

## **Health Care Reform -- What It Means for CPAs**

*By the staff of AICPA's Private Companies Practice Section and Business, Industry and Government Section, in collaboration with Robert J. Cimasi of Health Capital Consultants.*

On March 23, 2010, President Obama signed the Patient Protection and Affordable Care Act and one week later, the Health Care and Education Reconciliation Act of 2010. These two laws (collectively referred to as "2010 health care reform legislation") will have a substantial impact on health care providers, insurers, employers and individual citizens. Whether working in practice or in industry, CPAs need to understand these changes to grapple with them in their firms, effectively advise their clients or organizations and understand the changing business and financial environment and risks these reforms may herald.

### **The Impacts**

The health care reform laws will have wide ranging impacts for employers. Some of the impacts affect all employers. In addition, there are specific impacts for individuals. Virtually all of these impacts have implications CPAs should consider in addressing issues for themselves, their firms, their clients and their organizations.

### **Grandfathered Plans**

It should be noted that the 2010 health care reform legislation provides special rules for grandfathered health plans. A grandfathered health plan is any group health plan or individual coverage that was effective on March 23, 2010, the date of the new legislation's enactment. The health care legislation allows the employer to maintain current health coverage for individuals that are already enrolled in plans and for subsequently enrolled family members and new hires, which will not negate the grandfathered status as long as the plan allowed for dependent/family coverage on March 23, 2010. Collectively bargained agreements are grandfathered until the date on which the last of the collective bargaining agreements relating to the grandfathered coverage terminates.

### **Resources for CPAs**

In order to help CPAs cope with the impacts of this new legislation, AICPA's Private Companies Practice Section and its Business, Industry and Government Section have collaborated with Robert J. Cimasi of Health Capital Consultants to produce *Health Care Reform: A Primer for CPAs*. This 12-page resource provides a comprehensive overview of the laws' provisions and corresponding specific implications for CPAs working in industry and practice. It addresses the unique "need to know" information of each, categorized by employer size and individuals so you can quickly get to the content that matters most. The full [white paper](#) is available to all AICPA members.

### **Watch for a Three Volume Set on Health Care Issues Coming Fall 2010**

Robert Cimasi and his team at Health Capital Consultants are hard at work on even more in-depth resources for CPAs consulting on health care issues and with health organizations. In fall, 2010, AICPA will publish *The Adviser's Guide to Health Care: An Era of Reform*. This will be the first book in a three volume set addressing the regulatory, competitive, reimbursement and technological forces that shape health care delivery and health care reform in the United States, with special attention to the unique impacts for CPAs and the consulting and service delivery opportunities that may exist. To be placed on a list to receive notice when this series releases, email [acquisitions@aicpa.org](mailto:acquisitions@aicpa.org).