

# Did You Know? New Ideas for Healthy Consumers

## Longevity Linked to a Fiber Rich Diet



Fiber, most often found in foods such as vegetables, whole grains, beans, nuts and fruits, has long been considered an important nutrient. The benefits of getting ample amounts of fiber includes improved blood glucose and blood pressure levels. Fiber is also praised for playing a part in reducing the risk of heart disease, diabetes and even some cancers.

A recent study, to be published in the Archives of Internal Medicine in June, involved 388,000 men and women between the ages of 50 and 70 with fiber intake ranging from 10.8 to 29.4 grams. Those with the highest amount of fiber, especially fiber from grains, were 22% less likely to die over a nine-year period than those who consumed the least amount of fiber. The largest benefit was found among those who consumed a significant amount of fiber on a daily basis, especially whole grains.

## Back Basics

Since it is an extensive network of cartilage, muscle, bone and ligaments, the human back is one of the most complicated parts of the human body and home to the nerve-packed spinal cord, which is our major source of balance and transmitter of messages from the brain to the rest of the body. Here are some basic tips to keep your back healthier and happier.

- Between 30 and 40% of your strength comes from your stomach muscles. To give your back the support it needs, strengthen your core. Even walking can make a big difference.
- To relieve tension you may be holding in your back, take a break every now and then and

correct

move around, especially if you're confined to a desk all day.

- Whether you're sitting or standing, avoid slouching to keep your back and stomach muscles active.
- Smoking significantly reduces blood flow to the lower spine and can cause more rapid disc degeneration leading to increased pain.
- Always stretch before you exercise or perform any tasks that can put strain on your back muscles.

## Would You Pay for Information?



Would you take a test that revealed your probability of getting a certain disease if you had to pay for it out of your pocket and could do nothing

to prevent the disease if you happened to test positive? Nearly 1,500 people were recently asked that question and a majority said they would pay for this type of test if it were available.

In the study, researchers from Tufts Medical Center in Boston, concluded that the most important thing this test demonstrates is that people are willing to pay for information for information's sake. When asked what they would do with the information if such a test were available, most seemed to find as much peace of mind as they possibly could. This was revealed when answers included getting a second opinion, finding a specialist to aid them, and spending more time with family.

**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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# CONNECTIONS

*Important news and updates from your employee benefits and human resource partner*

## All Network Discounts Are Not Alike!

Recently, my wife and I were looking at the website for a national retailer because she needed a new steam iron to replace one that broke. When we found the iron she wanted, the list price was \$159.99 and it was on sale for \$99.99 – a savings of \$60.00. Then we were given an additional \$10.00 off because of a special one-day discount so we paid only \$89.99. Our receipt (much like an EOB) showed a savings (discount) of \$70.00 – WOW what a deal! Afterwards, we went to the manufacturer’s website and found the exact same iron with the same stock number for a retail price of \$99.99. So my real savings was only \$10.00.

The comparison may seem odd, but it illustrates that what really matters is not the percentage of discount promised but how the discount is calculated or defined.

One of the more disturbing examples we’ve seen recently occurred when we were asked to bid on a new fully insured case. When we asked the broker to share reports showing the network discounts and reviewed the reports, we discovered that any amount not paid by the plan or member was labeled as ineligible, with all ineligible amounts shown as savings on the PPO Savings Report.

While PPO discounts are a part of the ineligible amount, they are not the full amount because the ineligible amount can include duplicate charges, COB, network discounts, ineligible charges, plan limits and more.

In the example we referenced above, the carrier emphasized a 48% savings – the ineligible amount divided into the billed claims amount.

To get a true apples-to-apples comparison, you first must realize that...

- Duplicate charges are not discounts
- Ineligible charges are not discounts
- A cut for usual and customary is not a discount
- A cut for maximum allowable charges is not a discount
- A payment by the primary insured is not a discount

### It’s Also Easy to Be Fooled by Re-pricing

Another popular practice is offering to re-price claims through the proposed network’s system. In order to evaluate the results, you need to know what network contract was used in the re-pricing model. Most networks have multiple schedules that often vary based on geography. You also need to know if claims are actually being re-priced or if an average discount is just being applied against the claims.

As benefits administration specialists, we’re accustomed to helping employer groups analyze and evaluate projected network savings. If you need to re-evaluate your health benefit program or debunk the promise of a provider network discount, count on us for a comparison you can believe in.





## Should Your Perspective on Retirement Planning Change?

Retirement plan participants need investment advice to more effectively utilize the plans available to them. However, they don't want to spend the time going on-line and entering extensive amounts of personal data in order to receive that advice. Similarly, most employees do not have access to an investment advisor to receive the direction they need.

Many retirement plan advice solutions in the market today are over-priced and typical utilization rates are under 6%.

CBCA offers a unique retirement communication tool designed to **proactively** provide every eligible employee with the necessary information to accomplish the following critical goals:

- Identify a personal retirement objective;
- Understand where their current plan will take them;
- Specifically quantify gaps that may exist and how to minimize or eliminate those gaps; and
- Provide individual fund-level investment advice to help employees allocate their investments among the plan options more effectively.

This retirement planning tool outlines the steps needed to enhance the probability of reaching retirement goals for *current participants* and illustrates the advantages of participating in the program and how *non-participants* can get started.

Contact your account executive today for more information on this valuable tool and learn how this low cost program can assume the fiduciary responsibility for fund level advice and be paid as a plan expense.

# Can More Be Done to Control Prescription Drug Costs?

Like every employer group, you're committed to controlling the rising cost of prescription drug benefits. With estimates showing that billions in potential savings still available, chances are that you could be doing more. Here are a few things to consider that might help your plan save money on drug benefits.

**1. Take a look at plan design** – Working with the right formulary and setting your copayment levels appropriately is key to how members will utilize lower cost brand name and generic drugs. Our advice would be to keep things as simple as possible since statistics show that far too many adults with prescription drug coverage are not familiar with their copayment amounts.

**2. Member behavior** – Decisions on plan design and copayment levels will have a significant impact on member behavior. While people are always sensitive to price, it is hard to break habits. If significant changes in benefit design are being made, education will go a long way in directing people to lower cost alternatives.

**3. Choice and flexibility** – Giving plan participants choices has been shown to keep costs down and satisfaction levels up. This can be done by keeping uniform differentials between copayment tiers and by offering convenient features like home delivery for those who require maintenance drugs.

**4. Technology and communication** – A prescription drug benefit is only as good as the



information provided to plan participants and providers. Your plan needs easy to understand cost-sharing structures and EOBs. Physicians can help reduce errors with electronic transmission of prescriptions and electronic access to the patient's medication history.

Underutilization of generics, inefficient delivery and failure to adhere to prescribed directions cost our health care system billions each year. To review your prescription drug benefits and determine if you're currently doing everything possible to encourage efficient, appropriate utilization, give us a call today.

## Trends Latest Happenings in Today's World

### Breathing the Benefits

Since the 1990s, the levels of many pollutants present in the air we breathe have fallen.

- *Ground-level ozone has decreased by 14%*
- *Particulates under 2.5 microns are down by 19%*
- *Particulates 2.5 to 10 microns have decreased by 31%*

- *Lead is down by 78%*
- *Nitrogen dioxide has decreased by 35%*
- *Carbon monoxide has decreased 68%*
- *Sulfur dioxide is down by 59%*

Some, including carbon monoxide, lead and nitrogen dioxide have fallen below federal standards that

protect human health and the environment.

### Exercise Still the Best Medicine

More than 3,200 people at risk for Type 2 Diabetes were observed and those who developed an exercise schedule drastically reduced their risk of developing the disease. The

# Health Care Reform Update

## June Date Set for Health Care Appeal Hearing

According to a court document, a U.S. court has established **June 8, 2011 at 9:30 a.m.** as a date and time to hear oral arguments in a government appeal of a federal Judge Roger Vinson's ruling that struck down President Barack Obama's landmark health care overhaul law as being unconstitutional.

The 11th Circuit Court of Appeals in Atlanta said it would hear the appeal before a randomly selected panel of three judges. The administration is appealing a decision in January by U.S. District Judge Roger Vinson that favored arguments by 26 states which say the law's requirement that Americans buy health insurance starting in 2014 or pay a penalty is unconstitutional.

The law includes provisions allowing young adults to remain on their parents' health care coverage and prevents insurers from denying coverage for pre-existing medical conditions. The fight over the health care reform law, signed into law by President Obama on March 23, 2010, is expected to reach the Supreme Court.

### Regulators Work to Define "Essential" Care

A big concern for the new health care reform law is how federal regulators will define essential care, or basic medical services that health plans will be required to cover under the law. Health care reform legislation gives 10 categories of care that plans must provide for those who purchase coverage from the health insurance exchanges that are expected to begin operating in 2014.

One of the big concerns is how costly services like ongoing therapy and treatments for people with autism, cerebral palsy and other diseases will be viewed when compared to short-term rehabilitative services that help patients recover skills they have lost. On one

side, insurance carriers are trying to keep the categories as broad as possible so they have plenty of flexibility in designing benefits packages. Those in the health care community want regulators to be very specific in their descriptions so that more habilitative services will be considered standard and fewer claims will be denied.

The debate will continue with committees meeting to make recommendations to the Department of Health and Human Services, who will ultimately decide what health benefits will be considered 'essential' and therefore covered by the exchanges.

## Bigger Benefits Doesn't Have to Mean Bigger Costs!

Join employers who are giving their employees **more coverage options and protection** from life's unexpected events, at little or **no cost** to them, with CBCA's Worksite Benefits.

Worksite Benefits **fill the gaps** where traditional insurance coverage leaves off. From income replacement policies to critical illness coverage, Worksite Benefits bring a **broader range** of voluntary benefit options to your workforce.

### Coverage options include:

- Group Short Term and Long Term Disability
- Individual Short Term Disability
- Accident
- Specified Critical Illness Coverage
- Interest Sensitive Whole Life
- Term Life Insurance
- Medical Support

And with our flexible funding options, Worksite Benefits can be fully voluntary or partially employer funded.

Let CBCA show you how *simple* it is to give your employees peace of mind without costing you a dime.

Contact your broker or your account executive to find out more about our Worksite Benefit programs.

same participants were evaluated 10 years later, and those who maintained a healthy lifestyle including physical activity continued to decrease their risk for Type 2 Diabetes by 34%.

### More Enjoy the Benefits of Home Grown Food

The maker of Kerr and Ball-brand mason jars report that the sales of

canning equipment have rose by 30% in 2009 and surprisingly, 50% of the people preserving their own home grown produce are under the age of 40. As a result, seed sales are increasing while enthusiasts who are cultivating their harvests are enjoying fresh air and exercise while lowering their food bills.

### Confidence in Health Care Spending

The Consumer Health Care Sentiment Index reports that in the month of January, the number of Americans more confident in their ability to pay for and access health care during the first quarter of 2011 increased by about 3%. This followed a quarter in which those expressing concern over

an ability to pay and those likely to postpone elective surgery and fill prescriptions reportedly reached an all-time high. The Healthcare Sentiment Index is part of the Thomson Reuters Pulse Health Care Survey, which polls 100,000 households on health care behavior annually.