

## Small Business Field Hearing Testimony for Jean Simpson Personnel Services

The recent Affordable Care Act has impacted our business greatly in numerous ways as well as our customers that we provide staffing for in a negative manner by the numerous extra costs it forces our company to bear along with our customers. Keeping up with all of the information that has been changing and evolving as the legislation concerning all of the Obamacare regulations is revealed has required us to create a 40 + week position to do so. There are so many variables with the legislation it makes it extremely difficult and confusing to keep up with and to lay out a doable plan for tracking. Also to have in place some sort of checks and balances to prevent employees from slipping through the cracks where there are gray areas. It is all confusing for us, which makes it very difficult to explain to our employees which are primarily made up of the blue collar working class, that mostly barely have a high school education. In the staffing business an employee's status can be ever changing. So keeping up with whether an employee is a variable, non-variable, Part time, or a seasonal employee when it can change repeatedly throughout their duration with us as an employee is a huge challenge and takes constant monitoring. You have measurement periods to track, Administrative periods, stability periods, and also breaks in service that all have to be monitored.

One of the most confusing things that is a huge part of this legislation is calculating what is considered your "FTE's" (Full Time Equivalent) employees. Most businesses "assume" they are safe because they have "part time" workers. But in all actuality if a company has enough "part time" workers they may be vulnerable to a fine due to the way that an Employer's FTE's are actually figured. They are figured on hours worked, not necessarily the "number" of employees you employ. The calculations can be overwhelming.

In the staffing business, we do not always know if a person is going to be working 30+ hours per week. Employees, as part of their continuing employment, can reject assignments, typically work 40 hours per week on assignments of less than 13 weeks, and typically have periods where no assignments are available. We have anywhere from 600-800 employees on our payroll on a weekly basis, not always the same employees. Someone has to track all of this. Very little easily understood information and/or guidelines have been provided along with this legislation to employers. We have to figure out our own tracking methods and hope that we are able to provide all of the information that is to be required when it comes time to report all of this. Which will be a lot more hours that someone within our company will have to spend to compile. We are offering a wellness plan which is what gets us over the "A" tax. This only leaves us vulnerable to the "B" tax if someone actually qualifies and receives a subsidy. We have been forced to learn, know and understand healthcare insurance. We also have to allow time to explain to our employees the insurance offered to them, when their main concern is primarily to find employment. The wellness plan that we offer costs \$65.28 per month for an employee only. So a person earning \$8.00 per hour would have to work a little over 8 hours to pay for this before they are able to earn any money to provide for their self. This is a total of \$783.36 per year, which is a much greater amount than what someone's "wellness" visits should be. When if they elect to just pay the fine, based on that income, would be \$124.80. (If they are the only person earning income in that household.)

This legislation does not help the average people who did not have healthcare coverage before, it puts a greater burden on them.

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