

Dayton Daily News

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It's hard to find employers celebrating the news that annual increases in health insurance premiums appear to be slowing down. Even among those who believe it.

Mike Collinsworth, president of **Custom Manufacturing Solutions** in Xenia, said the findings of the annual survey by the Kaiser Family Foundation reflect almost exactly the 7 percent increase his company had to absorb this year.

But it's still more than twice the current rate of overall inflation, he said.

"Seven percent sounds great compared to what we experienced the last few years, but still I can't pass all that on to my customers," Collinsworth said. "I can't go out and get 7 percent price increases from my customers. I just can't do that. And so it is something I have to eat."

Harold Linville, president of Leis Medical Inc. in Vandalia, said the survey's results could be a "false finding."

Health care insurance costs appear to be leveling off, he said, because many small businesses have been converting to self-insured plans and passing on more costs to their employees.

That's what his company, which has about 210 workers, had to do this year to keep down the costs of care benefits.

"I think it's sort of a false finding," he said of the foundation survey. "I think we've done some things to reduce our costs, but that hasn't meant the cost of health care is leveling off."

John Baker, president and owner of Diamond Tool and Die in Dayton, said his company, which is smaller and has an aging work force, had a 19 percent increase in health care premiums this year, more than twice the average found by the survey.

Baker worries not only about the deteriorating benefit he can give his 28 employees, but also his industry's ability to compete in the global marketplace where many employers don't offer medical benefits.

"Right now, the insurance I have at my shop for a family is \$1,000 a month," Baker said. "So if we look at that on an annual basis ... we have \$6 an hour in our process that is nothing but a health care benefit."

"And if you go across the Pacific Ocean, you can do the whole thing for less than \$6 an hour. So that's what's happening."

Even though the increases are gradually lessening, the cumulative costs over the past six years are hurting families and communities. The foundation report notes that premiums for family coverage have increased by 87 percent since 2000.

In addition, it found, the rising costs have forced some companies to drop health care coverage altogether. In 2000, 69 percent of all companies surveyed provided health care coverage to at least some of their employees. By this year, that number had dwindled to 61 percent.

Phil Parker, president of the Dayton Area Chamber of Commerce, said some Miami Valley companies are getting squeezed out of providing health care benefits.

"We're now getting to the point where we have people who are making a decent living, but they don't have access to pay for health care through their employer at a reasonable rate," Parker said. "So now they are becoming uninsured, which in the long run creates an unhealthy population."

The chamber doesn't advocate a national health care program, he said, but wants governments to roll back laws that require certain types of medical care, and "revisit" how much money is being spent on the federal programs, Medicare and Medicaid.

It's a thorny problem, Parker admits, because limiting spending on federal programs means cutting benefits to the poor and elderly.

"I'm not going to sit here and advocate that we're going to hurt older people," Parker said, "but, my God, this is getting out of hand."

Contact this reporter at (937) 225-2393 or kmccall@DaytonDailyNews.com.

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- **John Baker, owner of Diamond Tool and Die Co. in Dayton, is concerned about rising health care premiums for businesses. Baker has 29 employees at his business, which was started by his grandfather 60 years ago. Staff photo by Lisa Powell**
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