

The business guidebook to navigating changes in health care law

Businesses should be taking key steps now to save money, avoid penalties and maintain a high-quality workforce, experts advise.

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With the major parts of the Affordable Care Act set to begin on Jan. 1, businesses should be taking key steps now to save money, avoid penalties and maintain a high-quality workforce.

It's because of that last reason that businesses offer health care, said David Whaley, an employee benefits attorney at Dinsmore & Shohl's Cincinnati office.

"They don't offer it because they're nice. They don't offer it because they're altruistic. They offer it because it's necessary to attract and retain quality employees," Whaley said.

As the Affordable Care Act takes off, however, the challenge for businesses today is to determine the best health care options at the best rates for themselves and their employees, both to keep their workers happy and to avoid thousands of dollars in penalties for failing to provide adequate health care coverage.

While much of those penalties have been delayed until 2015, businesses themselves shouldn't wait to take certain measures to navigate the changes in the health care landscape brought about by the Affordable Care Act.

"Right now is the perfect planning opportunity," Whaley said.

Businesses that have close to 50 employees should be monitoring and tracking the hours of their workers, he said. Those with 50 or fewer employees are classified as small businesses and are subject to different rules. But businesses should note that while the ACA defines full time as working at least 30 hours per week, a full-time employ-

ee in Ohio is someone who works at least 25 hours per week.

Businesses that have, for example, 52 or 53 employees may want to replace three or four employees who have shorter hours with one or two full-time employees, Whaley said. Or they could choose to give employees who are just over the full-time threshold even more hours.

He also noted that community rating can change the way employees of small businesses are charged for their insurance since only a limited number of factors can be taken into consideration when determining rates – primarily age, Whaley said. Older employees may see better prices under the ACA, while a business workforce that leans younger could pay more.

Small businesses could avoid community rating for most of 2014 if they chose to renew their health insurance plans early.

"It could be a good cost savings," Whaley said.

Matt Foley, a broker and co-owner of Foley Benefits Group in Springfield, agreed.

Foley said that even if his business didn't already have a Dec. 1 renewal date, he would have looked into it.

"By groups renewing early, it kind of lets the dust settle before they have to make drastic changes on their health care," Foley said.

This can allow businesses to keep the same plan – and gives them another year to figure out how to respond to the ACA, he said.

Larger businesses of more than 50 employees that have never offered full health coverage or that struggle to do so should consider offering minimum essential coverage, Foley said.

Nicknamed "skinny" plans, these offer wellness

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