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Physician Profile – Walter Rayford, M.D.

Navigating the Road to ICD-10
Now that the effective date of the Affordable Care Act’s (ACA) so-called employer mandate has been pushed back by a year – to January 1, 2015 – employers actually have time to make a thorough assessment of whether and to what extent they will be required to finance health insurance for their workforces. Having time is a good thing. But even with the year-long delay, now is the time to begin assessing and making some key decisions.

The employer mandate requires that all “applicable large employers” (ALEs) offer full-time employees minimum essential healthcare coverage that is “affordable”. If coverage is not offered at all, or if the coverage offered is not affordable, the employer may face large monetary penalties. So what are the big issues for employers?

First, does the mandate even apply to you? While the definition of “large” is simple – any employer with at least 50 employees – the counting process can be tricky. If you are an employer who is on the bubble, there are decisions you can make now regarding your workforce that could pay huge dividends down the road.

Second, an ALE should determine which members of its workforce must receive an offer of coverage. Although all full-time employees must be offered coverage, the rules for when you count and who you count to determine who must receive an offer of affordable coverage are cumbersome and complicated. What measurement period will you use? What stability period will you use? What about temporary employees and part-time people?

Finally, if you are an ALE that must make an offer of coverage, what coverage will qualify as “affordable”? The ACA says your full-time employees must not have to pay more than 9.5% of their W-2 wages toward health insurance. But practically speaking, how do you know when that is the case? All of these questions must be answered. Employers who want to position themselves best for 2015 will start looking for those answers now.