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Keep Informed



Make 2016 Your Best Benefits Year Ever!



With the Supreme Court decisions and regulatory challenges of 2015 behind us, it's time to catch your breath and resolve to take better control of your health care benefit plan. Here are a few things to think about as you contemplate the New Year.

Consider Self-Funding – According to a recent survey by PwC, two-thirds of companies employing 500 to 1,000 were self-funded in 2015, up from 59% in 2014. After trying to cope with the ACA, many smaller organizations have adopted partial self-funding and level-funded designs. If it's been a while since you've examined self-funding, we can help you compare the latest options at no cost or obligation.

Look at TeleHealth – Many companies, large and small, have added telehealth to their health care plans in order to provide plan members with easier access to care. Email, smart phones and video physician consults are being used with increasing frequency to

bring patients and physicians together in more cost efficient settings. While telehealth may not be appropriate in all cases, it may be just the thing for today's busy lifestyles.

Employee Well Being – Concerns about the impact of chronic disease on plan costs and employee well being have encouraged more and more employers to introduce worksite wellness. From various forms of health promotion to disease management, these programs can foster better health, help prevent chronic disease and ensure appropriate medical treatment for those with chronic conditions. To learn more or to determine what type of wellness program can impact your cost drivers, talk to your TPA.

To Network or Not – If providers in your area are comfortable with pricing tied to an index such as Medicare, reference based or "cost plus" pricing is an alternative that can deliver significant savings and true cost transparency. Depending on the makeup of your group and your community, direct contracting with a hospital or provider group could also be a win-win. In certain areas, these options are proving more effective at containing costs than traditional PPO networks.

Still looking for that one good idea? Give members a benefit statement to illustrate the value of compensation and benefits in easy to understand terms. Add in a few wellness reminders and you've taken one step to extend communication beyond open enrollment.

Happy New Year!



Does Your Health Plan Need a Physical Exam?



You might wonder why this question at this time of year, but that's exactly the point. Now that crunch time and the

pressure of renewal are behind us, take a deep dive into your health plan to learn where your health care dollars are going.

Performing a checkup on your health plan means reviewing data on claims and utilization. While employers with fully insured plans may lack this data, those who self-fund should have reports that identify how your company and your members have benefitted from the plan. More importantly, reviewing claims and utilization data can help determine if any patterns are developing that might call for additional health screenings or wellness measures. Finally, it's a good time to see how your plan is performing compared to national or perhaps regional trends.

Put Your Information to Work

Many employers are simply not aware of what is available to them in terms of data. Others know they have the data but don't know what to do with it. That's where the right TPA can help. Our data analysis and custom reporting capabilities help our self-funded clients analyze plan performance and benchmark data to compare diagnoses, procedure costs and utilization patterns.

These tools can help employers and advisors forecast future plan costs and take steps to contain future costs. Plan design changes, chronic disease management, health coaching – these options and many more can help when plan information is analyzed and understood. Resolve to put claims data to work for your health plan this year. Your members will enjoy better benefits and your plan will be much more efficient.

Supporting Cancer in the Workplace

An article talking about what one company's cancer support program hit home recently because unfortunately, far too many of us have been impacted by cancer. At this company, oncology nurses are engaged to help families touched by cancer – from helping patients find providers to obtaining second opinions, facilitating transmission of medical records, to educating families about how to talk with children about cancer and more.



who need to be at work but still serve as a caregiver for a parent or spouse with cancer.

At this particular company, when an employee or dependent is diagnosed with cancer, a support team reaches out to establish contact. If an employee needs to be with a critically ill family member, up to two weeks of paid time off is made available. Subsidized in-home back-up adult care is even offered to employees

Cancer support can be as easy as providing easy access to screenings, such as mammograms, as a preventive measure. Depending on available resources and the needs of your workforce, a cancer support program could do a lot to improve the well being of your workforce and boost employee retention.

Why Generic Drug Prices Are Rising



According to the National Center for Policy Analysis, industry consolidation and diminishing competition are causing the price of many

generic drugs to rise. Experts say this is because only a few manufacturers are producing certain drugs and a number of older generics are being phased out. At the same time, governments are trying to protect consumers by placing more and more restrictions on mail-order pharmacies and working to ban some pharmacy networks. To address this combination of less competition and more regulation, many recommend avoiding more regulations and faster application processing by the FDA.

Trends Latest Happenings in Today's World

Smoking Rate Falls

The smoking rate continues to decline among U.S. adults, reaching a 20-year low of 14.9% in the first half of 2015. The decline is attributed to higher awareness, smoke-free laws and higher tobacco prices.

Rates remain high among certain groups, such as uninsured adults, Medicaid recipients, the poor and uneducated and those with physical

disabilities or limitations. Cigarette smoking is still the leading preventable cause of death in the U.S., responsible for 1 in 5 deaths and linked to many severe diseases.

Rapid Growth Expected for TeleHealth

When it comes to predicting the future growth of telehealth, estimates by some financial analysts show the industry reaching nearly \$3 billion in just the next few years.

Health Care Reform & Regulatory Update



IRS Extends ACA Reporting Deadlines

As part of the new federal spending bill passed by Congress, the Internal Revenue Service issued a notice extending the deadlines for reporting certain health coverage information to employees and dependents as required under Sections 6055 and 6056 of the Internal Revenue Code.

In an effort to help the IRS enforce the individual and employer mandates, the significant penalty taxes included in the ACA, Congress required self-funded health plans to report certain information to the IRS and full and part-time employees enrolled in the plan. While the original reporting deadlines varied from January 31st to March 31st of the year following the coverage year, the extended deadline for filing of a Form 1095-C is March 31, 2016. Paper filing of a Form 1094-C must now occur by May 31st with electronic filing required by June 30, 2016.

Cadillac Tax Delayed Until 2020

When President Obama signed the new Consolidated Appropriations Act of 2016 into law in late December, he delayed both the Cadillac and Medical Device taxes by two years, from 2018 to 2020. The legislation also provided for the deductibility of the Cadillac Tax, which is an excise tax of 40% on the “excess benefit” of high cost employer-sponsored coverage, regardless of whether the health plan is fully insured or self-funded.

The cost thresholds associated with “high cost” coverage were initially indexed annually from a base value of \$10,200 for individual coverage and \$27,500 for other than self-only coverage, adjusted to reflect the age and gender composition of the employee population. The Cadillac Tax was originally intended to take effect in 2013, but in 2010, was postponed from 2013 to 2018.

The Medical Device tax was originally projected to raise \$29 billion over 10 years to help pay for Obamacare. While the delays were welcome news to employers and medical device makers alike, most are still hoping for outright repeals.

Providers to Receive ACA Grants

As part of the Affordable Care Act and the Obama administration’s plan to overhaul provider payment methods, nearly 40 provider groups are in line to receive almost \$700 million in grants tied to quality care. Recipients of the grants, which are all tied to services provided within Medicare and Medicaid, include associations such as the American College of Emergency Physicians, the American College of Radiology and the American Board of Family Medicine. A number of hospitals, universities and state health departments are also on the list.

The idea is to help nurture programs that promote collaboration between doctors and other clinicians and encourage the use of patient data to improve care, according to Dr. Patrick Conway of the Centers for Medicare and Medicaid Services. Proponents of the initiative say the grants will help reduce health care costs at a time when growth in U.S. health spending is beginning to rise after reflecting a downward trend in recent years.

A couple things everyone agrees on are that providers and consumers are both driving an increasing demand for self-care and of course, use of mobile devices continues to grow. While health care providers are striving for greater efficiency, patients who lead busy lives are looking for more ways to save time.

Older Workers Needed

In other countries, the number of adults, age 55 to 64, who are returning to work, is rising as life spans

continue to increase but funding is not sufficient to provide for retirement.

While this trend does not seem to have taken hold in the United States, many feel it’s just a matter of time. They cite a lack of consistent job growth in the U.S., saying that even though the job market has improved, it still has not improved enough to produce the number of good paying jobs required.

More People Look to Faith

As a result of a provision in the Affordable Care Act, the number of people looking to health care ministries to help them cover medical expenses has increased dramatically over the last 5 years.

While rules differ among ministries, all provide for cost sharing among people of similar beliefs. Because they are allowed to operate outside the insurance system, oversight by state insurance departments is avoided.

Did You Know? New Ideas for Healthy Consumers

Numbers You Should Know



According to some fitness experts, people who make it a habit to avoid their bathroom scale might have the right idea. Well, let's say a few other health-related numbers may be every bit as important as our weight. Here are a few to track...

Calories – A moderately active woman who walks 1.5 to 3 miles per day, not including her activities related to daily living, needs to consume between **1,800** and **2,200** calories to maintain a healthy weight. For men, this number usually ranges from **2,200** to **2,800**.

Blood Pressure – According to the American Heart Association, **120/80** or lower is a reading that will place you in a normal category for blood pressure.

These systolic and diastolic numbers are expressed as “millimeters of mercury” and abbreviated as “mmHg.”

Waist Size – For women, your waist should measure **35”** or less in circumference when you suck your stomach in and measure at belly button height. A healthy waist size for men should not exceed **39”** around.

Exercise – **2** is the number of times each week you should train to build or preserve muscle strength and protect your bones. **3** times a week for **20** minutes should provide enough aerobic exercise to get your heart pumping and maintain basic fitness levels. Walking, jogging, cycling or swimming are all good ways to get active.

Taking Care of Your Medical Records

While many of us are content to leave our medical records in the hands of our doctors, some patient advocates advise otherwise, saying that this gives doctors too much power over vital information and prevents you from using the information to your own benefit.

Serving as your own data warehouse can make it easier to seek a second opinion or shop for less expensive medical treatment. It can also help you avoid a medical error that may occur when a doctor lacks the information they need.

By All Means, Think Before You Act

Even though many incentive-driven providers are supporting the move to electronic medical records, not everyone agrees that caring for your own medical information is wise. Confusion and worry are valid concerns and of course, your current medical condition must be considered. When people are too sick, too busy or too nervous to

monitor their health condition, taking charge of the information is seldom in the patient's best interests.

From the Medicare Blue Button® to fitness tracking devices, there are many ways to obtain certain medical information. Regardless of how you obtain or organize your health data, experts agree that the most important step is protecting it. Data loaded into a personal health record or other commercial application is no longer protected by HIPAA and some fitness-related apps are free because they make data available to marketers.

While there are many good reasons to take control of personal medical records and many new ways to organize and share the data as needed, it is a step that should not be taken lightly or without appropriate care and communication. Talking to doctors and other health care providers and most important, loved ones, is the all-important first step.

Please Contact Us: This newsletter is not intended as a substitute for personal medical or employee benefits advice. Please consult your physician before making decisions that may impact your personal health. Talk to your benefits administrator before implementing strategies that may impact your organization's employee benefit objectives.



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