ECG

NEWSALERT

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Group Health Insurance

Tools That Help Your Staff Save Money, Stay Healthy

A RECENT SURVEY of 226 executives by Harvard Business Review Analytic Services concluded that employees and employers could see better health outcomes and reduced premiums if it were easier for employees to find, understand and use the benefits available to them.

One of the biggest roadblocks to making that possible, the survey indicates, is the difficulty workers have in navigating their benefits programs.

Fortunately, a number of health technology companies have come to the fore to help employees see better health outcomes, shop around for medical services, educate themselves about their health and disease management, and choose the health plan that is best for them.

Some of the new tools on the market include:

Quizzify

This tool gamifies learning about health care through humorous, trivia-style quizzes, reviewed by doctors at Harvard Medical School. The system can help employees build knowledge about diagnostics, medical procedures, dental care, how to shop around for health services, and more.

The creators of Quizzify said they want to address the problem of Americans making far too few primary care visits, while they also receive too much health care that is unnecessary. All of that costs employees because:

- Missing regular doctor's appointments and preventative services can result in health emergencies later, and
- Overtreatment and unnecessary treatments can lead to worse health outcomes and higher out-of-pocket costs.
- Employees who use the tool rave about it, particularly how it helps them negotiate medical costs and provides them with advance knowledge that can help them save thousands of dollars in health care expenses.

Jellyvision's Alex platform

This tool gives employees advice about accessing their health benefits and using their health savings accounts (HSAs) more effectively.

It's mainly geared towards large companies, but there are similar products being developed for the small and mid-sized employer market.

Some of Alex's features include:

- Personalized guidance during enrollment and ongoing engagement during the year, as it sends out reminders and tips about an employee's health insurance and health maintenance.
- A focus on reducing the cost to employers of employee confusion.
- A built-in HSA that actively promotes investing in the account throughout the year.
- Chronic disease management tools.
- Benefits videos.
- Engagement tools that help employers and staff improve their health literacy and save money.

See 'Training' on page 2

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Growing Risk

Your Staff Are Susceptible to Medical Identity Theft

MEDICAL-RELATED identity theft accounted for 43% of all identity theft in the United States in 2020, according to the Identity Theft Resource Center.

And the majority of documents criminals steal are the same ones your employees receive from their group health insurers. If an employee becomes a victim of medical identity theft it can take them years to undo the damage, particularly if their identity is stolen in the process.

That's why it's important for any employer with a group health plan to warn its staff about the importance of safeguarding their medical and health insurance information, including plan information and health insurance cards.

Medical identity theft is when someone uses another person's personal information – like their name, Social Security number, health insurance account number or Medicare number – to see a doctor, get prescription drugs, buy medical devices, submit claims with the victim's insurance provider, or get other medical care.

If the thief's health information is mixed with the victim's, it could affect the medical care the victim is able to receive, or the health insurance benefits they are able to use. It could also hurt their credit.

People often learn they are victims of such fraud when they get a medical bill or a notice from their health insurance company about what will be covered for a procedure they never went in for.

Alert your staff

The most important advice for your staff is that they should take good care of their health insurance card. This includes:

- Cutting up their old card when they receive a new one.
- Reporting a loss immediately to their insurance company if the card is lost or stolen.

Your employees should also keep their medical records, health insurance records and any other documents with medical information in a safe place. They should also keep their prescriptions and medicine bottles in a safe place.

How to identify fraud

The Federal Trade Commission recommends being on the lookout for the following:

- You get a bill from your doctor for services you didn't get.
- You notice errors in your Explanation of Benefits statement, like services or prescriptions you didn't get.
- You get a call from a debt collector about a medical debt you don't owe.
- You review your credit report and see medical debt-collection notices that you don't recognize.
- You get a notice from your health insurance company saying you reached your benefit limit.
- You are denied insurance coverage because your medical records show a pre-existing condition you don't have.

Action steps

If you think someone is using your personal information to see a doctor, get prescription drugs, buy medical devices, submit claims with your insurance provider, or get other medical care, you can take steps to limit the damage.

If you notice something out of the ordinary in your insurance billing, you should contact your insurance company to notify them. You may also need to ask for all of your recent records and go through them to look for anomalies. ❖

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Provide Training for Any Benefit Tool You Roll Out

League

This online tool and app is designed to help your employees choose which health plans are best for them, and to identify health risks and help them access preventative care.

The main features for employees include:

- Digital wallet for their HSA funds.
- Marketplace where your staff can book doctor's appointments and access discounts on services and products.
- Access to a registered nurse directly via video chat.
- They receive nudges regarding healthy behavior or recommendations for health screenings or procedures.

The takeaway

Online or digital tools alone won't work for every worker. Some need a more human-centered approach to help them understand their benefits, how to get the most out of them and improve their health.

But tools like the above can go a long way towards educating them about their health and health benefits.

While many of your workers will easily adopt electronic price transparency tools, others will need time to get used to them. It's important that you provide training for any benefit tool you roll out, and also leave the door open for employees to access one-on-one advice so they can make the right choices. ❖

ACA Changes

Rules Expand Services Covered with No Cost-Sharing

THE DEPARTMENT of Health and Human Services has issued some new "frequently asked questions" for its Affordable Care Act pages, and new guidelines that require group health plans to expand what they are required to cover with no cost-sharing.

The new FAQs and rules by the HHS will require health plan sponsors to ensure that their health plans have made the necessary policy changes to comply with the new guidance. It's also important that employers inform their employees about these rule changes so they know of the added services and treatments that are available without out-of-pocket costs on their part.

Here's a rundown of the new rules.

Colonoscopy rules

Under current Affordable Care Act rules, non-grandfathered health plans are required to cover without cost-sharing regular colorectoral screening starting at the age of 50 and through the age of 75. That includes:

- Required specialist consultant prior to the screening procedure;
- Bowel preparation medications for the screening procedure;
- Anesthesia services for a colonoscopy;
- Polyp removal performed during a colonoscopy; and
- Any pathology exam on a polyp biopsy performed as part of the screening procedure.

The new rules extend that coverage to people between the ages of 45 and 49 if they get abnormal results from a stool-based test.

These new rules take effect on health plan years that start on or after May 31, 2022. That means most people won't see the changes until Jan. 1, 2023 since most plans run on calendar years.

Coverage of contraceptives

The ACA requires non-grandfathered health plans to cover FDA-approved contraceptives with no cost-sharing.

However, the HHS says it's been receiving complaints about health plans sometimes denying some of these FDA-approved services despite the patients' doctors determining it to be of medical necessity. In some cases the insurer is requiring patients to try other services first or fail in their use of other services before approving use of the FDA-approved contraceptive method.

The HHS is reminding plans and insurers of their obligation to cover these contraceptives, regardless of if they are in the current FDA Birth Control Guide or not, as it does not include every FDA-approved method.

Other changes

HHS guidelines allow for certain breastfeeding services and supplies to be covered with no cost-sharing. There are a number of services and supplies already covered, but the new guidelines add coverage for double breast pumps.

The HHS also approved a new guideline aiming to prevent and reduce obesity in midlife women (ages 40 to 60) through counseling with no cost-sharing required.

The HHS has also issued new guidelines requiring universal screening for suicide risk for individuals ages 12 to 21. There are also new guidelines for assessing risks for cardiac arrest or death for individuals ages 11 to 21 and assessing risks for hepatitis B virus infection in newborns to 21-year-olds.

These two are services that would have to be covered with no out of pocket costs to the insured patient. ❖

WEIGHT CONTROL HELP: *New rules require insurers to provide counseling to help midlife women prevent and reduce obesity.*

Cafeteria Plans

Flexible Benefit Plans Give Employees More Options

ONE WAY you can give your staff more choice in the employee benefits they receive is to offer them a cafeteria plan, which allows them to put together a benefits package that works best for them.

Employers fund these flexible benefit plans with funds that are deducted from their employees' salaries on a pre-tax basis. Since the salary reductions are not received by the employee, they are not considered wages for income tax purposes.

Cafeteria plans are particularly good for participants who have regular expenses related to medical issues and childcare.

Employees can choose from a menu of plans into which they want to funnel the funds, and how they want those funds are allocated. Options can include (among others):

- Health insurance,
- Vision,dental insurance premiums,
- Life insurance,
- 401(k), and
- Flexible spending account.

While your workers use money that hasn't been taxed to pay for these benefits, payroll deductions for them also reduce their taxable income while raising take-home pay.

A cafeteria plan is especially attractive because it lets them choose which benefits they want. This is great since one size does not fit all in the world of employee benefits.

Set-up and tax implications

Cafeteria plans are also called Section 125 plans because they were created by Section 125 of the IRS Code.

Section 125 plans offer a number of tax-saving benefits for employers. For each participant in the plan, employers save on the Federal Insurance Contributions Act (FICA) tax, the Federal Unemployment Tax Act (FUTA) tax, the State Unemployment Tax Act (SUTA) tax, and workers' compensation insurance premiums.

Combined with the other tax savings, a Section 125 plan usually funds itself because the cost to open the plan is low.

Also, it's estimated that participating employees can save 20% to 40% of every dollar put into the plan.

The employee chooses how much they want to put into the plan each year and this is deducted from their paycheck automatically for each payroll period.

Remember: Flexible benefit plans are not without their drawbacks. But if you want to attract and retain key personnel with competitive benefit packages while keeping your own costs low, they can be an attractive alternative to standard benefit plans.

Flexible spending accounts

One major part of cafeteria plans is flexible spending accounts.

An FSA lets your employees pay for medical-related expenses and dependent care that may not be covered by their health plan. They can later use these funds to pay for an array of expenses, such as:

- Out-of-pocket medical costs,
- Acupuncture, chiropractic services and the like,
- Medical equipment,
- Day-care provider fees,
- Elder care, and
- More.

Also, employers can allow the employee to carry over a portion of the funds in an FSA to the first few months of the next year. The maximum permitted carryover amount is $550. ❖