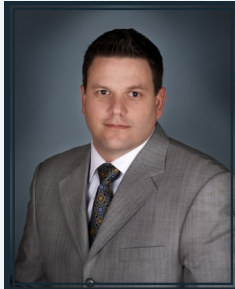


WESTERN BENEFIT SOLUTIONS OPENS IDAHO FALLS OFFICE AND ADDS TWO EMPLOYEES TO THE WBS TEAM

Western Benefit Solutions is pleased to announce the opening of a new Idaho Falls office and the addition of Matt Hansen and Skylette Hawkes to the team. The new office is located at:
3340 Merlin Drive Suite 100
Idaho Falls, ID 83404.



Matthew Hansen

Matthew serves as a Benefits Consultant for mid-size and large clients.

Prior to joining Western Benefit Solutions, Matthew co-founded *Insight Financial*, a consulting firm specializing in employee benefits and financial services.

Based in Idaho Falls, his firm provided consulting and financial services to clients locally, as well as in multiple states.

Matthew's experience serving the Eastern Idaho Region (and neighboring states) provides a hands-on consulting presence and knowledge specific to the state's growing demand in the area of competent employee benefits consulting and brokerage services.

Skylette Hawkes

Skylette serves as Account Executive for clients for which Matthew Hansen is the lead consultant.

Skylette has an extensive background in customer service and employee benefits, allowing her to support Matthew Hansen in preparing renewals, designing employee benefit communication materials, and conducting employee benefit meetings.

Prior to joining Western Benefit Solutions, she worked with Matthew Hansen at Insight Financial and prior to that worked in the life insurance market. Skylette has also provided employee benefits services as an independent producer in lines including health and disability, and property and casualty.



Matt and Sky bring extensive backgrounds in customer service and insurance brokerage services.

CEO/Owner of WBS, Ron Osborne, said: "We are excited to add them to the WBS team."

Livi Whitaker—WBS



WESTERN BENEFIT SOLUTIONS

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Cindy Tealey • Broker
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Each article contained in this issue is an excerpt or abridgment of the source material cited and may have been reorganized for clarity and brevity.

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Blue Cross of Idaho small group plans include Nurse Advice Line

Beginning January 1, 2011, Blue Cross of Idaho small group *renewals* automatically include the Nurse Advice Line. Call the Nurse Advice Line at **1-877-813-1417** to get help with a variety of topics including reducing your risk of heart disease and diabetes; preventing childhood illness; taking medications properly.

For Small and Midsize Companies, Self-Funding Demands Solid Strategies

The recent health care reform legislation has changed the benefits game for many employers. Federal regulations have created a wave of new compliance issues, while employers still face the old problem of trying to keep soaring costs in check.

These challenges have prompted many small and midsize employers to take a hard look at an option that once was only feasible for big corporations: self-funding.

According to national statistics, self-funded plans cover nearly 70 million U.S. employees and their families. A recent Kaiser Family Foundation survey notes that small and midsize companies comprise a growing segment of the self-funding market. Between 2008 and 2010, the rate of employers with three to 199 employees that had partially or completely self-funded plans rose from 12 percent to 16 percent, while companies with 200 to 999 workers jumped from 47 percent to 58 percent.

Going alone in a self-funded arrangement can be daunting for many employers, especially those with a smaller workforce. That's why some smaller companies are banding together to cut risk and boost plan flexibility. In a recent *Employee Benefit News* article, benefit expert Samuel H. Fleet notes that a regional captive insurance structure can reduce risk and foster local networks that can provide the right solutions for the small employer. A captive self-funding plan can eliminate the need to hunt down multiple vendors to manage plans and can pool risk among a number of employers, making the plans more stable and less costly.

Employers who prefer a more traditional approach will need stop loss insurance to control the risk of a self-funded plan, Fleet said. Stop loss insurance creates "a ceiling for individual costs, aggregate costs or both," and allows a company to "draw a line in the sand to make sure unexpected expenses do not exceed the resources to pay them."

Choosing the right stop loss coverage, however, harbors its own pitfalls. Employers must choose a vendor that will properly process claims and, most likely, will also provide reinsurance protection. Benefit expert Scott Kirschner wrote in a recent blog that small and midsize employers can make a fatal error in this process: purchasing on price alone. Kirschner offers this example:

"A client knowingly selected a stop loss program that covered claims that were 'paid' for only three months after the plan year. . . . When a large hospital claim occurred in late December, a carrier audit process was triggered, which resulted in a claim payment of \$280,000 in early April, four months after the plan year-end. The company incurred the entire liability on that claim that would have been covered under a richer paid contract."

Beyond Stop Loss

Stop loss insurance can add a layer of protection against massive claims and stabilize a plan, but companies that self-fund can employ a few more strategies to keep costs low and help the plan run efficiently, Fleet said. Some options include:

- Take measures to control specialty pharmacy costs (high-cost drugs for diseases

such as cancer)

- Use dialysis management specialists, who can help patients receive the best care for the best price
- Focus on chronic conditions, such as diabetes and heart disease
- Periodically audit costs to identify unique problem areas among an employer's workforce

While starting a self-funded plan can be complicated, the benefits can pay off, Fleet said.

"By exploring self-funding options, including joining a captive structure and taking steps to mitigate risk, employers can position themselves to take control of their benefits and rein in costs," Fleet said.

UBA HR Elements 2/2011

Facts & Figures

The preliminary number of deaths in the US for 2008 was 2,473,018. The 15 leading causes of death in 2008 were as follows:

1. Diseases of heart
2. Malignant neoplasms
3. Chronic lower respiratory diseases
4. Cerebrovascular diseases (stroke)
5. Accidents (unintentional)
6. Alzheimer's disease
7. Diabetes mellitus
8. Influenza and pneumonia
9. Nephritis, nephritic syndrome and nephrosis
10. Septicemia
11. Intentional self-harm (suicide)
12. Chronic liver disease and cirrhosis
13. Essential hypertension and hypertensive renal disease
14. Parkinson's disease
15. Assault (homicide)

National Vital Statistics 12/2010

Brand-name drugs recently released in a generic form

Brand Name	Generic Name	Medication Use
Sanctura	Trospium Chloride	Overactive bladder
Cytovene	Ganciclovir	Cytomegalovirus (CMV) infections
Exelon	Rivastigmine	Alzheimer's disease
Monodox 75mg	Doxycycline	Acne
Tarka	Trandolapril/Verapamil	High blood pressure