

Up Next: Health Care Surcharges?

A new "fee" tacked on customers' bills by a Southern restaurant chain could be a preview of things to come. Several Gator's Dockside restaurants across central Florida have added what they're calling an "Affordable Care Act Surcharge" of 1 percent to all customers' bills. It is claimed that the surcharge will help pay the healthcare costs for their 500 full-time employees. Some believe the move may be politically motivated, while others contend it demonstrates "transparency": instead of just raising prices, patrons see exactly why they're paying a little bit more. Lev Ginsburg is director of Government Affairs at the Business Council of New York State. "Whether it's a one percent or a two percent surcharge on a menu or whether it's a five per cent increase in the cost of a hamburger, the consumer's ultimately going to pay the price." Albany County Executive Dan McCoy says "...in the Affordable Care Act, nothing's free. It's transparent. It's showing everybody the cost of something like this. I believe in the Affordable Care Act. It helps people that need it. But that's the balancing act. How do you pay for it?". Could the Florida ACA fee catch on in other places, other states? And if it were imposed in New York State? McCoy hopes Washington never puts local governments in the position of having to impose or enforce any such fees. "We have 44 unfunded mandates now from the state assembly and from the feds. Here's another unfunded mandate we're gonna have to try to eventually pay for." Ginsburg concedes someone has to pay the cost of healthcare. "At the end of the day, if you tack it on at the end, or if you just increase prices wholesale, it's to some degree a marketing tool." Graig Zappia, a partner at Tully Rinckey law firm, advises small firms across all sectors. "So what do businesses have to do? Well, one they can pass of the costs onto the consumer, or they can deal with these costs in-house." Zappia adds employees that had been full-time may have to be given part-time positions so smaller companies can stay at a comfortable level below the 50-employee threshold established by the federal government. There's another model for employers to look at: CNN reports a Los Angeles restaurant's tab comes with an optional 3 percent surcharge that allows it to employ all of its 80 workers full-time and provide them with health insurance. The fee is explained in a sign and on the menu, and servers explain it to diners without prompting. Management says the majority of customers have been paying the fee. Gator's Dockside, the Florida chain of "family-friendly, sports-themed restaurants" that started this, isn't talking to the media. However, the public is commenting on Gator's Facebook page

– customers have had mixed reactions to the surcharge.