



## Overview

As the health care debate continues, employers and employees need health care solutions that are practical and affordable. Common-sense proposals should address the skyrocketing costs of health insurance, especially for employer-sponsored plans, and the rapidly rising number of uninsured Americans. True reform must provide greater choice and affordability and should allow private insurers to compete for business.

With skyrocketing unemployment, costly government mandates must not be included in future health care initiatives. Job creation should be the top priority of our elected leaders—not mandates that kill jobs and stifle construction firms that are struggling to survive during this economic downturn.

## The Free Enterprise Alliance Supports

- **Providing Americans with the Ability to Buy Insurance Across State Lines.** This would be particularly helpful to those who work in the construction industry, as the unique nature of construction work demands that benefits be portable.
- **Tax Deduction for the Self-Employed and for Employers.** We support the self-employed health care deduction to 100 percent and maintaining the tax deductibility of health insurance premiums for all employers.
- **Small Business Health Plans (SBHPs).** SBHPs give small businesses the power to pool together and offer health care at lower prices—something many corporations and labor unions already are permitted to do.
- **Health Savings Accounts (HSAs).** HSAs are tax-free savings accounts for medical expenses that will allow more small business owners to obtain affordable health coverage for themselves and their employees. ABC supports expanding access to high-deductible health plans and HSAs, and increasing the HSA contribution limits.
- **Flexible Spending Accounts (FSA).** FSAs or “cafeteria plans” allow employees to set aside money (pre-tax) each year to be used for medical expenses such as co-pays, deductibles and services not covered under their base insurance plan. If an employee does not use all of the money contributed to his or her FSA by the end of the plan year, the remaining amount is forfeited to the employer. This limitation should be changed to allow workers to take control of their health care costs and plan for the future.
- **Health IT.** FEA supports advancing the widespread adoption of health information technology. Technology holds the promise of improving the quality of patient care, enhancing access to care, reducing medical errors and reducing health care costs.

- **Medical Malpractice Reform.** Unnecessary and frivolous lawsuits contribute to the increasing costs of insurance. Enacting tort reform will dramatically decrease the cost of health insurance for the American public.

### **The Free Enterprise Alliance Opposes**

- **A Government-Run Insurance Plan.** Including the government in the health insurance market will result in less competition and fewer choices. Employers do not want to replace the health care they have with something inferior that costs trillions of dollars in taxes and debt.
- **Employer Mandates.** A “pay or play” mandate that would force employers to provide health care or pay a hefty fine for not being able to do so would stifle small businesses. A mandated level of coverage also would directly result in premium increases making insurance more expensive for employers and employees.
- **Tax Increases.** At a time when the unemployment rate in the construction industry is at 27 percent, massive tax increases will only further decimate the industry and the craft professionals it employs.
- **Special Interest Carve Outs.** The president and Congress should soundly reject any special interest provisions in health care reform legislation that add up to a political payoff.