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**Wal-Mart stands out on rolls of PeachCare Sign-up ratio far exceeds other firms'****ANDY MILLER**

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A snapshot of Georgia's program for uninsured children shows that it's packed with kids of Wal-Mart employees.

A state survey found 10,261 of the 166,000 children covered by Georgia's PeachCare for Kids health insurance in September 2002 had a parent working for Wal-Mart Stores.

That's about 14 times the number for next highest employer: Publix, with 734.

Wal-Mart is the state's largest private employer. But when the top four companies on the list are measured by number of PeachCare children per the number of employees in Georgia, Wal-Mart still dominates.

The survey findings surface as Wal-Mart's pay, benefits and corporate policies have come under fire nationally. Labor unions and other critics have denounced the Arkansas-based retail giant for what they call low-wage, low-benefit jobs. And unions fear the influence Wal-Mart practices could have on employee benefits in all industries.

Georgia's PeachCare program was launched in 1998 to provide health insurance to children whose parents cannot afford or don't have access to those benefits. Wal-Mart said it does not encourage employees to use states' insurance plans for children or Medicaid, the federal-state program for the poor. "We offer affordable health coverage to all of our associates, both full time and part time," said Dan Fogleman, a spokesman for the company.

But the number of PeachCare children whose parents work for Wal-Mart struck a nerve with a local advocacy group for low-wage women.

"Most employees who make \$7 to \$8 an hour can't afford health insurance," said Cindia Cameron, organizing director of 9 to 5, National Association of Working Women. "When a very wealthy employer passes off to taxpayers what is rightfully a labor force cost, that's a serious public policy problem."

The PeachCare employer listings appear in an internal Department of Community Health memo and were not publicly released. But the results recently surfaced in an AFL-CIO report about Wal-Mart benefits and subsequent comments by union officials.

Community Health officials declined to comment Thursday on the Wal-Mart figure and the survey in general, and said no employer survey for PeachCare has been done since then.

Employers on the PeachCare list in Georgia's survey include other retailers, carpet companies, hospitals, banks and federal agencies such as the U.S. Postal Service.

A recent study released by the Commonwealth Fund, a research foundation, found the percentage of uninsured

workers in large companies rose to 11 percent from 7 percent between 1987 and 2001. And benefits are typically less generous in the retail sector, primarily because of high worker turnover.

The ratio of Wal-Mart employees' children per company worker in Georgia, though, greatly exceeds those of Publix and Shaw Industries and Mohawk Industries, the Nos. 3 and 4 employers on the PeachCare list.

42,000 workers in state

Wal-Mart, with 42,000 workers in the state in 2002, had about one child in the health care program for every four employees. The ratio for Publix was one child in PeachCare for every 22 employees. For Shaw, it was one for every 30 employees, and for Mohawk, one for every 26 workers.

PeachCare now insures 185,000 kids. Eligibility is based on family income. State employees' children, though, are not eligible because of federal rules.

The enrollment number is expected to shrink if the Georgia General Assembly adopts proposed premium increases and rule changes.

The AFL-CIO said the number of Wal-Mart employees' children in PeachCare reflects the company's low wages and the relatively high price of its medical plan.

"You have a company increasingly shifting the cost of health care to taxpayers," said Shaun O'Brien, assistant director of public policy for the AFL-CIO. Many Wal-Mart employees, the union says, earn wages of \$7.50 to \$8.50 an hour --- not enough to make benefits affordable.

Wal-Mart, with 1.4 million U.S. workers, is the biggest private employer in America; it now employs more than 46,000 workers in Georgia. The company is not unionized.

About half of Wal-Mart's U.S. workers are covered under the company medical plan, considered a low participation rate for large companies. But Fogleman said the total of employees with health insurance is 90 percent, because many get coverage through a spouse, a parent or a government program such as Medicare. The Georgia employees with PeachCare children, he said, could be part time or even temporary help working during the holidays.

The company says 40 percent of employees in the company medical plan have never had health coverage before coming to work for Wal-Mart. "We catch a lot of people who fall through the cracks," Fogleman said.

An architect of the PeachCare program said he isn't surprised by the number of Wal-Mart employees with children in PeachCare.

"A lot of Wal-Mart employees are part time," said state Rep. Mickey Channell (D-Greensboro).

Twenty-five percent or fewer of Wal-Mart employees work part time, the company said. They aren't eligible for family coverage and aren't offered individual coverage until they work for the company for two years. Full-time workers must wait three to six months for coverage.

Many labor disputes

Wal-Mart's image has been rocked by recent labor controversies.

Last year a federal raid rounded up 250 illegal workers doing janitorial work for Wal-Mart contractors. And the company also confronts a large gender discrimination lawsuit charging that it pays and promotes women less than men. Wal-Mart said it disputes the allegations.

Health insurance and Wal-Mart are major themes in a strike by grocery workers in Southern California. The grocers want to reduce employee health benefits so the companies can compete with a coming wave of 40 Wal-Mart Supercenter stores in the state.

The outcome of the conflict, unions say, could set the tone for medical benefits in industries nationwide. The grocers and the union reached a tentative agreement to end the strike Thursday night, but settlement details were not available.

High deductible

Wal-Mart workers can buy individual coverage for as low as \$15.25 every two weeks and family coverage for \$66.25, Fogleman said. But those options have a deductible of \$1,000, meaning that care is paid for by the employee until that ceiling is reached. Then Wal-Mart covers 80 percent of further costs.

Wal-Mart says its average spending on medical benefits per employee is \$3,100 per year. That's less than the industry average --- about \$4,400 for large retailers --- as calculated by Mercer Human Resource Consulting.

The AFL-CIO report describes Wal-Mart's health benefits plan as overly restrictive.

In addition to lengthy waiting periods for coverage, the plan doesn't cover such expenses as children's vaccinations, flu shots or eye exams.

The company's health care plan is designed for catastrophic coverage --- paying for very expensive medical care, Fogleman says.

The goal is to keep insurance affordable, he said. One favorable benefit is that Wal-Mart has no cap on lifetime employee health care spending, unlike other employers.

The retail industry typically offers less-generous benefits and imposes longer exclusion periods than others, in part because of high employee turnover, noted Werner Gliebe of Segal Co., an employee benefits and human resources consulting firm.

Wal-Mart employees pay about one-third of their health care premiums. That's typical of retailers and exceeds the 20 percent paid by an average Fortune 500 company worker, said Gliebe.

"You have a double whammy: People who are lower -paid having to contribute one-third of the cost," Gliebe said. Typically, as a result, fewer employees of retail companies enroll in their benefits plan, he added. Graphic WHO USES PEACHCARE

Employers with 300 or more children in PeachCare in September 2002:

..... PeachCare	
.....children	
Self-employed.....	12,789
Wal-Mart.....	10,261
Publix.....	734
Shaw Industries.....	669
Mohawk Industries.....	657
Cagle's Keystone Foods..	463
McDonald's.....	454
Home Depot.....	421

Kroger.....	377
U.S. post office.....	354
Construction.....	328
Sears.....	325
Randstad Staffing.....	305
Grady Healthcare.....	300

Source: Department of Community Health. The figures are self-reported information from PeachCare applications. Graphic PEACHCARE FOR KIDS

What it is: A health care program for uninsured children in Georgia, part of a national initiative begun in the Clinton administration.

Eligibility: Available to children up to age 18 whose families meet income criteria based on federal poverty guidelines. For a family of four, \$43,260 a year is the family income limit. State employees' children aren't eligible.

Member costs: Premiums are required for children ages 6 and older. The cost per child per month is \$10. Families with two or more children pay \$20 for all children. Georgia is considering raising those premiums.

Source: Georgia Department of Community Health

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