

# MCINNES GROUP, INC.

## P.P.A.C.A. COMPLIANCE CALCULATOR



### *It's time to give your health plan a check-up*

*If you are taking a "Wait and See" attitude about the New Healthcare reform regulations then you are already behind your competition.*



5201 Johnson Drive / Suite 100 / Mission, KS 66205

T 913.831.0999 / F 913.831.2333

[www.mcinnesgroup.com](http://www.mcinnesgroup.com)

## **Healthcare Reform is Here, Now what are you going to do?**

The Patient Protection and Affordable Care Act (PPACA) will forever alter the way that your employee benefit plan is structured. In fact, it may even change the way you do business! The fundamental changes required by PPACA will impact your plan even if you have a well structured plan currently in place. Additionally, the significant changes required to make your plan compliant cannot be implemented overnight.

PPACA requires employers that have not been providing quality medical coverage to now add these benefits. But the new healthcare reform bill applies to all employers, so even those that currently offer a quality benefit plan have the headache of compliance and exposure to potential taxes or penalties. Wouldn't it be nice if you had a strategy that not only complies with PPACA, but modifies your plan to minimize or avoid compliance costs and keeps your plan one step ahead of your competition!

The McInnes Group has designed a proprietary **PPACA Compliance Calculator** to help you understand the regulations and select the best option for your company. Like most comprehensive legislations, PPACA is full of potential traps and opportunities. Every employer must develop a plan for compliance. Unfortunately if you don't choose a pro-active strategy, PPACA will select a strategy for you and that may be costly.

By using our calculator, a company will be able to see the impact of PPACA on their current plan and the costs associated with "minimum compliance". Unlike most other analyses that stop there, our unique approach goes on to show alternative compliance strategies and calculate the estimated cost of each one. Using this step by step approach, we can help you identify clearly and easily, which strategy will be best for you. And since you will now have this information, you can begin implementation of the strategy now, giving you a head start on your competition.

### ***Here's what you will get from your PPACA Compliance Calculator:***

**A summary of PPACA and the latest regulations based on the consensus view from a wide range of independent sources.**

**An estimate of the cost for the required medical plan modifications .**

**An analysis of the three basic compliance strategies along with the estimated cost of each approach.**

**A review of the other tax implications of PPACA such as the Small Business Health Care Tax Credit and the Cadillac Tax Penalty.**

**A detailed recommendation for PPACA compliance based on the unique facts of your company, not a canned recommendation. We will provide a step by step timeline for implementation of the strategy recommended taking you through the process up to 2018.**

**If you select The McInnes Group as your broker/consultant you will also get ongoing updates to your compliance strategy as new regulations are issued. This includes periodic e-mail updates on key PPACA compliance issues, reporting requirements, sample forms, employee notices etc....**

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### ***Why shouldn't I just wait for the final Regulations?***

PPACA was a very comprehensive bill (over 13,000 pages). While final regulations will provide additional detail, the fundamentals of the reform are clear and your strategy for compliance can be selected now. As the regulations are published, the specific steps for compliance can be adjusted, but the overall strategy will probably not change.

### ***Still, shouldn't I wait and create a plan with all the details for compliance?***

Unfortunately, many of the changes required by PPACA may fundamentally alter the way you do business. Hiring, retention and staffing may all be drastically affected by the strategy you select. Making these changes will take time. In addition, selecting the right workforce in this new environment will be critical. So being the first in your industry to understand this fundamental change will put you at the front of the line, giving you the advantage over your competition.

### ***But most of the changes required for 2010 don't seem too costly, maybe I should just make these minor changes required in my current plan and implement a final strategy for 2014?***

It is true that for some employers the plan modifications required by PPACA for 2010-2013 may appear minor but these minor changes will have an impact on your next renewal. Unfortunately, the strategy to address the annual rate increases for most employers in recent years has been to reduce benefits and/or increase employee contributions. In 2014 employers will be severely limited in their plan designs and contribution levels or expose themselves to serious penalties and/or voucher costs. It is important to understand these limits now. The old renewal strategy of reducing benefits/raising contributions have changed and you must understand this new dynamic today in order to avoid drastic changes in 2014 and duplicating work for your HR department.

### ***My carrier/broker seems to be doing a good job of updating me on the new requirements of PPACA, why do I need to have a complete review?***

Like all major legislative reforms, PPACA was designed to address certain specific shortfalls of the current healthcare benefit system by mandating enhancements. These mandates are being implemented by most carriers and the additional cost will ultimately be passed on to you, the employer. But what you may be missing is that **PPACA also contains many opportunities to reduce medical plan costs**. In addition, PPACA creates a whole new set of rules for your employee benefit plan. If you understand these new rules and design your plan wisely, not only can you minimize your overall cost of compliance, but maybe even see a net reduction in the cost of your plan! In either event, development and implementation of a long term, comprehensive strategy for compliance will put you at a competitive advantage, making you the "employer of Choice" in your industry.

***Please call us for more information. Thank you.***

**913-831-0999**

