

Taming the Beast of Health Care Reform in Your Business

A few important questions you should be asking...

If you're worried or feeling overwhelmed about all the coming changes due to the Health



Care Reform (HCR), don't be. As complicated as it seems, there is help to navigate the waters. Officially called the Patient Protection and Affordable Care Act, HCR is bringing sweeping changes to all U.S. citizens and legal residents, whether they are currently covered through their employer, individually or not currently covered at all.

While the entire act is extremely complex, in essence, it [requires most U.S. citizens and legal residents to be covered by health care insurance](#) and provides a mechanism for access to "affordable" health care plans to everyone, regardless of preexisting conditions or other factors that may have prevented them from receiving coverage in the past. Individuals will be required to be covered or face tax penalties, starting in January, 2014.

How Does HCR Affect Your Business?

This is a great question that doesn't have a simple answer. However, the benchmark for determining the affects of HCR on your business is whether your company has 50 or more employees, or fewer than 50 employees. In this regard, the requirements under HCR, along with tax credits and penalties associated with HCR vary greatly. Kaiser Family Foundation has compiled a valuable summary of HCR that you can review [here](#).

If you have fewer than 50 employees, HCR will not have such a dramatic affect on how you administer your health care plans, but there are [changes that affect your business](#), including tax credits, plan coverage, renewals, maximum benefits and more.

Some of the most important questions you should be asking (or your employees will likely be asking) are the following...

For businesses with 50 or fewer *full-time equivalent* employees:

- Does your business qualify for early renewal of your current health plan for 2014?
- Can your employee's dependent child be now on the parent's health plan until age 26?
- Has the annual limit and lifelong maximum benefit amount changed?
- [Do you qualify for a small employer tax credit?](#)
- What does preventative mandate mean and how will that change?
- Do you know that your employees can now roll over some of your FSA contributions?
- Are your employees required to get their health insurance from you, as long as you offer health insurance?

For businesses with 50 or more full-time employees:

- Is every business required to pay for health insurance for their employees?
- What are the penalties if my company not in compliance?
- Can low income employees get subsidies from the government if you provide insurance for them? What about their dependents?
- What exactly does the California Exchange Program offer?
- What tax consequences does a company or family face in 2014?

While these are important questions, they won't be the only questions you have. Don't be caught unprepared for these sweeping changes. Now is an ideal time to get some help to be absolutely certain that your company is in compliance as well as taking advantage of all the credits that may be available to the business now. Our best advice is to [get a strategic HR consultation](#) to be sure your company is well-positioned for the HCR changes.