

## FOCUS

ST. LOUIS  
BUSINESS JOURNAL5 questions with: Kelly Weis,  
Brown Smith Wallace

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Last week, the federal government decided to again push back a portion of the employer mandate that's part of the Affordable Care Act for health insurance.

Companies with 50 to 99 full-time equivalent workers now have until 2016 to offer health insurance to workers or risk a tax penalty. Businesses with 100 or more full-time-equivalent employees will have a phased-in approach and must offer coverage to at least 70 percent of employees next year or face a tax penalty. With health care reform regulations continuing to change, we spoke with certified public accountant Kelly Weis, principal in the audit services group, with a focus on health care at Brown Smith Wallace. The firm expects revenue generated by health care clients to increase more than 50 percent in 2014. Brown Smith Wallace employs more than 90 certified public accountants.

#### When it comes to health care reform, how should businesses prepare?

A critical piece is they have to make sure their employee handbook is up to date with the current health care reform laws. It has to be supportive of the new laws. Your company policy can't be more strict than the general law. For a lot of companies, their handbooks still say employees are eligible for insurance when they work 32 hours or more a week, but that's not the case (the law is now 30 hours per week).

#### Thanks to health reform, children can stay on their parents' insurance up until the age of 26, but how are you advising companies to protect themselves from covering children who are no longer eligible?

By law, you're eligible to receive insurance until you're 26 years old if you're still a dependent. But how do you define a dependent? By using tax returns to see if the parent is still claiming the child as a dependent on their tax return. The company should ask for a copy of the child's birth certificate so the HR department knows when a child should stop being eligible for coverage. But companies should, again, address this in their employee handbook.

#### What do businesses sometimes overlook in preparing for health care reform?

First, I think they need to look at the whole health care legislation and its impact strategically, prior to any implementation action. Companies have to have strong IT systems. All of these recording and reporting practices of health reform require a more robust HR system than what a lot of companies currently have in place. There is not one standard system out there. They have to be able to track and report real-time data in terms of how many hours people are working. If you have a lot of shift workers, and someone doesn't show up the first shift, all of a sudden you have less than 30 hours and now someone else is likely to have more than 30 hours, which triggers the benefit reaction. You have to have somebody to manage that.

#### What is the most common question businesses are asking you?

Employers are focused on what it's going to cost them. More detailed questions



*"Employers are focused on what it's going to cost them. More detailed questions include: What options do I have related to spousal coverage?"*

**KELLY WEIS,**  
Brown Smith Wallace

include: What options do I have related to spousal coverage? What tax laws are applicable to my specific situation?

#### What's your biggest challenge?

The rules are constantly changing and it makes it very difficult and frustrating for clients. We're doing our best to keep people abreast of what the changes are via our Web blasts and individual conversations with clients. I believe with the latest round of changes that were implemented within the past few weeks, reform will continue to evolve.