



Satisfy same-sex marriage compliance.

Take steps to comply with the new same-sex marriage requirements. This could include updating eligibility within benefits plan documentation, eliminating federal imputed income, and communicating such changes to employees.

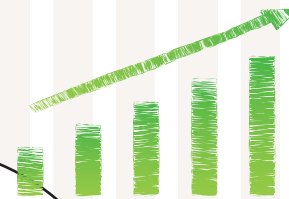
Think about outsourcing benefits.

Consider the costs of outsourcing your benefits administration and/or call center so you can focus on developing solutions to mitigate the rising cost of benefits.



Upward trend in Health Savings Accounts (HSAs).

Employers are asking their employees to become wiser healthcare consumers through offering CDHPs with an HSA. Nearly 15.5 million Americans were covered by HSA-eligible insurance plans in January 2013, an increase of nearly 15% since 2012.⁶



Wiser healthcare consumers.

HR alone cannot be responsible for cost-management. Help your employees make smart benefit decisions, including educating them on the value of generic prescription drugs, calling 24-hour nurse advice lines, and visiting urgent care facilities (as applicable).



Xpect more from your healthcare broker/consultant.

At a minimum, your broker/consultant should be providing easily-accessible compliance, communications, and underwriting resources as part of their core services. Financial modeling would be nice too.

Zzzzzzz time.

Make sure you take a nice vacation and get some sleep at some point in 2014. You deserve it.



Your moment to shine.

Take advantage of this moment to show your CEO and CFO that you have the passion, capabilities, and know-how to develop and execute successful short and long-term benefit strategies.



For more information, contact:
Ed Bray, JD, MBA
Senior Vice President, Compliance
Ascension Insurance, Inc.
1277 Treat Boulevard, Suite 650
Walnut Creek, CA 94597
925.322.6654 phone
ebray@ascensionins.com

The 2014 ABC's of Employee Benefits

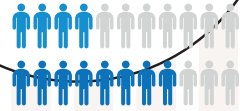
As featured annually in *Employee Benefit News*



by Ed Bray, JD, MBA
Ascension Insurance, Inc.

Analyze employee data to control costs.

Develop and analyze appropriate employee health metrics to determine plan modifications, including design changes and targeted wellness initiatives, especially in high risk areas.



Be prepared for ACA 2014.

Key 2014 requirements include a 90 day maximum waiting period for health insurance coverage, no annual dollar limits on "essential health benefits," no pre-existing condition exclusions, and limits for annual out-of-pocket maximums.

Cost-management initiatives on the rise.

Top cost-management initiatives for employers include: 43% are increasing participants' share of premiums, 34% are increasing employee portion of dependent coverage costs, and 33% are increasing in-network deductibles.¹



Dispel the myths.

Whether it's the Internet or relatives, employees are hearing different things when it comes to employee benefits – some true, some untrue. Encourage your employees to use you as the "be all, end all" for accurate employee benefits info.

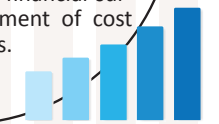


Evolution of the traditional healthcare model.

Telehealth, telemedicine, and health-based mobile applications are becoming more prevalent when it comes to the prevention and curative sides of healthcare.

Financially model your future healthcare costs.

For at least the next 5 years, health insurance renewals will include, on average, a 2%–3% increase in costs associated with healthcare reform. Forecast such costs to allow for adequate budgeting, minimal financial surprise, and development of cost mitigation strategies.



Grandfathered health plans going bye-bye.

In 2013, only 54% of companies offering health benefits have one or more grandfathered health plans (down from 58% in 2012 and 64% in 2011).²

HIPAA compliance (Don't forget!).

The HIPAA compliance safe harbor period ended on September 23, 2013. Ensure compliance, which could include updating your HIPAA Privacy and Security policies and procedures, privacy notices, business associate agreements, and employee training.

Increase awareness of state benefit laws.

Remain cognizant of state laws that affect your employee benefits program. Some 2014 actions include complying with California's 60-day maximum waiting period for fully-insured plans and each state's definition of Essential Health Benefits.



Just you.

When you *are* the benefits department, align yourself with good resources to help keep your sanity and get the job done (e.g., Health & Welfare Broker, Legal, IT, Finance, Payroll, Communications). Plus, become active in your local HR/benefits association to talk shop with your peers and gather new ideas.



Know your CFO.

Benefit costs are on everyone's mind, especially the CFO. Even though you manage such costs, he/she is ultimately responsible for them. To stay in the driver's seat, take the time to discuss impact, strategy, and direction.

Learn the new benefits lingo.

You are going to hear about things like private exchanges, "skinny" plans, SHOP exchanges, and fixed indemnity plans. Learn about them, as one or more may make sense for your organization.



Manage the 2014 Mt. Rushmore of Benefits – Strategy, Implementation, Compliance, and Communications.

These four words will keep you up at night in 2014. Prepare senior management for what these concepts mean to your company.



Now is the time to prepare for ACA's long-term impact.

90% of organizations (up from 69% in 2012) have moved beyond a "wait and see" approach, and 52% of organizations are beginning to develop tactics to deal with the implications of ACA reform.³



Open and proactive employee communication is vital.

Successful employers utilize the following communication approaches:⁴

1. Provide written confirmation of benefits choices made during enrollment;
2. Offer guidance and suggestions for appropriate adjustments to coverage in response to life events such as marriage or the birth of a new baby; and
3. Make a variety of communications channels available, such as one-on-one meetings, benefits fairs, and websites, plus ongoing information and education after benefits enrollment when questions about usage or claims often arise.

Personalized employee retirement guidance and advice on the uptick.

Baby-boomers are getting close to retirement and the younger generation is starting to save. 53% of organizations now offer one-on-one investment advice (up from 38% in 2009), and 43% of organizations offer specific retirement-preparation advice (up from 35% in 2009).⁵

Questions will affect productivity.

Employees are nervous and asking questions like, "Are we going to continue to receive health insurance? What's an exchange? Can I get a subsidy on the exchange?" Take time to point them in the right direction to get answers.

Review your benefits program funding status and placement.

With the introduction of new benefit placement options (Private exchanges, SHOP exchanges, etc.) and reasons to explore self- and fully-funded status (Essential Health Benefits requirements, ACA fees, etc.), develop a "pros and cons" analysis to determine whether it's time to make a change.

PROS | CONS



¹ 2013 International Foundation of Employee Benefit Plans Employer-Sponsored Health Care: ACA's Impact Survey
² Kaiser Family Foundation and Health Research & Educational Trust 2013 Employer Health Benefits Survey
³ 2013 International Foundation of Employee Benefit Plans Employer-Sponsored Health Care: ACA's Impact Survey
⁴ MetLife's 2013 Study of Employee Benefit Trends
⁵ SHRM 2013 Employee Benefits Research Report
⁶ America's Health Insurance Plans (AHIP)

MORE

