

Stateline casinos drop health care plans

By Kathryn Reed

The bulk of MontBleu casino employees will be getting their health care through the Affordable Care Act – and not by choice.

The company put a letter in employee boxes that said, “... it became clear to us that the modifications to the medical plan that are mandated by the ACA will drive up the cost for both you and the company. As such, most of our employees would be better served economically if we were to eliminate medical coverage and allow you to purchase your 2014 medical coverage on the health insurance exchange, where many employees would qualify for federal subsidies.”

Medical and prescription insurance through the Stateline casino will end Dec. 31. Dental and vision will remain.

Stephen Ditchkus, general manager of the casino since the beginning of the month, chose not to speak to *Lake Tahoe News*. Brett Hunn, the marketing manager, also did not return a call. Employees did not want to talk for fear of retribution.

MontBleu has more than 200 employees, many of whom are low-wage earners and not college graduates.

Part of the federal law mandates companies provide health insurance starting in 2015 if they have more than 50 full-time employees. If they don't, the company is subject to a penalty of \$2,000 per employee. That penalty, though, in many cases is less than what it costs to provide health insurance to an employee.

The casino's human resources department is set up to help

people with getting on either the Nevada or California health exchange, depending where they reside.

MontBleu is not alone in forcing employees to the health exchanges. Darden Restaurants Inc., Home Depot Inc. and Trader Joe's Co. will stop offering health insurance to part-time workers starting Jan. 1.

Caesars Entertainment, parent company of Harrah's and Harveys at Stateline, is also eliminating health care for all part-time staff.

The ACA mandates everyone have health insurance starting Jan. 1. If they don't, the Internal Revenue Service will penalize them.

A study released in July by Deloitte found that about one in 10 employers in the U.S. intended to ax company plans in favor of the ACA.

The *Wall Street Journal* reported, "Deloitte's findings differ from estimates by rival firm McKinsey & Co. last year that found 30 percent of employers say they would 'definitely or probably' stop offering health insurance after 2014, as well as calculations by the Congressional Budget Office that estimated around 7 percent of workers could lose coverage under the law by 2019."