



Business and
Professional
Women's
Foundation

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The Current Health Care System is Failing Women, Families and Small Businesses

Statement of Deborah L. Frett, CEO Business and Professional Women's Foundation

"The current health care system is failing women, families and small businesses and that is why we need comprehensive reform now. BPW Foundation supports health care reform that recognizes the diverse needs of women, families and small business as they strive to create successful workplaces.

We understand that it will be difficult. We know that the initial solution may not be perfect but we must improve the health care system now - the status quo is killing us. BPW Foundation has heard from both our employee and employer supporters that health care reform is necessary to achieve *successful workplaces* where women and families can succeed and businesses can profit.

Health care reform is a woman's issue. Women are 50 percent of the population, 46.5 percent of the U.S. workforce and we are "paying" more for health care. The high cost of health care has a disproportionate impact on women because our incomes are less (22 percent less on average due to the persistent gender wage gap) and a greater share of our income is consumed by health care. On average, women of childbearing age pay 68 percent more out-of-pocket for their health care than men. Women are also more likely to delay or avoid getting the care they need because they cannot afford it. Even when a woman works for an employer that offers coverage, she is more likely to be ineligible because she is part-time.

Health care reform is a family issue. The uncertainty in the insurance market impacts children, elderly parents and spouses who count on an employee's health insurance coverage. You never know when you might lose coverage because you lose your job, change jobs, move or get sick and that puts everyone who relies on you at risk. Right now, insurance companies can cancel coverage for an entire family, if the insured gets seriously ill. In addition, the sheer cost of insurance coverage is devastating families.

Health care reform is a small business issue. The cost of providing health care is crippling businesses of all sizes, especially small businesses. Women-owned firms represent 30 percent of all U.S. businesses and are the fastest growing percentage of small business owners. Sixty percent of America's uninsured are small business owners, workers and their families. Small business owners want to provide health care coverage to their employees because it helps with employee recruitment and retention, increases productivity and is the "right thing to do." The driving force behind the erosion of health coverage among small businesses is cost.

BPW Foundation believes that health care reform should include:

- **Affordability:** More than half (52 percent) of women and 39 percent of men have forgone necessary care because of cost—including not filling a prescription, skipping a medical test or failing to see a doctor when they had a medical problem. Women and the elderly are bearing the brunt of high out-of-pocket costs.

Health care reform should include a cap on out-of-pocket expenses, eliminate annual and lifetime benefit limits and provide tax credits for small businesses to provide health insurance to their employees. Health care reform should ensure that everyone can receive necessary care without the looming threat of medical debt.

- **Equality of Access and Care:** The current health care system allows for disparity in quality of care based on gender, race, income and age. Low-income Americans and under-represented racial and ethnic groups experience fewer treatment options, unequal care and reduced access to quality care. A majority of states allow insurance companies to calculate premiums based on gender and age and as a result individuals are charged exorbitant premiums or denied coverage all-together. In some states it is perfectly legal to deny coverage to a victim of domestic violence because that is considered a “pre-existing condition.” Businesses with predominantly female workforces also suffer because they are charged more than men for the exact same coverage. Health care reform must prevent sanctioned inequality based on gender, race, age or health status.
- **Stability and Security:** Health care reform should provide stability and security for those who already have coverage. People should be able to take their coverage with them if they lose a job, change jobs, move or start a new business. Without reform women and their families will continue face unpredictable and sky-high premium increases and the fear of completely losing coverage. Security will come with the knowledge that your insurance company cannot refuse coverage because of your medical history or perceived risk factors.
- **Shared Responsibility:** Government, employers and individuals must each share the duty of providing or obtaining health insurance. Shared responsibility builds on the existing system of health financing and will help ensure that coverage is affordable for women, their families and businesses.
- **Support for Prevention:** Preventive health care improves the overall health of all Americans and helps decrease costs. Health insurance reform should guarantee that insurance covers services that women and families need to get and stay healthy, including preventive care. Preventive care is particularly important for women and children. Nearly half of women report postponing or not receiving a cancer screening or dental exam because of financial concerns. In addition, health care reform can support employer efforts to reduce costs by promoting healthy living and work-life balance for their employees. Workplace policies such as paid sick leave, parental leave and child care enable employees to balance work and family responsibilities, prevent the spread of illness in the workplace and result in cost savings for the both the employer and employee.

We must not miss this historic opportunity to improve the health care system. In order to develop a strong workforce and economy, we must enact systemic reform that guarantees access to quality and affordable care for women, families and small businesses.”

Business and Professional Women's Foundation (BPW Foundation) works with women, employers and policymakers to create successful workplaces that practice and embrace diversity, equity and work-life balance. Through our groundbreaking research and our unique role as a neutral convener of employers and employees, BPW Foundation leads the way in developing and advocating for policies and programs that “work” for both women and businesses. BPW Foundation is a 501(c)(3) organization.