

Health and welfare benefits supporting the recruitment and retention of talent.



Lead by example – promote healthier eating at work



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Are voluntary plans subject to ERISA?

Benefit insights

Indispensable Insurance Advice®

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Important new HIPAA rules

The Department of Health and Human Services (“HHS”) Office of Civil Rights (“OCR”) has announced an audit program to assess compliance with the Health Insurance Portability and Accountability Act (“HIPAA”) Privacy and Security Rules and Breach Notification standards. After the initial pilot, business associates will be included in audits.

A simple way to improve compliance is through the HIPAA ELearning Guidance Solution, available through JMB Insurance. This interactive, online solution pro-

vides valuable access to web-based training that includes a compliance library and training center to help facilitate staff training and ongoing engagement.

To learn more and/or set up our HIPAA ELearning Guidance Solution please contact your JMB Insurance account executive.

[Click here for more information on the HIPAA privacy rule.](#)

Navigating employees through HSAs

Recent IRS regulations – that appear likely to limit contributions to health flexible spending accounts (Health FSAs) in 2013 – have more employers shifting emphasis to Health Savings Accounts (HSAs). This may be an ideal opportunity to present qualified high-deductible health plans together with HSAs as an option to promote consumerism, control health care costs and improve benefit satisfaction.

This is a good time to correct any misconception that consumer-oriented health plan designs and HSAs are beneficial only to healthy individuals with minimal health care costs. Empower your employees by educating them on the cost of care. Provide resources that show how they can better control their dollars.

Successful communication and education can help alleviate surprises before they happen. Helping employees estimate the amount they need to save can go a long way toward obtaining their support of the company plan. JMB Insurance can assist in preparing a comprehensive communications campaign to accomplish this goal.



Monitoring dependent eligibility

Providing health care and related benefits for dependents that may not be benefit-eligible can drive up costs for employers. Conducting a Dependent Eligibility Audit may be a potential cost containment tool.

One of JMB Insurance’s dependent eligibility audit partners has provided the following estimates for a typical audit client:

- 5% to 10% reduction in the number of covered dependents
- Projected annual savings of up to \$3,000 per dis-enrolled plan member

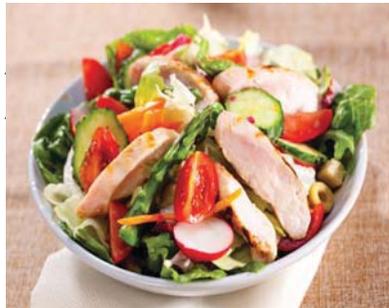
If you would like to explore the merits and/or feasibility of conducting a Dependent Eligibility Audit on your population, contact your JMB Insurance account executive.



Benefit Solutions

Lead by example – promote healthier eating at work

Choose foods and beverages that are healthy when planning meetings, conferences or other events. Many employees consume a significant portion of food away from home. Foods consumed at cafeterias, from



vending machines and in other public food-service establishments, often are not as nutritious or healthy as foods prepared at home. In general, Americans' diets exceed saturated fat and sodium recommendations. Few Americans are meeting fruit, vegetable and whole grain recommendations. The Dietary Guidelines for Americans provides valuable tips on a diet that promotes health and may help prevent the effects of diet-related chronic diseases. Making healthy food available at work is one way to encourage

employees to live healthier overall.

Interesting data:

- In 1999-2000, 65% of adults reported being overweight or obese. People who are overweight or obese are more likely to suffer from many chronic illnesses and conditions.
- In 1995, an estimated \$9.3 billion in lost productivity due to poor diet was associated with morbidity from coronary heart disease, cancer, stroke and diabetes.
- A poor diet is an underlying factor in the development of many conditions such as heart disease, some cancers, stroke, diabetes and obesity.

Source: Centers for Disease Control and Prevention, Department of Health & Human Services Healthier Worksite Initia-

Consumer Driven Health Plan (CDHP) enrollees make different choices

A recent study conducted by Rand Corp., and published in the journal Health Affairs, reports that members enrolled in CDHPs are more focused on cost savings. While a majority of the savings reported came from a reduced number of encounters with providers, a significant percentage resulted from spending less money at each encounter. While many factors can come into play, this suggests to researchers that members are making different choices about tests and treatments. The study also reported that

families enrolled in CDHPs had fewer visits to specialists, filled fewer prescriptions for brand-name drugs and had fewer elective hospital admissions.

“People in consumer-driven plans initiate health care less often, and when they do, they receive fewer – or less costly – health services than individuals in other health plans,” said co-author Neeraj Sood, an associate professor at the Schaeffer Center for Health Economics and Policy at USC and a Rand economist. “What we

don't yet know is whether the health care that was eliminated was unnecessary.”

Despite the fact many preventive care services were offered at no cost, the study reported modest first-year reductions in the use of highly recommended care such as cancer screenings and routine testing

Social Security statements now available online

Eligible workers can obtain secure and convenient access to their Social Security earnings and benefit information online at <http://www.socialsecurity.gov>. According to the Commissioner of Social Security: “Our new online Social Security Statement is simple, easy-to-use and provides people with estimates they can use to plan for their retirement. The online Statement also provides estimates for disability and survivor benefits, making the Statement an important financial planning tool. People should get in the habit of checking their online Statement.”

It's a good idea to review the Statement on a regular basis to make sure that Social Security is accurately posting earnings. Inaccurately stated earnings could result in a person receiving improper benefits based on their actual earnings.

To get a personalized online statement, you must be able to provide information that matches information already on file with Social Security. In addition, Social Security uses Experian, an external authentication service provider, for additional verification. While Social Security will not share a person's Social Security number with Experian, the identity check is an important part of this new verification process.

Once verified, people will create a “My Social Security” account with a unique user name and password to access their online Statement. In addition, the portal also includes links to information about other online services, such as applications for retirement, disability and Medicare.

[Click here or more information about the new online Statement.](#)

Want to engage Gen Y employees?

The largest growing segment of the workforce is Gen Y, employees born mid-80s to late 90s. The annual MetLife Employer and Employees Benefit Survey found that Gen Y employees value their benefits. This group is among the hardest hit by the economic recession because of underemployment and unemployment, compounded in many cases, by student loans. As a result of these economic hardships, 66% of the Gen Y employees are counting more heavily on their employers for benefits. Consequently, these same Gen Y employees also are more satisfied with their benefits than co-workers of other generations (52% compared with 36% of older generations).

In previous surveys, the MetLife study has drawn a correlation between employees being satisfied with their benefits and their loyalty to their employer – but Gen Y employees appear to be an exception. Despite the fact that they are very happy with their benefits, once employment conditions improve, a majority of the Gen Y employees indicate that they might be the first out the door looking for a new job.

Gen Y employees take their careers and financial futures seriously. They tend to show their loyalty through high performance rather than by their length of service. Therefore, employers may want to consider short-term value rather than long-term value when designing benefit programs.



Health coverage: Sixty-eight percent of the Gen Y employees who responded to the MetLife study indicated concern about being able to afford health care premiums and related out-of-pocket health care expenses. To help offset these concerns, employers might consider offering voluntary dental and vision benefits. These tend to be lower cost programs and employees do not have to be ill or have an accident in order to receive benefits.

Disability insurance that starts day one and helps to ease their concerns about financial risk. Employees may have an need for supplemental buy ups to supplement their protection.

Choice and customization of benefits: Gen Y employees are used to paying for their benefits, so give them choices such as car and pet insurance.

Flexibility: Work-life balance appears to be increasingly important to Gen Y employees – maybe more than for any other generation. Where appropriate for the employee and business, increased time off and flexibility to work where and when they like can be a powerful retention tool. While it is clear that younger employees enjoy this benefit, care must be taken that they do not tend to take advantage of the employer.

Advancement opportunities: More than most employers realize, opportunities to advance tends to drive loyalty. The gap between the views of employers and employees when it comes to advancement as a driver of loyalty is evident by the fact that 66% of Gen Y respondents and 42% of employer respondents viewed advancement as a priority.

Text and Tweet: To help build engagement with Gen Y employees, communicate in their preferred method of communication, which may be texting and tweeting (just not while driving

Don't let employees feel they have to move on to move ahead.

Viral Hepatitis: are you at risk?

Last month, the Centers for Disease Control and Prevention (CDC) took the opportunity on “Hepatitis Testing Day” to encourage people to become educated about viral hepatitis and to be tested if they are at risk for having the disease. Millions of Americans have chronic viral hepatitis and many people do not know they are infected.

Hepatitis Risk Assessment: The online assessment is designed to determine an individual’s risk for viral hepatitis and asks questions based upon CDC’s guidelines for testing and vaccination. The Hepatitis Risk Assessment allows individuals to answer questions privately and print their recommendations to discuss with their doctor.

[Learn more about CDC’s upcoming Know More About Hepatitis Campaign by clicking here.](#)

Source: Centers for Disease Control and Prevention, Department of Health & Human Services Healthier Worksite Initiative

Are voluntary plans subject to ERISA?

The number of employers offering voluntary benefit programs is growing. Depending on the involvement of the employer, voluntary benefit programs marketed directly to employees may or may not be exempt under the voluntary benefit plan safe harbor.

Plans are exempt from ERISA through a safe harbor if:



- the employer makes no contributions;
- participation is 100% voluntary;
- the employer’s involvement is limited to permitting the insurer to publicize the program and to collecting and remitting premiums; and
- other than reasonable compensation the employer receives no consideration for collecting and remitting premiums.

Standardized Summary of Benefits update

While there remain many unknowns, and a number of provisions yet to be regulated, PPACA requirements for standardized summary of benefits and uniform glossary has some recent updates. The Center for Consumer Information & Insurance Oversight (CCIIO) provides forms, instructions and guidance.

[To access this information, click here](#)

For more information, please contact your Account Executive, or:

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