

NO EASY CHOICES

Businesses try to understand health care reform mandates

BY JEFF ZBAR

Executives with CableOrganizer.com were in a health care quandary. Until this spring, the Fort Lauderdale company had 18 of its 45 employees on its company-funded health care plan. They wanted to raise the number of insureds so they could lower their monthly contribution costs. They also wanted to offer a plan affordable enough so more people would join, utilize preventive care – and fewer would call in sick.

Yet, high costs – and their inability to find plans that would cover those with pre-existing conditions – always kept the company boosting enrollment. The way the executives understood health care reform, the new law's mandates of covering pre-existing conditions could help.

"Because of the anticipation of the new bill and the hopes our employees seem to have, this has increased their confidence and encouraged more people to join," said Mildred Munjanganja, the company's VP and GM. "That has changed the mindset and made people a lot more comfortable with selecting health coverage they didn't have before."

CableOrganizer.com may be one of the lucky ones. Calls to various employers, insurance agents and companies were met with admissions of puzzlement. Many don't know how reform will affect their policy offerings. In a recent call to a health insurance provider, one small-business owner was told by the phone representative that he could change his existing policy to a different plan. But, the provider was still awaiting "guidance" from the federal government on what will be required in a plan. The rep's advice: Before making any changes, wait for the guidance to see how it could affect any policy offerings.

As plans unfold and new offerings are posted, business owners and company benefits administrators should do what they've always done – compare plans, offerings and costs, said Martin Kalish, an attorney, medical doctor and



Cableorganizer.com's Paul Holstein and Stephanie Kingslien, new products specialist, discuss health care plan options with Mildred Munjanganja.

partner in the health care law section at Miami law firm Arnstein & Lehr LLP.

"Nobody knows what plans will be offered," he said. Employees – and small-business owners – must "look at the basket, the premiums, the co-pays and out-of-pockets, and whether this is something we can afford as a company. Hopefully, they will ask if it's what employees can afford based on compensation."

Somewhat skeptical of the depth of reform, Kalish believes there's much yet to be determined in the actual rules and regulations that will be handed down from Washington. He's not even certain it will survive legal scrutiny, he said. While it's attempted to address economics and how to deal with the uninsured or underinsured, neither medical necessity nor quality of care have been directly addressed, he said.

Insurance providers – though still reviewing the rules and awaiting guidance from the government – are ramping up programs, options and marketing. Blue Cross and Blue Shield of Florida has four new retail stores with five more planned for 2011, said Doug Bartel, director of business development for the company's South Florida operations. Employers and consumers can discuss health and wellness, have a health screening, check for physicians on the plan, ask about offerings under reform and buy insurance.

"People need to understand

healthcare and benefits," he said. "Few small businesses are able to offer coverage right now, and South Florida is predominantly a small business community. We're trying to help them understand reform. Like they say at Syms, 'an educated consumer is our best customer.'"



Blue Cross Blue Shield of Florida has retail stores where consumers can discuss health and wellness and ask about plan offerings.

Business organizations are trying to provide guidance as well. The Greater Boca Raton Chamber of Commerce recently staged for local business owners a panel discussion with health care providers and ex-

perts, chamber President and CEO Troy M. McLellan said. The takeaway? Reform "has serious implications for the business community," McLellan said. "We're all trying to navigate our way through it. Unfortunately, we're going to have to deal with it."

Many of the decisions behind choosing the right policy under the new law "are independent of health care reform," said Mark Perlberg, president and CEO of Oasis Outsourcing LLC, a professional employer organization in

West Palm Beach. Reform brings additional complexity and a significant administrative and reporting burden – with potential fines and penalties for consumers and employers not in compliance, he said. To wit, the IRS apparently is ramping up hiring of agents to ensure compliance. Hiring an accountant or tax attorney versed in the new law may be advisable.

"They key is to have a set of options," Perlberg said. "The analysis of what a small business would offer isn't different. It's just more complicated."

At CableOrganizer.com, Munjanganja is trying to become educated. Before bringing in an insurance broker, they surveyed employees to gauge individual needs. How many were married with insurance through a spouse? Were parents having a hard time covering kids?

They then looked at offerings from a half-dozen providers before signing a new plan, she said. They weighed cost, deductibles, co-payments and out-of-pocket expenses. Though coverage is in place, executives remain uncertain how "reform" will play out, Munjanganja said.

"We don't know the entire facts surrounding the bill," she said. "There's so many opinions going back and forth, we're not 100 percent certain how they'll affect us. We're dealing with the unknown while trying to deal with the needs of the business and our employees."

