Einstein
Advanced Health Insurance Solutions

NEWSALERT

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Affordable Care Act

Court Rules Individual Mandate Unconstitutional

A U.S. APPEALS court has ruled that the individual mandate of the Affordable Care Act is unconstitutional because the penalty was set to zero in 2017.

The decision leaves plenty of uncertainty about the future of the rest of the law. The plaintiffs in the case argue that since the individual mandate is unconstitutional, the rest of the law must also be invalid.

That question has been sent back to the district court.

There is much at stake in this case. If the entire law is thrown out by the courts, it would reverberate through the health care industry, including insurance providers and hospitals, and put the coverage of millions of Americans at stake.

The decision would affect people who buy coverage in the individual market and those with coverage through Medicaid expansion, Medicare and from their employers.

Proponents of abolishing the ACA say that its lack of a "severability provision" means that if any element of the ACA is found unconstitutional, the entire law must go. However, that would likely create chaos for the health insurance marketplace.

Two of the three judges on the court on December 18 said the individual mandate is no longer constitutional now that the penalty for not securing coverage has been set to zero.

The decision prolongs the court process and ensures that the future of the landmark health care law remains uncertain.

The ruling that the individual mandate is unconstitutional will be appealed to the U.S. Supreme Court by the 20 Democratic states that are now defending the ACA in this court fight against Republican states that filed the suit to abolish the law on the grounds that it is unconstitutional.

Some background

The ACA individual mandate provision required most Americans to be covered for health insurance, be that through their employers, Medicaid or Medicare or by purchasing coverage on an exchange under threat of a financial penalty.

Congress passed a tax bill in 2017 that included a provision setting the penalty at zero.

The takeaway

Because of this ruling, the lower court will likely start hearings on whether the entire law should be thrown out based on the elimination of the penalties for not securing coverage.

The other part of the ruling, that the individual mandate is unconstitutional, is destined for appeal to the Supreme Court.

It's unlikely that it would be heard in 2020 and that the issue about the fate of the rest of the law will take years to wend its way through the courts. ❖

Einstein Consulting Group
Wishes You a Happy New Year!

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Technology

Telemedicine Taking Off, Reducing Health Costs

ONE OF the fastest growing parts of the health care system, and which touches significantly on group health plans, is telemedicine.

From 2016 to 2017, insurance claims for services rendered via telehealth grew 53%, faster than any other type of care, according to "FH Health Indicators," a white paper published by the nonprofit FAIR Health.

Telehealth uses technology to provide remote care via video conferencing and other means, and is proving to be more and more effective, especially for time-pressed individuals or people who live in rural areas where patients often have to travel great distances for care.

Why you should care

Telehealth can reduce the cost of care by eliminating the physical barriers that prevent patients from managing their health. As more patients take advantage of digital services like remote monitoring, automatic appointment reminders, and remote physician consulting using live video and audio, they can use these services to reduce the cost of care and improve their chances of early detection.

And that can reduce your overall group health plan costs, as well as out-of-pocket costs for your employees.

Tech firms are coming up with more efficient ways for patients to communicate with their doctors that save time and money, and reduce liability for doctors as well. For example, more and more health care practitioners are adopting an online patient portal as a direct link between the patient and the doctor.

Doctors, patients embrace online portals

Telehealth portals can easily be password-protected for each patient and streamline routine interactions from appointment-setting to refilling prescriptions – and everything in between.

For example, when it's time to get a prescription refilled, the patient simply makes a request to his or her doctor, via the patient portal or even via a cell phone or tablet app that can be proprietary to the practice.

The doctor checks the dosage and approves the request in a few clicks, and in seconds the information is sent directly to a pharmacy so the patient can pick up the prescription.

The patient doesn't have to get the doctor on the phone or bug the staff for a moment with the doctor, and the doctor doesn't have to do additional paperwork or get on the phone with the pharmacy to call in the prescription after already having spoken with the patient on a separate call. The result is tremendous time savings – and ultimately, cost savings for both the doctor and patient.

Online portals also facilitate communication between doctors and patients between appointments. If a patient has a question or clarification that does not warrant an additional office visit, the doctor or staff can respond, and without having to route calls to busy doctors who can't always be on the phone.

Physicians can also use these portal technologies to send lab results and images directly to the patient using a secured and encrypted link, and to make clinical summaries easily available online.

When the doctor adds new information to the file, such as a lab report, the portal system can be programmed to automatically send an e-mail alert to prompt the patient to log onto the portal.

For all the technology though, there are still a way to go in implementing it. According to a recent study in the *Journal of General Internal Medicine,* 57% of respondents said they want to use their doctor's website to review their medical records, but only 7% of those polled reported having made use of that technology to access their own information online. ❖

Voluntary Benefits

More Employers Expand Mental Health Benefits

AMERICA'S WORKERS are more stressed than ever, and an increasing number of people are also struggling with mental health issues.

Sadly, the number of people dying from drugs, alcohol and suicide hit record levels in 2019.

When someone is battling addiction or has mental health issues, it affects all aspects of their life, including work. Stress can have a significant adverse impact on business.

It costs employers an average of $300 billion a year in stress-related health care and missed work, according to a Harris Poll conducted for Purchasing Power.

That's why more employers are stepping up to provide their workers with benefits to support behavioral health and emotional wellbeing.

Employee assistance programs

Employee assistance programs (EAPs) offer a set amount of free therapy sessions, typically topping out at five to eight per year. But for many people who are experiencing mental health issues, this may not be enough.

Some employers are offering EAPs that cover a higher number of therapy sessions and wider range of treatment options, including therapy and mental health coaching.

More employers are offering EAPs that cover a spectrum of behavioral health care options, such as:

- Self-care apps for those with occasional stress
- In-person therapy sessions
- Virtual therapy sessions
- Prescription medication.

Companies usually offer EAPs at no cost to their employees. Most employers operate their EAP through a third party administrator, which can be crucial to the success of your EAP.

Don't forget your health insurance

There is an extensive list of mental health services your health plan should provide your staff. These services include outpatient and inpatient treatment, telemedicine, medication and counseling.

There will likely be out-of-pocket costs for your employees that use these services under their group health plans.

Other options

Besides offering an EAP, there are other benefits that you can extend to your workers that can help them better deal with the ordeals of life and work, including:

Parental leave – Becoming a new parent is extremely stressful.

If you don't offer parental leave, and instead require parents to take unpaid time off, such as under the Family and Medical Leave Act, this stress is compounded.

Paternal leave is paid time off for new parents, either mom or dad, after the birth or adoption of a child. It gives parents the opportunity to take care of their new child without the stress of work getting in the way.

The benefit to the employer is that when the worker returns from their leave, they are more productive, sooner. Consider offering this to both male and female employees.

Paid time off – PTO combines sick leave and vacation time. It gives employees a set bank of time off at the beginning of each year. Employees can then choose whenever and however they want to use this time off.

Flexible work – Flexible work is a great way to help employees with mental health issues. This benefit can include flexible hours (selecting hours they will work), flexible schedule (selecting when they work) and flexible location (like telecommuting). ❖

Employee Health

The Cost-Benefits of Employee Wellness Programs

THE COST of wellness programs, which are designed to improve or maintain employee health in order to ward off the need for more expensive medical care, depends on the width and scope of services offered.

Most employers offer annual check-ups and screenings based on the United States Preventive Service Task Force guidelines – a smart move. And the screenings should be covered 100%, so employees are more likely to use them.

The key to getting the biggest bang for your buck in your wellness program is to focus on a few tried and tested offerings that studies have found result in better health for employees and reductions in your overall health care insurance costs.

TOP WELLNESS OFFERINGS BY PARTICIPATION RATE

- Flu shot programs, 50%,
- Health screenings, 49%,
- Health risk assessments, 48%, and
- Health fairs, 45%.

Source: International Foundation of Employee Benefit Plans

A survey by the International Foundation of Employee Benefit Plans found the incentives most commonly provided to employees by organizations to participate in health risk assessments, health screening and fitness programs included:

- Gift cards and gift certificates, 38%;
- Insurance premium reductions, 37%;
- Prizes and raffles, 31%; and
- Cash rewards, 27%.

To save money employers should skip providing costly physical exams, which include blood tests, EKGs and X-rays. They can amount to an unnecessary expense of $300 to $400 per employee. The fact is, the average healthy employee doesn't need such a service on an annual basis. That money is better spent on a wellness program that works.

Choose what works best

A company has two choices when it comes to implementing a wellness plan for employees. It can do it internally, or hire a vendor for the job.

The ballpark cost per eligible employee should be around $100 to $150. That should pay for program and administration costs such as a wellness practitioner's salary or the cost of a vendor contract.

Doing a wellness program in-house has the advantage of being able to customize a program to the specific needs of your employees.

They are also less expensive, as well-qualified people in-house can do the job for much less than what a vendor or contractor will charge for the same work. In-house programs also offer a staff development and organizational team-building opportunity.

But some employers are better off hiring a wellness program vendor to do the job. Vendors have systems to deliver programs effectively as well as monitor their outcomes.

And if the vendor works out, it's easy to renew their contract, or fire them if they fall short.

Vendors may charge either a flat fee for each employee or one for each program participant. The former works well for employers since it holds the vendor accountable for improving health for a fee.

For $100 to $150 per employee in a wellness program, you should expect a high participation rate – greater than 50% – and health risk appraisals for every participant.

You should also receive feedback and follow-up on ongoing intervention programs for your employees during the year.

Also, you should see the creation of a referral mechanism to connect employees to community resources for individualized services, such as fitness programs, Weight Watchers and stress management and tobacco cessation.

AVERAGE RATE OF RETURN

$3 for every $1 invested

Getting your ROI's worth

So how do you know if you're getting your money's worth? Typically, the average return on investment is about $3 for every $1 invested.

So, if you're spending between $100 and $150 per employee, you can expect savings of $300 to $450 per year.

That usually doesn't get rolling, however, until about three years into the program. ❖

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