

Strictly Embargoed Until December 5, 2011 @ 10:30 a.m. EST

Contact: Ed Emerman
Eagle Public Relations
609-275-5162
eeberman@eaglepr.com

**Majority of New York State Small Businesses Embrace Health Insurance
Exchanges, HealthPass New York-Commissioned Survey Finds**

***Survey Also Reveals Many NY Businesses Struggling, but Understand
Importance of Providing Health Insurance***

NEW YORK, December 5, 2011 – A vast majority of New York State's small business owners are giving two thumbs up to health insurance exchanges as a viable way to provide health insurance to their employees, according to a statewide survey commissioned by HealthPass New York, a NYC-based commercial health insurance exchange. The survey also found that exchanges have the potential to change the health care marketplace in New York at a time when many small business owners are struggling to keep afloat.

HealthPass New York commissioned Hudson TG to produce a survey of 300 New York State small business owners. The survey found that more than eight in ten (84%) respondents describe health insurance exchanges as a "good idea" after reading a description of the proposed New York State SHOP (small business) Exchange. Additionally, more than three-fourths of respondents (76%) would consider using such a health insurance exchange when enrolling their employees in a health benefits program. Even more striking, among businesses that do not currently provide health insurance to their employees, 60% said they would be more likely to offer coverage if an exchange was available.

"The results of the survey that Hudson TG produced clearly show that a time when small business owners are fighting to keep their businesses open, it's notable that so many of them are reacting enthusiastically to the idea of a privately-run health insurance exchange," said Vincent C. Ashton, President and CEO of HealthPass New York, which provides health insurance to small employers in New York City and surrounding counties. "We know from our experience that health insurance exchanges are a win-win for owners and employees. They give employees more insurance options, and simplify health insurance purchasing and administration for owners, giving them more time and money to focus on growing their business."

The federal Affordable Care Act of 2010 requires states to create their own exchanges to give small businesses access to affordable health care coverage or be included in a federal exchange. The exchanges are to begin operating by Jan. 1, 2014. In New York, the Governor and state

Assembly have approved a health insurance exchange bill, but the Senate has yet to adopt a similar measure.

Small Businesses Struggling, But Understand Importance of Insurance

According to the survey, more than three-fourths of respondents (76%) believe the climate for small businesses in New York State is on the wrong track and only 27% report their own businesses are doing well. Owners outside of New York City and Long Island are particularly pessimistic, with 82% believing the climate for small businesses is on the wrong track.

The survey also found that small business owners understand the importance of providing health insurance. More than half (54%) of the respondents who don't currently provide insurance would consider doing so in the future. Moreover, three fourths of respondents (75%) agree that offering health care benefits helps them attract and retain quality employees.

"Most of the small business owners we surveyed are committed to their employees and understand that providing health benefits helps build a quality workforce. At the same time, they struggle with both the expense and administrative burden of providing health insurance," said Benjamin Geyerhahn, Principal at Hudson TG. .

Indeed, 56% of owners who currently provide insurance say they spend too much time and money shopping, offering and administering health benefits. Additionally, 50% agree that they can spend more time thinking about how to grow their business if they didn't spend so much time dealing with health care for their employees.

"We believe that health insurance exchanges have the potential to stimulate economic development throughout New York State. As our survey showed, a large majority of owners, once they heard what a health exchange can do, understand this new tool can be a viable way to provide health benefits in an efficient and cost-effective manner. That, in turn, would enable owners to attract and retain talented workers and free up time to grow their business," concluded Ashton.

Other findings from the survey include:

- **Providing choices is important to small business owners.** More than two-thirds of respondents (68%) believe providing employees a menu of different health benefit plans from which to choose is an important consideration to them when thinking about health benefits.

- **Owners prefer an exchange run by the private sector.** By nearly a nearly two-to-one margin, small business owners prefer a SHOP (small business) exchange run by the private sector over an exchange run by the government (52 to 28 percent).
- **Nearly half (45 percent) of small business owners prefer to purchase health plans online.**

About the Survey

The online survey of 300 small business owners in New York State was conducted between November 17 and 21, 2011 by Hudson TG and Greenberg Quinlan Rosner Research on behalf of HealthPass New York. Only businesses with 50 employees or fewer participated in the survey. The margin of error was +/- 6 percentage points.

About HealthPass New York

HealthPass New York is an independent, not-for-profit, commercial health insurance exchange offering small businesses and sole proprietors in the New York metropolitan area quality, affordable, and flexible health care coverage. Since 1999, the HealthPass choice model has empowered employees to choose comprehensive health care coverage that fits their unique medical needs and budget. Employees can choose different benefit options from four leading carriers including two dental plans, and a bundled security product. HealthPass serves small businesses in 14 downstate New York counties - the five boroughs of New York City as well as Nassau, Suffolk, Westchester, Rockland, Orange, Dutchess, Putnam, Ulster and Sullivan. For more information, please visit www.healthpass.com.