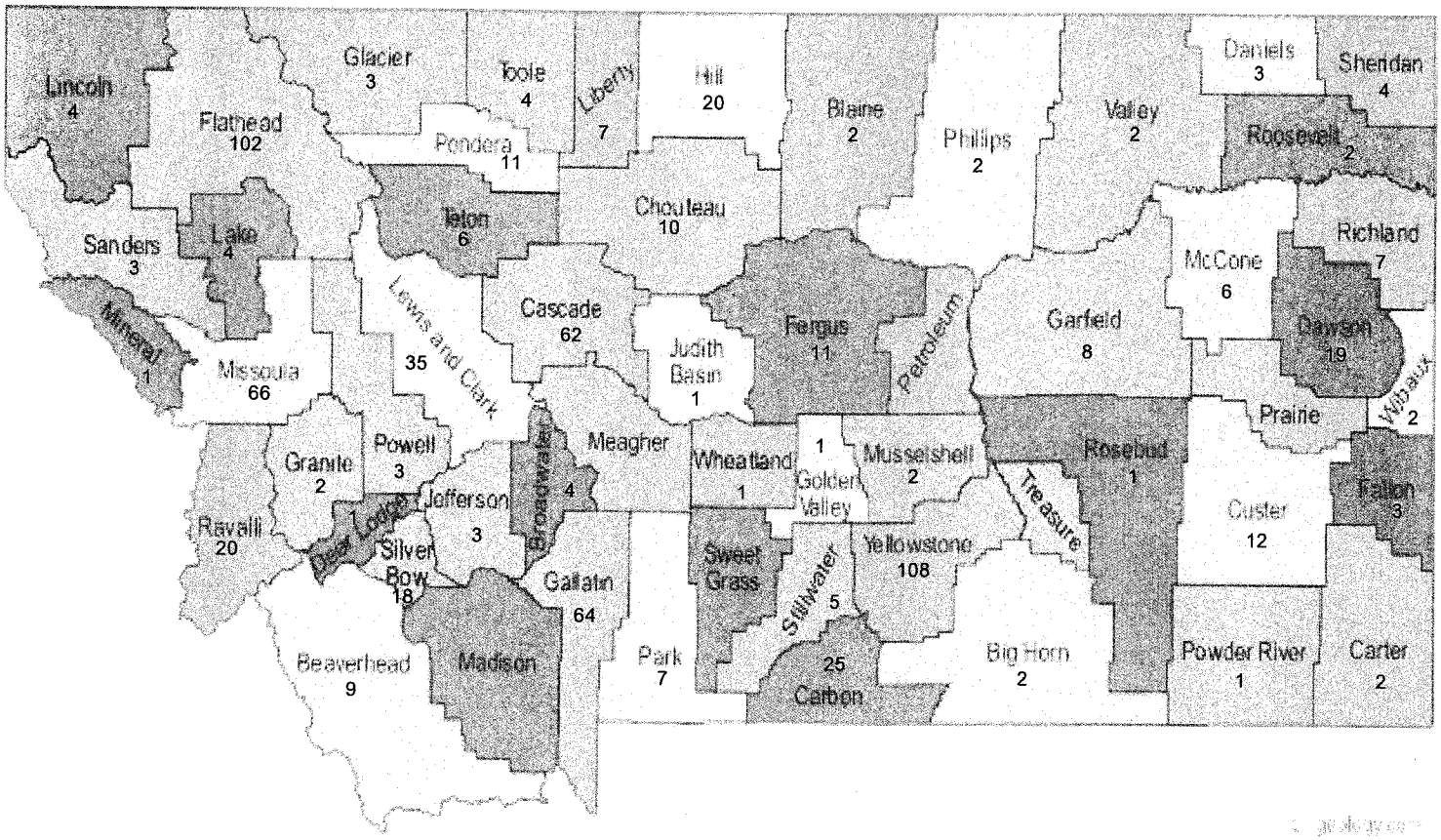
Tax Credits for Small Business Health Insurance HB 258

EXHIBIT 2
DATE 2/6/09
HB 258

Tax Credit Businesses by County

Insure Montana provides a refundable state income tax credit to businesses contributing some or all of the cost of group health insurance premiums for their employees. The program also provides an additional tax credit amount when businesses contribute to the insurance premiums for the employees' spouse or their dependents. Small businesses with 2 - 9 employees that are providing health insurance to their employees are eligible for refundable tax credits.



Tax Credit Statistics

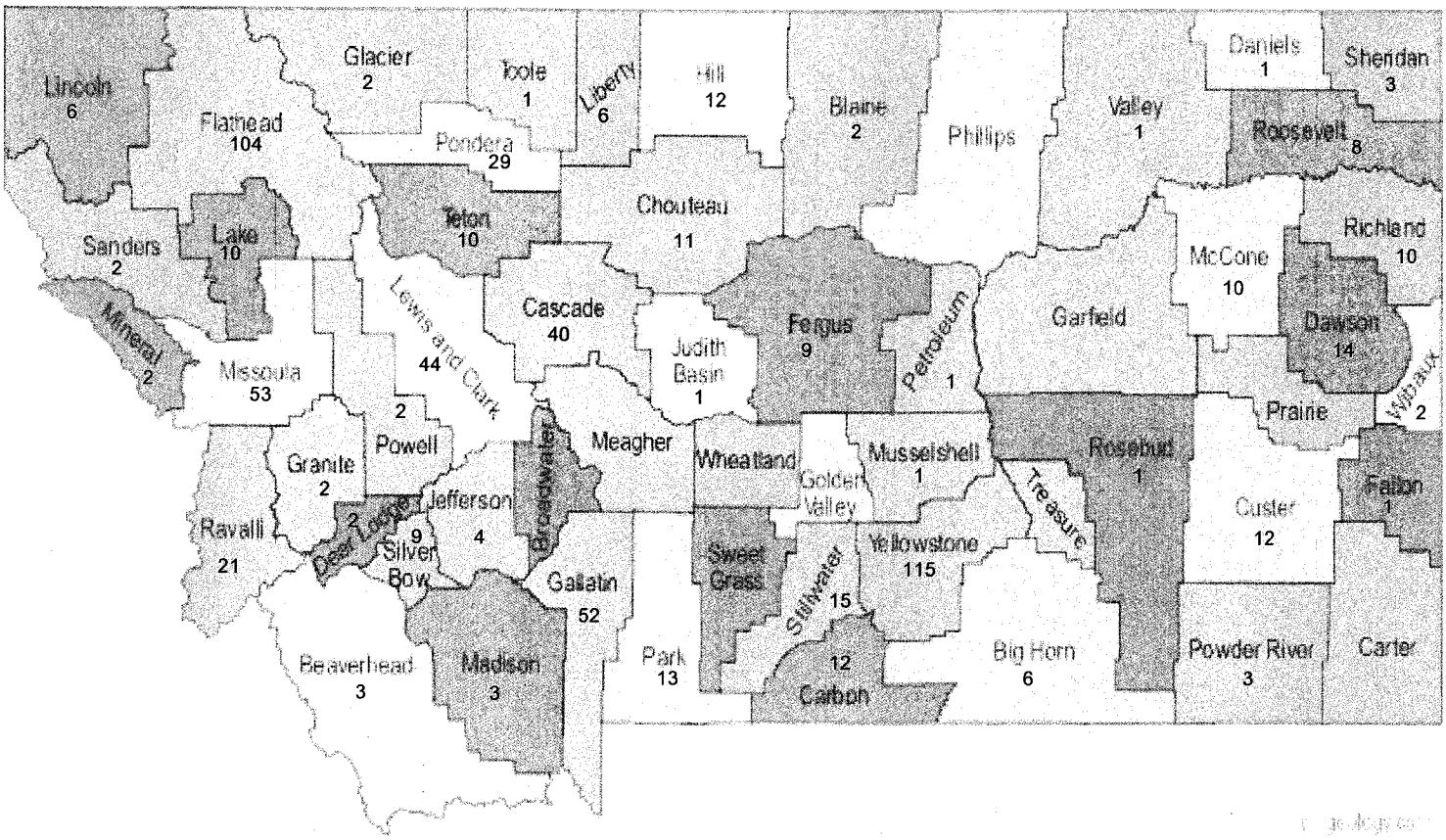
Number of Participating Businesses:	700
Annual Average Cost per Business:	$5,455.52
Total Program Annual Cost:	$3,818,863.03
Number of Covered Employees:	2,436
Number of Covered Spouses:	567
Number of Covered Dependents:	1,095
Total Covered Lives:	4,098
Number of Businesses on Waiting List:	65 (approximately)
Average Annual Cost to Serve Waiting List:	$354,608.80*

*Not including administrative costs.

Health Care for Small Businesses

Purchasing Pool Businesses by County

Insure Montana provides a monthly subsidy or assistance payment to businesses that were previously unable to afford group health insurance coverage for their employees. The monthly assistance payments are provided to both the businesses for a portion of the premium the business contributes and to the employees for a portion of the premium they are responsible to pay each month based on household composition and annual income. Small businesses with 2 - 9 employees are eligible for the purchasing pool program.



Purchasing Pool Statistics

Number of Participating Businesses:	672
Number of Covered Employees:	1,862
Number of Covered Dependents:	1,770
Total Covered Lives:	3,632
Average Annual Cost per Business:	$2,451.36
Average Annual Cost per Employee:	$1,526.16
Number of Businesses on Waiting List:	600 (approximately)
Average Annual Cost to Serve Waiting List:	$4,217,904*

*Not including administrative costs; assumes three employees per business.