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Health plans not family friendlyJohn Davis and Jannell McGrew **Montgomery Advertiser**

544 words

22 February 2005

Montgomery Advertiser

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English

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Employees of some of the nation's largest companies lean on the state when it comes to obtaining health insurance for their kids. Alabama **Medicaid** spends tens of millions each year paying for working families' health costs.

During a recent meeting with Alabama **Medicaid** Commissioner Carol Herrmann, state Rep. John Knight Jr., D-Montgomery, expressed concern about major companies and the extent to which they offer -- or do not offer -- health benefits to their Alabama employees.

"We spend a lot of money to get them in this state," Knight said. "The smaller businesses don't get the incentives we offer big companies."

Retail giant **Wal-Mart** tops the list of companies in Alabama whose employees have children on **Medicaid**. **Wal-Mart** workers' children account for 3,864 kids on the **Medicaid** rolls at a cost between \$5.8 million and \$8.2 million.

Trailing **Wal-Mart** employees, workers for fast-food giant McDonald's account for 1,615 children on **Medicaid**. There are a total of 1,380 **Medicaid** children whose parents work for Taco Bell, KFC and Pizza Hut, fast-food businesses owned by Yum! Brands.

Wal-Mart was quick to defend its position Monday.

"We do not design our plans to be supplemented by public assistance," said **Wal-Mart** spokesman Dan Fogleman. "As the nation's largest employer, we will almost be the largest by default on any list."

Wal-Mart employs more than 38,000 people in Alabama. The company offers health coverage to both full- and part-time employees at monthly rates as low as \$38 for a single person and \$153 for a family. According to Fogleman, the company provides health benefits for 56 percent of its hourly store workers nationwide.

Subway also is on the Alabama **Medicaid** Agency's list of companies who have employees whose children are on **Medicaid**.

State Rep. Jay Love, R-Montgomery, owns 14 Subway stores in the tri-county area. He said he hasn't received any state incentives for having Subway stores in Alabama.

He added that approximately 80 percent of his employees are part-time. He has about 125 employees and offers benefits to full-timers.

"I would love to offer benefits to all of my employees, but it's just too expensive," Love said Monday.

And as for bigger companies that do receive perks for perching in Alabama, Love believes "they should certainly be responsible employers."

Fogleman said that a December survey showed about 5 percent of **Wal-Mart** workers nationwide rely on **Medicaid**. That number drops to 3 percent for people who have been with the company for two years or more.

More than 37 percent of Alabama's children receive health care paid for by **Medicaid**.

Overall, **Wal-Mart** and 45 other major employers -- including the state of Alabama -- account for about 18,000 of those kids at a cost between \$27 million and \$38 million a year.

Despite the number of working poor receiving **Medicaid** benefits, more than half the parents whose children are insured by the program do not work.

In Alabama, the federal government pays for 70 percent of the \$3.9 billion program.

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