Improving Access to Affordable Health Care for Uninsured Families

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Abstract

Counting on the private sector to provide health care coverage for employees is becoming a financial burden to small businesses. Currently 43 million Americans are uninsured, and over three-fourths of them work for a small businesses that cannot afford to offer medical benefits. Health insurance costs are rising by double digits year after year, and cost more for small businesses than for large corporations. 98% of large companies provide health care benefits, but only a little over half of small companies can afford to do the same. There is a direct association between health insurance and health outcomes. Uninsured Americans use fewer preventive or health screening services, and so are much sicker when diagnosed.

The Small Business Health Fairness Act, (H.R. 660) which passed the House in May, proposes that associated health plans (AHPs) be implemented across the country. Associated health plans would allow small businesses to join together through trade associations to purchase health insurance for their workers at lower costs. Associated health plans would increase small business’ bargaining power with health providers, and would make it possible to negotiate more affordable benefit packages for their employees.

According to the Congressional Budget Office, associated health plans would lower premiums by 13% and would provide health insurance to as many as two million Americans who are currently uninsured. Some figures have shown that number to be as high as eight million. I recommend associated health plans as a way of increasing access to insurance.