

Provisions in place to help small businesses affected by Affordable Care Act

By ANN BOWDEN-HOLLIS

Many articles have been written by now on the June 28 decision by the U.S. Supreme Court to uphold most of the provisions of the Patient Protection and Affordable Care



Bowden-Hollis

Act. This column will focus on the provisions of the ACA that affect small businesses, a term defined generally as those for-and non-profit businesses having up to 50 employees.

The ACA does not require small employers to provide health insurance to employees. The Employer Responsibility section of the ACA applies to businesses with more than 50 employees. Each state will determine what insurers are required to cover in small employer plans. For more information on Mississippi's requirements, contact Insurance Commissioner Mike Chaney's office at www.mid.state.ms.us or at the coast branch office at the Bolton State Office Building, 1141 Bayview Avenue, Suite 404, Biloxi, MS 39530, 228-374-2240 or 2241.

In a recent press statement, Chaney said, "We will continue to consult with Gov. Bryant, Lt. Gov. Reeves and the Speaker of the House about the impacts of the (U.S. Supreme Court) ruling on Mississippi. We are mov-

ing along in development of a health insurance exchange, which will increase access to health insurance and stabilize costs for small employers."

In fact, the Mississippi Health Insurance Exchange Advisory Board meets next in Jackson at the Woolfolk State Office Building, on July 11. This is in sharp contrast to our sister state Louisiana, where Gov. Bobby Jindal has been reported as saying his state would not implement the health-care law. Rather, he will work to have the law repealed, warning that its mandated individual care provisions would lead to the government forcing Americans to eat tofu.

The ACA offers financial incentives to small employers to offer their employees health insurance. A for-profit small business with no more than 25 employees that pays an average annual wage below \$50,000 and provides health insurance can qualify for a small business tax credit of up to 35 percent to offset the cost of the insurance. (It is up to 25 percent for non-profits small employers.) In 2014, that tax credit goes to 50 percent (35 percent for non-profits) for qualified businesses.

One of the difficulties small employers have faced in the past is the difficulty of obtaining affordable health insurance options for their employees. Under the ACA, health insurance companies cannot turn down small employers

with two to 50 employees based on the health status of the employees or dependents. Additionally, the insurer must accept everyone in a small employer group; insurers no longer can exclude members with certain health conditions as long as the employer offers dependent coverage. Finally, health insurers must sell to a given small employer any small health plan the insurers sell to other small employers within a particular state.

Also starting in 2014, small businesses with fewer than 100 employees will be able to shop an Affordable Insurance Exchange. These exchanges are new, transparent and competitive arrangements in which small businesses will be able to purchase affordable, quality health plans for their employee groups. The purpose of the exchanges is to give to small employers the type of power large employers now enjoy — to buy higher-quality plans at lower costs. More information about what specifically Mississippi's Affordable Insurance Exchange will offer should be forthcoming from the Insurance Commissioner's office as that office works out the details of that exchange. Readers can monitor the Commissioner's website for announcements regarding the Mississippi Exchange.

One thing known now is that through guaranteed renewal, small employer group insurance will not be cancelable for the group or any member just because someone

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gets sick. In the past, especially in small groups, the serious illness of one employee could affect the ability of the employer to obtain renewal of the group coverage, sometimes at any price.

Some misinformation appeared in various places shortly after the ACA became law in 2010 regarding taxability of insurance costs. Optional in 2011, beginning in 2012, employers must report the cost of insurance on their employees' W-2 forms. The purpose of the reporting requirement is to give employees a more transparent picture of their actual health care costs. Some have said this type of transparency can lead to less utilization of health care by covered employees, thus lowering the cost to the employers of the health insurance they provide.

For an informative website about the ACA for small and large businesses alike, go to www.healthcare.gov. Among other topics, the site provides information about insurance companies, rate increases, managing insurance, Medicare, and other insurance topics of interest to all businesses.

Ann Bowden-Hollis is a senior attorney with Butler, Snow, O'Mara, Stephens & Cannada, PLLC, a law firm with offices in Gulfport, Bay St. Louis, and other cities and states. She is a member of the Labor and Employment Practice Group and has been practicing law for more than 30 years. If you have a question of general interest that you would like to see addressed in this column, send an email to ann.bowden-hollis@butlersnow.com. The column is for topics of general legal interest, and is not intended to be substituted for legal advice.

five minutes with ... Chett Harrison

Chett Harrison: Hancock County needs more rooms to grow tourism

Chett Harrison began his career at Copa Casino in Gulfport, and then became marketing director at the Palace Casino before moving to Boomtown Biloxi in the same capacity. He became



Harrison

Boomtown's assistant general manager after helping it reopen following Hurricane Katrina, then became general manager.

Two years ago, he was named vice president and general manager of Boomtown's sister property, Hollywood Casino in Bay St. Louis, where he oversees Hollywood's casino, hotel, golf course and RV park.

Harrison, who was recently selected as one of Sun Herald MultiMedia's top business leaders, is currently vice chairman of the Mississippi Casino Operators' Association, a director of the Hancock County Chamber of Commerce and the Hancock County Tourism Bureau, and a member of the board of the Gulf Coast Regional Tourism Partnership.

Q: You've been involved in the casino business across the Mississippi Coast. Does operating a casino in Hancock County require a different business model as opposed to Harrison County?

A: Not really. The fundamentals of operation remain the same, however, you do not get the cross play from other properties since there is no other nearby. With that you need to

have products that make you a destination instead of a secondary visit.

Q: Do you think there will be further casino development in Hancock County? Why or why not?

A: That's hard to say. There always seems to be someone who is willing to invest money in our business. With the market remaining flat with little growth, I suspect lenders would be cautious in any competitive market.

Q: What does Hancock County need to further develop its tourism industry or has it grown to its limit? Is there anything planned tourism wise that you can share?

A: Rooms. I think the market needs additional sleeping rooms whether it's condos or hotels.

Q: As a director with the Hancock County Chamber of Commerce and the Tourism Bureau, how do you balance non-gaming tourist attractions and their impact on the casino business? Do they complement each other or compete?

A: They surely don't compete. People can gamble almost anywhere in the country. As such, we need non-gaming attractions to make a complete experience for our visitors. The average playtime in a casino per visit is around three hours per day. That leaves a lot of time that needs to be occupied, and good attractions, restaurants, beaches, golf courses, etc., are what fulfill that need and create return visits.

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