

Innovative trust lowers health insurance costs for hospitality employees

By Bonnie Adams, MCHA executive director

This fall, Campisi Financial Group president Chris Campisi sat down to discuss health insurance options with a middle-aged husband and wife launching a local business. As members of the Monterey County Hospitality Association (MCHA), the trade association for the county's tourism industry, the couple and their employees were eligible for coverage through the new MCHA Health and Welfare Trust.

"You should have seen their reaction when they learned that their rates would be \$500 to \$600 a month, rather than \$1000 or more," Campisi says.

Introduced in August, the MCHA Health and Welfare Trust creates a single purchasing pool for 250 MCHA member businesses. By joining together to buy as a large group, participants have access to more competitively priced health insurance than they would on their own.

The trust also introduces competition into the local health insurance market. Traditionally, the Monterey Peninsula has been an underserved region with only two insurance carriers controlling the price and availability of coverage.

The trust eliminates the age banding that traditionally triggers higher rates for older policyholders and replaces that with a single composite rate, similar to health plans provided by the public sector or large enterprise companies.

"This is our effort to bring some stability to the lives of local hospitality professionals. The MCHA members who find these plans to be a fit can now extend some really good options to their employees," says Theodore Balestreri II, 2017 MCHA board chair.

Participating MCHA member businesses can choose from a preferred provider organization (PPO) plan or a plan with a Health Savings Account (HSA), along with dental, vision and other wellness benefits. Campisi and his team perform a holistic consultation with business owners prior to moving onto the trust. They work diligently to ensure local businesses get plans that are affordable into the future, and have maximum utility for participants.

The team also customizes enrollment materials and provides administrative assistance for each company. Individual counseling with potential participants ensures that selected plans match how employees use medical services, as well.

United Healthcare provides the insurance plans for the trust, and four MCHA representatives act as trustees for the initiative. "The trustees are not paid. They're doing this because they're inspired to help the community," says Campisi. He explains that his family's coverage-related challenges inspired him to establish the hospitality trust.

When Campisi was undergoing cancer treatments at

Stanford 14 years ago, his then 18-month-old daughter was in the neonatal intensive care unit fighting a rare genetic disorder. His wife, who was pregnant with the couple's second child at the time, went back and forth between their hospital rooms.

"We were on COBRA, paying more than \$1,500 a month for coverage," Campisi remembers. "I remember the fear we felt. I can see the fear in parents' faces when they don't have insurance. That's one of the driving factors behind this project."

The trust might mean survival for small, local businesses, as well. "Some small businesses and restaurants operate on slim margins. When you're working 12 or 15 hours a day to make payroll and cover workers' compensation and insurance costs, and suddenly those health insurance rates jump 15 or 20 or 40 percent, it can break your business," says Campisi. "The trust helps small business owners provide health benefits to their employees at stabilized and predictable rates."

More than 500 employees have already signed up for plans through the Monterey County Hospitality Association Health and Welfare Trust, and enrollment continues throughout 2017. Information is available at hospitalitybenefitsinc.com.