Staffing Firms Struggle to Meet Health Insurance Mandate

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The article "Staffing Firms Struggle to Meet Health Insurance Mandate," posted on *SHRM Online* May 21 featured quotes by Houston Partner Kevin Troutman. The article reported that staffing firms in the U.S. are struggling to comply with the Patient Protection and Affordable Care Act's (PPACA) requirement that they provide health insurance to full-time employees or pay penalties starting in 2014. The staffing industry is having a particularly tough time planning to comply with the PPACA because they depend heavily on temporary employees and those who work varying hours. Traditionally, the staffing industry has offered limited or no benefits to temps, who, under common law, usually are considered to be employees of their staffing firms rather than of the companies to which they are assigned to work for weeks or months at a time. Now, the PPACA and associated regulations will require staffing firms to treat temps who meet the 30-hours-per-week threshold as full-time employees for health coverage purposes. Although compliance mistakes by staffing firms will be inevitable at first, Kevin's advice to these firms is: "Build a documentation trail to demonstrate a good-faith effort to comply." He also recommends that staffing firms collaborate with their brokers on finding coverage that works for them. He said that finding the right broker is crucial. "You need people you can trust and who will stick with you through this process."

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A. Kevin Troutman
Senior Counsel
713.292.5602
Email

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