

**FOR IMMEDIATE RELEASE:**

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**Texas Small Group Health Insurance Reform In Action**

Dallas, Texas, June 19, 2005 - Small Business Coalitions of Texas, a nonprofit corporation located in Dallas, announced today they have formed and issued the first small business group health insurance plan in the Dallas, Ft. Worth area. The small business coalition was made possible by legislation passed originally by House Bill 897 in 2003 allowing small companies to "band" together to receive the same rates as larger companies. The small business coalition, which is comprised of three separate small companies, has a total of 21 employees and their families insured.

Each of the companies had priced small group health coverage as a stand alone company and both the companies and the employees could not afford the high premiums. By bringing the three small companies into a coalition the cost of the small group coverage was reduced an average of 35%. Harold Patman, Secretary, Treasurer of the coalition said "We're very pleased that many of the employees in the coalition are now covered by private health insurance who previously were uninsured due to cost. I believe this also validates the fact that small businesses will offer group coverage to their employees if they can receive the same rates as their larger counterparts." Concerning the savings Patman concluded, "A 35% savings on something like group health insurance is very significant, ask any small business that is paying group health premiums."

Paul Bayless, Executive Director of the coalition continued "The fact is Texas has the highest uninsured rate in the nation, most people receive their health insurance coverage through their job, and over 80% of companies in Texas employ less than 10 people. Small companies pay a much higher rate for group health insurance than large companies so this was a very logical, common sense place to begin fixing the uninsured problem. "

Bayless went on to say, " We are working with executives at multibillion dollar insurance carriers who at first were apprehensive about the concept, but now, especially after seeing how the coalition concept can work for Texans and not harm the carrier have become very cooperative. "

While the coalitions have only been offered to small businesses for two months the demand has required formation of three additional coalitions. "We'll form a hundred or a thousand coalitions if that's what it takes to make health insurance affordable to the citizens of Texas" Bayless concluded.

Small Business Coalitions of Texas is currently the only organization offering assistance to small businesses all across Texas in establishing small employer health coalitions.

If you have questions or are interested in becoming a member of a small business health insurance coalition you may contact the Small Business Coalitions of Texas at 972-306-1966, toll free 800-861-8188 or on the web [www.smallbusinesscoalitionsoftexas.com](http://www.smallbusinesscoalitionsoftexas.com).

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