

ATLANTA BUSINESS CHRONICLE

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Souper Jenny opens a third location. 3A

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Doug Hooker and Kerry Armstrong at the State of the Region breakfast. 6A



Zoo Atlanta CEO Raymond King: 'It will permanently redefine our future.'

ZOO EXPANSION ROARS TO LIFE WITH \$20M GIFT FROM WOODRUFF

BY MARIA SAPORTA
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In what is being called a "once-in-a-lifetime" opportunity, Zoo Atlanta has received an historic grant from the Robert W. Woodruff Foundation.

The gift, which will match gifts of up to \$20 million, is launching Zoo Atlanta's new

\$38 million capital campaign to expand the land area by 5 acres, to preserve the historic facade of the Cyclorama building while constructing a state-of-the-art event space on the back side of the building that will overlook an "African Savannah" where

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CITY BOOSTERS TO STATE: PEACHTREE IS A VITAL ARTERY

BY MARIA SAPORTA AND DOUGLAS SAMS
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With hundreds of millions of infrastructure dollars at stake, Atlanta economic development boosters want to make sure city and state political leaders don't overlook a more than 8-mile stretch of Peachtree Road — from the heart of downtown to Buckhead.

The leaders of three community improvement districts in downtown, Midtown, and Buckhead, have teamed up to fund a study of the Peachtree corridor. The reason: underscore its role as a magnet for investment and development.

City boosters want that message to resonate with state leaders who spent the summer studying transportation

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The health insurance puzzle: 2015

With open enrollment starting, businesses, employees brace for changes.

STORY BY Ellie Hensley, 28A



WOMEN IN TECHNOLOGY

WIT sets vision for the future.

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COVER STORY



PHOTO/SHUTTERSTOCK/
PHOTO ILLUSTRATION BY JAMES C. WATTS

Businesses gear up for health insurance changes

MORE EMPLOYEES WILL BE OFFERED COVERAGE IN 2015 AND MORE INSURERS WILL PARTICIPATE IN THE GEORGIA EXCHANGE

BY ELLIE HENSLEY
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In 2014, changes in the health insurance landscape were as certain, and to some, just as dreaded, as death and taxes. The implementation of the Affordable Care Act ushered in an era of change, even for states like Georgia, which didn't opt to expand Medicaid or set up its own marketplace on the exchanges.

Regardless of their type of coverage, no one was safe from the upheaval.

According to 2013 statistics from the Kaiser Family Foundation, a majority – 53 percent – of Georgians under the age of 65 get their coverage through their employer.

But this number is subject to change on Jan. 1, 2015, when employer mandates kick in, which will force employers whose coverage doesn't meet the federally-mandated guidelines to pay a penalty of up to \$3,000 per employee, minus the first 30 employees.

David Bottoms, senior vice president at The Bottoms Group, said many of his clients have spent 2014 trying to

understand and prepare for the changes they face next year.

"One very significant trend taking place right now is that employers, especially employers with more than 100 employees, are aggressively working to ensure that their plans meet all of the requirements of the employer mandate," he said.

Small businesses with fewer than 50 employees won't have to pay a penalty, and Bottoms said employers on the cusp of the limit are doing everything they can to stay under it. Companies with 50 to 99 employees may qualify for transition relief



David Bottoms

that delays the mandate until 2016, but large companies don't have that option.

Bottoms said some employers are expanding eligibility for coverage to all full-time employees, even in job roles that traditionally don't receive health coverage. But many of these employers,

especially in the retail, hospitality and food service industries, offer the minimum level of coverage required, 60 percent actuarial value, at the maximum amount on the affordability threshold – 9.5 percent of income.

"By offering coverage that meets these requirements, the employer will avoid fines regardless of whether anyone signs up," Bottoms said.

He said the ballpark cost of employee health insurance is about \$450 a month per head, with employees' contributions capped at 9.5 percent of their income.

A new year brings two more carrier choices for Georgia's approximately 650,000 state employees and their dependents, whose only choice in 2014 was Blue Cross Blue Shield of Georgia (BCBSGa). Next year, the State Health Benefits Plan also includes offerings from UnitedHealthcare, which will offer a statewide HMO, a high-deductible plan and a statewide Medicare Advantage plan for retirees, and Kaiser Permanente, which is offering an in-network-only plan for metro Atlanta.

BCBSGa is offering three reimbursement arrangement choices, statewide

Medicare Advantage for retirees or a statewide HMO.

Individuals planning to enroll when the marketplace opens Nov. 15 will also have more options than last year.

"We're going to see some robust competition from insurers trying to win the business of Georgians throughout the state," said Graham Thompson, executive director of the Georgia Association of Health Plans, which represents Georgia's six largest commercial insurance carriers.

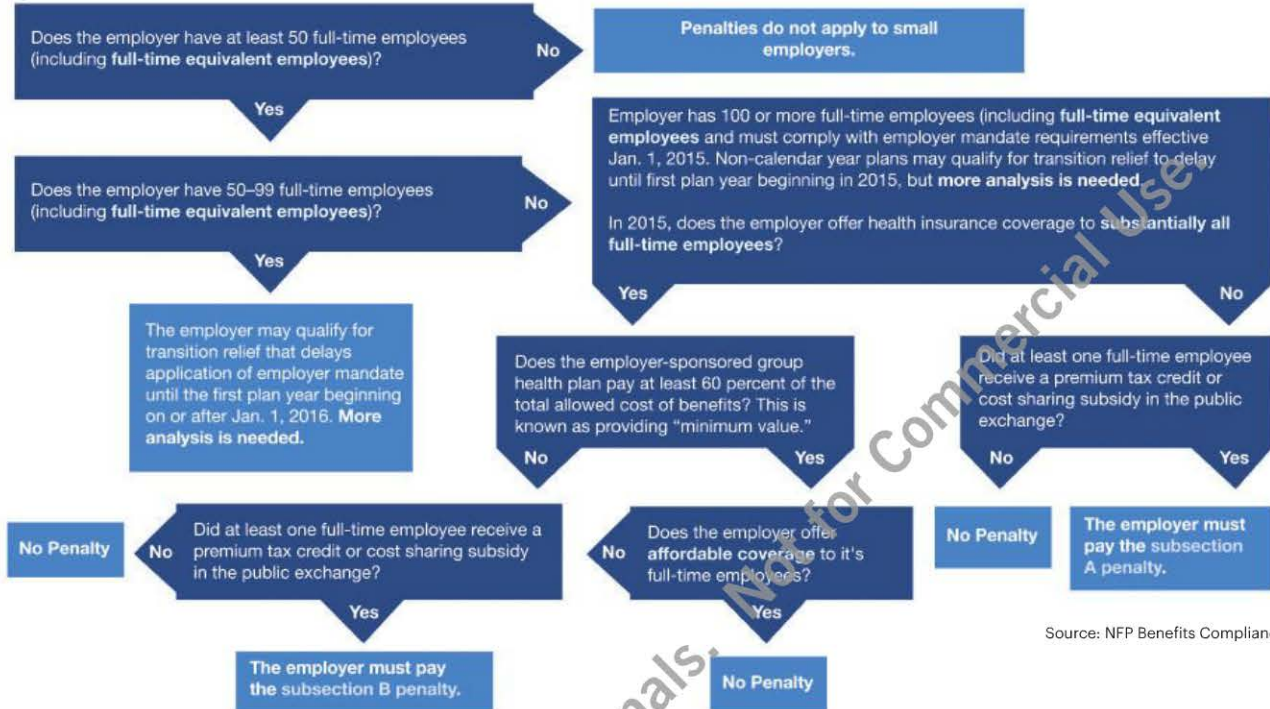
As of 2013, the most recent figures available, 1.6 million Georgians under 65 were uninsured, but it's likely this number went down after the ACA's marketplace exchanges rolled out. According to a spokesperson from the Office of Insurance and Fire Safety Commissioner, Georgia received 263,739 completed applications for coverage under the ACA, with 190,901 individuals actually completing the purchase process.

"That's a huge success to have so many people enroll in a relatively short period of time, particularly given some of the challenges with healthcare.gov early in the process," said Cindy Zeldin, executive

COVER STORY

EMPLOYER MANDATE FLOWCHART

START HERE



Source: NFP Benefits Compliance

director for **Georgians For A Healthy Future**. "That tells us there are a lot of Georgians who wanted health insurance but weren't able to have it, and now they do."

In September, HHS announced that the marketplace would have 25 percent more insurers next year. Georgians will have up to nine choices: UnitedHealthcare, **Coventry**, **Cigna**, BCBSGa, **Time Insurance Co.**, **Alliant Health Plans**, **Humana**, Kaiser Permanente and **Peach State Health Plans**. Last year, there were five options, and only one – BCBSGa – was offered statewide. This year, Coventry, Time and United HealthCare will also offer statewide plans.

"Some places there's going to be significant competition, and other areas... can make it really tough to compete and offer affordable pricing, because it's just not a cross-section of providers," Thompson said. "But we're reaching out to provider partners trying to make sure we can offer affordable products on the exchange."

Although the execution hasn't been perfect, Thompson thinks online marketplaces as an insurance delivery mechanism will one day be the norm.

"I can tell you, I don't know if it will be state, or federal or even government [at all], but I think the concept of an online marketplace where folks can shop and compare and contrast, I think that's here to stay and that delivery system's here to stay," Thompson said.

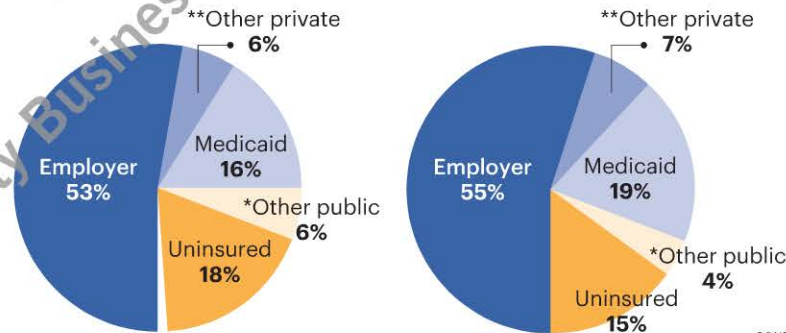
Although Georgia hasn't expanded Medicaid, Thompson said there has been an increase in those seeking coverage this year, perhaps because they didn't

HOW PEOPLE GET INSURANCE

(2013 Health Insurance coverage of nonelderly, 0-64)

Georgia

U.S.



SOURCE: KAISER FAMILY FOUNDATION

*Other Public: Includes those covered under the military or Veterans Administration as well as nonelderly Medicare enrollees.

**Other Private: Includes individuals and families that purchased or are covered as a dependent by non-group insurance.

Also includes individuals covered by private insurance from outside the household for which the origin (ESI or non-group) is unknown.

understand they qualified before.

According to data from DCH, about 200,000 more Georgians enrolled in Medicaid this year; 1.7 million received coverage this year, up from 1.5 million in 2013. But **Tim Sweeney**, director of health policy for the **Georgia Budget and Policy Institute**, cautioned against putting too much stock in the increase.

"There has been some national data that has shown some pretty significant enrollment jumps, but state data is hard to come by," Sweeney said. "It's hard to reconcile what Health and Human Services has said is happening with different states versus what the state is

saying... anecdotally, it's clear that there is greater enrollment, but pinpointing that and sort of assessing the why is more difficult."

Georgia has actually taken steps to make it more difficult for the state to expand Medicaid. In April, Gov. **Nathan Deal** signed House Bill 990, which prevents governors from expanding Medicaid without legislative approval. Despite this blow, Sweeney is hopeful that Georgians will eventually change their minds.

"In absence of that, there are 400,000 more uninsured adults in Georgia because their income is too low and they aren't

eligible for the subsidies on the exchange," Sweeney said. "They basically don't have any realistic option for health coverage."

So far, 28 states have opted to expand Medicaid, with two more considering it. "We continue to remain optimistic that Georgia will follow suit," Zeldin said. "It may not be immediately, but the landscape is changing."

She said it was more of a political issue at the beginning, but now even some states with Republican governors and legislatures, such as Arizona, have opted to expand.

"It's really no longer an issue that falls on party lines," she said. **Z**