

Benefits Buzz

Benefits and HR tips brought to you by the insurance professionals at **Apex Benefits**

DID YOU KNOW

The Department of Health and Human Services (HHS) announced on Oct. 14 that it was suspending implementation of the Community Living Assistance Services and Supports (CLASS) program.

The CLASS program, mandated by health care reform, was intended to be a voluntary, consumer-funded long-term care insurance program.

HHS declared that it had not found a way to make the program work at this time, and there is no indication if HHS will revisit the CLASS program in the future.

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Surveys: Health Care Costs Increase at a Declining Rate

Recent surveys from Mercer, Segal Co. and Aon Hewitt found that health care costs are increasing at a declining rate.

The studies cited various reasons for the decline, including:

- Consumers are using fewer medical services, as the economy remains tough and employers shift more costs to employees.
- Employees are using more in-network providers.
- Wellness and health management programs are reducing doctor visits due to healthier employees.
- Employers are adopting value-based plan designs that incentivize lower cost, higher quality care.

Though a slower growth rate is welcome news, it is cause for concern if employees are opting not to seek necessary medical care in order to save

money. Lower utilization will improve a company's bottom line right now, but could have devastating effects in the future as those employees have more serious health complications.

Even despite the slowing growth, employers are still feeling the massive burden of health care costs. Unhealthy employees, especially those with chronic conditions, continue to drive costs for employers.

In response, more employers are offering consumer-driven health plans, or raising copays and deductibles. Wellness programs are also popular to help reduce health care costs.

Most importantly, employers must educate employees on the medical and financial importance of seeking appropriate preventive care, properly managing chronic conditions and always receiving the medical care they need.

Time and Tools Key to Enrollment Success

According to a recent study by employee benefits provider Unum, employees need three weeks to review benefits materials and employers should use at least three communication methods for effective benefits education.

In the study, communication methods favored by employees included printed information, personalized benefits statements and an employer intranet or website. Other popular forms included email, group and one-on-one meetings, and interactive online tools.

Sufficient time to review benefits is vital as well, as employees were more likely to rate their benefits favorably when they also approved of the benefits education.

The study found that effective benefits communication helps employees make informed benefit choices and use their benefits wisely, which can ultimately save money for themselves and the company.

