

## Employers Continue to Look for Savings with Cost Sharing

The recent trend of shifting more health care and benefit costs to employees is showing no signs of letting up, according to new industry research.

A survey by PricewaterhouseCoopers (PwC) found that 22 percent of employers had medical deductibles of at least \$1,000 this year for in-network services for their most popular plans, according to a report in *Business Insurance*, compared with just 8 percent in 2008. Twice as many employers (44 percent) imposed that deductible level on out-of-network services this year, the survey found.

"The biggest change in the past two years has been the increase in cost sharing with employees," said Michael Thompson, a PwC principal. "Employers have been careful not to shift premium costs to employees, but have decided that the better way to shift costs is to require those who use health care services to pay more."

A separate report by Milliman also points to an increase in cost sharing in PPO family plans. According to Healthcare Town Hall, a website sponsored by Milliman, the survey found that the average premium cost of those plans this year increased

\$1,319, or 7.3 percent. Of the total cost increase, employers paid \$641, while workers picked up the rest, totaling an increase of \$275 in additional cost sharing and an additional \$403 in payroll contributions.

Many employers, however, are searching for solutions beyond deductible increases. More employers -- especially midsize companies -- are turning to voluntary benefits to reduce their burden while still offering valuable benefits to their employees, according to a new LIMRA study. While employers traditionally have used voluntary benefits as a morale booster, nearly 80 percent of polled employers said they are most interested in voluntary worksite benefits because they bring no direct costs to their business.

Although the trend of cost sharing is growing, U.S. workers are starting to see improvements in their overall compensation, which is creeping back toward pre-recession levels.

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## Western Benefit Solutions adds Employee to the WBS team

WBS is excited to add Mundi Nelson to the team. Mundi serves as Account Executive for clients for which Cindy Smart-Tealey is the lead consultant. Mundi joined the firm in 2011.

Mundi has eleven years of valuable experience in the health insurance industry and has been a licensed broker since 2005. She was one of six nominees for the President's Commendation Award at St. Alphonsus RMC for her dedication, customer service and excellence in per-

formance.

During her six year tenure at Willamette Dental, Mundi consistently achieved the highest customer service ranking spanning a three-state region (ID, OR, & WA).

Mundi brings great strengths to the table including customer service, communication and support as well as an extensive knowledge of the industry.



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## Teaching Kids to Make Healthier Choices May Pay Off

After 4-year program in Michigan middle school, health measures improved, study reports.

A program to boost heart health in students at a middle school in Michigan was so successful that it's being expanded to about 20 middle schools in the state, researchers say.

The objectives of the four-year program included getting the students to:

- Eat more fruits and vegetables
- Eat less fatty foods
- Choose healthier beverages
- Get at least 150 minutes of physical activity a week
- Spend less time in front of the computer and TV

To assess the impact of the program, the researchers collected data from 593

students for four consecutive years. Over that time, average cholesterol levels decreased from 167.39 milligrams per deciliter of blood (mg/dL) to 149.04 mg/dL; average levels of "bad" low density lipoprotein (LDL) cholesterol fell from 92.02 mg/dL to 85.88 mg/dL; and the average resting heart rate dropped from 81.3 to 78.3 beats a minute.

"This four-year school intervention in Ann Arbor, Mich., was designed to promote healthier lifestyle choices, and it shows that programs like this could have long-term impact on obesity and other health risks," Dr. Elizabeth A. Jackson, an assistant professor of internal medicine at the University of Michigan and a co-author of the study, said in a news release from the American Heart Association.

"Such changes may have sustained benefits in terms of reducing incidences of diabetes and cardiovascular disease as the students age," Jackson added.

The findings were to be presented in Chicago at the American Heart Association's Quality of Care and Outcomes Research 2011 Scientific Sessions. Experts note that research presented at meetings should be considered preliminary because it has not been subjected to the rigorous scrutiny given to research published in medical journals.

*HealthDay*

*HI-Wire Connection May 2011*

## Emergency Room Alternatives

Avoidable emergency room visits are a significant driver of increasing health cost trends. About 17 percent of visits to U.S. emergency rooms could have been treated at medical clinics or urgent care centers. These health care costs add up to as much as \$4.4 billion a year according to a study released by the RAND Corporation.

Not only does emergency room treatment for non-emergency medical conditions contribute to the rising cost of health care, avoidable ER visits tie up medical staff who spend valuable time treating non-critical cases, such as skin rashes and ear infections, rather than treating life-threatening conditions.

Often people go to the ER because they don't know what else to do. But

companies can support their staff in making smart choices about their health in an urgent situation and possibly avoiding high out-of-pocket costs in the process.

Health plans frequently make tools available that offer guidance on when to go to an ER and when an urgent-care or doctor's office visit might be a better option. Here are two examples of tools that may be offered with medical coverage:

- Online decision support. Many health plan websites help their subscribers decide what kind of care they are likely to need and can display providers by type.
- 24-hour nurse line. Nurse advice lines are available with some medical plans and provide 24/7 access to registered nurses. These nurses can give quick and

confidential guidance on health-related questions over the telephone, including whether treatment should be sought immediately or can wait until the doctor's office opens in the morning.

Another option is calling one's own primary care provider. Even after hours, there may be a nurse or on-call doctor available for advice.

Increased awareness of ER alternatives and their advantages—prompt, quality care at a fraction of the cost of emergency services—benefits health care consumers and businesses alike and can help decrease the overall burden to the health care system.

[www.id.regence.com](http://www.id.regence.com)

## Facts & Figures

- More than 29.5 million Americans suffer from migraine headaches. A migraine most commonly occurs between the ages of 15 and 55, and 70% to 80% of sufferers have a family history. Women are affected three times more often than men.
- The American Academy of Pediatrics recommends that no one under 16 drive a riding lawnmower and no one under 12 operate a push mower.
- People who spend more than two hours on the computer every day may start to experience Computer Vision Syndrome (CVS).
- New draperies, furniture, and cabinetry can emit formaldehyde fumes. After installation, open windows briefly and keep indoor temperatures at or below 80° F and humidity near 45%.
- 7 million kids will head to summer camp this year.