

## Make the Most of ACA

July 2017

For now, the Affordable Care Act (ACA) is here to stay. Assurance Agency VP [John Rutledge](#) suggests interesting ways staffing firms can simplify their administration of health insurance benefits and use these to attract candidates in a tight labor market. Following are some key recommendations:

- For larger staffing firms, consider combining temporary worker health insurance plans with internal staff plans as this can significantly lower overall costs, due to contingent workers' low claim rates.
- Staffing firms' greatest financial risk is lack of compliance with federal, state and local benefit rules, not the number of people who sign up for benefits. Thus, all staffing companies should have an Employee Benefits Administrator. As a rule of thumb, a part-time administrator can manage a headcount of 250 eligible employees, and 500 warrants a full-time person.
- Along with a dedicated staff person, use a technology platform to streamline employee benefits administration. Many staffing firms of all sizes are moving toward self-service systems that use an online portal and call center support to enable employees to view benefits, enroll in or waive coverage, and manage benefits and changes. This can reduce your administrative time by half and results in better enrollment decisions by employees.
- Not all employee benefits management systems are alike. Be sure to find a vendor that understands the staffing industry.
- In tracking workers' eligibility for health insurance, stay away from the look-back method. It's misunderstood, often used incorrectly, and can leave you very exposed in an audit situation. The monthly method is much simpler and although it involves offering coverage to all full-time workers, very few people take the coverage so your costs are unlikely to substantially increase.
- To further streamline your process, make the offer of health insurance coverage during the onboarding process. If your benefits database is integrated with payroll, an employee's elections will automatically go live upon becoming eligible.
- Use health insurance benefits to better compete for talent. Health insurance is a top priority among job seekers and a key driver of worker satisfaction and loyalty.
- Develop a benefits "package," not just an ACA strategy, that's tailored to the demographics of your workforce and offers options that best fit their age, gender and other characteristics.

You can view John's full presentation, including a review of staffing industry health insurance plan options and costs, in the Lunch with Haley webinar recording, [ACA Redone](#).