Health Care Reform is Here to Stay: Top 10 Things Employers Need to be Aware of Moving Forward.

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Love it or hate it, President Obama's re-election cleared the last major hurdle toward implementing the Patient Protection and Affordable Care Act (aka PPACA or Health Care Reform). Businesses are being forced to take a fast and hard look at how to handle the shift in health-care benefits and potential costs that are part of the law that goes fully into effect in 12 months. Here are some important points for employers to consider:

1. Employers may think they are a small group for benefit purposes, but come 2014 they may be wrong. PPACA defines small and large groups differently by provision and Maryland's old Small Group definition of 2-50 employees isn't the gold standard anymore. It's entirely possible to be a small group and a large group at the same time under this law!

2. Counting employees for PPACA compliance purposes is about to become very important and more complicated than you'd think.

3. The definition of a "full time employee" is about to change to 30 hours a week for benefit purposes, like it or not.

4. PPACA requires each state to have a health insurance "exchange" to provide an alternative marketplace where individuals and small businesses will be able to purchase private health insurance coverage effective 1/1/14. Maryland has elected to create state-run exchanges. All groups are going to have to notify their employees about the exchanges soon, even though the exchanges are not operational yet.

5. Subsidized coverage is only available to low-income individuals who do not have a valid offer of group coverage, and it's only available through the "exchange." This means that if the employer provides an affordable and quality coverage option, their employees and their dependents can't peel away from the group and get reduced-cost coverage through the exchanges.

6. If an employer drops coverage and sends employees to the exchange, ALL of the employees, including those who do not qualify for the subsidies (typically the corporate decision-makers) have to go to the exchange for coverage too, and that coverage, is probably going to be much more expensive than their group coverage today (particularly with no government or employer subsidy)!

7. There are no business tax advantages to dropping coverage and paying penalties, and employees do not benefit at all from employer penalty dollars—that money just goes straight to the federal treasury.

8. For groups of 100 and less, the looming changes to how health insurance policies must be structured and priced and what they must cover may have a dramatic impact on premium costs.

9. None of the employer requirements have been officially released in a regulation yet, and employers are going to have to start complying in less than one year! The Obama administration needs to hear from employers about how they feel about this.

10. While this is a very scary and uncertain time, a licensed benefit professional can help families and businesses of all sizes work their way through it and ensure that you make choices that make the most sense for your needs and budget.

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