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## Health Insurance Options for Small Businesses

By Adam Hall 08/23/17

**A**s a small-business owner, the issue of providing healthcare for one's employees can create a crisis both of character and of expenditure. As a Christian and an employer, your desire, of course, is to assist your employees in covering their healthcare costs, but perhaps you face internal questions of conscience regarding what exactly your payouts are going to pay, specifically, whether your money will be going to provide abortifacient drugs, such as the "morning-after" or even the "week-after" pill. In 2014, the Green family, founders of the nationwide craft supply retailer, Hobby Lobby, found themselves embroiled in a heated lawsuit over this difficult issue. Unlike Hobby Lobby, most of us lack the funds and bargaining power to fight the provision of abortifacients for our employees all the way to the Supreme Court.

In addition, skyrocketing healthcare costs can give small business owners a massive headache as grappling with those expenses can drain financial resources that are desperately needed to keep the company afloat. Staring down at these troubling issues regarding healthcare provision, small business-owners might, understandably, begin sweating bullets and hoping for a miracle solution. Thankfully, however, there are some alternative options out there that can meet the goals of Christian employers, allowing them to honor God by protecting the sanctity of life, while still meeting the needs of employees and keeping healthcare costs at a reasonable level. Let's explore some of these options.



It is vital to note that companies having less than 50 full-time equivalent employees are not forced by law to provide any group coverage to your team. Instead, you can have your employees buy their own insurance, and then you can provide them with a partial tax-free reimbursement for their individual plans. While such reimbursements were, at one time, disallowed under some Obamacare regulations, the regulations have been changed so that reimbursements are now acceptable again with certain conditions. Using this option, you can determine the maximum amount that you will reimburse and therefore limit your company's total employee health insurance cost. This means that you can provide your employees some assistance with their health insurance, but you are able to do so affordably by determining how much money your business can afford to spend for that purpose. Another option would be keeping a group plan in place, but limiting your company exposure to only 50% of employee-only premiums for a high

deductible plan, even if you allow your employees to buy-up for a plan with a lower deductible and higher premiums. By choosing either of these avenues, you will be able to exert a level of control over your company's healthcare expenses and provisions.

Perhaps an option that would suit your company could be a "skinny" health plan that provides only essential minimum coverage. You could combine this plan with a tax preferred Health Savings Account (HAS) or a Health Reimbursement Arrangement (HRA) and then encourage your employees to seek new cost efficient treatment options like virtual doctor visits, when doing so is practical for them. These visits can run around \$50 which—while more than a normal copay—is much less than an uninsured on-site physician visit. This way, your employees do have some coverage if they are hospitalized. But otherwise, they will bear most of the burden when it comes to minor illnesses. If the idea of virtual physician visits seems foreign to you, you can visit the following link to a practice in the Fayetteville, NC area that offers just such services. (The Simple Clinic: <http://www.thesimpleclinic.com/>) While new and innovative, this type of healthcare is becoming more prominent and can be utilized to help keep healthcare costs affordable for both employees and employers.

A fourth option could be to opt in to some form of Christian medical cost sharing program, with or without a "skinny" health insurance plan. Organizations such as Sedera Healthcare, Medi-Share, or Samaritan Ministries offer cost share arrangements for prices that are usually lower than traditional insurance. The cost share arrangements are well suited to meet the needs of Christian business-owners, as they operate according to the principles of the Christian faith. It must be noted that each of these programs have a unique set of parameters and they should not be considered exact substitutes for health insurance. But with individual cost shares of around \$220 (Samaritan Ministries, 1 person family, 30 years of age; rates vary according to age<sup>1</sup>) and family cost shares of around \$495 (Samaritan Ministries, 3+ person family, with both spouses 30 years of age; rates vary according to age<sup>2</sup>), such programs may offer a viable alternative to traditional healthcare if traditional health premiums are unaffordable for your company. Such coverage does create a valid exemption to the individual mandate tax penalty. Currently, monthly cost shares are not tax deductible. But there is pending legislation to allow the cost shares for these plans to become tax deductible, like health insurance, which makes them a more attractive option.

While navigating the choppy waters of healthcare provision in the 21st century can prove a challenge for small-business owners seeking both to keep costs affordable and to preserve their consciences before God, the aforementioned options can be helpful alternatives to pursue. It may be that none of these options is a perfect fit for you, but by exploring your options, you can be equipped to make the best-informed and most appropriate choice for your company.

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Endnotes 1, 2 How Much Does It Cost? (n.d.). Retrieved July 18, 2017, from <https://samaritanministries.org/cost>