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'THERE IS SOME SILVER LINING'



Sarah Naylor takes customers' orders at Kitchen Sync during lunchtime on Nov. 18.

Amid COVID, Kitchen Sync restaurant in Greenville is finding a way to provide healthcare for its employees

Lillia Callum-Penso Greenville News I USA TODAY NETWORK - SOUTH CAROLINA

efore reopening his restaurant following the mandatory shutdown in March, Kevin Feeny threw himself into research. The owner of Kitchen Sync read studies about how the novel virus spread, he poured over online ordering systems and researched tents and furniture for outdoor dining, he examined government grant and loan options and how to use them to retain employees and to safely remodel his restaurant. • And, Feeny also determined how to pay for healthcare for his staff. • It's not that the idea hadn't been there, it's just that Feeny couldn't figure out how to make it work in an industry that on average has a 5-10% profit margin. An independent operator with one restaurant lacks funds and bargaining power to negotiate lower rates with insurance companies.

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Kitchen Sync

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In June, Feeny, along with his coowners, sister Karin Farrell and Karin's husband, Johnny Farrell began paying for healthcare for all 35 Kitchen Sync employees.

"I do believe there is some silver lining," Feeny said.

Healthcare, not insurance

During the summer, Kitchen Sync signed up for a membership with Palmetto Proactive. The direct primary pay company works on a monthly membership fee model that pays for preventative care, urgent care, and referrals without going through insurance.

Feeny pays \$60 per employee per month for access to the care. It is not insurance, as direct primary care does not cover catastrophic events. But so far, it has covered most of what, at least Kitchen Sync's employees, need.

And those needs include Covid testing.

In June, Feeny asked all employees to get Covid tests before reopening Kitchen Sync. Two tests came back positive and so owners decided to wait to open.

In July, all employees got tested again this time with all negative results and the restaurant reopened on July 31.

The restaurant has had no cases of the virus since, but for Feeny at least, having someone to call if they did is huge.

"We've got a system where now we've got a doctor involved," Feeny said.

People can access a doctor in person, through a virtual visit, or by phone 24/7, and a doctor can help walk Feeny and the employee through whether to get tested, whether to quarantine or whether it's safe to come back to work.

"So, it's not myself or a manager trying to make the decision all the time," Feeny said. "Like, well, CDC says this and DHEC says that, it's still so confus-

"I wish I'd have discovered this five years ago."

Health benefits are rare in the restaurant industry

That an employer provides health benefits is not rare in the U.S., where the onus is on employers to provide benefits for employees. But what is rare is that Kitchen Sync is an independent, singleunit restaurant.

The restaurant industry, with its 5-10% average margins, means most owners simply cannot afford to pay for benefits. Larger groups sometimes do, often leveraging benefits as incentives for employees to remain with the company, but it's nearly impossible for smaller restaurants to do so.

Just 31% of restaurants offered employees healthcare benefits, according to a 2019 Toast report.

Feeny had researched benefits before Kitchen Sync opened in 2016, but he couldn't make the numbers work, he said.

He discovered Palmetto during a chance conversation with Nicole Cendrowski, co-owner of Fireforge Crafted Beer. The Cendrowskis use the service for their employees as well, and currently have five of the 22 mostly part-time staff covered.

Covid changed things.

Sarah Naylor never had insurance the entire time she worked in restaurants. Instead, the 40-year-old who has been a server at Kitchen Sync for nearly two years was covered through her husband.

Now, Naylor uses Palmetto both for preventative care but also for specialized treatment for the back, neck, and hip pain that has plagued her for years.

She received regular monthly treatments that have made a huge difference, she said.

But for Naylor, having easy access to Covid testing if she needs it, has been a game changer in how safe she feels working in a public interfacing job.

Recently, she wanted to visit her mom and so she got tested.

"I did have reservations starting out because it's a novel virus and we don't know much about it," Naylor said of returning to work. "But I feel like Kevin handled it the best way. He covers all the bases and it makes you feel more safe working there."

How direct primary pay care works

Ten years ago, Palmetto was the only such company in South Carolina, said Liz Conroy, business development manager with Palmetto, and one of the few in the U.S.

But the model of primary healthcare without going through insurance has grown. Palmetto now has five offices around the state. Individual patients pay a membership fee of \$70 and employer members pay \$60 per employee for care that includes among other things, reduced prescriptions, vaccinations, sick visits, and minor procedures. Some things like regular therapies require a copay, but much is free, Conroy said.

The biggest boon for Feeny is access.

"A lot of people in the restaurant industry don't have a relationship with a doctor," Feeny said. "A lot of them are either young or not well off enough. There are a lot of ER visits and doc in the box.

They just don't have the wellness component of it. And this has really been able to provide that for some of our staff for the first time."

Planning for the future

For now, Feeny is able to pay for the Palmetto Proactive membership through a special

Still, there is a cost attached. Feeny is currently paying for the Palmetto Proactive membership through Kitchen Sync's KiSS fund. Two percent of every sale goes into the community fund, which was set up when the restaurant opened five years ago and is slated for use on community impact projects.

Kitchen Sync's first project was purchasing solar panels for Jasmine Kitchen, the café that opened early this year and is the social enterprise arm of the non-profit Jasmine Road.

Since the start of the pandemic, the KiSS effort has been on a temporary hold, which has allowed Kitchen Sync funds for employee healthcare.

But, Feeny is looking at ways to keep healthcare going. Like other elements he and his partners have added during the pandemic – curbside pickup, more extensive outdoor dining, and installing new, specialized air filtration systems – he sees healthcare as a permanent fixture.

"We have had to adapt and change and mold in order to be resilient in this pandemic," Feeny said. "This primary healthcare relationship is absolutely one of those that I may not have discovered, and we are going to be a stronger business that takes better care of their people because of it."

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