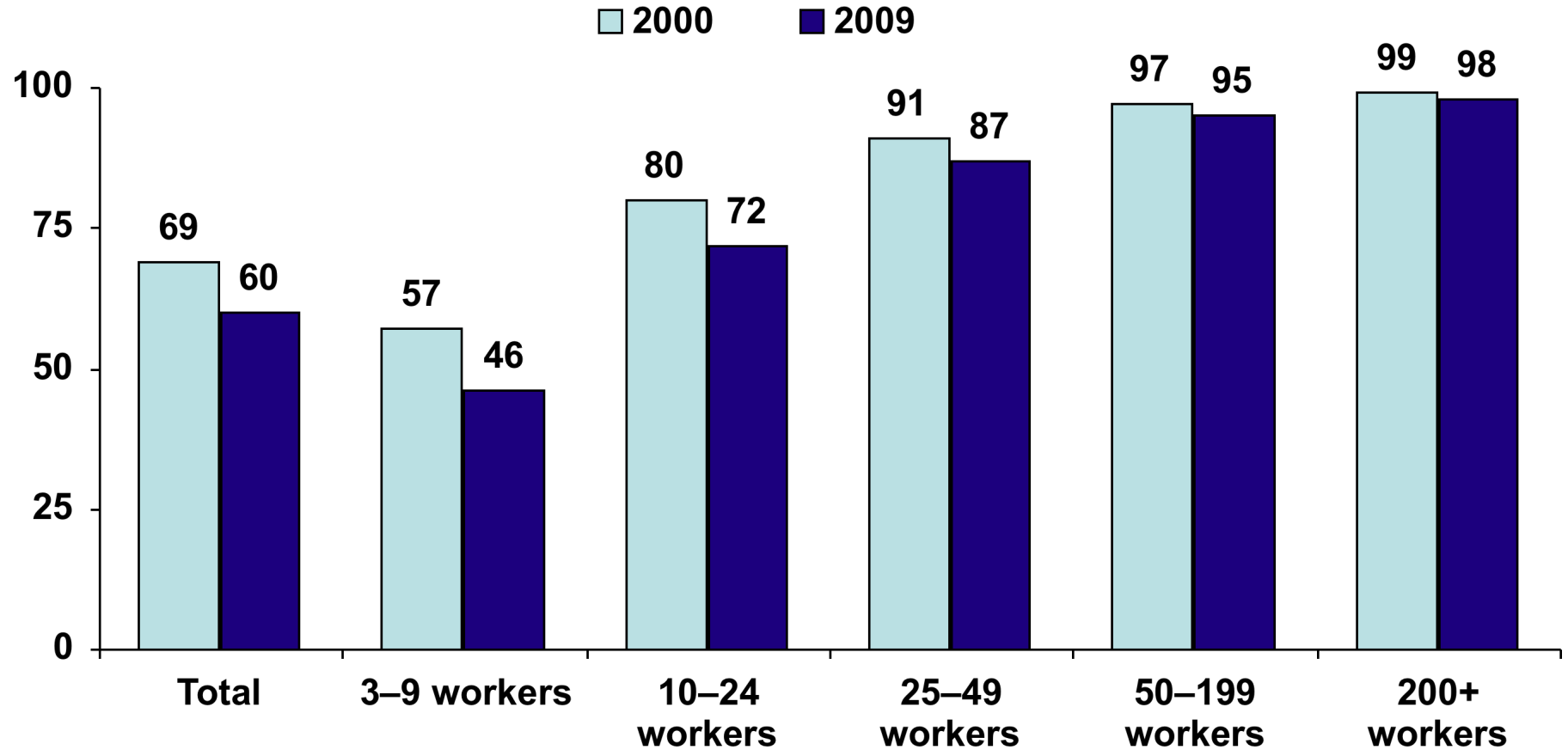


Exhibit 1. Employer Coverage Continues to Be Major Source of Coverage for Employees of Larger Firms

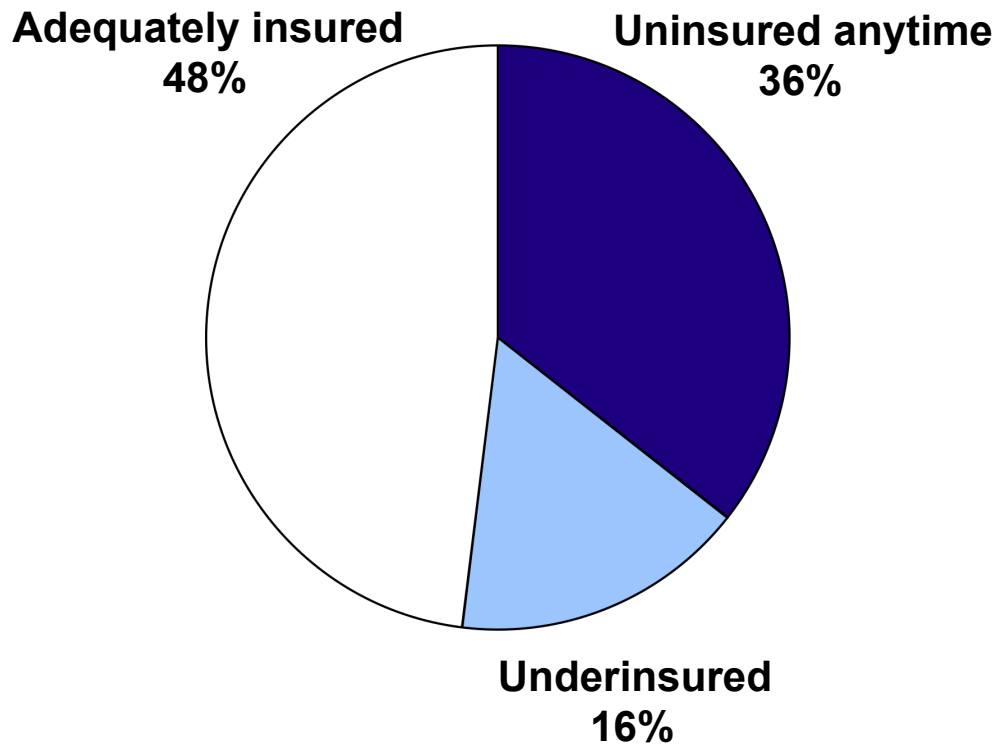
Percent of firms offering health benefits



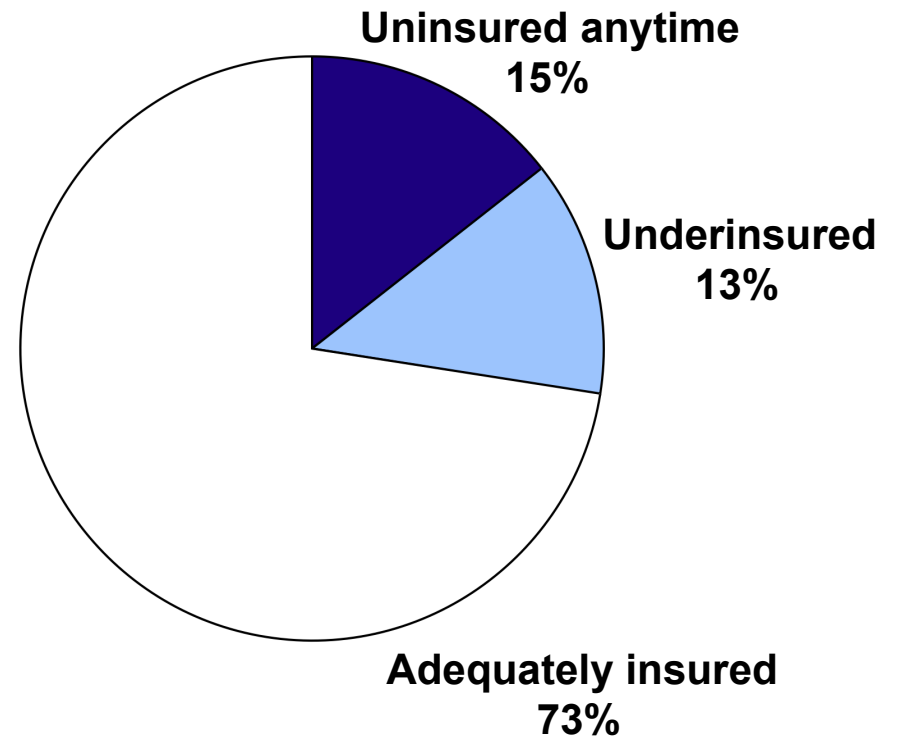
Data: Kaiser Family Foundation/Health Research and Educational Trust, *Employer Health Benefits*, 2000 and 2009 Annual Surveys.



Exhibit 2. More Than Half of Working Adults in Small Firms Were Uninsured or Underinsured During the Year, 2007



Small Firms (fewer than 50 employees)
39.0 million



Large Firms (50 or more employees)
76.9 million

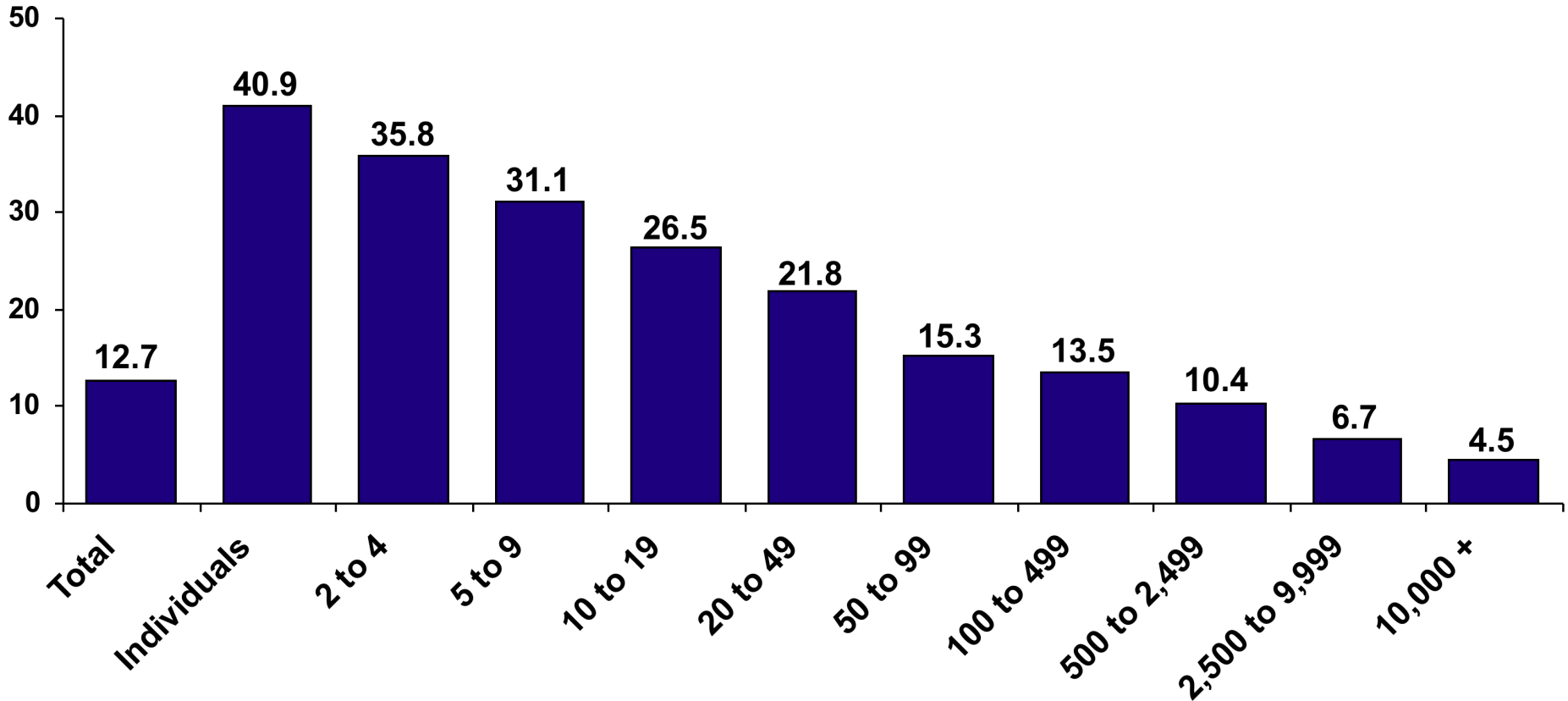
Notes: Includes both part-time and full-time workers. Underinsured is defined as having continuous health insurance coverage and spending 10 percent or more of income on out-of-pocket health care costs (or 5 percent or more if low income), or having deductibles of 5 percent or more of income.

Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).



Exhibit 3. Cost of Administering Health Insurance as a Percentage of Claims by Group Size

Percent



Data: Estimates by The Lewin Group for The Commonwealth Fund.

Source: Commonwealth Fund Commission on a High Performance Health System, *The Path to a High Performance*

U.S. Health System: A 2020 Vision and the Policies to Pave the Way (New York: The Commonwealth Fund, Feb. 2009).

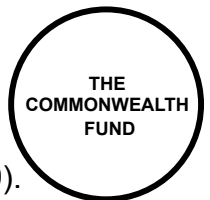


Exhibit 4. The Individual Insurance Market Is Not an Affordable Option for Small-Firm Workers

Working adults ages 19–64 in firms with <50 employees:	
Has individual coverage or tried to buy it in past three years	38%
Among those:	
Found it very difficult or impossible to find coverage they needed	44
Found it very difficult or impossible to find affordable coverage	57
Were turned down, charged a higher price, or had a specific health problem excluded from coverage	33
Any of the above	69
Never bought a plan*	69

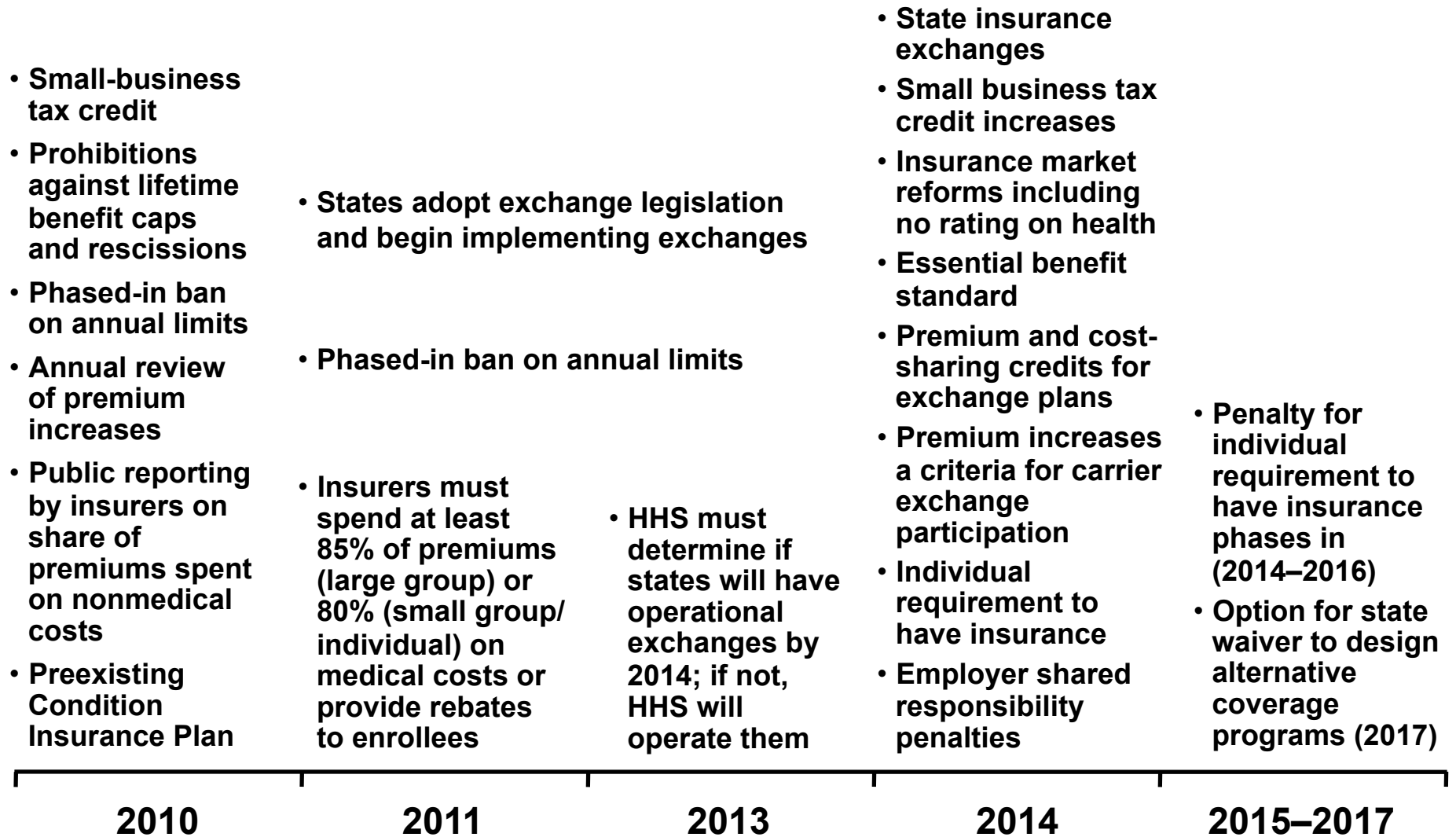
Note: Includes both part-time and full-time workers.

* Among those who tried to buy a plan.

Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).



Exhibit 5. ACA Provisions That Benefit Small Businesses and Their Workers



Source: Commonwealth Fund analysis of the The Affordable Care Act (Public Law 111-148 and 111-152).

Exhibit 6. Small Business Tax Credit as a Percent (Maximum of 35%) of Employer Contribution to Premiums, For-Profit Firms (2010–2013) and Nonprofit Firms (2014+)

Firm Size	Average Wage				
	Up to \$25,000	\$30,000	\$35,000	\$40,000	\$45,000
Up to 10	35%	28%	21%	14%	7%
11	33%	26%	19%	12%	5%
12	30%	23%	16%	9%	2%
13	28%	21%	14%	7%	0%
14	26%	19%	12%	5%	0%
15	23%	16%	9%	2%	0%
16	21%	14%	7%	0%	0%
17	19%	12%	5%	0%	0%
18	16%	9%	2%	0%	0%
19	14%	7%	0%	0%	0%
20	12%	5%	0%	0%	0%
21	9%	2%	0%	0%	0%
22	7%	0%	0%	0%	0%
23	5%	0%	0%	0%	0%
24	2%	0%	0%	0%	0%
25	0%	0%	0%	0%	0%

Source: C. L. Peterson and H. Chaikind, Summary of Small Business Health Insurance Tax Credit Under the Patient Protection and Affordable Care Act (PPACA), Congressional Research Service, April 20, 2010.

Exhibit 7. Small Business Tax Credit as a Percent (Maximum of 50%) of Employer Contribution to Premiums, For-Profit Firms (2014+)

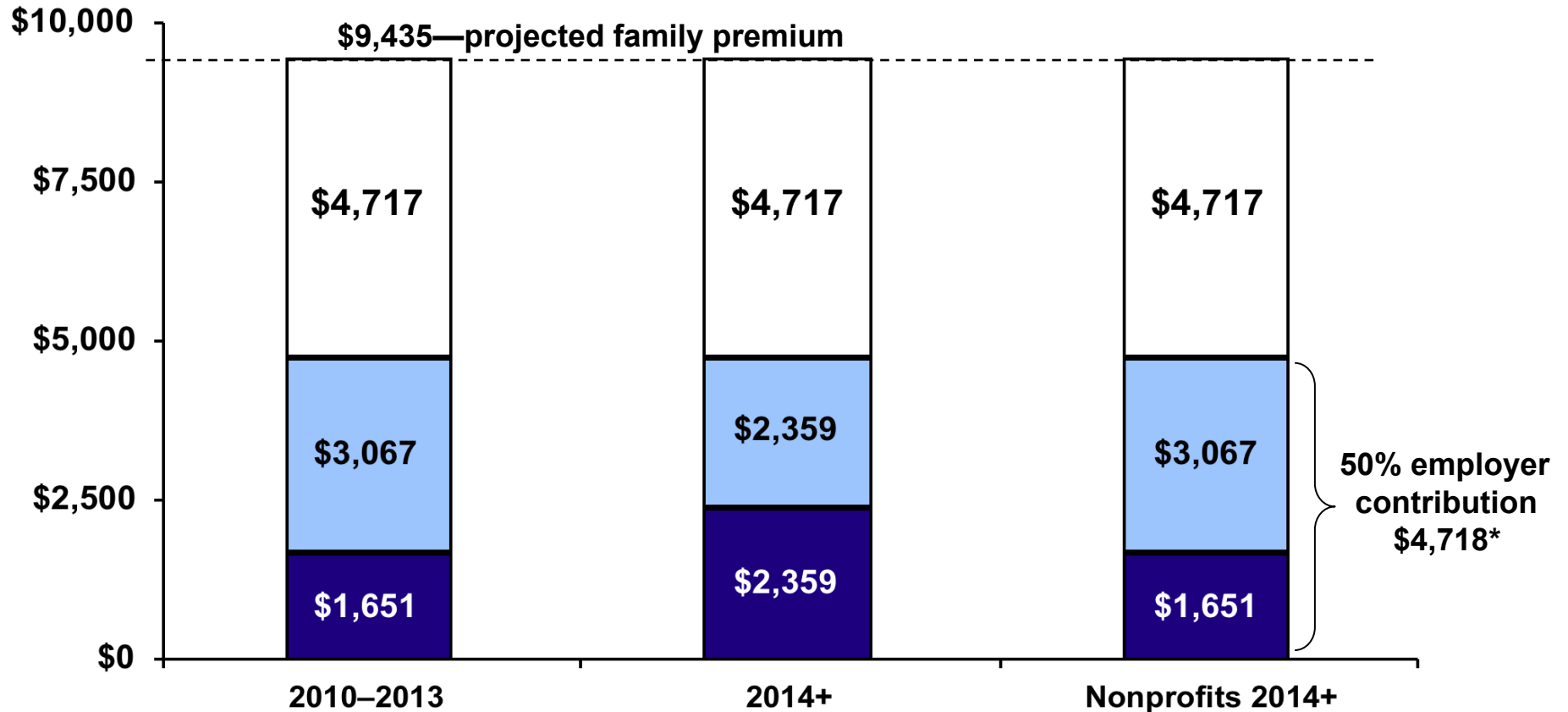
Firm Size	Average Wage				
	Up to \$25,000	\$30,000	\$35,000	\$40,000	\$45,000
Up to 10	50%	40%	30%	20%	10%
11	47%	37%	27%	17%	7%
12	43%	33%	23%	13%	3%
13	40%	30%	20%	10%	0%
14	37%	27%	17%	7%	0%
15	33%	23%	13%	3%	0%
16	30%	20%	10%	0%	0%
17	27%	17%	7%	0%	0%
18	23%	13%	3%	0%	0%
19	20%	10%	0%	0%	0%
20	17%	7%	0%	0%	0%
21	13%	3%	0%	0%	0%
22	10%	0%	0%	0%	0%
23	7%	0%	0%	0%	0%
24	3%	0%	0%	0%	0%
25	0%	0%	0%	0%	0%

Source: C. L. Peterson and H. Chaikind, Summary of Small Business Health Insurance Tax Credit Under the Patient Protection and Affordable Care Act (PPACA), Congressional Research Service, April 20, 2010.

Exhibit 8. Small Business Tax Credits Under Affordable Care Act for Family Premiums

Credit per employee

■ Tax credit ■ Net employer contribution □ Net employee contribution



* To be eligible for tax credits, firms must contribute 50% of premiums. For-profit firms receive 35% and later 50% of their contribution in tax credits.

Note: Projected premium for a family of four in a medium-cost area in 2009 (age 40). Premium estimates are based on actuarial value = 0.70. Actuarial value is the average percent of medical costs covered by a health plan.

Source: Commonwealth Fund analysis of Affordable Care Act (Public Law 111-148 and 111-152). Premium estimates are from Kaiser Family Foundation Health Reform Subsidy Calculator, <http://healthreform.kff.org/Subsidycalculator.aspx>.

