



Survey Finds Employer Preparedness for the ACA Appears To Be on an Upswing, but Small Business Lags in Awareness of SHOP Health Exchanges

LOS ANGELES – May 13, 2014- With the first round of employer mandates required by the Affordable Care Act (ACA) set to begin in 2015, a new survey finds that employers appear more informed about their companies' options for providing health insurance than employers interviewed last year.* In a 2013 benchmark study, only 37 percent of employers reported being very informed about their companies' options for providing health insurance; in the 2014 study, 69 percent report being very informed. 2014 results come by way of a new [national survey](#) of over 300 employee benefits decision makers conducted online in March and April by Harris Poll on behalf of the [Transamerica Center for Health Studies](#)SM (TCHS) and released today.

Among small businesses, the survey revealed that only six in 10 (59 percent) of those with fewer than 50 full-time equivalent employees are aware of the new Small Business Health Options Program (SHOP), compared to eight of 10 businesses overall (79 percent).

“This may be an area where more education is needed,” said TCHS Executive Director Hector De La Torre. “Small businesses with fewer than 50 FTE employees are currently the only businesses eligible to participate in SHOP, yet four in 10 do not know about it. Businesses of this size employ nearly 34 million workers, according to the Small Business Administration, so it’s a significant gap to address.”

The TCHS survey, “[Pulse Check on Employer Preparedness for the ACA](#),” also found that 28 percent of employers actually expect their number of employees to increase due to the ACA, compared to 15 percent that expect the number to decrease. Most employers (64 percent) plan on taking some action to comply with the ACA, with 19 percent planning to change plan options and 17 percent planning to change insurers.

Other key findings from the survey include:

- Roughly three in 10 (29 percent) employers are researching alternative actions that may not require strict adherence to ACA mandates.
 - Almost a quarter (23 percent) of U.S. businesses are researching reductions in employees or full-time employees in preparation for changes related to the ACA.
 - A third of businesses with 100+ full time employees (33 percent) are researching reductions.
 - Fifteen percent are calculating the cost of the tax penalty vs. the cost of providing insurance.

- Most medium size (50-99 full time employees) employers are aware of the ACA mandate deadline extension.
 - Ninety-one percent of employers with 50-99 full time employees are aware that the deadline for companies of their size to offer employees health care insurance by January 2015 was extended to January 2016.
 - Virtually all (98 percent) employers of this size were aware of the mandate in the first place.
- Significantly more minority-owned businesses (85 percent) and women-owned businesses (73 percent) are taking actions in preparation for the ACA than non-minority, owned businesses (58 percent).

To view the survey please visit: <http://bit.ly/1lpifNY>

For more information, visit: <http://bit.ly/1smzRGV>

ABOUT THE SURVEY

Pulse Check on Employer Preparedness for the ACA is a follow-up survey to TCHS' September 2013 benchmark study of the U.S. general adult population and employers regarding their attitudes toward health care. The "Pulse Check" survey assesses employers' level of awareness and preparation given the ACA mandates directed at businesses. TCHS commissioned Harris Poll to conduct the online survey among 303 employee benefits decision makers between March 26 and April 7, 2014. TCHS is not affiliated with Harris Poll.

No estimates of theoretical sampling error can be calculated; a full methodology is available upon request.

*When comparing to the 2013 benchmark study, please note the 2013 qualifications were less restrictive: 1) Respondents with at least shared decision making responsibility for employee benefits (2014 respondents were required to be primary decision makers) and 2) Those with titles other than Owner, CEO/Chairman, Director of HR, or Benefits Manager were able to qualify for the survey as long as they met the other qualification criteria.

ABOUT THE TRANSAMERICA CENTER FOR HEALTH STUDIESSM

The Transamerica Center for Health StudiesSM is a division of the Transamerica InstituteSM, a nonprofit, private foundation. TCHS is dedicated to identifying, researching and analyzing the most relevant health care issues facing the public today. TCHS helps to inform the national health care conversation by bringing clarity and confidence to complex health care and health coverage decisions. Through the development of comprehensive, unbiased tools and the publication of its research findings, TCHS offers Americans a personalized way to navigate the financial implications of health care decisions.

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