

Small Business Owners Concerned with Rising Cost of Prescription Drugs

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Small Business Majority

California Small Businesses

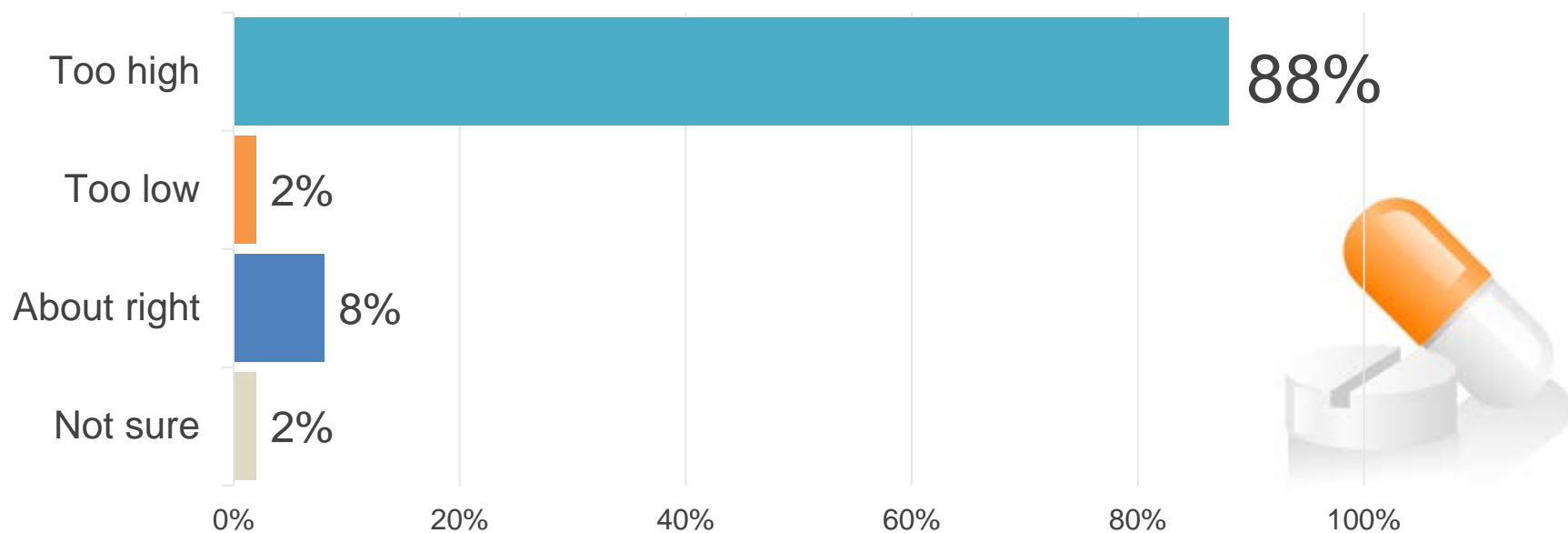


- 3.6 million small businesses
- Employs half of the state workforce - 6.5 million workers
- Most new jobs created by smallest firms – 1-4 employees
- Small businesses comprise approximately 98% of all businesses in the state
- More than 75% of these businesses are micro-businesses (fewer than 10 employees)



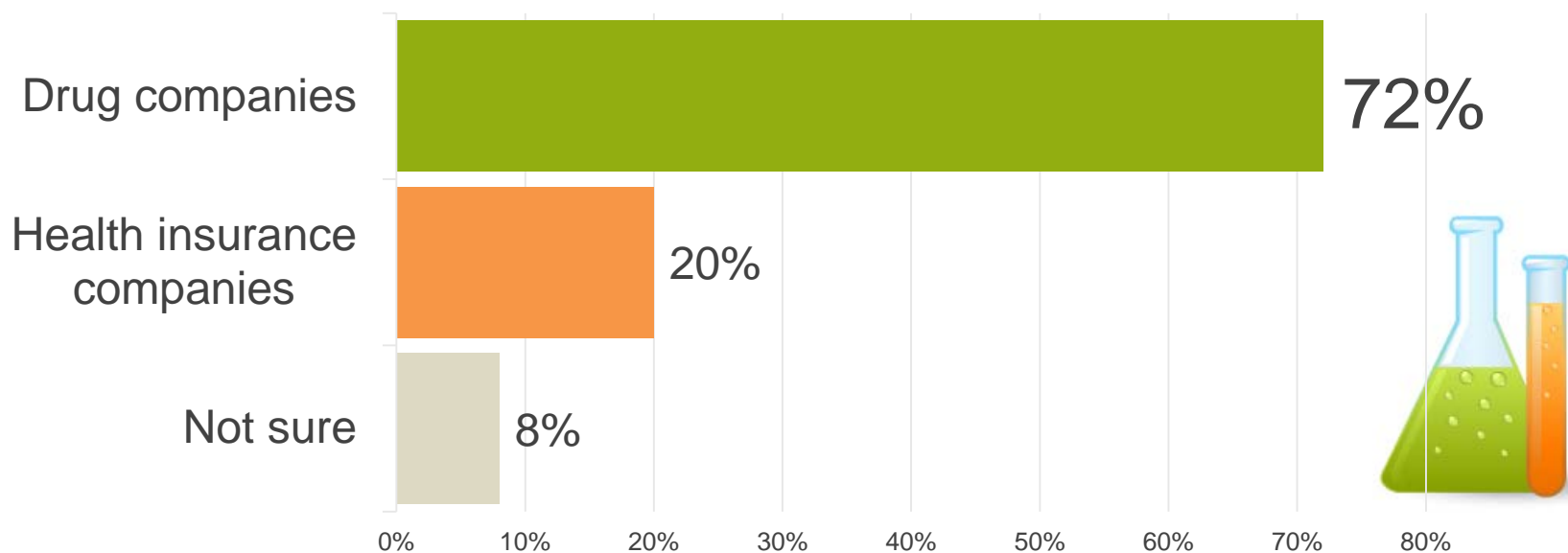
Small Businesses Believe Drug Prices too High

Nearly 9 out of 10 small business owners think prescription drug prices in America are too high. They also believe the prices of specialty or lifesaving drugs are too high (84%).



Small Businesses Believe Drug Companies are Responsible for High Cost

Far more employers think drug companies are responsible for high prescription drug prices than health insurance companies.



Prescription drug coverage is a concern when selecting a plan

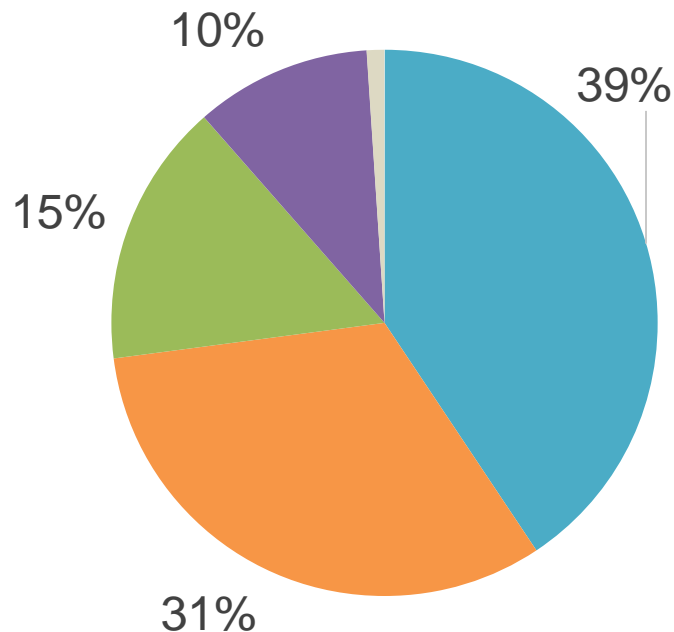
- A large segment of the small business owner population (72%) provides their employees with some kind of coverage for prescription drugs costs.
- More than half (52%) of these employers consider prescription drug prices when choosing the best health insurance plan for their business.



How business owners are absorbing drug

copays

More than 80% of small business owners say their prescription drug copays have increased in recent years. Their primary strategies for managing those increasing drug copay costs are:



- Shift some of higher costs to employees (39%)
- Absorb higher costs and maintain the same health insurance benefits (31%)
- Reduce the level of prescription drug coverage to employees (15%)
- Reduce the number of employees who receive health benefits (10%)

Vast support for range of policy proposals to address rising cost of drugs

