

Administrator

Important news and updates from your benefits professionals

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Trends In Today's World

Office Visits

While the way patients receive primary care has been changing for more than a decade, things have really taken a turn since the pandemic. Traditional office visits with physicians fell from about 95% in 2019 to 86% in 2020-21 as telemedicine and urgent care centers filled the gap created by Covid. Primary care visits with medical doctors also have fallen considerably, with physician assistants and nurse practitioners now handling 20% or more of in-office visits.

Testing Your Biological Age

A growing number of people are paying a few hundred dollars or more to discover if their cells and organs are aging at a pace similar to their chronological age. Current tests measure an individual's DNA methylation patterns and compare them with those of people in a similar age range. Some companies offer these tests along with advice and health supplements intended to boost longevity.

Menopause is Trending

A recent report from Mayo Clinic estimates that nearly \$2 billion is lost to work days missed because of hot flashes, cognitive issues and other symptoms of

Balancing Cost and Quality



When it comes to healthcare costs, one thing we know for sure is that the numbers don't lie. Health benefit costs continue to pose a greater burden for employers and plan members and the underlying costs of care are projected to rise by as much as 7 percent in 2024. With this as a backdrop, the New Year is a perfect time to review an approach that has enabled many self-funded health plans to achieve both lower costs and high quality.

Break from the Ordinary

When a self-funded health plan opts for Reference Based Pricing (RBP), it no longer contracts with traditional PPO networks. Rather, an experienced RBP administrator will reach out to high-quality, cost-efficient healthcare providers to establish an acceptable pricing model. While metrics will vary, RBP plans typically base claim payments on a multiple of Medicare pricing since it's the most widely accepted index. Establishing a baseline in advance takes the mystery out of provider pricing and creates a market-based model capable of obtaining fair and transparent pricing for healthcare services. Plan sponsors gain the flexibility needed when negotiating with specific medical providers and patients avoid the fear and

confusion that's all too common when trying to identify out-of-pocket costs prior to treatment.

Experience: The Key to Success

While RBP plans are becoming far more common, a plan member may occasionally encounter resistance when presenting their ID card at a medical office or hospital. A provider may also send a balance bill to a patient even though they agreed to a pricing schedule in advance. Healthcare is complex and balance billing does happen every now and then, even in PPO plans.

While claims repricing, compliance, legal advice and customer service are critical to the success of any high-quality health plan, they are even more important in a RBP environment. Choosing a TPA with extensive RBP experience will give your organization and your employees the resources and support needed when a payment dispute arises. Reference Based Pricing is not appropriate for every company, but the opportunity to lower prices and empower covered employees makes it a pricing strategy with the potential to keep high-quality health benefits within reach for millions of American workers.



Seizing Drug Patents

The Biden Administration recently introduced a new structure that would enable U.S. Government agencies such as HHS to use “march-in” rights to seize certain drug patents and license them to other manufacturers in an effort to lower prices. The rule is based on the Administration’s review of a 1980 law that enabled organizations to own, patent and sell products that were researched and developed with some federal funding.

While the government has never exercised this authority on pharmaceutical prices, the Administration believes it can be applied to any product that isn’t made available to the public at a ‘reasonable’ cost. Drug industry representatives say these actions will damage public-private sector partnerships that have resulted in the development of many new successful treatments over the years. High-priced specialty drugs are thought to be the main target, although no specific drugs have been mentioned thus far.

Help with Student Loans



The CARES Act allows employers to contribute up to \$5,250 per year to student loan repayments. The Senate recently extended the expiration of this benefit to December 31, 2025 and because the payments are not included in taxable income and not subject to payroll tax, it may be an option to consider for employers looking for ways to help young employees or incentivize those who return to the office.

Adopting such a benefit requires the adoption of a written policy and compliance with Section 127 of the Internal Revenue Code which applies to qualified educational assistance programs.

Trends continued

menopause. With employee retention and remote work being of paramount concern, it’s not surprising that a growing number of employers are looking for ways to offer benefits that offer greater support throughout menopause.

More Paid Sick Days

According to the Economic Policy Institute, 78% of private sector workers can take a paid sick day today compared with 63% in 2010. While 15 states and Washington D.C. have passed paid sick leave laws in the past decade, the U.S. still lacks a national policy. In a bold move, the City of Chicago recently passed

a Paid Leave and Paid Sick and Safe Leave Ordinance that will apply to all employers, regardless of size, beginning on January 1, 2024.

Cannabis Coverage

While the vast majority of Americans live where cannabis is legal in some form, millions using it for health reasons do so without guidance on products, dosage, possible drug interactions or other possible health risks, including their health history. Nonetheless, surveys show that in states that have legalized cannabis, more than half of employees said they would use cannabis if it were offered by their health plan and would

apply to work at companies offering such a plan.

Be Happy

SelectSoftware Reviews used data from the U.S. Bureau of Labor Statistics, Bankrate, Paycor and other sources to determine that America’s happiest workers are based in Alaska with Rhode Island, North Dakota, Colorado and Minnesota among the 5 happiest states. While many would expect warm states of Florida, South Carolina and Texas to win out, lower wages, high injury rates and longer work weeks were among factors responsible for a lower level of employee satisfaction.

Has COBRA Become Irrelevant?

When COBRA (Consolidated Omnibus Budget Reconciliation Act) became law in 1986, it was intended to provide a safety net to individuals who had experienced a qualifying life event such as divorce or loss of employment. Many beneficiaries of the law were those with pre-existing conditions who, at the time, were either charged exorbitant rates or denied coverage altogether.

While COBRA made healthcare coverage available, the elimination of employer subsidies made costs prohibitive for many. Participants were required to pay 100 percent of the annual premium plus a 2 percent administration fee.

Pre-Existing Conditions No Longer an Obstacle

The Affordable Care Act (ACA), which became effective in 2010, eliminated concerns over pre-existing healthcare conditions. It also created a Marketplace, offering newly unemployed individuals access to health plans with a variety of deductibles. Those able to meet certain income requirements are able to access premium subsidies.

Considering the fact that coverage for COBRA participants is so costly and restrictions due to pre-existing conditions no longer exist, there’s no doubt that COBRA’s relevance will continue to be debated as healthcare costs continue to rise.

Keeping Naloxone in the Workplace

When the FDA made naloxone nasal sprays available as an over-the-counter, nonprescription drug, many employers decided to stock the life saving drug in the event of an overdose by an employee in the workplace. While OSHA has not yet established workplace standards for Naloxone, the National Institute for Occupational Safety and Health offers resources to help employers make an informed decision about keeping the drug on hand.

As with other tools and equipment, employers choosing to stock naloxone will want to provide adequate training to anyone who may administer these drugs in the workplace. Local health departments and social service agencies may have training programs available at no cost. One thing to note is that Good Samaritan laws in all 50 states and D.C. protect employers from liability when naloxone is provided in good faith by employees in an emergency. And the three nasal sprays approved by the FDA will not harm a person who is given the drug when they are not suffering an opioid overdose.

The Importance of Early Detection

Statistics show that in the U.S., more than \$200 billion is spent on cancer care annually, with no slowdown expected. While only one percent of overall health claims are for treatment of cancer, these claims comprise about 15 percent of spending by employer sponsored health plans.

One of the biggest cost drivers is the rapid introduction of new cancer drugs, many with price tags exceeding \$250,000 per year. As these and other treatment costs continue to rise at alarming rates, the importance of early detection becomes more and more apparent. It's not uncommon for annual cancer treatment costs to more than double when cases are diagnosed at stage four rather than stage one.



Bringing HSAs Down to Earth

Even though Health Savings Accounts have been in use for 20 years, far too many account holders fail to use this powerful financial tool to their benefit. While HSAs offer a robust blend of tax advantages, flexibility and portability, EBRI statistics show that average contributions continue to fall far short of the maximums allowed each year.

To help workers understand HSAs, tailor your communications to your respective audience.

- *When appealing to young workers, keep in mind that they are more likely to focus on sports injuries or lifestyle medications when it comes to healthcare.*
- *Many employees, especially high earners, will appreciate the tax advantages HSAs provide. The ability to deduct contributions, roll unused funds over from year to year and have these funds available to cover health related costs in retirement are selling points that should hit home.*
- *Adults closer to retirement age will likely be more concerned with ways to make their prescription drugs more affordable. While retirees can't contribute once they enroll in Medicare, they can continue to use the money they've saved.*

Since today's device of choice is the smartphone, text messages, social posts and campaigns including brief videos will be effective with workers of every age. Flexibility and portability cannot be overemphasized. Whether you're targeting a young family budgeting to cover office visit copays or an older worker preparing for retirement, always stress that the money an employee puts into their HSA is theirs to use for eligible medical expenses and theirs to keep.

Mental Health an Emerging Concern

With cases of depression at an all-time high, employers are looking for ways to respond to the need for care. Another challenging aspect is that the need for support is growing across all generations. While substance abuse and suicide prevention are critical concerns among young Generation Z workers, employees of all ages are seeking support with greater frequency.

A growing number of Gen X adults are coping with the difficulty of caregiving for their children and aging parents. A 2024 survey of large employers by the Business Group on Health showed that many Baby Boomers preparing for pending retirement are also dealing with depression. Given the widespread need for mental health support, only a solid understanding of your organization's demographics will prepare you to offer the range of services your employees need most.

Did You Know? New Ideas for Healthy Consumers

Online Test Results

As many patients have discovered, learning of a diagnosis from an online medical record rather than their physician may not always be a positive. While being able to view test results quickly can be a great thing, getting difficult or confusing information without immediate input from a healthcare professional can be traumatic.

Make a Decision Before Results Appear

Most patient portals offer a messaging option and it is important to note that while test results typically post within a couple of days, you do have the option to view the results on your own or wait to review them with a medical profes-

sional. If you're unsure about what to do with the information or concerned that the results may upset you, waiting may be the best option. It is also likely that your patient account will enable you to turn off notifications so that you won't receive a message saying that results are available.

If questions arise about terms or standard ranges, look to a reliable source such as the Centers for Disease Control and Prevention (CDC) or send a message to your physician. Their knowledge of your situation will enable them to provide meaningful answers.

Sugar Free at What Cost?

Research shows that while the FDA has approved 5 artificial sweeteners, the American Heart Association and American Diabetes Association caution that because these sweeteners are much more potent than table sugar, they can change the way we taste food. Researchers fear that consistent use can overstimulate sugar receptors, causing people to find healthy, nutritious foods like fruits less appealing.

Some researchers also caution that artificial sweeteners can sometimes increase cravings for sweets, causing us to choose sweet foods over healthy, more nutritious foods and gain weight as a result. Nutrition specialists recommend keeping nutritious fruits and nuts on hand and avoid as many artificial ingredients as possible.

How Accurate is Your Heart Rate Reading?

These days, finding a wearable device to track your heart rate during workouts is easy. Knowing the results are accurate is another issue altogether. Cardiologists, rehabilitation experts and even manufacturer's representatives are quick to acknowledge that heart rate monitors worn on the wrist will be far more accurate only when they are worn as snug as possible on the wrist. Heart rate readings mean little if the device is loose enough to permit a lot of movement.

Those who want to know when they're exercising at their maximum heart rate may also be surprised to learn that determining your maximum heart rate can be tricky. A formula dating back to the 1970's consisting of "220 minus your age" provides an average that can be off by 10 or more beats a minute. Some cardiologists say that short of a cardiopulmonary exercise test in a lab, measuring your pulse with two fingers for 10 seconds after a vigorous workout can be quite accurate. Either way, some doctors recommend avoiding distractions that wearables and smart phones can cause to remain focused on your workout.

Note: 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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