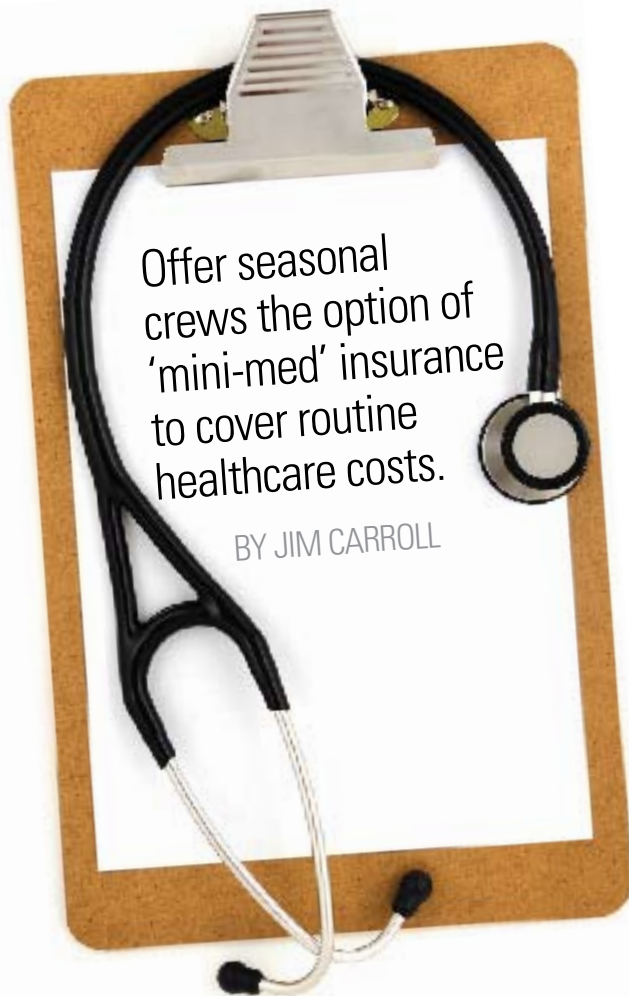




# Health care for everyone



Offer seasonal crews the option of 'mini-med' insurance to cover routine healthcare costs.

BY JIM CARROLL

**M**any landscape businesses hire additional seasonal or part-time help during the warm months, but in the past, providing benefits such as health insurance for these employees was a challenging issue. Today, a solution for employers is available in the form of so-called "mini-med" or limited medical plans.

These alternative healthcare products provide temporary, seasonal or low-wage employees moderate medical coverage without forcing workers or employers to spend fistfuls

of dollars. The plans are relatively inexpensive, and employers don't have to contribute to offer coverage.

Many employers are using limited medical plans to help with recruiting and retaining quality employees while reducing costs to compete more effectively in the market. Insurers are using these types of plans to bring more uninsured workers into the healthcare system.

Mini-med plans don't cover catastrophic, acute or chronic medical conditions, but do cover the cost of a few doctor visits, a portion of in-network tests and much of the discounted costs of a few days' hospital stay. Employees will not enjoy total, comprehensive coverage, but they will have their routine costs covered.

These plans are not to be used as regular medical plans in disguise at a deeply discounted price. In fact, if a business wishes to replace its regular medical plan with a mini-med plan, the carrier might walk away. The purpose is very clear: to provide the opportunity to purchase at least some healthcare coverage to those who have none at all.

Some insurance experts scoff at this type of plan, yet most of them have never been confronted with the situation of being without coverage, not being able to purchase any because of part-time employment status, and not being able to afford full coverage.

Insurance carriers are seeing a heightened interest in mini-med plans among landscaping businesses because of the large number of seasonal employees hired to complete spring, summer and fall projects. Nurseries and garden centers, where seasonal help is a must, also see the usefulness.

Mini-med plans achieve several objectives, the first being to encourage employees to visit their doctors for preventative care. If a potentially dangerous or costly illness is caught

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early, treatment options are greater — saving lives and money throughout the system. Many of the plans have drug benefits so illnesses can be more effectively treated, and maintenance medications can be prescribed before the illnesses lead to more acute issues.

Limited medical plans still use the preferred provider networks (PPO) the carrier uses in its

there is a self-insured arrangement in place for those underlying costs.

A mini-med plan may be right for your business if:

- > You have several part-time/seasonal employees who ask for coverage.
  - > You have more than 10 employees interested.
- There are carriers that can place coverage down to two employees, but the carrier choice

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regular healthcare contracts. Therefore, regardless of the plan or out-of-pocket expenses incurred, the discounted price is still in effect.

As many people have experienced, the cost of retail healthcare is enormous, and it is usually the uninsured who are saddled with its price. Having this type of coverage through a PPO reduces out-of-pocket costs for any type of service provided.

#### **Plan choices**

Two types of mini-med plans are available: The indemnity-style coverage pays a flat amount per incident, while the comprehensive coverage pays a percentage of the expense. In either case, the renewal percentage itself should be reasonable because of the risk taken for extremely large claims does not exist.

These plans also provide a service to the regular, full-time employee work force, as over the years, many plan deductibles have grown significantly because raising them has become a common solution to mitigate annual increases. Limited medical plans can be used to fill the gap that is created.

Some carriers are offering deductibles up to and exceeding \$5,000. These mini-med plans will dovetail underneath the higher deductible amounts, and possibly save money overall if

is greater the larger your seasonal staff is.

- > You have some budgetary amount you can pay for part of the coverage. If the employer helps with some of the premium, the plan will be more successful and participation requirements will be more easily met.
- > Your competition offers benefits to its part-time/seasonal work force.
- > Your carrier, which insures your full-time staff, has made available mini-med plans and is offering a related premium savings.
- > You can save considerable dollars by increasing your medical deductible, but you are concerned about employees' negative reactions. Keep in mind, some of these plans can be used for an underlying plan for your full-time staff.
- > Your part-time/seasonal employees have had relatively small turnover year after year. ■

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#### **TAKE AWAY**

**Offering even limited insurance to part-timers can be an attractive hiring incentive.**

**Limited medical plans can help seasonal workers who would not otherwise visit their doctors routinely catch potential health problems earlier.**

**Mini-med plans can be tailored in a variety of ways.**