

# Administrator

Important news and updates from your benefits professionals

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## Trends In Today's World

### Penalizing the Unvaccinated

While some employers are considering surcharging employees who remain unvaccinated for Covid-19, Nevada recently became the first state to act when it said a \$55 monthly penalty would take effect in July of 2022. The penalty will apply to state workers and adult dependents to offset the cost of weekly testing. Consultants caution that adding a premium penalty could cause employees to seek coverage on the exchange, exposing employers to costly penalties under the ACA.

### Less Out-of-Pocket

A Health Affairs report shows that while U.S. healthcare spending rose to \$4.1 trillion in 2020, the majority of the increase was due to huge government programs. Deduct federal spending and the rate of increase actually fell to 1.9% compared to 4.3% in 2019. With preventative and elective procedures unavailable during much of 2020, Americans spent nearly 4% less on copayments and deductibles.

### Open the Windows

While windows that open have been used in some office buildings for

## High Quality Health Plans Solve Problems

At a time when so many businesses are struggling to find and retain workers, it's important to remind ourselves that health benefits are far more than a line item on your profit and loss statement. Recruiters consistently point out that most job seekers will accept a lower salary if a company offers a great benefits package. When it comes to engagement, few things drive loyalty and performance like a company culture based on caring for employees. Higher productivity and lower absenteeism typically follow.

When stress levels are elevated as they have been for quite some time, your health plan can be both a motivator and a cost saver – especially when your plan is self-funded. Strategies such as reference based pricing and direct contracting provide opportunities for significant cost savings while plan designs can be adjusted to address the needs of your employee population. This is especially important coming out of a period when many people have delayed or skipped care due to Covid-19 lockdowns or out of pocket costs they simply couldn't afford.

### Information and Communication are Key

By consistently analyzing claims data, we keep clients informed not only on large claims and challenges like specialty drugs but on steps they can take to control the costs associated with chronic conditions such as hypertension and diabetes.

Accenture's Healthcare System Literacy index shows



that the number of employees unable to make informed choices about their care continues to rise. When people don't understand their benefits, they lack the confidence needed to navigate a complex healthcare system and inappropriate treatment and higher costs often result. Even though tools to monitor certain health conditions and compare providers based on cost and quality keep coming, not everyone has the tech savvy needed to benefit from them.

As a result of the pandemic, much has been done to help employees through the enrollment process, however the plan they select needs to help them all year long. Whether ongoing support is provided by a nurse navigator program or an expert customer support team, there must be a greater emphasis on customer service and communication. When designed and administered with your business objectives and employees in mind, a high quality self-funded plan will contribute as much to the health of your business as it does the wellbeing of your employees.



## Quarantine Periods Shortened



On December 27th, the CDC lowered its recommended isolation period from 10 days to 5 days for asymptomatic individuals who test positive regardless of vaccination status. Following the 5-day isolation period, the individual no longer needs to quarantine but should wear a mask for the next 5 days when in

contact with others. If symptoms appear, the individual should remain in isolation for 10 days, mirroring the previous CDC recommendation.

Other recommendations apply to those who are either unvaccinated or have completed the primary series of Pfizer or Moderna vaccines more than 6 months ago without having received the booster. While not discussed in the CDC's announcement, the shortened periods seem to be aimed at helping businesses overcome short staffing issues that have arisen since the rapid spread of the Omicron variant. Finally, unless prohibited by applicable law, employers may adopt stricter isolation and quarantine requirements, including testing before an exposed or infected individual may return to the workplace.

## Why Are HSAs So Under Utilized?

The trade association, America's Health Insurance Plans, reports that of the 22 million Americans who own Health Savings Accounts, more than half have not contributed in over a year. More discouraging is that while about a third say they can't afford to contribute, even more say they haven't even considered it. This would cause one to believe that the majority of people who have this tool at their disposal simply do not understand its many benefits.

Unlike Section 125 accounts, unspent HSA balances carry over from year to year. Offering a triple tax advantage, qualifying contributions are made pre-tax, earnings accumulate tax-free and withdrawals are made tax-free as long as funds are used to cover qualified medical expenses. The ability to carry unspent balances forward makes an HSA a great retirement planning tool since funds can be used to pay for more than healthcare once the member reaches retirement age.

At a time when financial wellness offerings are in demand, it would seem that Health Savings Accounts are a gift that keeps on giving. Rather than positioning your HDHP/HSA option in the back of your enrollment kit, promote it as a valuable benefit that can help cover healthcare costs to and through retirement.

## Will New Healthcare Laws Help?

While price transparency rules have taken effect, the provision intended to make hospitals and health plans display healthcare costs in an easy-to-compare web based format has been delayed in order to allow hospitals to focus on the demands of the pandemic. Nonetheless, experts see some benefits in the ongoing quest to identify the cost of patient care.

The No Surprises Act, also in effect this month, continues to be challenged as several provider-based associations have filed lawsuits to change the way arbitrators will decide how much insurers will pay toward out-of-network bills. Regardless of how these suits play out, health plans and consumers are expected to benefit.

## Trends continued

decades, the pandemic has sparked renewed interest in fresh air and air movement. Large walls of operable windows and glass garage doors have long been popular in pleasant climates, but the airborne Covid-19 virus has made better airflow and safer ventilation a priority in new and renovated commercial properties.

### Taking Stress Seriously

The American Psychological Association's (APA) 2021 Work and Wellbeing Survey showed that 44% of Americans plan to change jobs in the coming year because of stress. The APA advises employers that

offering more flexible hours, helping employees take better care of their health and encouraging workers to use their paid time off will better position organizations to recruit and retain quality staff.

### Gender-Affirming Care

Many states have adopted laws or regulations prohibiting health insurers from discriminating against people based on gender identity, but Colorado is the first state to build the requirements into its essential health benefits (EHB) package. Colorado defines gender-affirming care to include a minimum of 12 covered

services related to medically necessary treatment for gender dysphoria, such as hormone therapy and genital and non-genital surgical procedures.

### Missing the Office

Where permitted, an increasing number of young workers say they'd like to spend at least 2-3 days in the office to meet co-workers and learn from more experienced colleagues. With many attempts to return delayed by outbreaks of the Omicron variant, it appears that hybrid arrangements with people working remotely and in-person are winning out.

# High Praise for Telemedicine

According to the Employee Benefits Research Institute and Greenwald Research, the percentage of adults saying that telemedicine has become extremely important to them increased from 7 to 17% in the last four years. Even more impressive, nearly 75% who used telemedicine said they were satisfied or very satisfied. One caveat – 62% of respondents reported that their telemedicine visit was with a provider they knew from an existing relationship or a prior visit.

Throughout the pandemic, telehealth has offered a safe, effective way to deliver highly personalized, quality medical care. With a lower cost than in-person visits and the potential to satisfy the public's need for speed and convenience, there is little doubt that employer sponsored health plans will continue to embrace telehealth beyond the pandemic.



## What Gen Z Wants at Work

If you're not shaping your benefits around the needs and wants of Generation Z, you'd better broaden your thinking. Statistics tell us that by 2025, young adults between the ages of 18 and 24 will make up 27% of our nation's workforce. What interests Z'ers? Here are a few observations from generational experts.

*Fair pay and benefits are extremely important, but no substitute for integrity. Gen Z is the first generation to put purpose above pay and will leave if they believe the organization is hiding bad business practices, promoting toxic workplace culture or ignoring their social or environmental responsibilities.*

*Most prefer a hybrid work model, but after being forced to settle for virtual internships most want to get out and meet other young professionals. They want to establish a routine and experience a sense of community by interacting with peers and mentors face to face.*

*Gen Z'ers are focused on mental health and wellness. As such, they value paid time off to care for their mental health and health benefits that include therapy and a commitment to work/life balance.*

Finally, as our nation's most diverse generation to date, Gen Z'ers want to be part of an organization that works to improve diversity across all levels. While they want to be treated fairly as an individual, they are even more concerned about what their organization does to serve the greater good.

## Lower Blood Pressure and Lower Costs

The CDC reports that compared to heart healthy workers, those with heart disease cost health plans a week of absences plus \$1,100 in lost productivity per year. Controlling high blood pressure is a huge part of maintaining heart health. It can reduce health risks associated with conditions such as sleep apnea, diabetes, cardiac arrhythmias, elevated blood cholesterol, obesity, heart failure, kidney disease and other related conditions.

Confirming that heart disease is still the number one cause of death in the U.S., the CDC states that nearly half of all adults have high blood pressure. Sadly, less than one in four has their blood pressure under control. With February being American Heart Month, take time to educate employees on the risk of heart disease and the need to get their blood pressure under control. It can make a huge difference in their quality of life and everyone's cost of healthcare.



# Did You Know? New Ideas for Healthy Consumers

## Go Easy on Screens



As winter weather keeps more young people indoors, pediatricians recommend limiting the time children spend staring at tablets, smart phones, game consoles and television. One suggestion is for parents to designate technology-free times such as family dinners and overnight in their bedrooms.

The American Academy of Pediatrics recommends that children age 18 months to 5 years have an hour

of quality programming a day with parents involved. Older children should have consistent limits on the types of media and time spent, making sure that screen time doesn't infringe on physical activity or sleep. Board games, cards games, arts and crafts are great options when its simply too cold to spend some time outdoors.

## Making 3 Minutes Count

A new study led by researchers in Stockholm involved 16 middle-aged, white-collar workers at high risk for Type 2 diabetes. Half of the group continued doing their desk jobs for 3 weeks, with no change in their daily routines. The other half took a 3-minute break every half hour to get up and do something physical. Some walked around the office while others marched in place, hopped or otherwise moved around the office .

While the control group continued to show problems with insulin resistance, blood sugar control and cholesterol levels, those who had moved around showed lower fasting blood sugar levels in the morning and more stable levels during the day. Those who achieved 75 or more steps in 3 minutes improved their metabolisms most, but everyone in the mobile group showed some improvement in their metabolic health.

## What is a Viral Variant?

With the emergence of the Delta and Omicron variants, it may help to understand how these newer variants emerge. Scientists say viral variants are new versions that arise due to small changes in its genetic code. While there have been many variants over the course of the pandemic, only the Delta and Omicron variants have impacted how the virus operates. Omicron has the most mutations or code changes, including dozens that help the virus infiltrate cells. While most changes in the genetic code don't affect how the virus operates, some can give the virus an advantage that allows it to spread more easily.

## Strength or Cardio?

If you included exercise in your New Years resolutions, you may be conflicted as to how to begin and what will really promote weight loss. Educational resources at Mayo Clinic remind us that while it is good to include 20 to 30 minutes of cardio training in your workout routine, strength training is equally important. Strength training builds muscle and enhances your cardio routine. The more muscle you have, the more calories your body will burn. Another healthy reminder is to take it slow when it comes to weight training. Again, starting slow and adding weight will help build muscle and burn calories.

**Please Contact Us:** 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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