SALT LAKE CITY - The Obama administration's surprise announcement it will push back until 2015 a requirement that businesses with more than 50 employees offer health insurance coverage or face penalties was likely good news for some Utah employers, health care advocates said.

Jason Stevenson, education and communications director for the Utah Health Policy Project, said human resources directors for large employers likely "breathed a big sigh of relief" on Tuesday when the delay was announced.

"Companies are going to feel they have the time to do it right and not rush it," Stevenson said.

The impact of the delay will likely be minimal in Utah, he said, because 93 percent of employers who employ the full-time equivalent of 50 employees or more already provide health insurance, according to 2008 data from the federal Agency for Healthcare Research and Quality, Center for Financing Access and Cost Trends.

Stevenson said postponing the implementation speaks to the complexity of health care reform in general.

"This is very complicated. Health care is a large part of our economy. There are a lot of businesses involved, a lot of individuals. It's a national process," he said.

And the postponement also exposes the ACA's flaws, said Rep. Jim Dunnigan, R-Taylorsville, who owns an insurance agency specializing in employee benefits.

"Whether you love it or not, it was not baked all the way through. It was not finished" when it was passed, Dunnigan said.

He said ACA was "poorly crafted" legislation and he's not surprised the employer provisions have been placed on hold given the outcry from the nation's businesses.

"There are some good things in it, but it's overwhelmed by bureaucratic requirements," he said.

Some employers have been hesitant to hire new employees or increase their hours for fear they could be penalized if they cannot afford to offer them insurance. Some simply don't understand the requirements of the legislation.

"Many small businesses don't have an HR person to wade through all of this stuff," Dunnigan said.

The large employer insurance mandate is just one part of ACA. The rest of the package, which includes health exchanges where individuals can buy insurance, are scheduled to take effect on Oct. 1.

Utah will have two online marketplaces for healthcare coverage, an exchange run by the federal government where individuals can obtain coverage and the state-created Avenue H for employees
of small businesses.

"The most important thing we know is the Affordable Care Act is going to have a very positive impact on health for hundreds of thousand of Utahns, including tens of thousands of uninsured seniors" said Alan Ormsby, Utah state director for AARP.

"The good news is this delay in implementation will make this transition as smooth as possible."

Dunnigan said the mixed messages coming from the White House on ACA have been frustrating. A week ago, President Barack Obama said ACA was on track for implementation. On Tuesday, the White House announced the delay in health care insurance mandate for employers who have the full-time equivalent of 50 employees or more.

Determining whether an employer meets or is under certain thresholds is "overly burdensome," Dunnigan said.

"Forget about paying the penalty. Just calculating the penalty is ridiculous," he said.

While this delay disrupts the momentum of the White House's full implementation of the ACA, Dunnigan said he does not believe it would lead to an outright repeal.

"I think it makes it vulnerable to partial repeal, which in my mind would be a good thing. There are some very harmful things in the act," he said.

Taken as a whole, the ACA has been politically unpopular, Ormsby said.

But when asked if they like certain provisions, such as parents being able to keep their unmarried children on their health insurance until age 26 or protections for people with pre-existing medical conditions, most Americans have a favorable impression of the act, he said.

"Provision by provision, people seem to really like the Affordable Care Act," Ormsby said.

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