finance the projected increase in spending through 2050.
- If a government-run plan is implemented, consumers will ultimately be left with only one choice, the government plan.

3. A New Employer Mandate Coupled With New Taxes Is the Wrong Prescription for Small Businesses

- A new 5.4% surtax on successful small businesses would force job losses during the deepest recession in the United States in a quarter of a century.
- The tax increase is pegged to both small business payroll and profits – small businesses fighting to make ends meet and preserve jobs will be subject to this tax.
- An employer mandate to provide health insurance and subsidize employees' premiums would create a new payroll tax of 8% in lieu of providing health insurance coverage.
- A 2009 study by the National Federation of Independent Business Owners (NFIB) found that an employer mandate would result in a net loss of 1.6 million U.S. jobs between 2009 and 2013. Small businesses would be hit hardest, accounting for an estimated 66% of job losses.
- A tax increase coupled with an employer mandate would put many small businesses in the undesirable position of deciding between job cuts or shutting their doors.
- Health care reform should not be financed on the backs of small businesses that are struggling to make ends meet in this time of great economic uncertainty.