

Health Matters

by Nancy Glicksman



A NEWSLETTER CONCERNING COVERAGE AND BENEFITS

First Quarter 2013

Health Care Reform- It's Here to Stay

Regardless of how we may feel, the health care changes have and will continue to go into effect over the next few years. This is a very confusing law, to say the least and there are still a lot of questions. I would like to summarize to the best of my ability, the changes that have already taken effect as well as the ones that will be taking place in the future. The Patient Protection and Affordable Care Act was signed on March 21, 2010. Starting in 2010, the following provisions took effect:

- Small employer health care tax credit
- Dependent coverage to age 26 years
- Annual and Lifetime dollar limits prohibited
- No preexisting condition limits for children under the age of 19 years.
- Preventative care provided with no cost sharing unless out of network

In addition, a temporary high risk pool, which was developed approximately 90 days after enactment of this law, was put into place for individuals over the age of 19 years who have preexisting conditions, and have not been insured for the past 6 months. This operated on a first come, first serve basis, and was only for individuals who were residents in PA

In 2011, the concept of Medical Loss Ratio (MLR) came into play, where insurers were responsible to provide rebates to consumers if they did not spend at least 80% or 85% of premium dollars, depending

on large group, small groups or individuals, on medical care.

Also, around this time some limitations were placed on Health Savings Accounts (HSA), Flexible Savings Accounts (FSA) and Health Reimbursement Accounts (HRA).

In 2012, a summary of benefits and coverage was required to be provided. These summaries, in plain language, help individuals understand how their plans work, including copays, deductibles, coinsurance, etc.

Preventative care services for women were expanded at this time.

During the course of this year, 2013, we will see W2 reporting for employers with over 250 employees, limitations to the amount that can be contributed into a FSA (Flexible Spending Account)- \$2,500. In addition, employers need to notify employees of exchanges.

2014 brings the wonderful world of EXCHANGES, Employer mandates, Individual mandates and no preexisting limitations to anyone. Each of these topics deserves their own article. As more information is released, I will forward to you.

Update on State Health Care Exchanges and Employer Responsibilities

Excerpts from the following article were taken from Highmark West Virginia "Close-Up", dated February 6, 2013

The Affordable Care Act (ACA) mandates that most individuals have health

insurance starting in 2014. Exchanges will be developed which will provide access to a health insurance marketplace. These marketplaces will allow consumers to shop in an easy, efficient way by comparing plan designs, options, benefits and prices. States were initially given the choice to run their own exchange, run them in partnership with the Federal government, or have the Federal government run them entirely. States could always transition to a state or partnership exchange in the future.

“At this time, 19 states have declared that they will run their own exchanges, seven are planning for a partnership arrangement with the federal government and 25 states have defaulted to the federal exchange.*

States that want to run their own exchanges were to deliver a letter of intent by November 16, 2012, with a full blueprint for their exchange due by December 14, 2012. States that want to run their exchanges in partnership with the federal government have until February 15 to file detailed applications. Although these deadlines represent delays from the initial dates, the original schedule for implementing exchanges remains. The exchanges will be open for enrollment on October 1, 2013 and will be fully operational on January 1, 2014.

What decisions have Pennsylvania, West Virginia and Delaware made about exchanges?

On December 12, 2012, Governor Tom Corbett formally notified federal officials that Pennsylvania would not move forward to establish a state-based exchange, which clears the way for a federally-run health insurance exchange to operate in Pennsylvania. Delaware has been approved to run an exchange in partnership with the federal government. Finally, it is not clear yet whether West Virginia will declare an intention to enter into a partnership with the federal government to operate an exchange in that state.

What do I need to tell my employees about the exchanges?

Section 1512 of the ACA requires employers to notify their employees in writing of the availability of their state’s exchange and other information as of March 1, 2013. However, that deadline has been delayed by the Departments of Health and Human Services, Labor and Treasury, so that the reporting requirement will not go into effect until regulations are issued and an applicability date is selected that allows employees to receive the information at a meaningful time. Regulators now expect that the notices will be distributed in late summer or fall, which would coordinate with the October 1, 2013 starting date for open enrollment on the exchanges.”

**According to the Kaiser Family Foundation website: statehealthfacts.org Highmark Blue Cross Blue Shield West Virginia is an independent licensee of the Blue Cross and Blue Shield Association. Blue Cross, Blue Shield and the Cross and Shield symbols are registered service marks of the Blue Cross and Blue Shield Association. Highmark is a registered mark of Highmark Inc. Please note that information contained in this Close-Up is based on our understanding of the Patient Protection and Affordable Care Act of 2010, as amended, and guidance as of the date of this publication.*

5 HEALTHY BEHAVIORS 5 SMART CHOICES TO LOWER HEALTH CARE COSTS

I found this to be very informative on the Highmark Website.

With so many changes taking place in health care - and with care costs on the rise - how can you actually save money?

Work with your health care provider to follow these cost-saving tips:

1. GO GENERIC

Generic drugs deliver the same therapeutic results as brand-name drugs and include the same active ingredients. They must meet the same rigorous standards established by the FDA. But

with generics, you pay a lot less. Generic drugs can be as little as one-sixth the cost of brand-name drugs!

2. CHOOSE AN URGENT CARE CENTER

If you're in need of treatment for a common ailment like the flu, a cold, an earache or ankle sprain, consider an Urgent Care Center instead of a hospital emergency room. You can save up to 2-3 times the cost of an emergency room visit! And you also save time, since you may wait less time to see a medical professional.

3. CHOOSE AN INDEPENDENT LAB

Did you know that blood tests done at an independent lab could save you up to 50% over the same tests done at a hospital? You could save substantially if you take all of your doctor's orders to a local lab instead of the hospital. Independent labs are designed to be quick, efficient and convenient.

4. CHOOSE AN X-RAY IMAGING CENTER

Again, skipping the hospital can save you time and money, and they help you get more efficient care. X-ray Imaging Centers can perform X-rays, CT Scans and MRIs at a cost that's up to 30% less than hospitals.

5. SHARE YOUR TEST RESULTS

Having your tests done once and sharing the results with all of your care providers will save you time and money. When providers have access to your current test results, you'll be less likely to have tests repeated unnecessarily. On average, avoiding a duplicate test can save you between \$1,100 and \$1,800 per test.

To learn more about these and other cost-saving behaviors, visit your Highmark member website at www.highmarkbcbs.com

The Work Place Rewards

Medical Benefits Network, which is the general agency which I submit most of my business, is providing a service to employers that will make the administration of employee benefits much easier. The services they provide include:

- Cobra notification and administration
- Health care reform updates
- Keeping employers legal with the new health care laws
- Discounts for company employees and their families (including dental, vision and prescriptions discounts)

There are other services as well. Let me know if you are interested in seeing a brochure. The pricing is as follows:

\$100 One time dues

\$30 per month

Plus \$10 employee activation- This charge will only be collected if employees use the discount network. Please let me know if you would like more information on this program.

ATTENTION:

Parents of Infants and Younger Children

Be sure to check out PediaBlog www.thepediablog.com It is presented by Pediatric Alliance. It is a website that explores topics of interest in the field of pediatrics.

Stay informed and keep current with all of your Health Matters

Visit my updated website at www.bluepeakinsurance.com

If you would rather receive the Newsletters via email, please let me know. nglicksman@bluepeakinsurance.com

