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NEWSLETTER

A Publication of **HR Insourcing, LLC**

Differentiated HR functions, insourced cost effectively for mid-size to smaller companies.

CFO's, CEO's Listen Up!

PART II: Stretching Health Care Dollars

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In today's world of increased unemployment, salary reductions, furloughs and other bad news, there are items of good news including the opportunity to guide your employees in maintaining good health during these stressful times.

Initiatives in Wellness; Consumer-Driven Health Care

Recognizing the challenge increasing benefits costs represent for most employers, companies are attempting to be more proactive about health and wellness for their employee populations. In some cases, the efforts are focused on stretching Employers / Employees Health Care dollars, in other cases it may take the form of more proactive intervention to contain health risks (short and longer term).

Some examples are:

- Encouraging employees to buy prescription drugs via mailorder vs. going directly to the drugstore, which could potentially increase their end cost. I do it for our family.
- Through a 3rd party, preferably your Health Plan provider, contact smokers quarterly and offer cessation support.
- Company supported mammograms / yearly for women 40 & over (the reality of early detection / cure of Stage 1 cancer vs. the debilitating effects & cost of treating Stage 4 cancer).
- Conducting a self-audit of benefit subscribers to identify unqualified dependents and transfer them off Company plans.
- Promote a healthy company culture. If your health plan has a feature which reimburses employees for participation in a health club, promote this among your employees.
- For fun, find an event where your employee population can "mirror" a well known sports event in its fitness initiatives (e.g. the Tour de France; the Boston Marathon, etc.) – chart prominently in the office how many bike miles or walking miles your employee population is logging relative to these well known events. Sponsor with t-shirts, a running / walking team to the annual Boston Corporate Challenge, for example.
- Data mining – health plans can do more for their client organizations to analyze health and prescription claims and make recommendations about such adjustments as:
  - **i.** Providing no-cost or low-cost health equipment or supplies to manage chronic conditions;
  - **ii.** Lower cost-sharing for employees on drug therapy to treat chronic conditions to encourage disciplined use of prescribed therapies;
  - **iii.** Offer incentives for employees to visit health providers with history of positive outcomes for specific conditions.
- Look into Health Savings Accounts (HSA's) combined with high deductible plans. Employers might consider introducing consumer-driven health plans such as HSA's, using the savings received from moving away from traditional indemnity plans to help fund deductibles on behalf of all employees. With a HSA building value in each employee's individual account, it is clearly in the employee's interest to pay close attention to the efficient use of those funds for necessary care.

Ask your benefits broker what programs your company ought to be considering to stretch health care dollars spent.

In the current economic environment, employees, more than ever recognize the value of their employer's benefit plans. As employers, take optimum advantage of your employees' awareness by increasing your communications about the importance of long term health and encourage a culture of wellness with targeted programs that can stretch your health care dollars.

With these initiatives and other human resource related efforts, consider HR Insourcing as a cost-effective means of supporting all your HR needs.

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