

# Benefit Briefs



Brought to you by System Benefits Administration

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## A Bird's Eye View of Health Care Costs

The cost of employee health plans is likely to increase in the next six months, according to Wells Fargo Insurance Services' biannual survey of claims trends. The survey found average claims trends are increasing by 10.3% for health maintenance organizations (HMO) and preferred provider organizations (PPO) and 9.7% for prescription drug plans.

Among the factors influencing claim trends and costs are increased utilization of services, the aging U.S. population, improvements in medical technology and drug therapies, changes in provider treatment patterns, and inflation.

Growth in the average total health benefit cost per employee rose by 8.5% among employers with 500 or more employees. The survey also found that many employers dropped HMOs, which were more costly than PPOs in 2011. Employers predict cost will rise by about 10% this year if they make no health program changes. According to Mercer, on average, HMO coverage cost about \$100 more per employee than PPO coverage (\$8,892 compared to \$8,781). HMO enrollment peaked in 2001 and has been decreasing ever since.

Only 25% of large employers offer a plan to retirees under age 65 and 19% offer a plan to Medicare-eligible employees. Even among the largest organizations, just 46% and 38% of employers, respectively, provide coverage to retirees under age 65 and those 65 and older.

Information taken from:  
Annual National Survey of Employer Sponsored Health Plans  
by Mercer Biannual Survey of Claims Trends among employee  
benefits carriers by Wells Fargo insurance Services

## Generics Rx Advantage for A&M Care Members

Beginning January 2011 you have a new savings opportunity through Medco's new Generics Rx Advantage program. There are two types of co-pay waiver opportunities:

- Full copay waiver for a 3-month supply for new generic prescriptions, including:
  - Any brand prescription (retail or mail) submitted as generic at mail,
  - Retail generic prescriptions moved to mail, or
  - New generic prescription submitted at mail
- Copay waiver of up to \$25 for selected brand prescriptions that will soon become generic, when these prescriptions are moved from retail to mail order pharmacy.
  - Available six months prior to the expected generic launch of selected brands. (Example: Lipitor is expected to go off-patent 11/30/2011. Waiver opportunities will begin around 5/30 2011.)

**Members must enroll in order to be eligible for the waivers. To get started go to [www.medco.com](http://www.medco.com) or call Medco Customer Service 1-866-544-6970**

## A&M Care Members

Beginning January 2011, you have a new resource to help you manage your health.

### Blue Care Connection.

- ◆ Blue Care Advisors- registered nurses and other health care professionals who work with you and your physician to provide education, coaching and monitoring of any chronic conditions and help you make lifestyle changes.

Other programs include:

- Personal Health Manager- manage your health and learn and adapt healthier behaviors
- Health Risk Assessment (HRA) - Complete assessment for information on your overall health as well as helpful tips.
- Blue Points – rewards program for engaging in healthy activities
- 24/7 Nurseline – around the clock, toll free access to registered nurses
- Special Beginnings-maternity program, ongoing support from prenatal to postpartum care
- Case Management – case managers help you cope with complex medical conditions and access the care you need.

In addition, Blue Access for Members is available by going to [www.bcbstx.com](http://www.bcbstx.com). With this tool, you can search the provider directory, view claims, and enroll in the fitness program that offers membership to a nationwide network of participating gyms.

### Medicare Premiums, Deductibles For 2011

The 2011 **Medicare Part A** deductible (inpatient hospital, skilled nursing facility) will be \$1,132, an increase of \$32. This covers up to 60 days of Medicare-covered inpatient hospital care in a benefit period.

**Medicare Part B** covers physicians' services, outpatient hospital and home health services, medical equipment, etc.

Existing Part B participants whose premiums are deducted from their Social Security benefit payment and who are not subject to the income-related additional premium amount, will not have a premium increase. However, new enrollees' monthly premiums will be \$115.40, a \$4.90 increase. Also, a small portion of participants with higher incomes will pay a larger Part B premium.

The Part B deductible for 2011 will be \$162.

**Medicare Part D** prescription drug plan premiums vary from plan to plan. Beginning in 2011, Part D enrollees whose incomes exceed the thresholds will pay a monthly adjusted amount. Enrollees will pay the regular plan premium to their Part D plan and will pay the income-related adjustment to Medicare.

More information about Medicare and 2011 rates can be found at [www.Medicare.gov](http://www.Medicare.gov).

### Flexible Spending Account Reminder For OTC Items

Beginning January 1, 2011, over-the-counter drugs and medicines remain eligible items, but will require a prescription to be reimbursed. A few pointers for PayFlex's claims process:

- For each item, submit a copy of the healthcare provider's prescription with each claim.
- The prescription must include the provider's name and address, patient's name, name of the OTC drug or medicine, and dosage.
- A Letter of Medical Necessity will not be accepted in place of a provider's prescription.
- If the prescription is presented to the pharmacist and run through the pharmacy system, which would assign a prescription number, PayFlex will simply require a copy of the prescription receipt.

## Health & Wellness Corner



### Asthma: What is it?

Asthma is a chronic lung disease which makes breathing difficult. It becomes hard to move air in and out of your lungs. It can be serious, even life threatening.

Approximately 23 million Americans have asthma. The annual cost of treating asthma patients is estimated to be almost \$18 billion. Asthma can occur at any age, is not curable, but can be managed. Asthma can be caused by genetics, allergies, respiratory infections and the environment.

For adults, asthma is the fourth leading cause of work absenteeism and for children, it accounts for more school absences than any other chronic illness. It causes more hospitalizations of children than any other childhood disease.

The BlueCross BlueShield, Be Smart. Be Well<sup>®</sup> website, is a health and wellness website designed to raise awareness of prevalent, largely preventable, health and safety issues. [www.BeSmartBeWell.com/Childhood\\_Asthma](http://www.BeSmartBeWell.com/Childhood_Asthma).

*Source: Asthma and Allergy Foundation of America. Allergic Asthma Facts.*