Section 89 rules are a headache

Continued from Page 1

the nation's health care crisis is one of the factors behind Section 89.

"It has been estimated that the tax penalties imposed on employers who do not comply with Section 89 will generate between $300 million and $500 million over the next five years," Mirasola said.

She added that no one knows how the tax revenues will be used.

"Last year alone, Michigan hospitals provided over $342 million of uncompensated care. So it becomes fairly obvious how Section 89 is just one of several strategies that need to be implemented in overcoming the problems of the uninsured."

Grey believes that the problem with Section 89 isn't so much compliance as the paperwork required to comply. For example, the testing procedures for Section 89's non-discrimination rules require that a company offering medical coverage to single workers, workers with spouses, and workers with children (with each option offering two deductibles) falls under six plans for testing purposes.

Myndi Fynke, president of Employee Health Insurance Management in Farmington Hills, says that business owners still have a choice before deciding what to do about Section 89.

"Some firms will find that it's less expensive to provide the same benefits to all employees and avoid discrimination. Others who discriminate will choose to pay the extra income taxes every year because the total penalties will be less expensive. And, of course, there will be those who are totally unaffected by Section 89 and had nothing to worry about in the first place," she said.

Al Senchuck, tax manager with the Farmington Hills-based CPA firm of Moroff, Sheplow and Weinstein, suggests that small business owners write to their representatives in Congress about their concerns. And Livonia councilwoman Laura Toy stresses why:

"If you don't let the government know what you think, you'll end up getting what they think you should have."

Relief is a year away

Continued from Page 1

no more than $10 per week if they're single or $25 per week for those with families."

The second deals with comparison of benefits. The benefits of a highly compensated employee cannot exceed 133 percent of the benefits of a member of the rank and file without being taxable.

The amendment also raises the age of employees that fall under Section 89's scrutiny from 17½ to 25 and excludes benefit plans hammered out in collective bargaining.

BUT ACCORDING to Paul Russinoff, an aide to Broomfield, a "wait-and-see" attitude has been adopted by those in favor of repealing Section 89 as the amendment grinds through the legislative process. But he expressed reservations on the rigidity of the amendment.

"The opposition we're hearing from the business community is that the revision makes Section 89 very inflexible. The old Section 89 is complex, but there are ways to comply with it. The new is ironclad," Russinoff said. "But we think the amendment will go through more changes.

"Right now we're still supporting the repeal, and if not repeal then at least new legislation that will be more friendly to small business."

But Foley warns that the amendment will not step away from the non-discrimination intent of Section 89.

"We support the health benefits. What we're arguing for is testing (verification that the plan in non-discriminatory) that does not burden employers."

business people

Greeneisen Pobe Post Van Norman Lewis Heflin

David P. Greeneisen, Stanley J. Pobe III and Robert A. Post were named vice presidents at Time Engineering Inc. in Troy. Greeneisen was appointed vice president of product engineering and design. Pobe was named vice president of manufacturing engineering. Post was appointed vice president and chief financial officer.

Daniel L. Van Norman of Birmingham was made vice president/materials management of Farnam Sealing Systems, a division of Colt Industries Inc. in Troy.

Barbara Lewis was appointed director of public relations at R.E. Launs Inc. of Southfield.

David Heflin was appointed General Motors account manager for Akzo Coatings Inc. of Troy.

Jerry Bey, Tim Champine, Geroge Deacon, Mike Hojnacki, Kaiz Khan, Al Mayer, Isaac Price, Ali, Josee and Reis Siemsintinofski, Tony Zerilli, Carol Chavez-Lycette, Elizabeth Donakowski, Suzie Everlove, Francine Gagliardi, Sue and Vicki Garlitz, Mildred Hall, Florence Lee, Janis Parsons, Diane Raven, Joanne Voytush, George Kuzmenko, Mark Mackie, Sue Miller and Connie Walmsley were honored by Northfield Hilton for completing 10 years of service.

Janet Sallivant was promoted to manager in the audit department at Dupuis & Ryden of Troy.

Michael S. Evola and Gregory S. Lorenz joined Dupuis & Ryden of Troy. Evola joined the consulting group as an executive search consultant and Lorenz assumed the responsibility of manager of administration.

Ruth Woody, accountant at Dupuis & Ryden, passed the CPA exam.

Larry Franz, Larry Meservey, Mike Cutler, Dave Tinkis and Ed Miller were promoted at Thorn Apple Valley Inc. in Southfield. Franz joined Thorn Apple as Southwestern region vice president. Meservey was named Southeastern region vice president and Cutler was promoted to Western region vice president. Tinkis was promoted to Central region vice president. Miller was named vice president food service.

Joseph J. Hanish of Bloomfield Hills was authorized by the International Board of Standards and Practices of Certified Financial Planners Inc. to use the certification marks CFP and Certified Financial Planner.

Michael A. Schlanger of Birmingham was appointed vice president/sales manager of Bowne of Detroit Inc.

Angela Bradley of Southfield was promoted to technician training supervisor for Arbor Drugs Inc. of Troy.

Scott Stayart of Farmington Hills was named sales manager of the Automotive Trip Group.

Patricia S. Laramie of Bloomfield Township was appointed office manager of Fimco Inc. of Troy.

Maria A. Marcantonio and Marianne E. Lapierre were promoted at Contract Interiors of Southfield. Marcantonio was appointed manager, marketing and corporate communication. Lapierre was named communications coordinator.

David E. Reichard of West Bloomfield was named vice president of marketing position for Comau Productivity Systems of Troy.

Stirlong Johnson and Wayne Blizman were appointed vice president/account supervisors for Marketing Resources Inc. of Troy.

J. Michael Clarkson joined BDO Seidman of Troy as senior manager.

Robert M. Palewski of Union Lake joined the Comark Group Inc. as director of sales and marketing.

Britt A. Adair was appointed manager, support and programming of Epoch Software Systems in Farmington Hills.

William J. Adams, Paul G. Bakalis, Frank D. Kemzis, Alvin R. Prevost, Donald A. Rowe and Alex E. Shirshun were named associates at the engineering and planning firm of Harley Ellington Pierce Yee Associates Inc. of Southfield.

Paula C. Kaner of Birmingham joined the Berline Group Inc. as director of print production services and traffic.

Andrew R. Craig of Birmingham was appointed account officer, Metropolitan Loan Division — B at Manufacturers Bank.

Bethany J. Scheppelmann of Rochester assumed the duties of director of community relations at Havenwyck Hospital in Auburn Hills.

Anne Law was named corporate recruiter of the Troy-based ACM.