



Utah Small Business Owners

**SPEAK UP**

*We're a small company, and since we've been operating, health costs seem to go up about 20% each year. We're left with a tough decision... either keep providing health insurance as it is, or reduce the coverage.*

## **Todd Swensen, Word Assembly**

**3 employees ★ Provo**

Todd established Word Assembly in 1999. With only three employees – himself, his business partner, and an office manager – Todd often finds his company suffering more than others do because of rising health care costs. Currently, Todd is able to provide coverage for Word Assembly's three employees, but regrettably not for the four or five freelance writers he consistently contracts with.



### **Rising health care costs affect profitability...**

*We're a small company, and since we've been operating, health costs seem to go up about 20% each year. We're left with a tough decision... either keep providing health insurance as it is, or reduce the coverage. In the past eight years, Todd has done both.*

### **Strict eligibility requirements hurt employees and their families...**

*According to the law, HMO's have to offer small businesses coverage, but they still come to us every year saying that because of one of our employees' health histories, they can jack the prices 85% up above the baseline rate. We want to become part of a larger insurance pool so that doesn't happen. Todd sees how not having health insurance is negatively affecting the lives of his freelance writers, too. Health insurance guidelines are so strict. There should be something like a pseudo-company that would draw them into their own insurance pool. Freelancers have it really tough.*

### **Cost of coverage affects ability to attract and retain employees...**

Todd feels that offering health insurance to the freelance writers he contracts with would greatly benefit his business, but the high cost of coverage does not make this a viable option. *Hiring our freelance writers in-house would be a great benefit to the business, but we just can't afford it. It would allow them to be more involved in the company, more invested in the success of the business, and it would give better continuity to our clients. Not being able to provide health care is one of the top three reasons we haven't hired the writers on.*