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AREA HEALTH CARE FORUM

Lawyers are winners in healthcare reform

Increases in regulation will cost insurance companies, businesses and health providers more



By **AMY McCULLOUGH** | STAFF WRITER
amy.mccullough@msbusiness.com

With the Health Care Reform Act and corresponding Reconciliation Bill totaling more than 2,000 pages, the only professionals who have time to read and attempt to interpret the new law are lawyers, accountants and other consultants who are paid to do just that.

Although all the impacts of the bill are unclear, employers can be sure of at least one thing: The increases in regulation will cost insurance companies, businesses and health providers more money. Lawyers, accountants and consultants will find job security in directing industry professionals through the new bureaucratic maze.

In Mississippi, tax and financial planning firm HORNE LLP, as well as law firms like Butler, Snow, O'Mara, Stevens & Cannada, PLLC, and Brunini, Grantham, Grower & Hewes, PLLC, continue to hold webinars and forums to educate the public at no charge. Non-profits such as the Greater Jackson Chamber Partnership and Mississippi Economic Council (MEC) have also facilitated discussions on the act for their members.

Gene Magee of Butler Snow's tax group said in a recent forum that specific changes to insurance plans that can be offered by employers are being released by the federal government in waves, which may more appropriately be referred to as "tsunamis."

Magee also warned that government agents would be writing regulations for industries in which they had no practical experience, which may make the mandates more cumbersome to follow.

The firm members read updates as they are released, updating their clients and not knowing what the next day may bring.

Cheri Green, lawyer and health industry expert with Brunini, said she certainly can't put a figure on the growth, but predicts increased job security particularly for accountants and tax consultants. She predicts small business owners who can't afford an army of consultants will send employees to the American Health Benefit

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Exchange, which will exist in 2014.

Employers will do the math on what will be cheaper — providing mandatory health coverage for their employees, or paying the penalty and turning workers loose to the exchange, which will be similar to a shopping mall of health insurance policies.

HORNE partner David Williams has said that although the Reform Act has been passed, regulations for much of its mandates have not been written yet, and those will be the "devil in the details."

Many of the regulations will be delivered in new tax code, written by the IRS, which will keep CPAs busy.

State Insurance Commissioner Mike Chaney has said his office sits in on daily conference calls with federal officials regarding the changes, often receiving "we'll get back to you on that" in reply to questions.

In addition to insurance policy changes, the Reform Act contains quite a few provisions regulating hospital and provider practices. For example, providers will be penalized for "excessive readmissions" and be required to comply with mandates from a new federal agency — the Center for Medicare and Medicaid Innovation — scheduled to be created in 2011.

Hospitals are assembling teams of experts, analyzing costs and looking for ways to streamline procedures.

As requirements for expensive electronic health records systems come into play, information technology professionals are another group that will also reap the spoils of reform.