



SOLUTION FOCUS

Benefit: QSEHRA
Industry: Insurance
Region/State: Texas
Number of employees: 3

SUMMARY OF BENEFITS

- Saved a projected \$1,589 in annual taxes
- Easy administration of benefit in only 3 minutes per month
- Employees have been able to meet all their medical needs and support their families

“PeopleKeep is super easy to use, it doesn’t take much time to implement, and it legitimizes what I give to my employees for health benefits.”

Bobby Hyatt
Owner

PeopleKeep supplies Bobby Hyatt Insurance Agency with a QSEHRA benefit to save over \$1,500 in taxes and provide value to employees

This small insurance agency chose an easy and cost effective health benefit to cover their employees and their families diverse medical needs.

The Challenge

New insurance agency owner Bobby Hyatt wanted to take care of his employees with a health benefit. But like many small insurance agencies, he couldn’t afford group health insurance. He looked at stipends but didn’t want to pay extra money in taxes if he didn’t have to.

The Solution

Luckily, Bobby was referred to PeopleKeep where he learned that the QSEHRA would allow him to offer his employees tax-free money that they could use to cover their healthcare costs. He knew this benefit would take the stress off of his employees and make sure they were covered.

The Results

Now, with PeopleKeep’s QSEHRA, Bobby has met his goal of offering a tax-free health benefit that frees his employees from medical worries at work. He has also saved over \$1,500 in annual taxes for his business. His staff is able to have all their medical needs met and he can complete benefit administration duties, like processing reimbursements, in as little as 3 minutes per month.

The Challenge

Insurance agency owner Bobby Hyatt wanted to provide health benefits to his employees right away upon the start of his new business. He knew what it was like to stress about medical needs during work and he wanted to remove that distraction and worry for his employees.

“Extra money in your employees’ paychecks just gets taxed from both ends, so it’s not a true amount you’re giving to help them.”

But Bobby encountered a problem many small insurance agencies do: The budgetary constraints and diverse needs of his employees made group health insurance unfeasible and unaffordable. He spoke with other insurance agency owners and discovered that many of them offered a taxable stipend to avoid the difficulties that came with a group plan. That didn’t seem like a viable option to Bobby either though. Not only are employers required to pay payroll taxes on reimbursements but employees are taxed on the amount they receive as income. Bobby did not feel like this would truly be helping his staff with their medical needs. He needed to find a cost effective solution that would provide much needed relief to his employees.

The Solution

“This would work for everyone,” Hyatt said. “And I knew that with PeopleKeep, the amount I’d give them would be a true amount and that it would go towards medical benefits.”

While setting up his business, Bobby was referred to PeopleKeep. With a QSEHRA health benefit, he could reimburse his employees for their individual health insurance premiums through a monthly tax-free allowance which he could set up to be budget friendly. The allowance could also be used to pay for out-of-pocket expenses as well providing true flexibility and full coverage.

Bobby could also provide value to his employees who were already covered through their spouses’ group health insurance plans. In a QSEHRA, spouses can submit their personal expenses for reimbursement through the employee’s allowance. Additionally, if a spouse is enrolled in their employer’s group plan, plan premiums can also be reimbursed.

Bobby was finally able to offer a formal tax-free benefit that would cover not only his employees’ medical needs but their families as well. The benefit would give them peace of mind while at work while keeping Bobby’s budget in check.

The Results

Bobby Hyatt's insurance agency has thrived ever since signing up with PeopleKeep. His employees receive the full, tax-free value of their allowance and Bobby has been successful in his goal of helping employees meet their medical needs. One employee was even able to purchase prescription sunglasses - an expense he'd been putting off due to the cost.

"I'm a big believer in making sure my employees' lives are taken care of to the best of my ability. PeopleKeep is a great resource that's easy to use, it's cost-effective, and it empowers your team to get their medical needs taken care of."

As his agency grows, Hyatt feels PeopleKeep will continue to help him support his employees while recruiting more staff. With projected annual tax savings of over \$1,500, he has funds to put back into company operations and hiring efforts. Not only is he saving money but he is also saving time. Managing the budget on the PeopleKeep platform only takes 3 minutes per month leaving Bobby time to run his company more effectively. Bobby has found the PeopleKeep experience and product a successful implementation to his growing small business.

About the Company

Founded in 2019, Bobby Hyatt's insurance agency works with businesses and individuals to identify and purchase auto, home, business, property, life, and health insurance policies, as well as other products.