

Experts' Forum

Providing Health Insurance for Part-Time, Hourly Workers: An Accountable Approach

By Susan Nicolai, director of marketing administration, Planned Administrators, Inc., and spokesperson for EssentialCare

We have a healthcare crisis in this country—a line we've been hearing for years from the media, political pundits, and employers and employees alike. It has been challenging to cut through the clutter and look at issues like access to health insurance rationally because of how polarizing and a political hot potato the issue has become.

The notion that no one should go without insurance in our society sounds ideal. However, pragmatically, the dollar investment to provide that service and the overall logistics involved would create one of the largest government entitlements and government-controlled operations in our nation's history.

Private enterprise and business accountability are the answer, and it has never been easier for businesses to find ways to economically provide access to health insurance than it is today. By working with the private sector, employers and insurance providers are able to access quality health insurance for all employees without putting unnecessary burdens on businesses.

Proactive Approach to Covering 'Working Poor'

The largest segment without access to quality health insurance is the so-called "working poor," who are typically working two and sometimes three part-time or hourly jobs to make ends meet, yet are not afforded access to quality and affordable insurance through their employer. There are calls for the government to mandate that employers provide this coverage to the more than 41 million Americans under the age of 65 without insurance.

And, keep in mind, not having insurance doesn't necessarily mean these individuals won't be treated; rather it means they'll be treated typically at emergency facilities and the bill will

be passed along to taxpayers—or worse, bankrupt the individuals and drive them to other government-supported entitlements.

Employers have a responsibility to make benefits available to all their employees—full-time, part-time, hourly, and salaried. According to the Employee Benefit Research Institute, workers want health insurance and trust their employer to provide it. Furthermore, it shows that if the employer does not provide health insurance, workers expect the government to either require the employer do so, or provide it as a government benefit. So the expectations from workers are: Either you (the employer) provide insurance, or they want the government to mandate that you do.

Legislation of this type is actually pending in 31 states, so leading businesses have a unique opportunity to be proactive in securing quality, affordable insurance for all its employees rather than waiting for government mandates that may actually cost employers significantly more. Not only is providing this type of insurance "the right thing to do," it's a savvy and smart business decision.

Win-Win Result For Employers, Workers

Leading businesses stand to benefit from providing this kind of care, which can be provided at little cost to the business. A vast majority of human resources directors say that offering healthcare and other employee benefits is a critical factor in recruitment and retention, yet most of those respondents said they did not offer a plan for part-time and hourly employees.

First, let's look at recruitment. It's now a hot labor market, and unemployment continues to remain below 5 percent, which means employers need to add

quality incentives for new hires, particularly in industries like hospitality and retail. Offering good benefits, even to your part-time employees, is quickly becoming a "competitive mandatory" in recruiting the right workers.

Second, let's look at retention. One of the toughest management challenges with hourly or part-time workers is high turnover, sometimes upwards of 80 percent annually. Many employees feel they have little invested in the company, so when a more attractive opportunity arises, they may not think twice about moving on. However, when they have insurance through their employer, and their health and the health of their family is tied to remaining with that employer, it is significantly less attractive to "get up and leave."

Providing even limited insurance options is the beginning of educating workers to be more effective in their healthcare decisions and seek proactive treatment and prevention. Ultimately, the more healthcare options businesses provide, the healthier the American workforce, which means fewer sick days, enhanced tenure and lower turnover—and more profitability and more productivity for business.

Providing limited benefits is a practical and tangible thing employers can do to help workers gain access to quality and affordable care and to take control in being part of the solution to our national healthcare crisis. By taking the step for your company, you are bringing a higher standard to your industry as a whole. Taking this step now will get your company valuable attention for being a responsible business and even a visionary in the idea of taking a proactive approach for your employees and the American healthcare system.

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