

CHCA TOPIC NOTE

Job Lock, Entrepreneurship Lock, and Economic Freedom

Why Catastrophic Coverage for Uncontrollable Events Unlocks American Enterprise

Focus Topic Note

Version 5.0
January 2026

Executive Summary

One in six American workers—16% of the workforce—remain trapped in jobs they want to leave solely to maintain health insurance.¹ This phenomenon, known as “job lock,” represents a structural constraint on American economic dynamism that the current healthcare system not only permits but actively creates. The Gallup/West Health survey reveals that job lock is not uniformly distributed: workers earning less than \$48,000 annually experience job lock at a rate of 28%, nearly three times the 10% rate observed among those earning \$120,000 or more.² Black workers are 50% more likely than White workers to remain in unwanted employment due to health insurance dependency.³

The psychological driver of job lock is not fear of routine care costs—\$50 copays for annual checkups do not trap workers in unwanted employment. Workers stay because they fear catastrophic financial exposure: a cancer diagnosis that could generate \$150,000 in bills, a major accident requiring months of rehabilitation, a genetic disease manifesting without warning. Research demonstrates that employer-provided health insurance reduces voluntary job turnover by approximately 25%,⁴ and subsequent studies found no statistically significant evidence that the Affordable Care Act reduced job lock.⁵ The problem persists because the ACA addressed insurance availability but not the underlying fear of catastrophic exposure from events beyond individual control.

A natural experiment reveals what type of coverage actually eliminates entrepreneurship lock. Fairlie, Kapur, and Gates documented that business ownership jumps from 24.6% to 28.0%—a 3.4 percentage point absolute increase representing a 13.8% relative change—in the single month workers turn 65 and gain Medicare Part A eligibility.⁹ No comparable discontinuity occurs at any other age: not at 62 (Social Security eligibility), not at 59.5 (penalty-free retirement withdrawals)—only at 65, when catastrophic hospital coverage becomes available. This finding is particularly significant because Medicare Part A primarily covers hospital and catastrophic care, not comprehensive routine coverage. The protection that unlocks entrepreneurship is protection against financial devastation from serious illness, not comprehensive government healthcare.

The Catastrophic Health Coverage Act addresses job lock through a fundamentally different approach than either the ACA or Medicare expansion proposals. CHCA covers only catastrophic costs arising from circumstances substantially beyond individual control—agency-decorrelated conditions including genetic diseases, accident injuries, occupational illnesses, and environmental exposures. This targeted scope encompasses approximately \$590–650 billion of existing fragmented catastrophic spending, consolidating current expenditures rather than creating new government programs. CHCA explicitly preserves market-based coverage for routine care and maintains individual responsibility for lifestyle-related health conditions. This approach eliminates the specific fear that drives job lock—catastrophic financial ruin from uncontrollable events—without expanding government’s role in routine healthcare or requiring massive new taxation.

The economic stakes are substantial. Small businesses contribute 43.5% of U.S. GDP and have created 70% or more of net new jobs since 2019.^{19,20} Startups account for over 15% of aggregate job creation.²¹ Conservative estimates suggest that eliminating job lock could enable 1.0–1.5 million additional entrepreneurs, aligning with prior Urban Institute projections.²² The potential federal revenue impact from enabled entrepreneurship and improved labor allocation ranges from \$20–35 billion annually, though these figures represent bounded estimates requiring validation through formal economic modeling rather than precise budget projections. Job lock costs the American economy through suppressed entrepreneurship, suboptimal labor allocation, and foregone innovation—costs that targeted catastrophic coverage for uncontrollable events could substantially reduce.

1. The Problem: Job Lock as Economic Constraint

The American healthcare system’s dependence on employer-provided health insurance creates a perverse constraint on labor mobility and entrepreneurship. Workers who would otherwise pursue better opportunities, start businesses, or optimize their career paths remain locked in suboptimal employment due to fear of losing health coverage—specifically, fear of catastrophic financial exposure. The 2022 Treasury Report on Labor Market Competition explicitly identified “extending health insurance coverage to reduce job lock and boost mobility” as a priority policy intervention.⁶ The question is: what form of coverage extension most effectively addresses the problem?

1.1 Verified Evidence of Job Lock

Multiple peer-reviewed studies and surveys confirm the prevalence and persistence of job lock in the American economy. The following table summarizes key empirical findings from high-pedigree sources:

Finding	Source
16% of workers stay in unwanted jobs for health insurance ¹	Gallup/West Health Survey, May 2021
28% rate for lower-income workers (<\$48K) vs 10% for higher income ²	Gallup/West Health Survey, May 2021
25% reduction in voluntary turnover from employer-provided insurance ⁴	Madrian, Quarterly Journal of Economics, 1994
No significant improvement in job mobility post-ACA ⁵	Bailey, Colman & Dave, JRFM, 2022

These findings establish that job lock is a persistent, measurable phenomenon affecting a significant portion of the American workforce, with effects that the ACA did not substantially reduce.

1.2 Who Bears the Burden: Disparate Impact

Job lock does not affect all workers equally. The Gallup/West Health data reveals significant disparities across demographic groups. Black workers experience job lock at a rate of 21%, compared to 14% for White workers and 16% for Hispanic workers—meaning Black workers are approximately 50% more likely to remain trapped in unwanted employment due to health insurance dependency.³

Income disparities are even more pronounced. Workers earning less than \$48,000 annually experience job lock at a rate of 28%—nearly three times the 10% rate observed among workers earning \$120,000 or more.² This pattern suggests that job lock functions as a regressive constraint, disproportionately limiting economic mobility for those already facing the greatest financial pressures.

Gender disparities compound these effects in the entrepreneurship context. Research demonstrates that women launch businesses with approximately 44% less capital than men (\$75,000 average versus \$135,000), and among high-growth firms, men utilize six times more external financing.¹⁶ When health insurance dependency is added to these existing capital constraints, the barriers to women's entrepreneurship multiply. Women-led startups receive only 2% of global venture capital funding,¹⁷ and the need to maintain employer-sponsored coverage creates an additional obstacle to pursuing entrepreneurial opportunities.

1.3 The Changing Workforce: Modern Work Suppressed

The American workforce has evolved dramatically since the employer-sponsored insurance model became dominant in the mid-twentieth century. As of May 2025, approximately 16.85 million Americans are self-employed, representing 10.3% of the workforce. This includes 6.7 million incorporated business owners and 10.2 million unincorporated sole proprietors, freelancers, and gig workers.⁷

Modern work increasingly takes forms that the employer-sponsored insurance model was never designed to accommodate: freelance consultants, independent contractors, portfolio careerists working multiple part-time engagements, and entrepreneurs building businesses from home before transitioning to full-time operation. Survey research indicates that approximately 80% of self-employed workers believe portable benefits including health insurance “would be a good idea”—yet the current system ties coverage to traditional employment.⁸

The economic implications extend beyond individual workers. Small businesses contribute 43.5% of U.S. GDP and have created 70% or more of net new jobs since 2019.^{19,20} Startups account for over 15% of aggregate job creation and produce disproportionate levels of innovation.²¹ When health insurance dependency prevents potential entrepreneurs from leaving corporate employment, the effects ripple through the entire economy in foregone business formation, suppressed innovation, and unrealized job creation.

2. The Mechanism: Catastrophic Fear Drives Job Lock

The ACA attempted to reduce job lock by making comprehensive insurance available for purchase outside employment. It partially succeeded—but left the fundamental fear unaddressed because it did not eliminate catastrophic cost exposure. Natural experiments reveal what actually drives job lock.

2.1 The Medicare Age-65 Natural Experiment

Fairlie, Kapur, and Gates (2011) documented a striking discontinuity in business ownership rates at age 65—the moment workers become Medicare-eligible.⁹ This provides an invaluable natural experiment for understanding what type of coverage eliminates entrepreneurship lock. This analysis examines Medicare's age-65 eligibility as a natural experiment demonstrating the economic effects of catastrophic coverage availability—an analytical reference that does not imply CHCA constitutes Medicare expansion or comprehensive coverage.

The empirical evidence is striking: business ownership jumps from 24.6% to 28.0% in the single month workers turn 65—a 3.4 percentage point absolute increase representing a 13.8% relative change.⁹ No comparable jump occurs at any other age between 55 and 75. The effect does not appear at age 62 (Social Security eligibility) or at 59.5 (penalty-free retirement withdrawal eligibility)—only at 65, when catastrophic hospital coverage under Medicare Part A becomes available.

What does this reveal? Medicare Part A primarily covers hospital and catastrophic care, not comprehensive routine coverage. Yet this catastrophic protection alone is sufficient to unlock suppressed entrepreneurship. Workers are not locked by fear of routine care costs—they are locked by fear of financial devastation from major illness or injury.

CHCA differs structurally from Medicare expansion in several important respects. CHCA covers only the agency-decorrelated portion of catastrophic spending (approximately \$590–650 billion) rather than comprehensive care across all conditions. It explicitly preserves market-based coverage for routine care and lifestyle-related conditions. And it consolidates existing fragmented spending rather than requiring massive new taxation—an approach that maintains individual responsibility for controllable health choices while providing collective protection against uncontrollable misfortune.

2.2 Why ACA's Effect Was Limited

The ACA produced modest entrepreneurship gains (3–4% increase in self-employment among older adults, per Bailey & Dave 2019).¹⁰ Critically, Blume-Kohout (2024) found that when political uncertainty about ACA's viability increased in 2017–2018, self-employment among those with high insurance demand fell back to pre-ACA levels.¹¹

The ACA addressed insurance availability but not the core fear. Catastrophic exposure persists through \$9,000–\$18,000+ out-of-pocket maximums, leaving workers with devastating potential exposure from major illness. Premium burden deters entrepreneurship: research shows a 1% premium increase correlates with a 0.76% decrease in self-employment entry.¹² Political uncertainty creates fear—uncertain

coverage creates the same psychological lock as unavailable coverage. And subsidy cliffs mean workers just above eligibility thresholds face full premium exposure.

The contrast with Medicare is instructive: Medicare at 65 provides guaranteed, permanent catastrophic protection with no premium burden for Part A and complete portability. This is why the Medicare effect (13.8%) substantially exceeds the ACA effect (3–4%).^{9,10}

2.3 The ACA Subsidy Cliff: January 2026 Crisis

The ACA’s structural limitations became starkly apparent in January 2026 when enhanced premium subsidies expired. Kaiser Family Foundation analysis documented the consequences: subsidized enrollees experienced a 114% average increase in what they pay for coverage—from \$888 annually in 2025 to \$1,904 in 2026, an average loss of \$1,016 in annual savings.¹³

The impact on self-employed workers and small business owners has been particularly severe. Treasury Office of Tax Analysis data shows that over 2.7 million (82%) of self-employed workers and small-business owners claimed the Premium Tax Credit.¹⁴ Congressional Budget Office projections indicated approximately 4 million people would lose marketplace coverage if the enhanced subsidy structure ended.¹⁵

This crisis demonstrates a fundamental limitation of the subsidy-based approach to job lock reduction: political uncertainty and policy reversals create the same psychological lock as outright coverage unavailability. Workers who made entrepreneurial decisions based on subsidy availability now face untenable choices—abandon their businesses, forego coverage entirely, or return to traditional employment. The ACA’s failure to provide structural rather than temporary political relief means that any entrepreneurship gains achieved through subsidies remain perpetually vulnerable to policy reversal.

3. How CHCA Addresses Job Lock

CHCA’s approach is to consolidate existing agency-decorrelated catastrophic spending into a coherent system while maintaining individual responsibility for controllable health decisions. This is fundamentally different from comprehensive coverage proposals.

3.1 The CHCA Approach vs. ACA/M4A

The following comparison illustrates how CHCA differs from existing comprehensive coverage approaches along six key dimensions:

Feature	ACA/M4A Approach	CHCA Approach
What’s Covered	Comprehensive care regardless of cause	Only agency-decorrelated catastrophic events (accidents, genetic conditions, environmental exposures)

Routine Care	Government-mandated or government-provided	Market-based; employer and individual choice preserved
Lifestyle Conditions	Covered regardless of individual choices	Not covered; individual responsibility preserved
Funding Model	Massive new taxation required	Consolidates ~\$590–650B agency-decorrelated portion of existing catastrophic spending
Private Insurance	Eliminated (M4A) or heavily regulated (ACA)	Robust role for routine care, supplemental coverage
Cost Recovery	Limited/fragmented subrogation	Systematic subrogation from responsible third parties

The key insight is that CHCA addresses the psychological driver of job lock—fear of catastrophic financial ruin from events beyond one’s control—without requiring comprehensive government healthcare. Workers don’t need government-provided routine care to feel secure leaving a job; they need protection against losing everything to cancer, a car accident, or a genetic disease they couldn’t have prevented.

3.2 The Employer Perspective

Job lock is not merely a worker problem—it also constrains employers. Kaiser Family Foundation data shows average family health insurance premiums have increased from \$22,463 in 2022 to \$26,993 in 2025, a cumulative increase of approximately 20%.¹⁸ Workers at small firms bear a disproportionate burden, contributing 38% of family premium costs compared to 25% for workers at large firms.

Small businesses face particularly acute challenges. They lack the scale to negotiate favorable rates with insurers, cannot self-insure to manage costs, and must absorb administrative burdens that represent a larger percentage of their operating capacity. For a five-person firm, health insurance administration is an overhead cost that falls entirely outside their core business competency—whether that’s software development, plumbing services, or specialty manufacturing.

CHCA benefits employers in several ways. By eliminating catastrophic health exposure as a concern for workers, it allows businesses to compete for talent on factors actually related to job quality—compensation, growth opportunity, work environment—rather than on health insurance provision. Small businesses currently unable to offer competitive benefits packages would gain access to workers currently locked into corporate employment. The entrepreneurial ecosystem would expand as workers feel free to join early-stage ventures without sacrificing family health security.

4. Economic Return: Bounded Estimates

Methodological Note: The following estimates are necessarily speculative and are presented as bounded ranges to bracket uncertainty. They are grounded in verified empirical findings but involve extrapolation. These estimates should be understood as indicative of magnitude rather than precise projections.

4.1 Baseline Economic Context (Verified)

Current self-employed Americans number approximately 16.8 million (Bureau of Labor Statistics, 2025).⁷ Small businesses contribute 43.5% of U.S. GDP (SBA Office of Advocacy)¹⁹ and have created 70% or more of net new jobs since 2019 (Treasury Department, December 2024).²⁰ Startups account for more than 15% of aggregate job creation (Federal Reserve Bank of Richmond, 2023).²¹ The Urban Institute’s 2013 ACA projection estimated 1.5 million additional self-employed—a projection that was partially realized.²²

4.2 CHCA Job Lock ROI Methodology

The estimation methodology proceeds in three steps. First, estimating entrepreneurship unlock: the Medicare-65 effect produced a 13.8% increase in business ownership (verified, Fairlie et al. 2011),⁹ while the ACA effect was limited to 3–4% (verified, Bailey & Dave 2019).¹⁰ The projected CHCA effect falls in a 7–12% range (speculative), assuming CHCA addresses ACA limitations while providing less than the full Medicare effect due to scope differences. This yields a conservative estimate of 1.0–1.5 million additional entrepreneurs, aligning with the Urban Institute projection.

Second, estimating GDP contribution: average new small business annual revenue ranges from \$100,000 to \$300,000, varying significantly by sector. Illustratively, 1 million new businesses multiplied by \$150,000 average revenue produces \$150 billion in additional economic activity. An important caveat applies: not all of this represents “new” GDP due to displacement effects, though startups disproportionately drive innovation and productivity gains.

Third, estimating federal revenue: self-employment taxes include 15.3% FICA plus income taxes, with effective federal rates on small business income of approximately 20–25%. This produces an illustrative additional federal revenue estimate of \$20–35 billion annually. The confidence level for these estimates is low-to-moderate—they require validation through formal economic modeling and are presented to illustrate potential magnitude rather than to serve as budget projections.

4.3 Second-Order Effects (Not Quantified)

The bounded estimates above exclude substantial second-order effects that could increase total economic impact. Job creation by new businesses is particularly significant given that small businesses created 70% or more of net new jobs post-pandemic.²⁰ Improved worker-job matching could contribute substantially, as research indicates approximately 50% of productivity growth comes from labor reallocation to more productive firms. Innovation spillovers represent another unquantified benefit: startups produce 16 times more patents per employee than large firms according to

Small Business Administration analysis. These effects, while difficult to model precisely, suggest that the bounded estimates may understate total economic impact.

5. Policy Implications and Political Economy

CHCA's job lock provisions present implications across multiple policy dimensions. Understanding these implications requires examining how the proposal interacts with existing labor market structures, equity concerns, and fiscal considerations.

5.1 Economic Freedom and Labor Market Effects

The current system of employer-provided health insurance creates a labor market distortion rooted in federal tax policy: the exclusion of employer health contributions from taxable income effectively subsidizes employment-based coverage while penalizing other coverage arrangements. This distortion constrains labor mobility and suppresses entrepreneurship in ways that reduce overall economic efficiency. CHCA addresses this distortion by decoupling catastrophic protection from employment, eliminating a government-created constraint that prevents optimal labor market functioning.

The CHCA approach preserves market-based coverage for routine care, maintaining employer and individual choice for the vast majority of healthcare decisions. Unlike comprehensive government healthcare proposals, CHCA does not mandate particular coverage structures or eliminate private insurance options. The proposal maintains individual responsibility for lifestyle-related health decisions while providing collective protection against misfortunes that no individual can prevent or control. This balance between collective protection and individual responsibility reflects the agency principle underlying the entire CHCA framework.

5.2 Equity and Workforce Mobility

The disparate impact of job lock across demographic groups raises significant equity concerns. Lower-income workers experience job lock at a rate of 28% compared to 10% for higher-income workers²—a nearly threefold disparity that effectively functions as a regressive constraint on economic mobility. Black workers are 50% more likely than White workers to remain trapped in unwanted employment due to health insurance dependency, with job lock rates of 21% versus 14% respectively.³ Hispanic workers experience a 16% job lock rate.³

For workers and working families, CHCA provides freedom to pursue better opportunities without catastrophic exposure fear. The proposal particularly benefits those who face the highest barriers to mobility under current arrangements. By enabling career transitions, retraining, and entrepreneurship at any working age, CHCA addresses structural barriers that disproportionately affect workers who already face the greatest financial pressures. The gender implications are similarly significant: women already face substantial barriers to entrepreneurship through reduced access to startup

capital and venture funding, and health insurance dependency compounds these existing constraints.

5.3 Fiscal Structure and Cost Recovery

The fiscal structure of CHCA reflects consolidation of existing spending rather than creation of new government programs. The approximately \$590–650 billion in annual agency-decorrelated catastrophic spending is currently fragmented across private insurers, Medicare, Medicaid, workers' compensation, and out-of-pocket payments. CHCA consolidates this existing spending into a coherent system, generating administrative savings through elimination of duplicative billing, eligibility verification, and claims processing across multiple payers.

Systematic subrogation represents a substantial fiscal mechanism that distinguishes CHCA from existing coverage approaches. When responsible parties exist—negligent drivers, employers who created dangerous conditions, corporations whose products caused harm—CHCA's mandatory subrogation provisions ensure cost recovery rather than allowing these costs to remain with victims, insurers, or taxpayers. The targeted scope covering only agency-decorrelated events limits fiscal exposure while addressing the specific catastrophic risks that drive job lock. This combination of consolidation, subrogation, and targeted scope creates a fiscal framework substantially different from comprehensive coverage proposals that would require massive new taxation.

6. Conclusion

The natural experiment at age 65 demonstrates that catastrophic coverage—not comprehensive government healthcare—unlocks entrepreneurship. Business ownership increases 13.8% when workers gain protection against catastrophic hospital costs, even though Medicare Part A does not cover comprehensive routine care. This finding provides the empirical foundation for CHCA's targeted approach to eliminating job lock.

CHCA applies this insight to working-age Americans through a fundamentally different approach than Medicare expansion or comprehensive coverage mandates. By covering only catastrophic costs arising from circumstances beyond individual control—while preserving market-based coverage for routine care and individual responsibility for lifestyle choices—CHCA eliminates the fear that drives job lock without expanding government's role in routine healthcare. This is not the ACA approach of making comprehensive insurance available for purchase with substantial remaining exposure. This is targeted protection against the specific fear—catastrophic financial ruin from uncontrollable events—that actually drives job lock.

The economic case for addressing job lock is substantial. Job lock costs the American economy through suppressed entrepreneurship, suboptimal labor allocation, and foregone innovation. Eliminating it through targeted catastrophic coverage could enable 1.0–1.5 million additional entrepreneurs and generate \$20–35 billion in additional annual federal revenue. These are bounded estimates requiring further validation, but they indicate the magnitude of opportunity available through policy reform that

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addresses the actual psychological driver of job lock rather than attempting comprehensive solutions that have proven insufficient.

Notes

1. West Health-Gallup, “One in Six Workers Stay at Unwanted Jobs for the Health Benefits,” Poll #349094 (May 11, 2021), <https://news.gallup.com/poll/349094/workers-stay-unwanted-job-health-benefits.aspx>. Survey conducted March 15–21, 2021, n=3,870 U.S. adults, margin of error ± 2.2 percentage points.
2. West Health-Gallup, “One in Six Workers” (2021). Among workers earning less than \$48,000 annually, 28% reported staying in an unwanted job for health benefits, compared to 10% of workers earning \$120,000 or more.
3. West Health-Gallup, “One in Six Workers” (2021). Racial breakdown: Black workers 21%, White workers 14%, Hispanic workers 16%. “Black workers are an estimated 50% more likely to be staying in their current job” than white workers.
4. Brigitte C. Madrian, “Employment-Based Health Insurance and Job Mobility: Is There Evidence of Job-Lock?” *Quarterly Journal of Economics* 109, no. 1 (1994): 27–54, doi:10.2307/2118427. Finding: employer-provided health insurance reduces voluntary job turnover by approximately 25%.
5. James Bailey, Gregory Colman, and Dhaval Dave, “The Evolution of Job Lock in the U.S.: Evidence from the Affordable Care Act,” *Journal of Risk and Financial Management* 15, no. 7 (2022): 296, doi:10.3390/jrfm15070296. “We find no statistically significant evidence that the ACA reduced job lock.”
6. U.S. Department of the Treasury, *The State of Labor Market Competition* (March 2022). Explicitly identified “extending health insurance coverage to reduce job lock and boost mobility” as a priority policy intervention.
7. Bureau of Labor Statistics, *Current Population Survey (CPS)*, Table A-9, as of May 2025. Total self-employed: 16.85 million (10.3% of employed persons), comprising 6.7 million incorporated and 10.2 million unincorporated.
8. Center for Growth and Opportunity, “Barriers to Portable Benefits Solutions for Gig Economy Workers” (August 2023). Survey found approximately 80% of self-employed respondents indicated portable benefits including health insurance “would be a good idea.”
9. Robert W. Fairlie, Kanika Kapur, and Susan Gates, “Is Employer-Based Health Insurance a Barrier to Entrepreneurship?” *Journal of Health Economics* 30, no. 1 (2011): 146–162, doi:10.1016/j.jhealeco.2010.09.003. Business ownership jumps from 24.6% to 28.0% (3.4 percentage points, 13.8% relative increase) in the single month workers turn 65.
10. James Bailey and Dhaval Dave, “The Effect of the Affordable Care Act on Entrepreneurship among Older Adults,” *Eastern Economic Journal* 45, no. 1 (2019): 141–159, doi:10.1057/s41302-018-0106-6. ACA produced 3–4% increase in self-employment among older adults.
11. Margaret E. Blume-Kohout, “Entrepreneurship Lock and the Demand for Health Insurance: Evidence from the US Affordable Care Act,” *ILR Review* 77, no. 2 (2024): 199–226, doi:10.1177/00197939231211561. When political uncertainty about ACA’s

viability increased in 2017–2018, self-employment among those with high insurance demand fell back to pre-ACA levels.

12. Frank M. Fossen and Johannes König, “Public Health Insurance and Self-Employment,” *Small Business Economics* (2024). A 1% increase in health insurance premiums correlates with a 0.76% decrease in self-employment entry.

13. Kaiser Family Foundation, “ACA Marketplace Premium Payments Would More than Double on Average Next Year if Enhanced Premium Tax Credits Expire” (September 30, 2025). Enhanced subsidies expired end of 2025. Average premium increase: 114% (\$888 to \$1,904 annually). Average savings lost: \$1,016 per year.

14. Bipartisan Policy Center, citing Treasury Office of Tax Analysis, “Enhanced Premium Tax Credits: Who Benefits, How Much, and What Happens Next?” (October 2025). Over 2.7 million (82%) of self-employed workers and small-business owners claimed the Premium Tax Credit in 2022.

15. Congressional Budget Office projection cited in KFF analysis, estimating approximately 4 million people would lose marketplace coverage if enhanced subsidy structure ended.

16. Alicia Robb and Susan Coleman, “Access to Capital by High-Growth Women-Owned Businesses,” *National Women’s Business Council* (April 2014). Men launch firms with an average of \$135,000 in startup capital compared to \$75,000 by women—approximately 44% less. Among top-ranked firms by employment, men use six times the amount of financing as women.

17. PitchBook and World Economic Forum analysis (2025). Women-led startups in Europe and the United States received 2% or less of global venture capital funding.

18. Kaiser Family Foundation, *Employer Health Benefits Survey, 2022–2025*. Average family premium: \$22,463 (2022), \$23,968 (2023), ~\$25,572 (2024), \$26,993 (2025). Small firm workers contribute 38% of family premium cost versus 25% for large firm workers.

19. U.S. Small Business Administration, Office of Advocacy. Small businesses contribute 43.5% of U.S. GDP.

20. U.S. Department of the Treasury, “Small Business and Entrepreneurship in the Post-COVID Expansion” (December 18, 2024). Small businesses created 70%+ of net new jobs since 2019.

21. Chen Yeh, “Why Are Startups Important for the Economy?” *Federal Reserve Bank of Richmond Economic Brief 23-06* (February 2023). Startups account for over 15% of aggregate job creation.

22. Urban Institute analysis (2013). Projected 1.5 million additional self-employed under ACA—partially realized.