

Variety for Health Insurance Cost-Containment

Tuesday, September 13, 2011

PHOENIX (H&U) –

Over the last two years, we seen many employers more or less freeze concerning employee **Health Insurance**. The *Patient Protection and Affordable Care Act* (PPACA) contains many changes phased in over time. Employers didn't know how the insurance industry would respond, with what products, etc.

Mostly, employers have seen coverage costs rising, even

though the idea of the Act is cost containment and even reduction.

In some areas, such as **Wellness Programs**, we've seen savings already. However, it will take at least several years before we'll see how things turn out in other areas, and that's provided the Act isn't radically altered.

How Are Employers Responding?

Employers can't wait and neither can their employees.

Competition dictates that if some employers move on new insurance programs and reap greater cost containment, then the competition had better follow suit.

Right now, there are employers who have already instituted offering a greater number of options to their employees, such as high-deductibles and high-copays (aka coinsurance) via **Health Savings Accounts** and other plans.

Pay More Now, or Pay Even More Later?

These high-deductibles and high-copays offer immediate short-term cost reductions; however, we want our clients to be, and to remain, cognizant of the fact that such cost reductions are greatest when there are no loss events (in other words, no claims made.)

If the annual savings via high deductibles and copays are wiped out by reaching stop-losses, the gamble or bets will not have paid off.

The decision concerning when to go with such near-term savings but that gamble or risk more outlays over the longer term is a judgment call on an employee-by-employee basis with many variables built in and where it must be understood that the whole idea of insurance is based upon no one knowing when accidents or injuries may strike. The healthiest and safest behaviors reduce likelihood but seemingly never completely eliminate all risks.

Help Employees to Learn, Understand, and Calculate

As an employer, you can't roll the dice for your employees. They have to make the final decisions concerning which **Health Insurance** options to choose. What you can, and should, do is present the information over time and in as a digestible format as possible.

Employees need to understand at least the basic concepts involved. They need written materials in hand and as early as possible. They may need presentations and Q&A sessions with experts.

Help them to understand that no one has a crystal ball when it comes to accidents, illnesses, and insurance coverage choices and premiums versus wages, salaries, personal savings, liquid assets, and personal and other family expenses.

Taking these steps will help relieve you as their employer from being viewed by employees as somehow holding back possibly benefiting at their expense (which no good employer wants to do).

That Wellness Program

Our last article was on **Wellness Programs** (see: "Wellness Goodness-091211.pdf"). They tie in here very nicely.

The more that your organization and each employee practices solid **Wellness Planning**, the less you all can reduce the likelihood of accident/injuries and illnesses and their severity. That's direct cost-containment too.

This current economy is so tight for average workers that many, if not most, won't have the financial flexibility to keep low deductibles, etc. This is where you can help them reduce the odds of greater losses in the long run.

Don't fail to take full advantage of it. It's every bit as important to your bottom line as simply deciding for or against higher deductibles and HSA's and the like.

If You Need Help...

Don't hesitate to contact us about anything in this or any of our other articles. If there's something on your mind concerning anything we've raised, if we don't know the answer, we'll do our best to find it and report back to you. Maybe there is no answer, but we'll welcome your question.

Who knows, maybe you'll be the first to identify a gap in coverage where working with our many industry carriers, we can design new or expanded coverage.

So, put your employees' and your own questions to us.

Contact Us Right Now

Hints:

In newer versions of Adobe Reader and Adobe Acrobat:

1. Save your work-in-progress: Menu > File > Save.
2. Menu > Edit > Preferences > Forms > Auto-Complete > Basic: "The basic auto-complete feature stores the information you enter into form fields and uses these entries to suggest relevant choices as you type into a field. Once you enter a character into a field, a drop-down box displays a list of only the most probable matches. Double-click or press Down Arrow in an empty field to display an even

- larger list of possible matches."
3. Menu > Edit > Preferences > Forms > Auto-Complete > Advanced: "The advanced auto-complete feature stores the information you enter into form fields and uses these entries to suggest relevant choices as you type into a field. If there are probable matches for a field, tabbing into that field will automatically display a list of them. If there is a very probable match, it will be entered in the field automatically. Pressing Tab while the pointer is over an entry in the list chooses the entry and moves to the next field."

Remarks			
Date	Month	Day	Year (yyyy)
If you know your Hill & Usher Account Number, please enter it now. Other-wise, skip to the next section.			
Attached to Pre-existing First Named Insured (if any)			
Full Legal Name			
Primary Contact			
Primary Contact data already on file with Hill & Usher	Yes	No	

	<p>If "Yes" and if you've entered above 1) the applicable Hill & Usher Account Number or 2) the full legal name of the Pre-existing First Named Insured, then skip the rest of this Primary Contact section, enter any desired remarks, and submit the form.</p> <p>If you are unsure of any applicable Hill & Usher Account Number or whether there is a Pre-existing First Named Insured, please fill out this Primary Contact section.</p>
Type	<p>First Named Insured Co-Insured Other</p> <p>Not Selected</p>
First Name	
Middle Initial	
Last Name	
Home Telephone (10 digits)	
Cell (10 digits)	
Business Telephone (10 digits)	
Fax (10 digits)	
Email	
Preferred Method for Contact	<p>Home Phone Cell Business Phone Email</p> <p>Not Selected</p>
Contact at Work	<p>Contact at work anytime</p> <p>Contact at work only for emergencies</p> <p>Never attempt to contact at work under any circumstances</p> <p>Not Selected</p>

In newer versions of Adobe Reader and Adobe Acrobat, save your completed form before submitting:
Menu > File > Save.

If you have any computer/technical questions/problems with this form, please email our [webmaster](#) or call our office @ 800-956-4220
- Monday through Friday, from 8AM to 5PM, Arizona time -

Hill & Usher Specialty Programs



[Aerial Pak](#)
(Aerial Photographers)



[Package Choice](#)
(Photography Studios)



[Bar Pak](#)
(Restaurants & Bars)



[Trim Risk](#)
(Landscapers)

- [Residential General-Contractors](#)

- You may also access Hill & Usher Specialty Programs via the menu and sidebar on our main homepage: [HillUsher.com](#)

Like • Follow • Subscribe



Hill & Usher Insurance & Surety, LLC.
3033 North 44th Street
Suite 300
Phoenix, Arizona 85018

Email: sales@hillusher.com

Phone: 800-956-4220
Fax: 602-956-4418

Variety for Health Insurance Cost-Containment-091311.pdf

© 2011 Hill & Usher Insurance & Surety, LLC.
All Rights Reserved.