



BenefitWise

Important news and updates from your benefits professional

Winter 2011

MAA Salutes American Heart Month

Since 1963, in an effort to urge Americans to join the battle against cardiovascular diseases, Congress has required the President to proclaim February "American Heart Month."

The American Heart Association led initial efforts to develop Annual American Heart Month, a time when thousands of American Heart Association volunteers visit their neighbors with the goal of raising funds for research and education. Volunteers also distribute printed handouts describing the risks of cardiovascular diseases, including stroke.

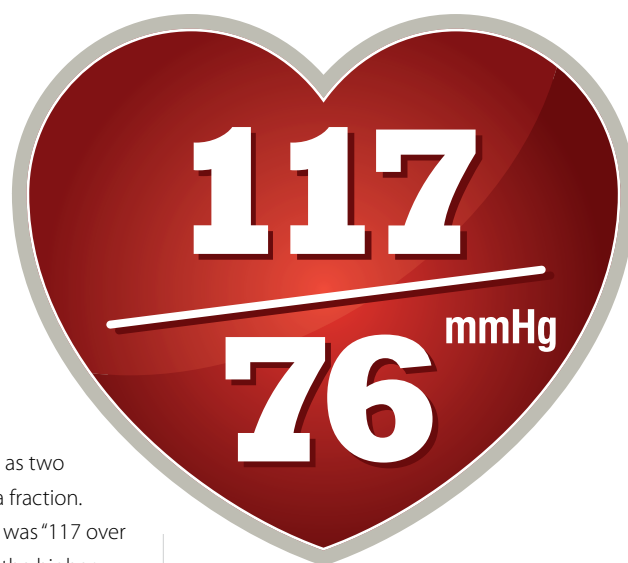
To inform members and their families, we are using this newsletter to provide helpful information on heart disease. One of the ways adults can track their risk of heart attack or stroke is to be aware of their blood pressure readings and what they mean.

What Blood Pressure Readings Mean

Blood pressure is typically recorded as two numbers with a ratio expressed as a fraction. For example, if your blood pressure was "117 over 76" – the top number, which is also the higher of the two numbers, measures systolic pressure, which is the pressure in the arteries when the heart beats (when the heart muscle contracts).

The bottom, and lower of the two numbers, represents diastolic pressure – the pressure in your arteries between heartbeats (when the heart muscle is resting and refilling with blood).

According to the American Heart Association, normal adult blood pressure levels should be less than 120 over 80 and "pre-hypertension" levels may be as high as 139 over 89. A single high reading does not necessarily mean that you have high blood pressure because changes in posture, exercise, stress or sleep can influence your readings. Your physician will want to track your



readings over time in order to get an accurate picture. While both numbers are important, the top number is often considered a major risk factor for cardiovascular disease in people over age 50.

All adults lose some blood-pumping ability as they age, but heart failure results from the added stress of health conditions that damage the heart or make it work too hard. Lifestyle factors that increase your risk of heart attack and stroke, such as smoking, obesity, eating foods high in fat and cholesterol and lack of physical activity, can also contribute to heart failure. For more information on American Heart Month, warning signs or tools and resources available from the American Heart Association, visit www.americanheart.org.



What Lies Ahead for CDHPs?

Even though statistics show that more and more consumers have become accustomed to consumer driven health plans such as Health Reimbursement Arrangements (HRAs) and Flexible Spending Accounts (FSAs), many expect healthcare reform to impact consumer directed health plans. We believe that if the “pay or play” mandate kicks in, beginning in 2014, FSAs and HRAs could continue to grow. Consumer directed options such as HRA and FSA plans will provide more efficient ways for employers to meet minimum essential coverage requirements and avoid penalties that will apply if health benefits are no longer offered.

HRAs, which are funded by the employer and roll over on a yearly basis, have quickly become one of the most flexible options available to employers. Funds placed into employee HRA accounts are tax deductible, which can create significant cost-savings for the employer. Regardless of the consumer directed option preferred, employees enjoy the same level of health coverage without having to assume greater financial responsibility. Perhaps the greatest benefit is that these options really are helping employees become more engaged in their health benefit plans and their own health. Members are finding it easier to discuss possible treatment options with physicians and compare the cost of services between network providers.

Costs Are Rising – What to Say to Your Employees

Whether it's fear of higher costs associated with healthcare reform or continued inflation in prescription drugs, medical treatment and technology, the news about health plan cost trends is anything but comforting – especially when you listen to the news coming from large insurance carriers. While self-funding helps your plan avoid some of the costs associated with fully-insured alternatives, communication is still important and becoming more and more critical all the time. Here are a few thoughts to consider as you and your plan participants face an uncertain future:



1. Never assume that everyone knows how and where to get information about their health and their health benefit plan. Whether you use employee meetings and lunch and learns, printed bulletins and newsletters or your website, blog or email, keep information coming and use as many different forms of media as possible.

2. Health benefit plans are complex enough, so make every effort to keep all cost and benefit-related communications as simple and to the point as possible.

3. Even though some segments of our economy are beginning to recover, stress levels continue to run high. In times like these, emphasize that cost control is a shared responsibility. From learning how to ask the right questions of their doctor to participating in wellness or disease management programs, everyone needs all the help they can get.

4. Make sure people know where to go for quality, responsible care. Talk about your provider network and how to make choices that will lead to a quality outcome and an efficient cost.

5. Do everything within the parameters of your plan to promote wellness and preventive care. If your plan covers the cost of annual physicals and health screenings, provide incentives to encourage their use. Encourage everyone to be pro-active and tell people what how their decision to be pro-active can impact their future.

It's never easy to talk about cost increases or changes in plan design. Remember that encouraging questions and responding with easy to understand, straightforward answers will help everyone appreciate the challenges we face and the value of their benefit plan. If you need to rethink your benefit communications, give us a call. We'll be happy to help.

Trends Latest Happenings in Today's World

Congress Blinks on Medicare Physician Fees

In voice-votes held in early December, Congress delayed a Medicare cost-control measure that would have imposed a 25% cut in Medicare physician reimbursement rates in 2011. As a result, many private health insurers that base their rates on Medicare will continue paying

physicians according to previous Medicare reimbursement schedules.

Americans Still Split on Healthcare Reform

According to results of a new poll by Harris Interactive and HealthDay news service, a division of Scout-News, LLC, 40 percent of adults want to repeal all or most of the

healthcare reform legislation that President Obama signed into law in March of 2010. 30 percent of those surveyed are still in favor of keeping all or most of the reforms and 29 percent are still undecided.

You Can Pay Me Now or Pay Me Later

According to findings by consul-

Information:

A Key to Keeping Your Plan Strong and Affordable

One of the things we've always loved about self-funding is the flexibility it provides to our clients. In contrast to fully-insured plans, self-funding allows for changes in plan design and the easy integration of resources that help in the future. And the key to determining how to change lies in your ability to obtain meaningful information.



Claims Often Tell The Story

When we meet with a prospective client for the first time, we ask to review their current plan design and claims history. Understanding where healthcare dollars have gone is usually a pretty good indicator of how they will be spent in the future and steps your organization can take to address negative trends.

With more than 75% of all healthcare dollars being spent on chronic conditions such as diabetes, obesity and cardiovascular diseases, appropriate care must be provided to those with chronic conditions. Pro-active steps like health risk assessments and health screenings can be used to identify the likelihood of large claims in the future.

Plan Modeling and Wellness

As plan and provider information becomes more and more meaningful, targeted wellness strategies and health initiatives can be implemented. Predictive modeling can be used to evaluate alternative plan designs and identify an appropriate course of action.

These are just a few of the steps we're taking for our self-funded clients and all involve the availability of timely plan and provider information. To learn more about plan and provider information and how it can be used to accomplish your employee benefit objectives, contact us at any time.

Retaining Quality Employees

A lot is being written about employees, especially at management levels, and a desire to look for greener grass as the economic recovery strengthens. Recent reports by the Bureau of Labor Statistics show that the number of people voluntarily leaving jobs has now surpassed those being laid off or terminated.

Headhunters say this is due to widespread dissatisfaction resulting from cuts in staff and increased workloads. When fewer people have to do the work of many, the burden multiplies. If this is a concern at your organization, you may want to consider these steps:

- Let people know they're important and a valued part of the organization.
- Even though compensation may be falling short of desired levels, effective people often place a higher priority on their opportunity for advancement and the ability to do inspiring work.
- The ability to tackle a new project, move into a leadership role or learn new skills often make an individual feel good about his or her employer.

If you're concerned about how your highly effective people feel about their future role, ask them. Learn more about what they're thinking and chances are you'll be better equipped to light their fire once again.

tants Towers Watson, an increasing percentage of adults 50 and over are realizing that in order to have meaningful retirement benefits and healthcare coverage in the future, they will need to delay retirement and contribute more now. Approximately 55% of the 9,000 surveyed in 2010 said that the declining value of their 401(k) and concerns about Medicare

have made them willing to begin contributing a greater portion of their current paycheck now. This percentage is up from 46% a year ago.

Employer Health Insurance Rates Up

Premiums for employer-sponsored healthcare rose 41% since 2003. Increases varied by state, from 21%

in Delaware to 59% in Louisiana. If reforms under the Affordable Care Act decrease premiums by 15% per year, then annual family premiums would decrease by approximately \$2,323 by 2020. By 2009, premiums were highest (topping \$14,000) in Alaska, Connecticut, Massachusetts, Vermont, Wisconsin and Wyoming.



Did You Know? New Ideas for Healthy Consumers

Statistics Show Our Health is Improving



According to the Centers for Disease Control and Prevention (CDC), thanks to major anti-smoking pushes and preventable hospitalizations and infectious diseases, the health of Americans has increased by a small, but notable 1% over the past year.

Over the course of 2010, the smoking rate among U.S. adults fell from 18.3% to 17.9%. This is compared

to a high in 1990 of 29.5%. Today, Utah, California, Massachusetts and Washington have less than a 15% smoking rate, and since 1990, the state of Maryland has decreased its smoking rate from 29.7% to 15.1%. Several states have also decreased the percentage of child mortality, children under the age of 18 living in poverty and the incidence of cardiovascular deaths.

Over 25 Million Diabetics

Despite these improvements, there are still major flaws in American health. Obesity is one of the most prominent problems in the United States, with the obesity rate having increased from approximately 12% in 1990 to 27% in 2010. Equally concerning is the increased percentage of Americans with diabetes, which has risen 19% since 2005, with the total percentage now at 8.3%.



How Common Are The Winter Blues?

Seasonal affective disorder, or SAD, is a recurring depression that impacts people during the cold winter months and then goes away during the spring and summer. It is estimated that 5% of the American population suffers from this disorder, better known as the "winter blues."

The cause of SAD is unknown, but researchers say that an increased level of melatonin in the blood, which increases the need and desire for sleep, could be a factor. When there is less exposure to sunlight, our bodies produce more melatonin, making our biological clocks that regulate mood, sleep and hormones run a little slower. Symptoms vary, but can include low energy and fatigue, an inability to concentrate and increased irritability.

How to Cope

If an escape to a warm, sunny destination isn't possible, experts suggest opening shades and blinds to increase the amount of light in your home; walking outside, especially on sunny days; and exercising regularly to relieve stress and anxiety, which are contributing factors.

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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