

Legal Loopholes to Skirt the Cost of Health Reform

News

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Irvine partner and member of the firm's Employee Benefits Practice Group, Sheldon Blumling, was quoted in the July 6 *Orlando Business Journal* article "Legal Loopholes to Skirt the Cost of Health Reform." The article quoted several lawyers and CPAs about strategies to minimize the economic impact of the Patient Protection and Affordable Care Act on employers. One of the provisions of the law requires every company with 50 or more full-time employees to provide workers with a health insurance plan or pay a penalty. One idea to get around this provision is to restructure your company. Sheldon said that the way the law is written, the 50-employee minimum does not apply strictly by incorporated entity. It's based on controlling interest. That being said, you could split your company up. But, he added, "It's rare that the tail is going to wag the dog that someone will bring in outside ownership to get around a rule. I don't see that as viable."

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