

Health Care Reform - Through the Looking Glass

On February 25, 2011, the Freeborn & Peters Business Law Group, in conjunction with Baker Tilly Virchow Krause, LLP, an accounting and advisory firm, conducted a program entitled ***Healthcare Reform - Through the Looking Glass***. Members of the panel included Jeffrey R. DeYoung, Regional Managing Partner of Baker Tilly, Edward J. Hannon, Partner at Freeborn & Peters, Steven A. Mange, Senior Counsel at Freeborn & Peters, Brian D. Quandt, Senior Manager at Baker Tilly, Thomas R. Sobocinski, Director of Healthcare at Baker Tilly, and Michael F. Tomasek, Partner at Freeborn & Peters.

After opening remarks from Jeff DeYoung of Baker Tilly and Ed Hannon of Freeborn & Peters, Tom Sobocinski of Baker Tilly began the panel presentation by discussing various public policy issues related to healthcare reform. He focused on issues related to the costs of healthcare reform and remarked on state programs that are similar in nature to the contemplated federal program, including those in Massachusetts and Utah.

Next, Michael Tomasek of Freeborn & Peters summarized the current status of the law as it relates to employer-provided group health plans, and discussed aspects of the Affordable Care Act that will apply beginning in 2014. Specifically, Mike highlighted the penalties applicable to employers who do not offer health coverage and the individual penalties that will apply to most individuals who choose not to obtain health insurance. Mike also addressed the political status of the Affordable Care Act, discussing the heated debate currently underway in Congress. He then analyzed the various constitutional challenges to the Affordable Care Act and concluded with recommendations related to how employers should proceed in the current uncertain environment.

Steven Mange of Freeborn & Peters discussed healthcare reform in Illinois, with a focus on the Illinois state health insurance exchange authorized by the Affordable Care Act. Steve noted that the Illinois exchange will be designed to make health insurance more affordable and easier to purchase for individuals and small businesses. Steve indicated that the underlying intent of the insurance exchange is to create a more organized and competitive market for health insurance by presenting a choice of plans, setting up common rules regarding the offering and pricing of health insurance, and giving consumers information to help them better understand the various options available to them.

Finally, Brian Quandt of Baker Tilly focused on various record keeping and tax aspects of the Affordable Care Act. He discussed the expanded Form 1099 reporting requirements created by the Act as well as efforts that are underway to repeal those requirements. Brian also discussed various other tax changes contained in the Affordable Care Act, including the 0.9% increase in the Medicare tax on earned income and the 3.8% tax on unearned income for higher income individuals. Brian noted that the changes contained in the Affordable Care Act may lead to significant tax planning opportunities.

This program was another example of the Freeborn & Peters Business Law Group's efforts to present timely and relevant business management information. For more information on how the Affordable Care Act might impact you or your business please contact Michael Tomasek at 312.360.6538 or mtomasek@freebornpeters.com.