



Survey: Healthcare Costs Putting Financial Pressure on NC Small Business

October 2022

About Small Business for America's Future

- Small Business for America's Future North Carolina is a coalition of business owners and leaders working to provide small businesses a voice at every level of government.
- We're committed to ensuring policymakers prioritize Main Street by advancing a just and equitable economic framework that works for small business owners, their employees and their communities.





Key Findings

High Cost of Healthcare Has Real Economic Impacts on NC Small Businesses and Their Employees

From Sept. 27-Oct. 13, 2022, Small Business for America's Future surveyed 1,209 small business owners in its network about the impact the cost of healthcare coverage has on their business. The survey had **109 North Carolina respondents**, whose answers are highlighted in this report. The results show that high healthcare prices are leading North Carolina entrepreneurs to raise prices for goods and services, stifling small business growth and hiring, and cutting into employee paychecks.

- **80%** of small business owners responding have seen the cost of health insurance increase over the last four years. **65%** estimate the yearly increase of their healthcare costs is 10% or more.
- **A third** have increased the prices of their goods or services to offset healthcare costs, **34%** have delayed growth opportunities, and **33%** have held off on hiring new employees
- **55%** have thought about no longer providing health insurance for their employees due to the rising cost of coverage, and **80%** thought about reducing how much their business contributes to the cost of health insurance
- **Nearly half** said employees raise the possibility of not being able to afford medical expense
- **Seven in ten** have forgone offering health insurance altogether, and **73%** said it was because the cost was too high



NC Small Business Owners Want Lawmakers to do Something About Healthcare Prices—But Worry They Won't

Ahead of November's election, the survey shows that North Carolina small business owners want lawmakers to focus on finding solutions to the high cost of healthcare but are worried our leaders will fail to act or not go far enough in addressing the issue.

- **86%** of North Carolina small business owners responding to the survey feel **very strongly** that this is an issue that the nation's lawmakers need to address
- **86%** worry our leaders will fail to act or not go far enough in addressing the issue. Specifically:
 - **51%** are worried that lawmakers will do nothing to address healthcare costs
 - **35%** are worried that lawmakers will not go far enough in addressing healthcare costs
 - **Just 14%** worry that lawmakers will go too far

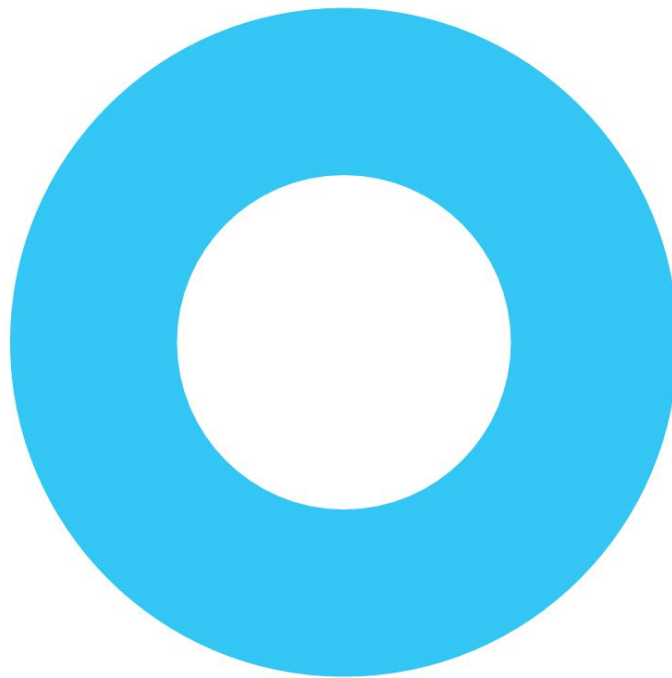


An overhead, top-down view of a collaborative office workspace. Several people are seated around a large wooden table, working on various devices including desktop monitors, laptops, and tablets. The workspace is cluttered with office supplies such as keyboards, mice, notebooks, pens, a coffee cup, and a small potted plant. The entire image is overlaid with a semi-transparent blue filter, and the text "Survey Results" is prominently displayed in the center in a white, sans-serif font.

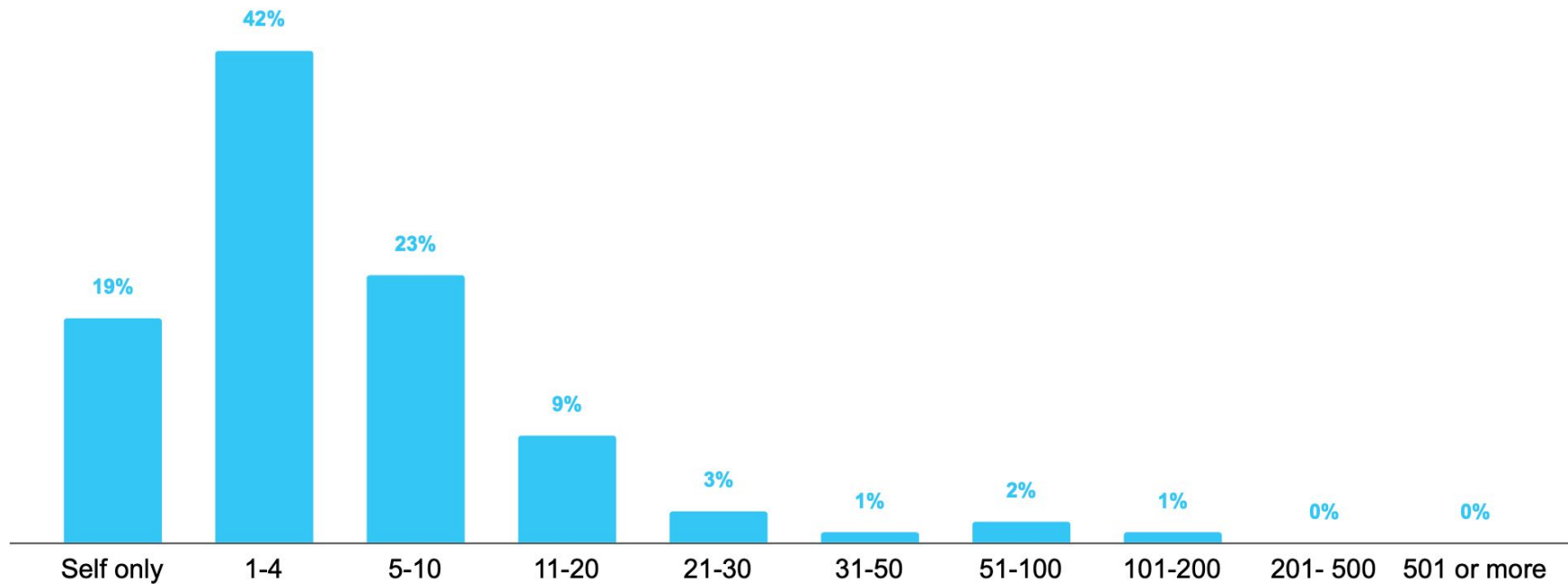
Survey Results

Q1: Are you a small business owner?

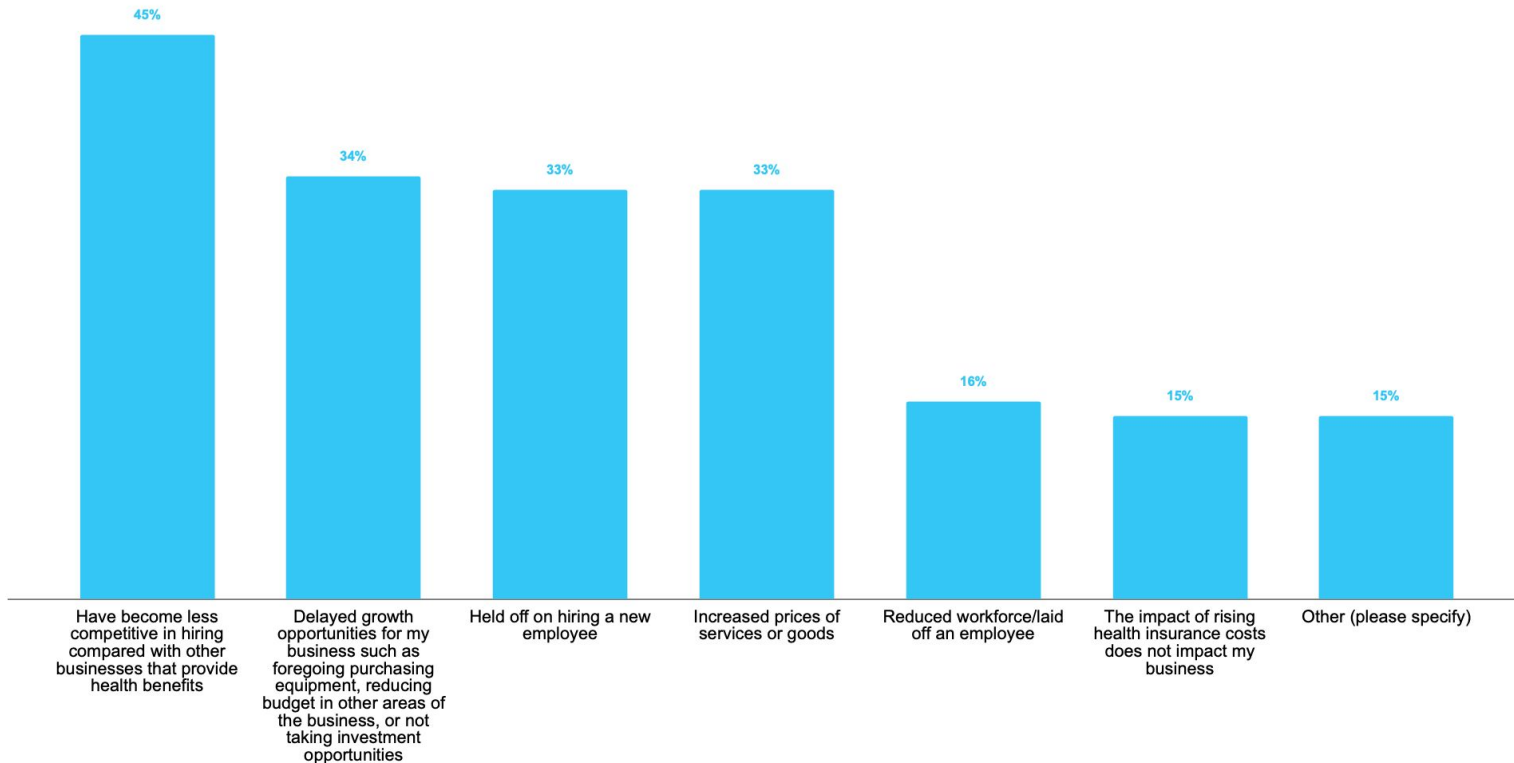
● Yes



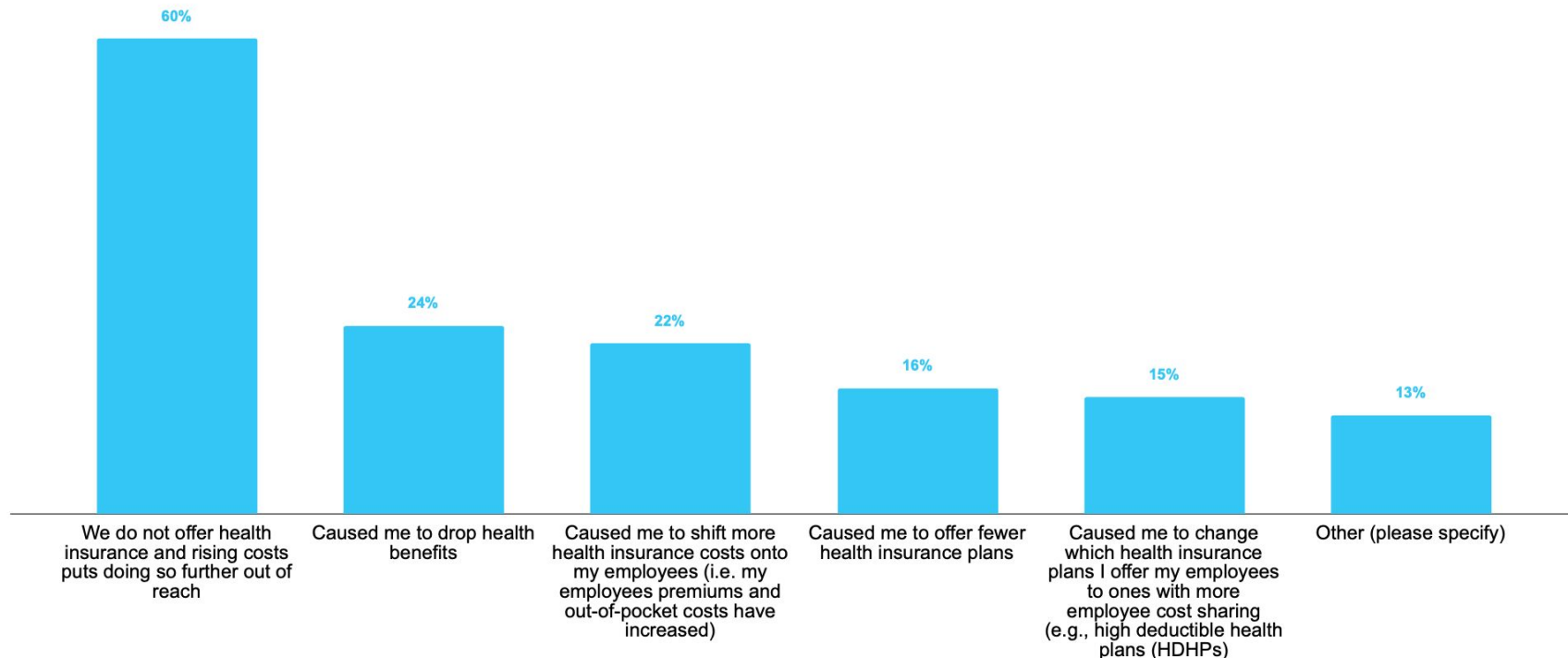
Q2: Not including yourself, how many people do you employ?



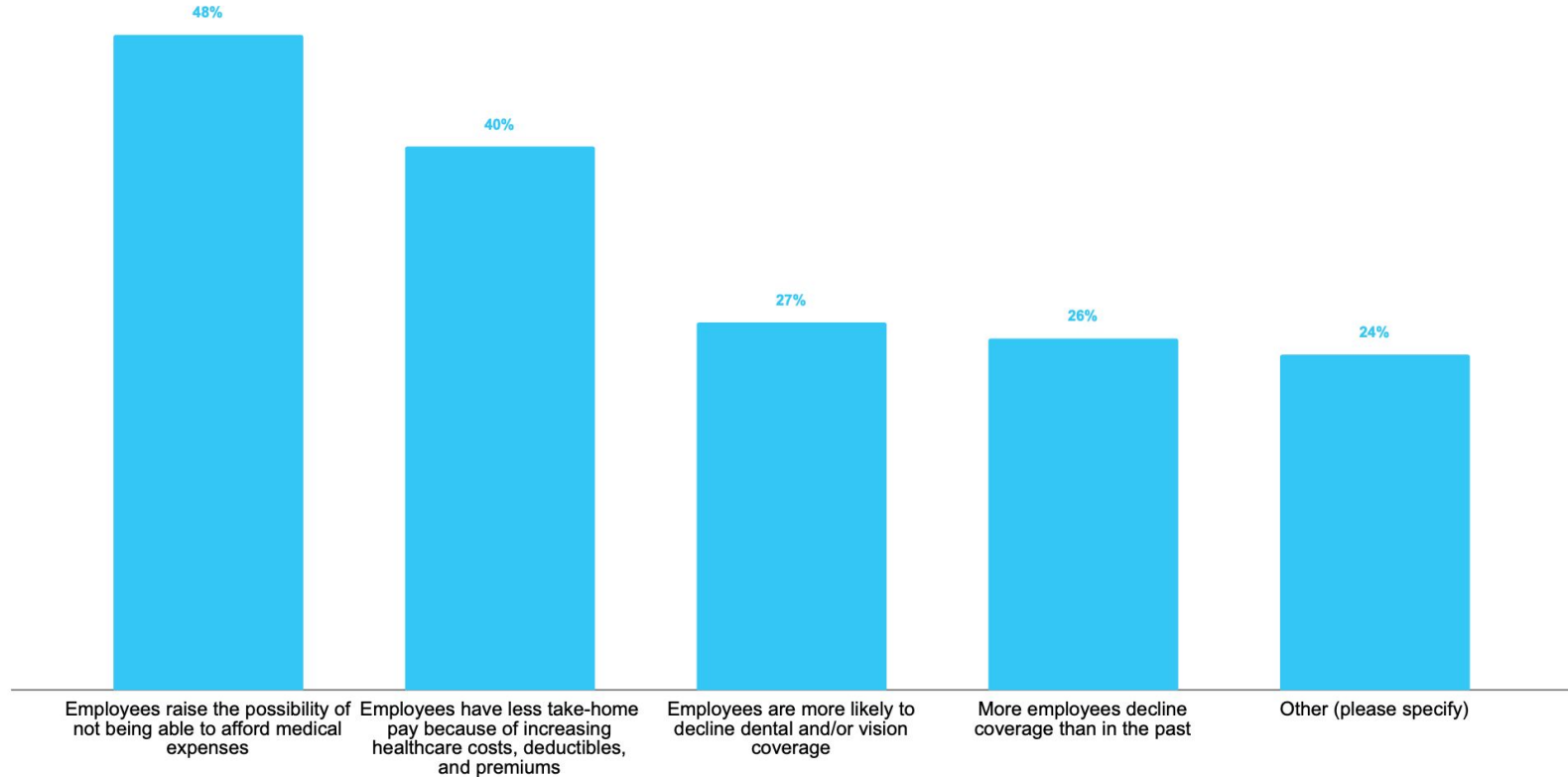
Q3: How does the rising cost of health insurance impact your business? (Select all that apply)



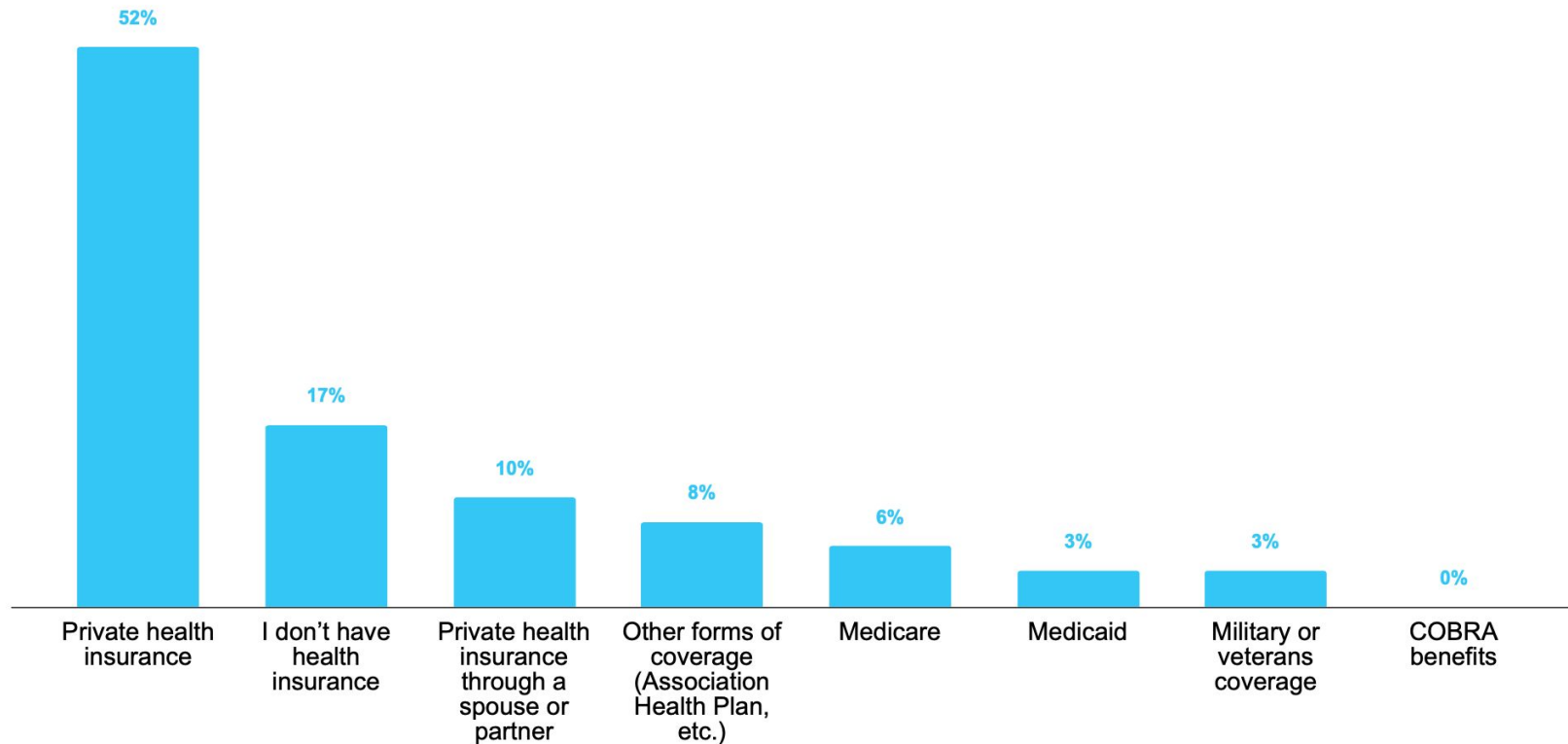
Q4: How does the rising cost of health insurance impact your health insurance offerings? (Select all that apply)



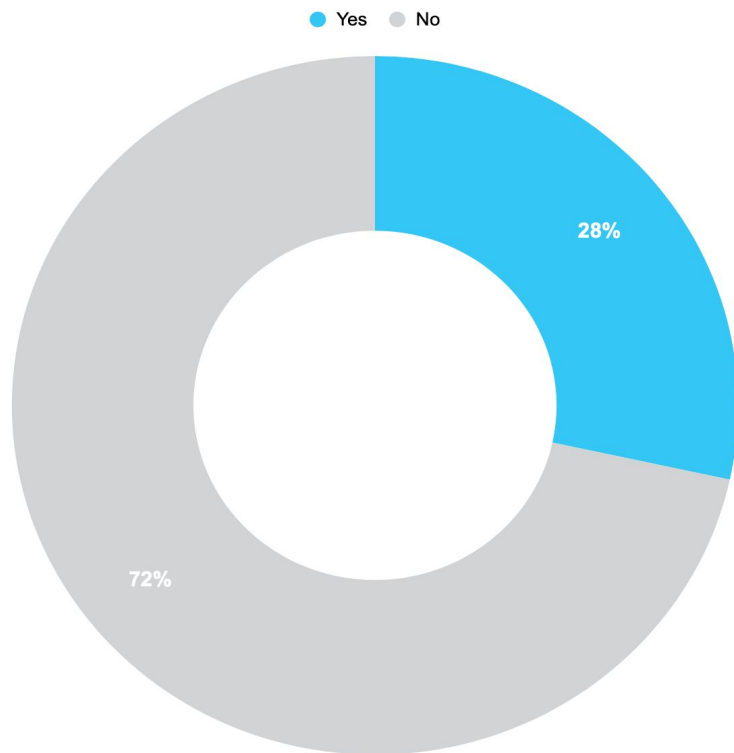
Q5: How does the rising cost of health insurance impact your employees? (Select all that apply)



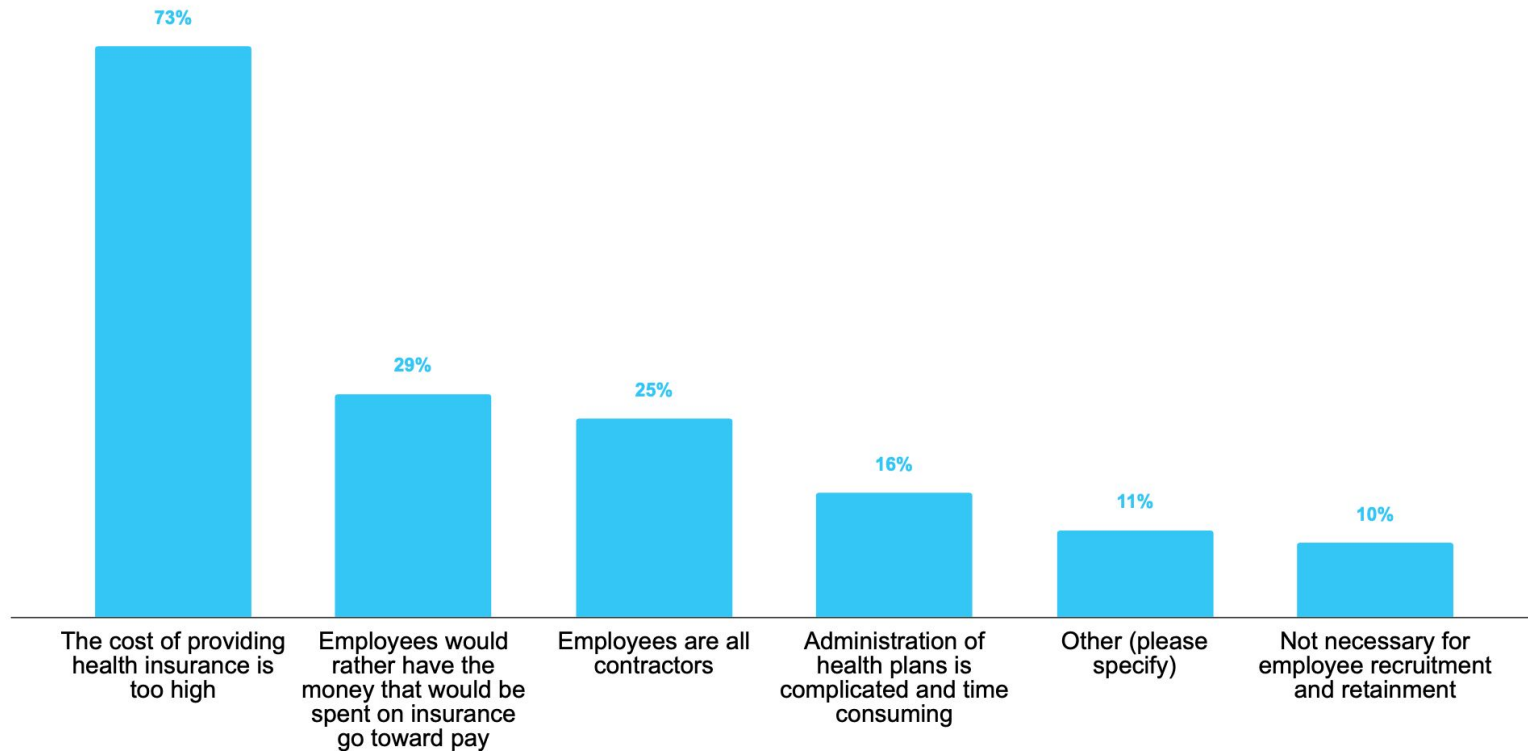
Q6: What is your current primary source of health insurance?



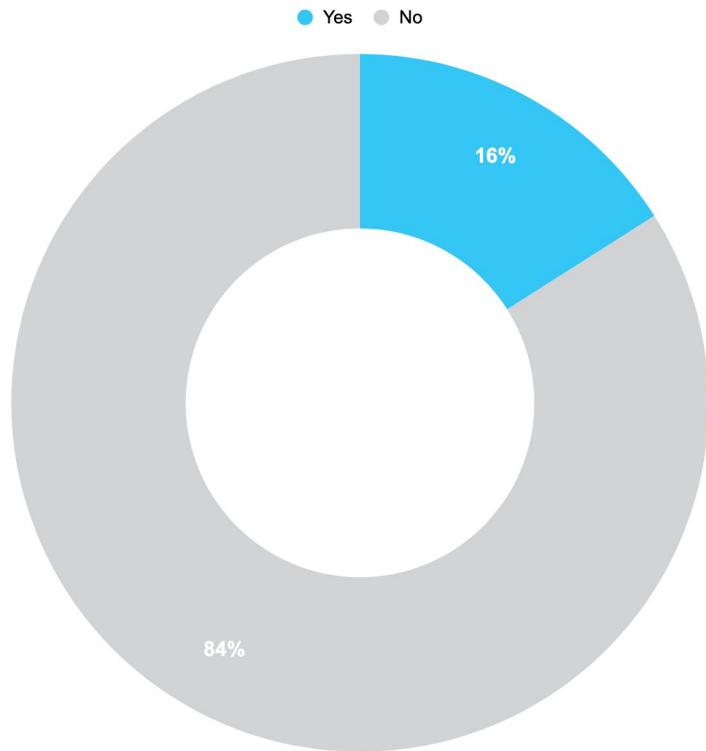
Q7: Do you provide health insurance as a benefit to your employees?



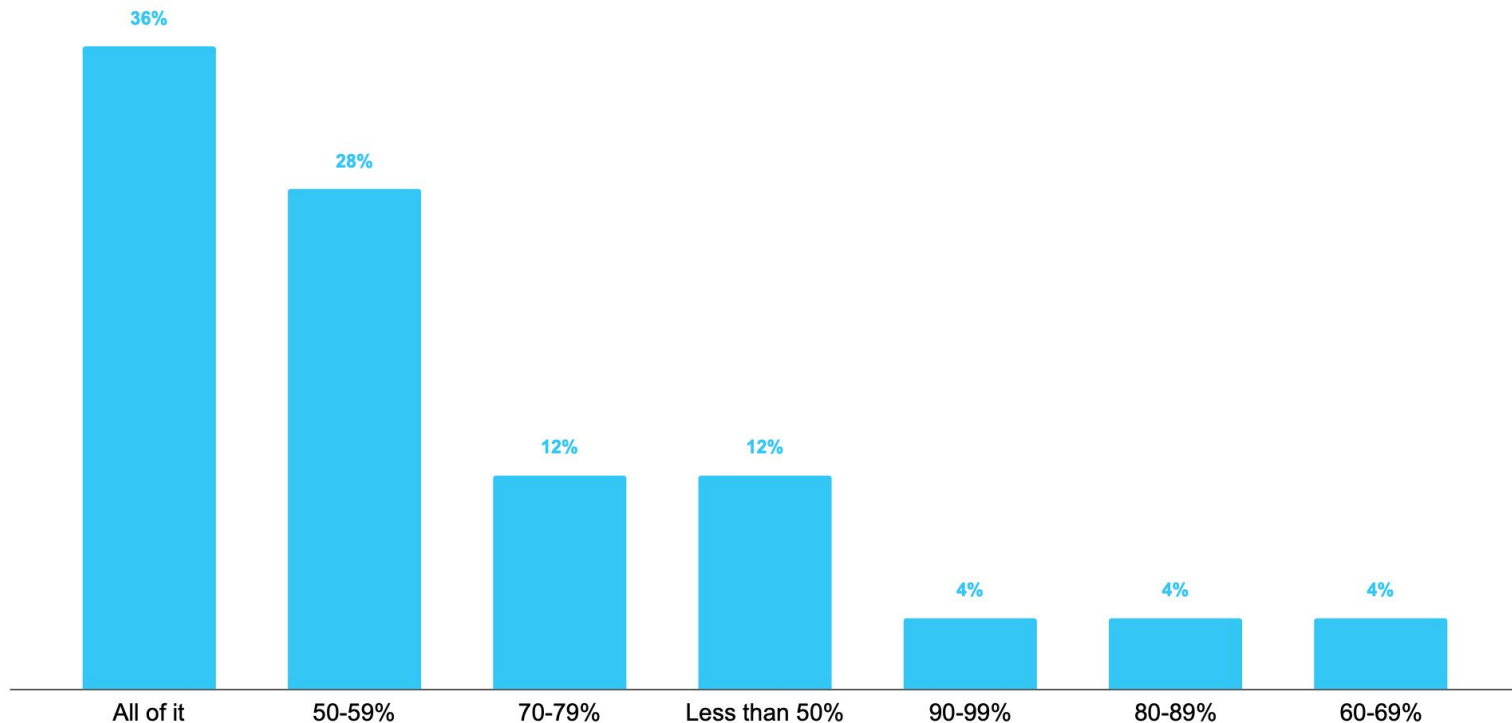
Q8: (If No to Q7) Why do you not provide health insurance to your employees? (Select all that apply)



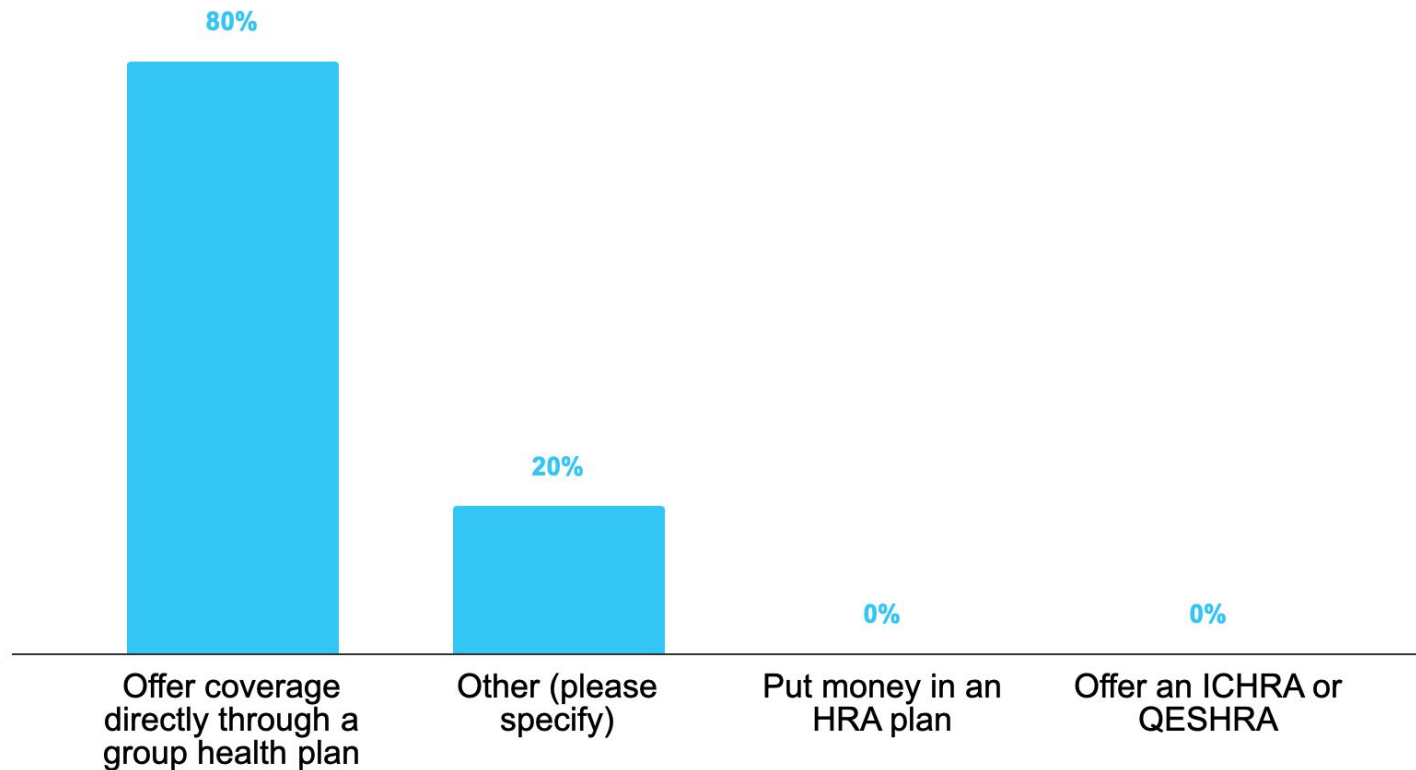
Q9: Is the healthcare insurance you provide to your employees mandated by any state or local government?



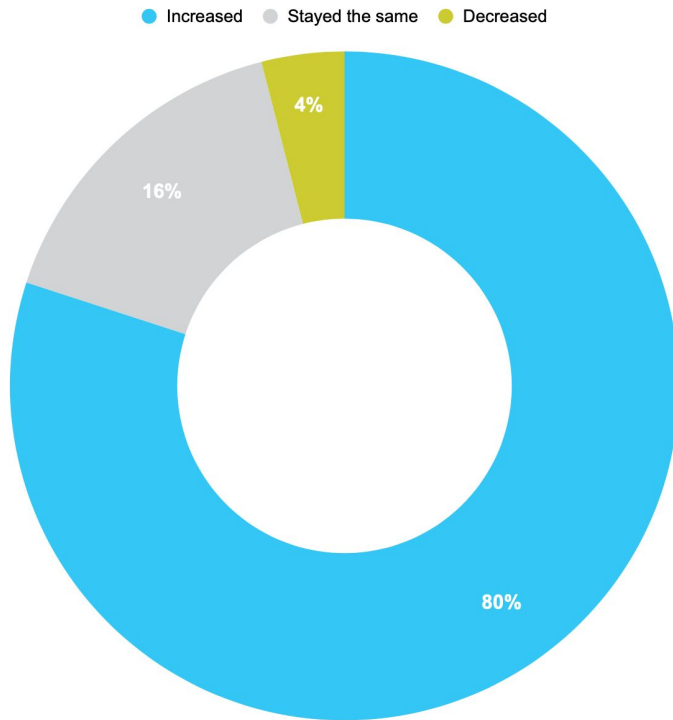
Q10: How much of the cost of an employee's healthcare insurance does your business contribute?



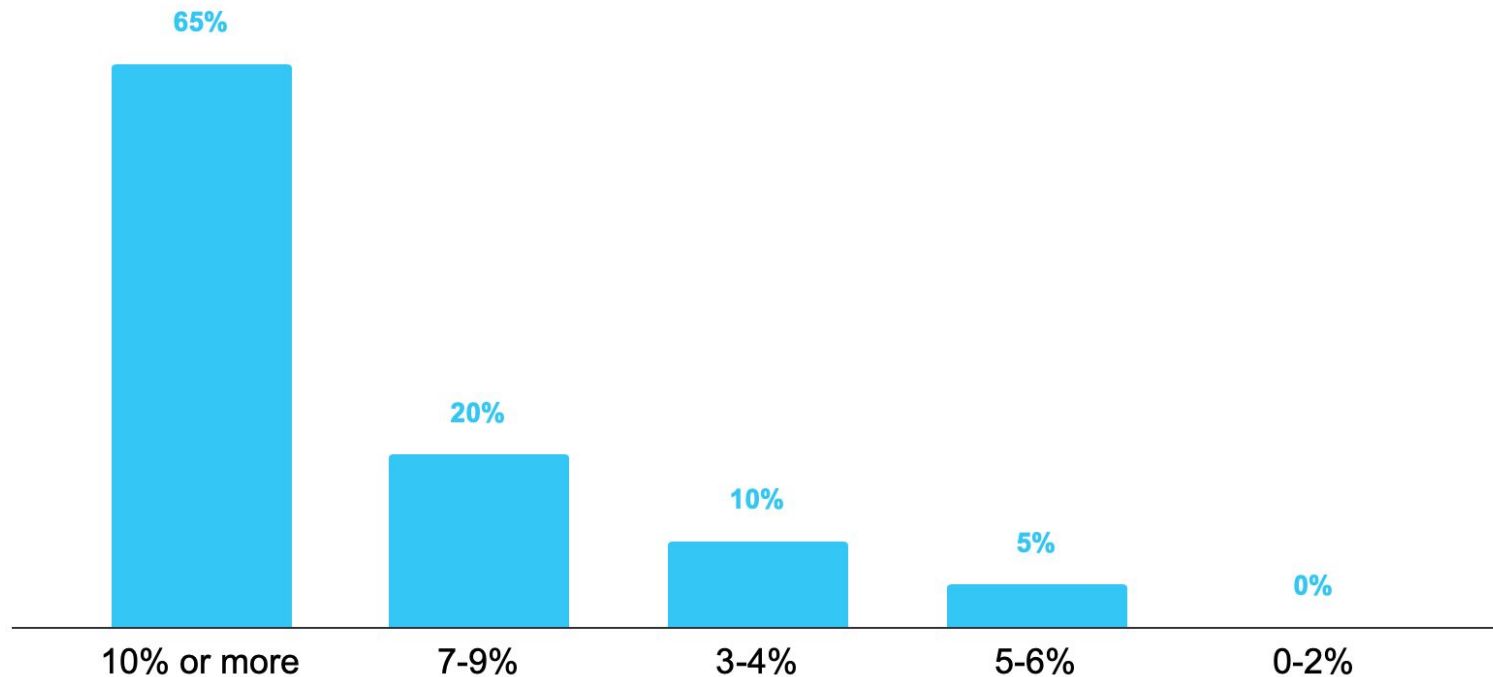
Q11: How do you offer healthcare insurance to your employees?



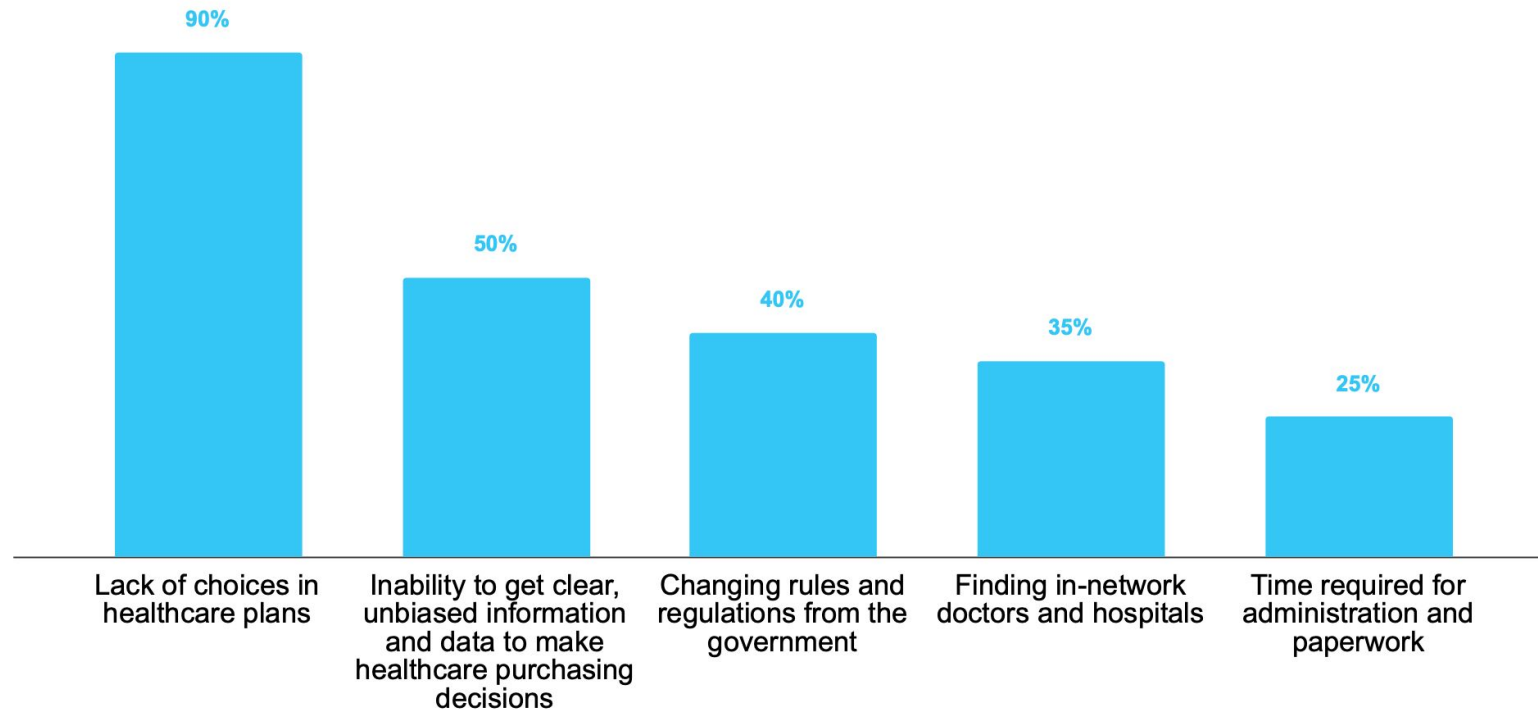
Q12: Over the last four years, would you say the costs of healthcare insurance for you and/or your employees have increased, decreased or stayed about the same?



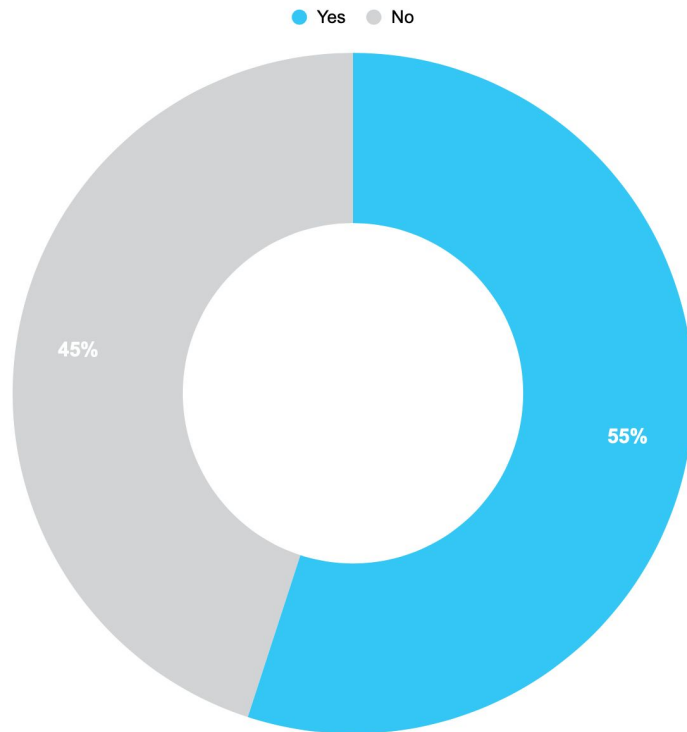
Q13: Please estimate the yearly increase of your health care costs of your business:



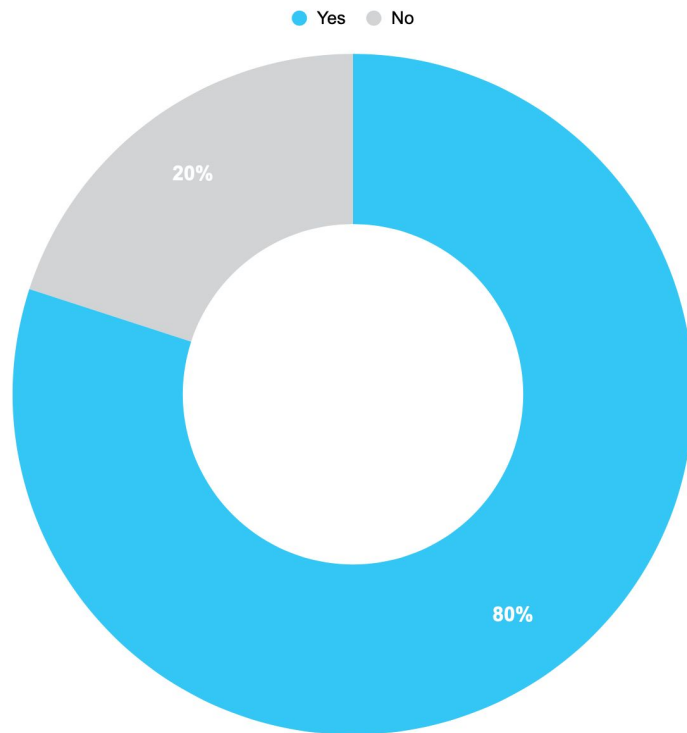
Q14: Outside of costs, which one of the following do you consider the biggest challenge when it comes to providing healthcare to your employees? (Select all that apply)



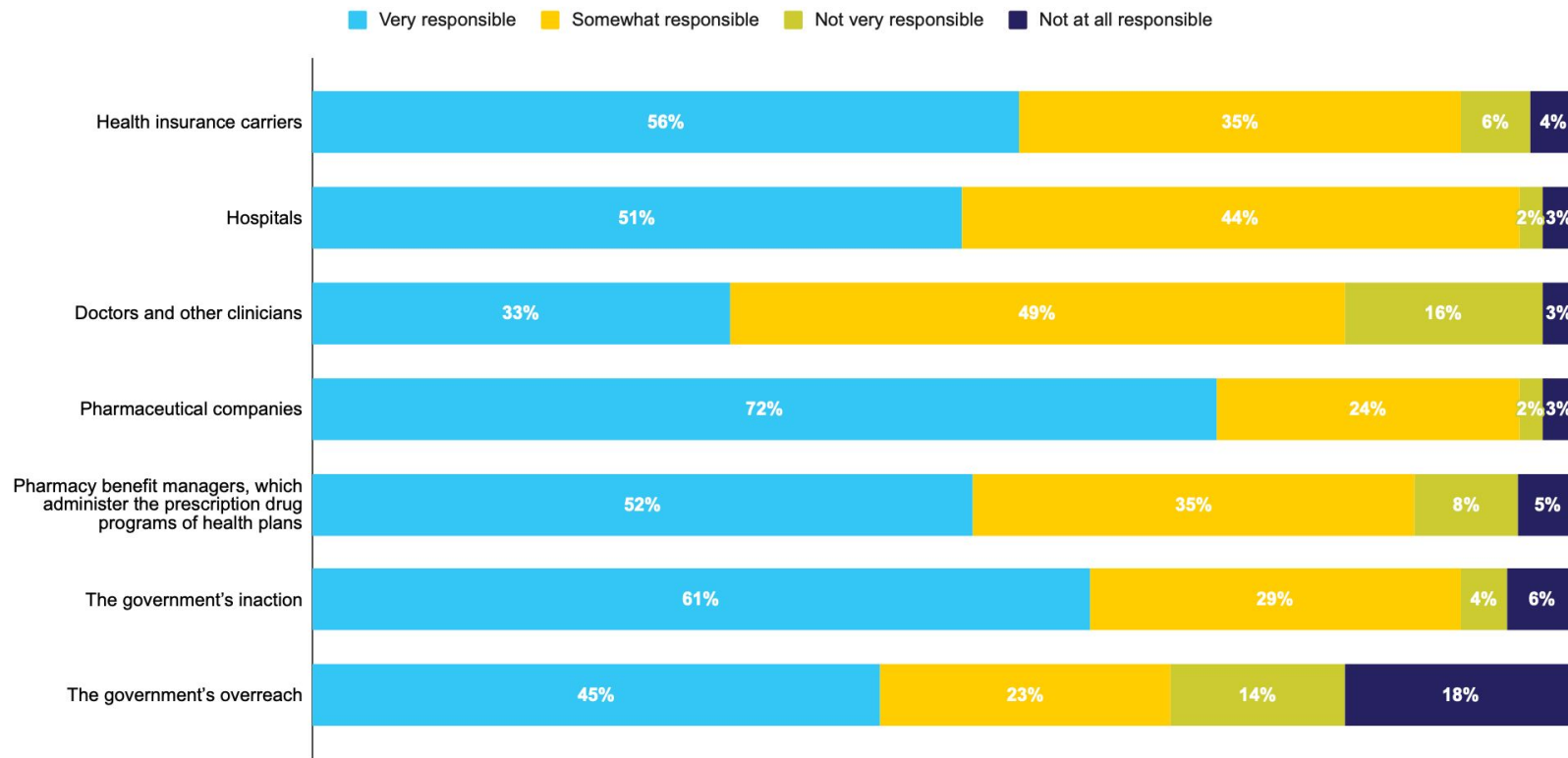
Q15: Have you thought about no longer providing health insurance for your employees due to the rising cost of coverage?



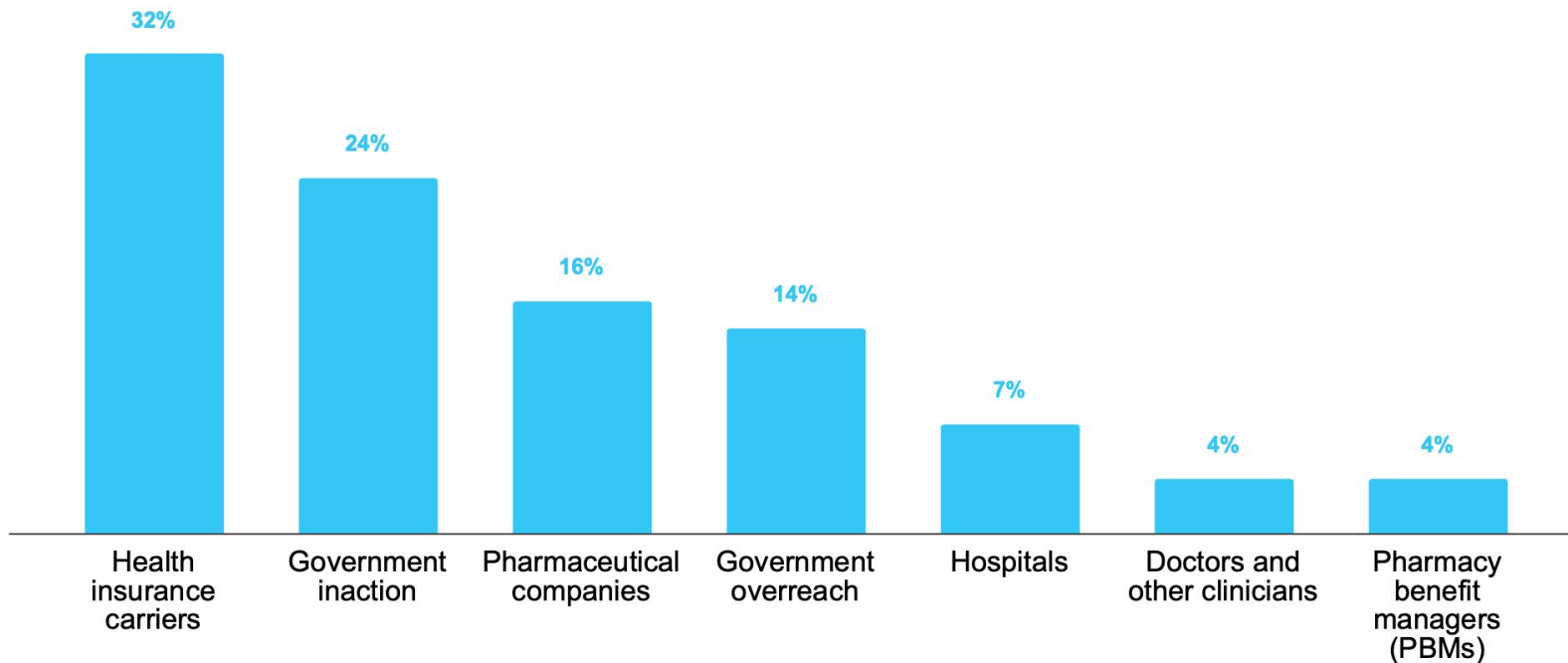
Q16: Have you thought about reducing how much your business contributes to the cost of health insurance due to the rising cost of coverage?



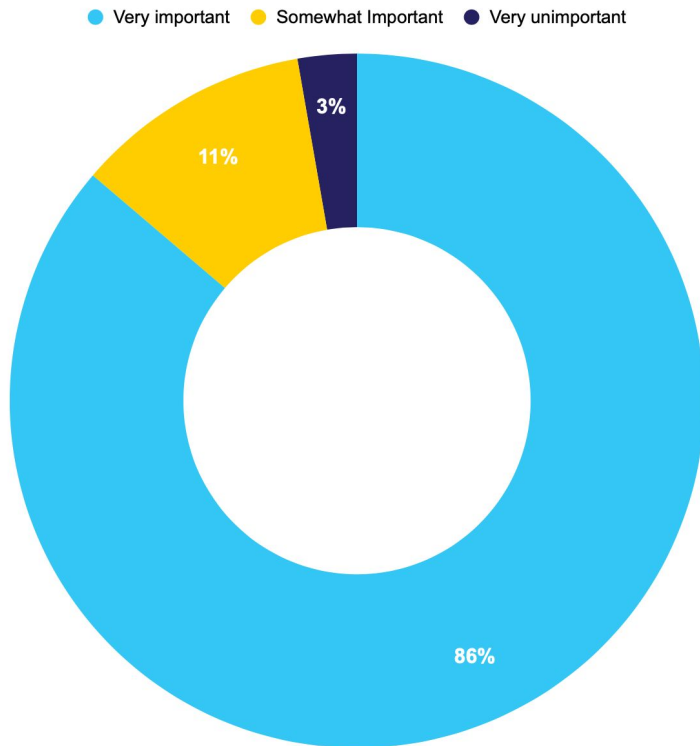
Q17 - Q23: Below are groups that some people might say are responsible for the rising costs of providing healthcare. For each group, please indicate how much responsibility you think they have for the rising costs of providing healthcare



Q24: Which one of the following do you find the most responsible for the rising costs of providing health care?

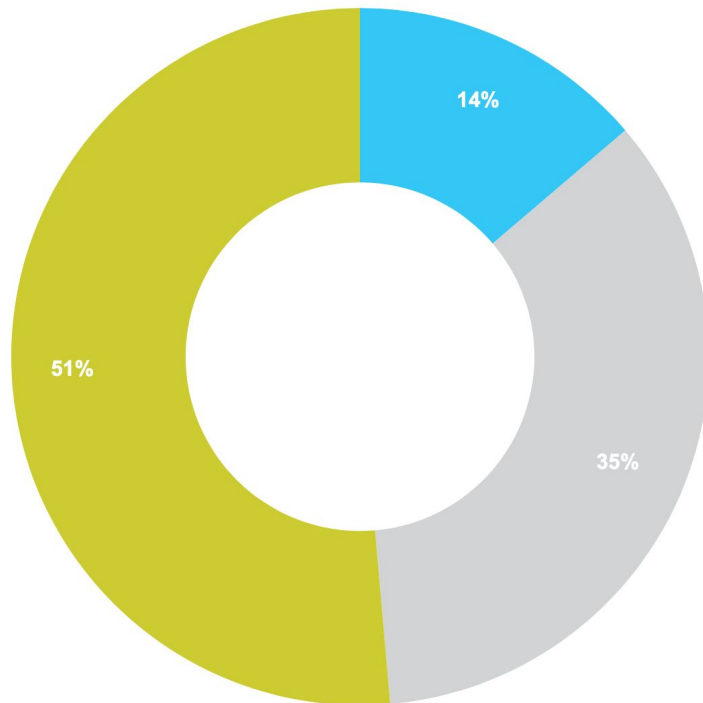


Q25: How important do you feel it is for Congress and the Administration to take action to reduce the cost of healthcare?

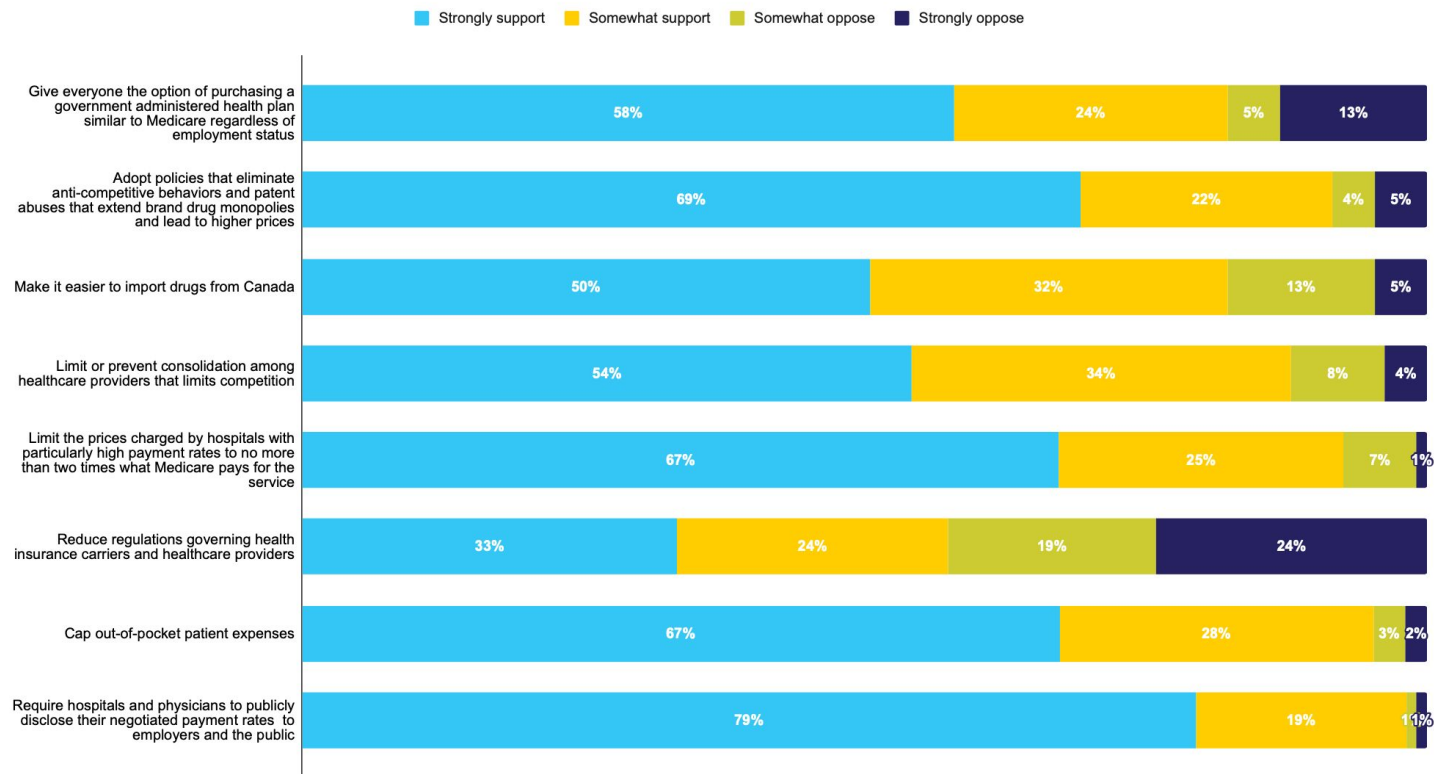


Q26: What are you most concerned about when it comes to the federal government's efforts to reduce the cost of healthcare?

- The Administration and Congress will go too far
- The Administration and Congress will not go far enough
- The Administration and Congress will not do anything to address this issue



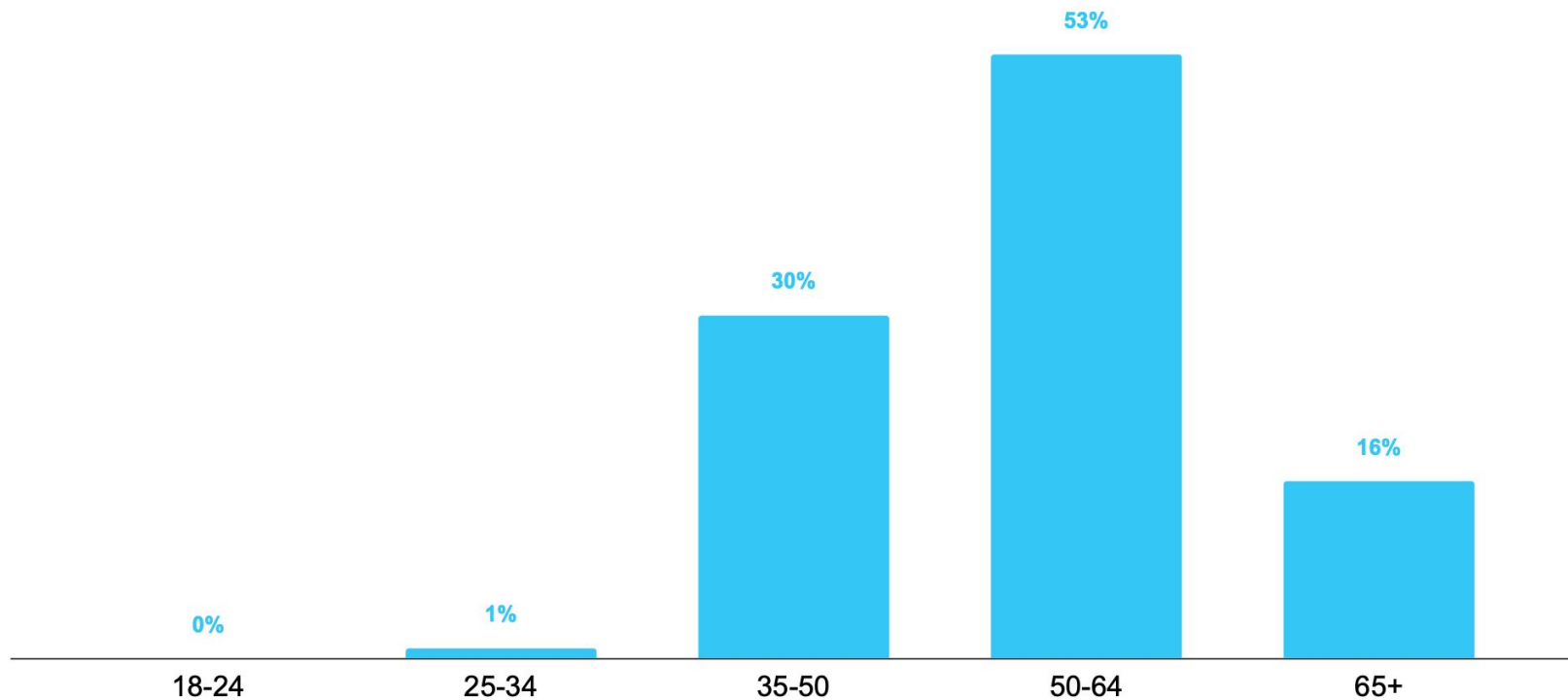
Q27: Below are suggestions some people have made to reform healthcare in this country. For each solution, please indicate whether you support it.



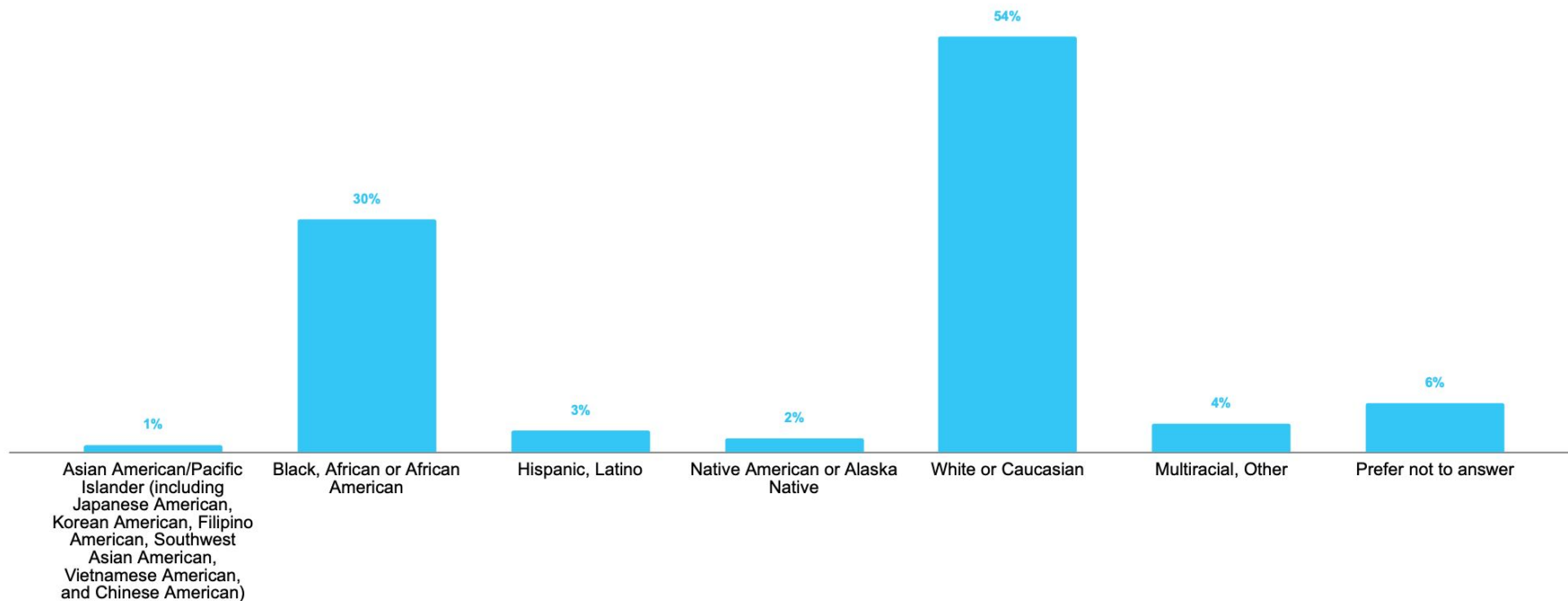
An aerial, high-angle photograph of a wide, paved pedestrian walkway. The ground is composed of large, light-colored rectangular tiles. Several people are walking across the frame in various directions. Some are walking in groups, while others are alone. The overall scene is captured with a blue color overlay, giving it a cool, modern feel. The text "Demographic Data" is superimposed in the center of the image in a white, sans-serif font.

Demographic Data

Q28: What is your age?

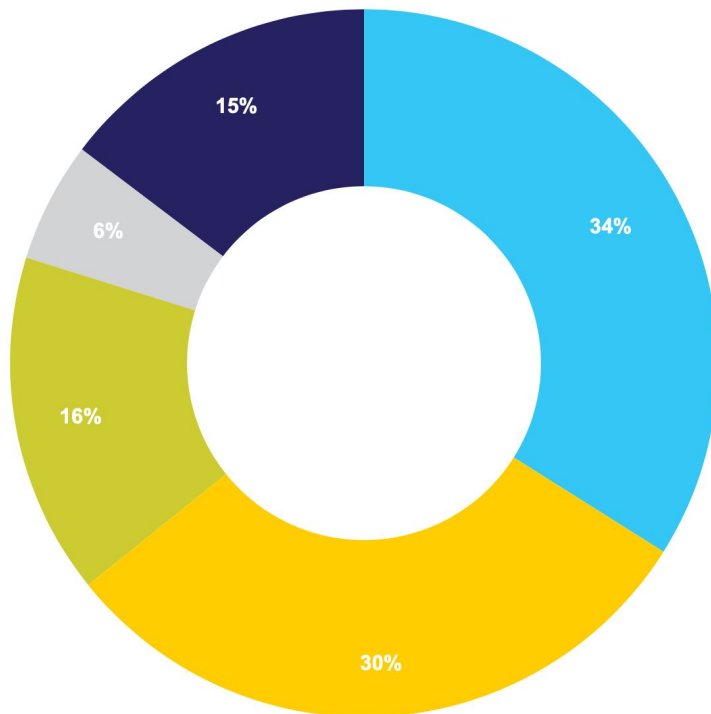


Q29: How do you identify yourself?

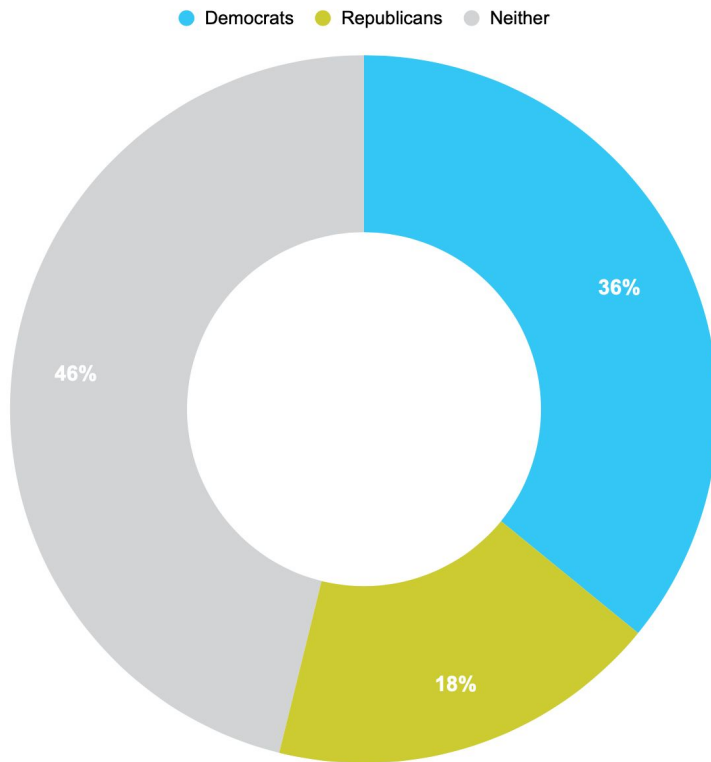


Q30: Which best represents how you typically vote in elections?

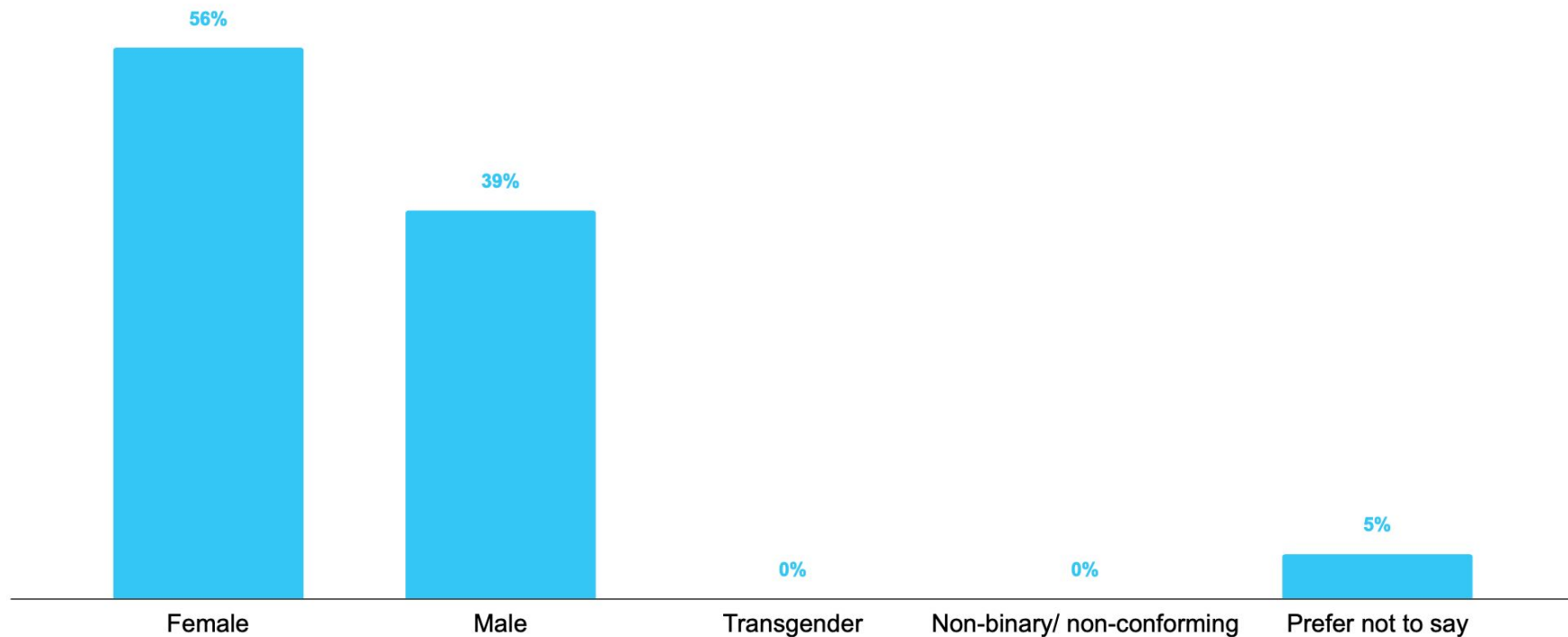
● Democrat ● Independent ● Republican ● Other ● Don't know/Prefer not to say

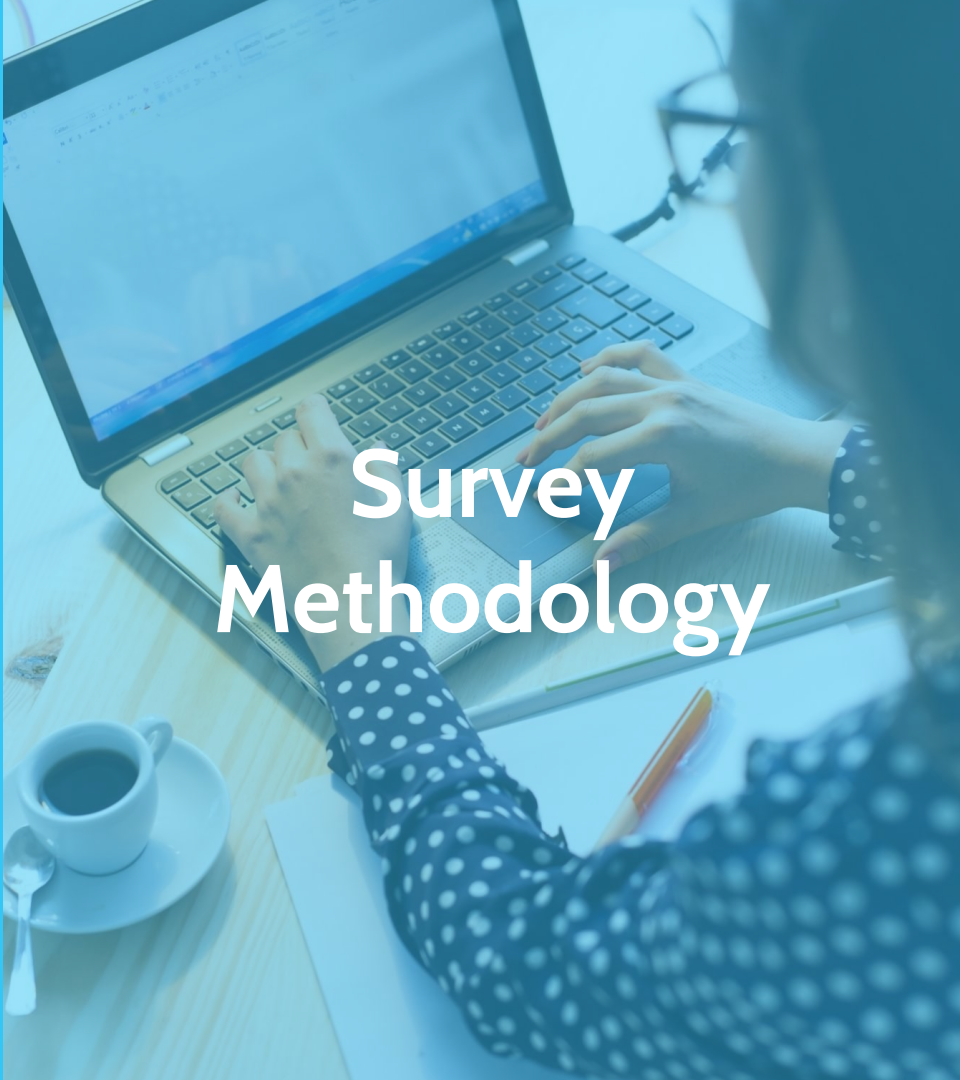


Q31: Do you more often vote for democrats or republicans?



Q32: What is your gender identity?



A photograph of a person's hands typing on a laptop keyboard, with a blue overlay. The person is wearing a dark blue shirt with white polka dots. A white coffee cup is visible on the desk to the left. The text 'Survey Methodology' is overlaid in white.

Survey Methodology

Survey report represents the responses of 109 North Carolina small business owners in a national survey of 1,209 small business owners

Methodology:

Survey Monkey survey of the Small Business for America's Future small business network

Fielded from Sept. 27-Oct. 13, 2022

