



Utah Small Business Owners

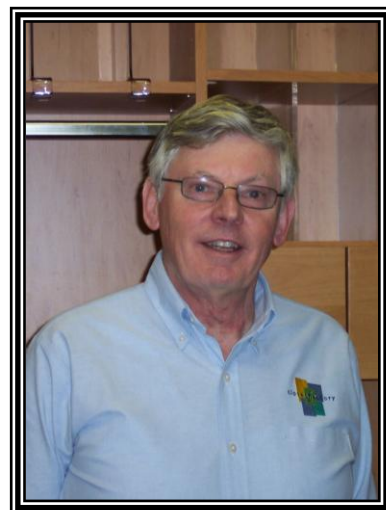
SPEAK UP

“How can arthritis make someone uninsurable, when 1/3 of older adults have arthritis?”

Keith Trickett, CEO of the Closet Factory

15 employees ✦ West Valley City

Keith has been operating the Closet Factory, a custom closet design and manufacturing service, for about six years. *I got into this business in the first place because I couldn't afford health insurance for myself! I was ready to retire from a technology firm at age 60 when I discovered I would not be able to get any health insurance. At the time I had arthritis, and had just had my hip replaced... these conditions made me “uninsurable.” A broker told me I COULD get health insurance if I had my own company. So I bought this franchise. It's an odd reason to start a business, I suppose. How can it be that health insurance is one of the reasons people can't retire around here?*



Keith would like to cover his workers...

Keith would like to insure all of his workers and their families but he cannot afford to do this without a significant employee contribution. Now, Keith provides health insurance for employees who have worked in the Closet Factory shop for two years or more. He has offered to pay a small portion of the premium to help his other employees obtain coverage before they have put in their two years, but so far no one has been able to take him up on his offer. *Payroll already takes up 25% of our expenses. If I had to pay any more (like for health insurance), I would have nothing left.*

Keith makes family coverage available, but the employee has to pay 100% of that premium. As a consequence, none of his workers opt for family coverage and they have many uninsured family members. *This means that one illness in the family affects the availability of my staff. I see my employees worrying a lot: what if my kids get sick?*

How we (don't) finance health care in the US...

Keith has operated businesses in several countries and never had the expense or frustration involved in finding affordable insurance as he does here. *Where is all of our health care spending going? Frankly, it's just getting pissed away to insurance companies, and underwriters, and high overhead costs.*

Thoughts on the Small Business Buy-In to PEHP Proposal...

The PEHP concept is on the right track, but it needs further development. We have to keep the premium low (around \$250 per month or lower). We definitely need help to provide family coverage. The coverage we're looking for must be worth something—to them and to me.