

Affordable Care Act: Small Business Strategies for Success

Delta Dental joined other state and local health leaders in Vail earlier this month to discuss the impacts of the Affordable Care Act on small businesses and share strategies for success.

The more than 60 small business owners and health benefits decision-makers in attendance demonstrated just how top-of-mind ACA remains among small businesses.

“Healthcare and the impacts of the ACA is the one issue more than any other that local business owners raise with me,” said event moderator **Chris Romer**, CEO of the Vail Valley Partnership, which represents more than 800 Vail-area businesses and organizations. “They want to know and understand the health care requirements and strategies for success.”

Panelists included Delta Dental of Colorado CEO **Kate Paul**; Vail Valley Medical Center CFO **Charlie Crevling**; **Jandel Allen-Davis**, vice president of government and external relations for Kaiser Permanente Colorado; Eagle County Public Health Director **Jennifer Ludwig**; and Mountain States Employers Council attorney **Ryan Sarni**.

Paul kicked off the discussion with key findings of Delta Dental’s **2014 Small Business Health Benefits Survey**:

- Half of Colorado businesses with 5 to 49 employees are considering new health plans, compared to 21 percent with 50 to 100 employees.
- Small businesses are feeling the impact of the Affordable Care Act (1 in 4 say ACA has impacted employee benefits “a great deal”).
- More change is expected (57 percent said they expect to see an even greater impact next year).
- Significant knowledge gaps exist (Only 41 percent feel knowledgeable about ACA and its impact on employee benefits).
- Despite the changes, small businesses say benefits are becoming more important in the future.

Starting in 2016, companies with more than 50 employees must have an ACA-compliant plan or face penalties, Allen-Davis said. Companies currently on “grandfathered” or “grandmothered” plans that were allowed this year will need to switch plans to be compliant, she said.

Cost is top-of-mind among small businesses, Allen-Davis said. Though premiums continue to increase across the country, there has been a leveling of the rate of increase following implementation of the ACA. Colorado saw some of the lowest premium increases, she said.

“It will take several years for the market to stabilize,” she said.

In the Vail Valley, ACA rules around seasonal employees are a particular area of focus, said MSEC’s Sarni. Workers who average fewer than 30 hours a week over a full year are exempt from ACA rules around full-time employees, and businesses must track those hours to remain in compliance, Sarni said.

While many employers report increased costs and confusion around ACA requirements, panelists noted a number of bright spots in the healthcare landscape in the Vail Valley.

“Our hospital is literally owned by the community,” said Crevling of the Vail Valley Medical Center. “We can solve community health issues here. We partner with agencies to meet community needs. Every dollar spent in a community hospital is spent in the community.”

VVMC partners with other regional providers to bring new services to the area and keep costs low, Crevling said.

Also, the number of insured individuals in Eagle County has grown significantly in recent years, driven by Medicaid expansion and the implementation of the ACA, said Ludwig of Eagle County.

Ludwig said the county is focused on helping individuals find a medical home and making use of their prevention benefits in their insurance, which can be especially challenging among newly insured.

The health department also is working to spread its **Health Links worksite wellness program**. Health Links is a nonprofit initiative spearheaded by health and safety experts at the Center for Worker Health and Environment within the Colorado School of Public Health. Every dollar spent on worksite wellness is \$6 in savings,” Ludwig said.

Romer asked about the ROI – return on investment – of dental insurance.

“For a single cavity, the lifetime cost is \$3,600, which is why I think pediatric dental coverage is required under the ACA,” Paul said.

That cavity can be prevented with fluoride varnish that is included with most/all dental plans, Paul said.

For adults, the ROI of dental coverage comes with the treatment and prevention of gum disease, which increases the incidence of heart disease, diabetes and low birth weight babies.

“The link between oral health and overall, systemic health is immense,” Paul said. “We can take care of ourselves by taking care of our mouth.”

Panelists offered strategies for businesses considering their options:

- Businesses with fewer than 25 employees may be eligible for tax credits through the state’s **Small Business Health Options Program (SHOP)**.
- Mountain States Employer Council members have access to a **free online tool** to determine their specific requirements under the ACA.
- Consider dental coverage: it is **one of the most popular employee benefits** and offers immediate ROI.
- Explore options for “embedded” plans that include both health and dental coverage.
- No matter what coverage you choose, make sure your employees understand their coverage and how to use it.