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Keep Informed



Engaging Employees in Health Benefits

Even though this issue also discusses the importance of reaching millennials, it seems an appropriate time to explore this topic from an even broader perspective. Studies like the 2015 Aflac Workforce Report show that more than 7 of 10 employees seldom, if ever, understand what is covered in their healthcare plan. On top of that, a USA Today analysis of government records shows that 1 in 5 invasive surgeries may be unnecessary. On the other side of the coin, we know that when employees fail to obtain the preventive care they need, serious health risks and the potential for even larger health claims exist.

So with the value of your health benefit plan and its cost control and wellness enhancement features hanging in the balance, let's consider a few thoughts that may motivate your employees to care enough about their benefits to make smarter healthcare decisions.

Timing is Everything – It isn't a lack of information keeping people from understanding their benefits; it's how and when people are choosing to get their information. While benefit booklets and plan documents are required, they simply can't compete with push notifications, text alerts and other "real time" communication. In a world where too many people still pay little or no attention to their healthcare plan until they need it – plan, provider and cost-related information must be more personal and more accessible.

Consumers Rule The Day – In many areas of their lives, your employees are behaving as informed and empowered consumers every day. While this behavior



isn't carrying over to healthcare as quickly as we would like, new products and services are making actionable information easily accessible to both employees and employers. *HealthiestYou* and *Real Time Choices* are just two services capable of delivering more personalized, comparative data to individuals when they are making a healthcare decision.

One Stop Shop – More and more TPAs are taking steps to offer one integrated, online "hub" where members can access their benefit plan, claims data and much more. From network providers to cost and quality comparisons to individualized wellness incentives and rewards, the ability to provide one place where members can find the information they want is critical.

As these and other technologies continue to evolve, they will do more and more to connect your employees with the right information at the right time – the real key to engaging employees in their health benefits.



How Can We Engage Millennials?

If you're asking why the number of young adults enrolling in health plans post-ACA is falling, consider economics. Not only have many young people remained on their parent's plan to age 26, but student debt and a slow, economic recovery have also taken a toll. This is especially troubling when you consider that people age 18 to 34 will represent half of our workforce by 2020 and 75% by 2025.

While economics is involved, we must know where to find young people before we can move them to act, so taking time to learn their likes, dislikes and habits is a must. And no habit is more popular among young adults than media. Individuals age 18 to 36 spend nearly 18 hours a day using smart phones to engage in social media, music, videos and gaming. They're accustomed to shopping online for virtually everything and they expect quick answers with comparative pricing.

Keeping things simple is critical, as shown by a 2015 National Bureau of Economic Research study that revealed that offering just one health plan will produce better results than offering many options.

Millennials love sight and sound, so short, light or funny educational videos that simplify benefits or wellness may go a long way. Lasting relationships will develop if education and communication are ongoing. The time to get serious is now, because they are here and chances are most will expect to manage their health and healthcare the same way they do everything else – with technology.

Healthcare Reform & Regulatory Update

HHS Begins Phase 2 HIPAA Audits



In late March, the U.S. Department of Health and Human Services Office for Civil Rights (OCR) launched Phase 2 of its audit program, intended to assess compliance with HIPAA Privacy, Security, and Breach Notification Rules and the Health Information Technology for Economic and Clinical Health Act of 2009.

Phase 1 of the HIPAA Audit Program was conducted as a pilot program in 2011 and 2012, and focused on HIPAA covered entities (e.g., health plans, hospitals and other healthcare providers that are directly subject to HIPAA).

In addition to covered entities, Phase 2 audits target business associates, including service providers and other entities that create, receive, maintain or transmit health information in the course of providing services for hospitals, health plans and other covered entities.

OCR has indicated that Phase 2 will involve more than 200 desk and on-site audits of covered entities and business associates and will consist of three rounds:

- Round 1 will involve desk audits of covered entities
- Round 2 will involve desk audits of business associates
- Round 3 will involve on-site audits of both covered entities and business associates

Act Now To Boost Compliance

OCR remains committed to HIPAA enforcement activities and has begun sending emails to entities in order to confirm contact information. Communication from OCR is being sent via email and may be incorrectly classified as spam. If your entity's spam filtering and virus protection are automatically enabled, you are expected to check your junk or spam folders for emails from OCR at OSOCRAudit@hhs.gov. Once contact information is obtained, a pre-audit screening questionnaire will be issued. Entities selected for audits will be notified by email and will be required to submit requested documents through a portal on the OCR website.

Covered entities and business associates should heed the warning and act now to shore up compliance. Through audit preparedness activities, entities may achieve a higher level of compliance, reduce risks and accomplish more than preparing for an audit request that may come.

For more direction on how to handle a Phase 2 HIPAA audit-related request, visit <http://www.hhs.gov/hipaa/for-professionals/compliance-enforcement/audit/index.html> or contact your benefits administration professional.

Trends Latest Happenings in Today's World

Drugs Drive Rising Costs

While all treatment costs have risen consistently in the past 2 decades, the pharmaceutical sector has put up some amazing numbers. In 2011 alone, Americans spent an average of \$985 per person, approximately twice the amount spent in other developed countries for the same benefit. In 2015, aggregate prescription drug sales in the U.S. totaled

\$374 billion – \$190 billion more than other industrialized countries would have spent for a similar population.

Health Conscious Hotels

Trade associations report that to respond to growing requests from fitness-minded travelers, hotels are moving well beyond basic spas and fitness rooms. 84% of hotels offered fitness facilities in 2014, but the

number of hotels offering in-room fitness equipment has doubled in the past 10 years. Some chains now offer rooms with a stationary bike, elliptical or treadmill plus free workout wear and sneakers delivered to your room. Yoga mats and videos, healthy minibars and room service menus including stir-fried veggies and tofu are growing trends.

Supreme Court Backs Self-Funded Plans

In a 6-2 decision on a case involving Liberty Mutual Insurance Company, the Supreme Court, in early March, held that ERISA pre-emption blocks the state of Vermont from requiring self-funded health plans to put claims data into a statewide health claims database.

This decision appeared to be consistent with the original intention of Congress to place ERISA plans under the jurisdiction of the U.S. Department of Labor rather than state insurance departments. In describing the decision as a victory for employer-sponsored health benefit plans that would avoid complications with plan administration, the CEO of the National Business Group on Health stated “while employers support the intentions behind Vermont’s law, we believe that a national approach to rules for all payer claims databases will be more productive and less costly.”

Dissenters, led by Justice Ruth Bader Ginsburg argued that the decision could hamper efforts to provide cost transparency by creating gaps in the data that employers, insurers, consumers, providers and state policymakers need to understand the effects of benefit plans and payment models.



Physician-Owned Hospitals and the ACA

Even though doctors currently have an ownership interest in just 5% of the 5,700 hospitals in the U.S., the ACA will not allow physicians to increase their ownership interest or pursue ownership in additional hospitals. The potential for conflict of interest and concerns about physician owners “cherry picking” the more profitable patients were the impetus behind Section 6001 of the Affordable Care Act that was passed in 2010.

Challenges to the law continue to come along, including a House bill sponsored by Representative Sam Johnson of Texas that would suspend the moratorium on expansion of physician-owned hospitals (POHs) for 3 years and grandfather in several POHs that were under development when the Affordable Care Act was passed. The

legislation is based on a recent study that reviewed patient populations, quality of care, costs and payments in 2,186 hospitals, 219 of which were partly physician-owned. The study showed little difference in patient care between POHs and non-POHs, in fact 7 of the top 10 hospitals receiving quality bonuses in the new Hospital Value-Based Purchasing Program were physician-owned hospitals.

One study by the Centers for Medicare and Medicaid Services showed that a majority of physician owners have less than a 2% interest in their institution. As healthcare continues to evolve from fee-for-service to more value-based, there is no doubt that the debate over physician-owned hospitals will continue.

HSA Act of 2016

Legislation expanding health savings accounts (HSAs) and flexible spending accounts (FSAs) has been introduced in Congress and assigned to committee in the Senate. Just a few of the proposed changes contained in the bills include renaming “High Deductible Health Plans” to “HSA-Eligible Health Plans”; allowing Medicare recipients to contribute to their HSAs and use their funds to cover a hospital admission deductible; and allowing distributions to be used for over-the-counter medications as well as prescription drugs.

While these proposed changes and others included in H.R. 4469 and Senate Bill S. 2449 have received a good amount of support from legislators and industry trade groups such as the American Bankers Association (ABA) and the ERISA Industry Committee (ERIC), no action has yet been taken.

Apps and Wearables Double

According to studies by Accenture, the number of U.S. consumers using wearables or mobile apps to manage their health has doubled in just the past 2 years. One interesting fact is that while the vast majority of users are willing to share the data collected with their doctors, and many with their health plans, fewer than a third want the information shared with their employer.

Game Show Education

Healthcare education is rarely all fun and games, but a new approach might be succeeding at making it just that! They’re being called online education programs – offered to employees as both mobile and online applications.



One popular program called “Quizzify” promises to save money, boost morale, improve health and engage employees by making learning about medical care fun and interesting. And, it promises to do this all without requiring any medical data from participants. Using a game-show contest format, the program asks participants to click through questions as they compete with co-workers for prizes. Not only

do people get the chance to receive wellness information, but they also learn about taking care of themselves and even avoiding costly treatment when it may not be needed at all.

And, while this particular service is not free, it may offer a fun, refreshing approach to traditional wellness communication.

Did You Know? New Ideas for Healthy Consumers

How to Withstand a Road Trip



Plenty of people are more than familiar with long driving commutes to work. But, what they may not realize are the negative effects that excessive sitting can have on their bodies. Any expert will tell you how important movement is to one's cardiovascular health. So, when long driving commutes and desk jobs are combined, the risk of cardiovascular disease certainly increases.

When we sit, not only does the heart have to work harder to circulate blood and oxygen through our systems, but our hips also bend which shuts off the core and sends our bodies into a passive state relying on our structural system to hold us up. Over time, this can lead to spine compression and to your back going out.

So, how do you save your posture without having to find a new job? Experts suggest getting a standing or treadmill desk, if your employer allows. Otherwise, setting a reminder to get up and walk around every 30 minutes can help immensely. If you're taking a driving vacation or sitting in the car for more than two hours, be sure to find a rest stop so you can walk around and stretch your legs or even do a quick set of kneeling lunges to loosen your muscles. It might also be wise to have an expert look at the seat of your car or your desk chair to make sure you're doing everything you can to help your posture.

Tools to Fight Spring Allergies

Spring has sprung! We will soon begin to see trees, grass and flowers all starting to bloom and grow. But, not everyone sees this as an exciting time because with the season of re-growth comes the start of seasonal allergies. Allergy sufferers begin their annual ritual of watery eyes, itchy nose and sneezing. These symptoms can really put a damper on finally being able to get outside to enjoy the warming temperatures. Using the right medications and avoiding allergy triggers can help you cope.



Practice Nasal Irrigation

Using warm, sterile salt water to rinse your nasal passages can help ease allergy symptoms. At first, when your sinuses are still irritated it might feel strange, but over time this practice should get much more tolerable.

Manage Your Stress

Stress can be an unexpected culprit as it can cause real physical effects on our bodies. When we stress, our levels of epinephrine increase, which is a type of adrenaline that our body creates to fend off allergies. Therefore, when we are stressed, higher levels of epinephrine can make it more difficult for us to recognize allergens and when a real allergy trigger comes along, our bodies can't respond. How can you keep stress under control? Exercise regularly and try adding a relaxing practice into your every day routine such as meditation, deep breathing or yoga.

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900 Jorie Blvd | Suite 250 | Oak Brook, IL 60523
630.655.3755 | 800.435.5694

www.pbaclaims.com