

October 26, 2015

## INSIDE



### Is your benefits plan up to snuff?

Pam Gold of UnitedHealthcare says that a good benefits package is the key to attracting and keeping good employees. One of the primary elements is the strength of your healthcare insurance and the good news is that most plans are staying affordable.

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## INSURANCE & BENEFITS



# Insuring Utah's needy

## Medicaid expansion - in all its iterations - is having a tough time getting through the state's Legislature

**John Rogers**  
*The Enterprise*

The Utah attempt to expand Medicaid under Pres. Obama's Affordable Care Act is back in the morgue and won't get a rehearing at least until the 2016 session of the Legislature begins on Jan. 25.

During the 2015 session, lawmakers nixed two Gov. Gary Herbert-backed options: Healthy Utah and Utah Cares. Two weeks ago, in a Herbert-called special session, it was Utah Access Plus that got the ax. It is estimated that some sort of Medicaid expansion would extend health insurance coverage to more than 125,000 Utahns.

Under the latest compromise proposal, people would receive financial assistance to purchase private health

insurance, as opposed to the traditional Medicaid approach of government-provided insurance. According to reports in local media, House Speaker Gregory Hughes, R-Draper, said that only seven of 63 House Republicans supported the plan. The Republican caucus voted in a closed-door meeting on Oct. 13.

The next day, Herbert met with Hughes and Senate Pres. Wayne Niederhauser, R-Sandy, and agreed not to revisit the issue until the 2016 legislative session.

"What we do here is a long-term solution for the state," Niederhauser said. "The state's got to live with this for 20 to 50 years, or maybe even longer."

For months, Herbert has been looking for a way to expand Medicaid and take advantage of federal money available to the state through

ObamaCare — estimated to be \$450 million — but with the rejection of this latest compromise effort, there is no clear path forward.

Thirty states have so far expanded Medicaid, the government health insurance program for the poor, under ObamaCare. The expansion extends eligibility to people earning up to 138 percent of the federal poverty level (FPL) — about \$33,000 for a family of four. The Obama administration has pressured states to expand the program, promising to work with them on compromises that put conservative twists on the program.

Utah had appeared the most likely state to be next to accept the expansion. The other 19 states that have yet to expand Medicaid are largely led by Republicans who resist expansion,

see **MEDICAID** pg. **F9**

# Commercial Insurance Brokers

Ranked by Premium Volume in Utah in 2014

Rank	Facility Address	Phone Web	Premium Volume in Utah in 2014 Year Founded	Number of Licensed Agents in Utah Number of Employees	Number of Utah Offices Number of Offices Worldwide	Specialties	Owner/Managing Principal
1	<b>The Leavitt Group</b> 216 S. 200 W. Cedar City, UT 84720	435-586-6553 leavitt.com	\$622 million 1962	177 1,427	30 133	Property & casualty, bonds, benefits insurance and life insurance	Eric O. Leavitt CEO
2	<b>Moreton &amp; Co.</b> 101 S. 200 E., Ste. 300 SLC, UT 84111	801-531-1234 moreton.com	\$425 million 1910	120 205	4 7	Commercial P&C, group employee benefits, voluntary benefits, surety, public entity, construction, healthcare, energy	William R. Moreton President
3	<b>Marsh USA Inc. / Mercer Health &amp; Benefits</b> 15 W. South Temple, Ste. 700 SLC, UT 84101	801-533-3600 marsh.com or mercerc.com	\$421 million 1923	42 43	1 500	Property & casualty, health & benefits brokerage and consulting	Taylor Wray Office Head of Marsh  Ann Thomas Office Head of Mercer
4	<b>The Presidio Group Inc.</b> 6967 S. River Gate Drive, Ste. 200 SLC, UT 84047	801-924-1400 presidio-group.com	\$177 million 1999	17 48	1 2	Construction, transportation, energy, manufacturing	John Schlichte President
5	<b>Diversified Insurance Group</b> 136 E. South Temple, Ste. 2300 SLC, UT 84111	801-325-5050 diversifiedinsurance.com	\$140 million 2001	40 50	2 2	Full service broker	Spencer Hoole
6	<b>The Buckner Co. Inc.</b> 6550 S. Millrock Drive, Ste. 300 SLC, UT 84121	801-937-6700 buckner.com	\$134 million 1936	33 125	2 5	Construction, habitation, bonds	Terry H. Buckner
7	<b>Beehive Insurance Agency Inc.</b> 302 W. 5400 S., Ste.101 Murray, UT 84107	801-685-6860 DND	\$80 million 1961	19 43	1 1	Trucking & transportation, contractors & construction, manufacturing, nonprofits	W. Douglas Snow
8	<b>Universal Business Insurance Inc.</b> 9980 S. 300 W., Ste. 320 Sandy, UT 84070	801-984-6100 ubinsurance.com	\$60 million 1990	14 32	2 2	Hospitality, construction, retirement communities, rehab centers, social services, bonding	Don Mayer, Jeff Shields, Kevin Andrews, Brett Mayer
9	<b>Summit Risk Management &amp; Insurance</b> 7430 S. Creek Road, Ste. 300 Sandy, UT 84093	801-563-1131 DND	\$25 million 2002	13 14	2 1	Commercial lines, bonding, personal lines, health & life	Brent Koplín, George Swan, Mark Hunter
10	<b>Aon Risk Solutions</b> 299 S. Main St., 13th Floor SLC, UT 84111	801-488-2550 aon.com	DND 1982	6 9	1 500+	Risk management, insurance & reinsurance brokerage, human resources solutions and outsourcing services	Greg Case
11	<b>SentryWest Insurance Services</b> 3860 S. 2300 E. SLC, UT 84109	801-272-8468 sentrywest.com	DND 1976	25 30	7 7	Property & Casualty, Commercial Lines, Personal Lines, Condos, Apartments, Building Lessors' Risk	Brayden Jessen

# Importance of providing tools to help Utah consumers make

## Smarter healthcare decisions

There is good news on the health benefits horizon.

For one thing, Utah employers will be happy to know that Utahns are among the healthiest people in the nation. According to “America’s Health Rankings 2015” from the United Health Foundation, Utah ranked fifth among the 50 states. Apparently a lot of Utahns make smart healthcare decisions. That is good news for Utah employers striving to provide health benefits that attract and keep good employees. Health benefit costs tend to be lower in a healthy employee population.

And, the cost of providing healthcare benefits continues to trend downward. In its most recent “Employer Health Benefits Survey,” the Henry J. Kaiser Family Foundation reported that average annual health insurance premiums for family coverage in 2014 for employer-sponsored health benefits totaled \$16,834, only rising a modest 2 percent over the 2013 sum. While that is certainly still a hefty sum for employers and their employees, no matter how it’s shared, it may be an indication that we are finally getting a handle on costs.

### The power of innovation

Technological developments can

and are playing a huge role in cost containment. On the medical front, many common surgical procedures can be performed in a minimally invasive manner on an outpatient basis. Critical patient information can be quickly accessed and shared among medical professionals. Information technology and rapid data analysis compile information that



PAM GOLD

can help providers address patients’ health concerns before they become more serious and more costly issues. Estimating and quality assessment tools are available to consumers so they can make informed healthcare decisions. All stakeholders in the healthcare continuum, from the hospitals and medical providers, to insurance companies and benefit designers, to employers and consumers, have the tools available and an important role to play in controlling costs. As a Utah employer, your health benefits decisions can have a significant impact on your employees’ healthcare decisions and healthcare costs.

Increasingly, there’s evidence that consumer behavior is a significant factor in healthcare costs. Employees are as anxious to reduce costs as their employers. But they need the tools and the education to help them make

the decisions that most benefit their health without emptying their wallets. The decisions an employer makes about employee healthcare benefits can have significant impact. And, that’s why it’s important for employers to carefully assess health benefit companies and what they offer.

### A commitment to information and transparency

A health benefits company should have the tools and resources that show a commitment to helping educate the consumer in controlling healthcare costs. Programs and tools that increase transparency throughout the healthcare continuum help your employees understand costs and medical procedures, so they can make more-informed decisions about the quality and cost of their care.

Your health insurer should offer:

- **An estimating tool** that provides estimated costs and quality rating information about local providers for many medical services based on the member’s location and benefit plan. This tool should be available from a smartphone.

- **A mobile application** that provides consumers with instant access to their healthcare information. Whether they want to find the nearest physician, check the status of a claim or speak directly with a healthcare professional, they should have an on-

the-go resource.

- **An online management tool** to help members understand their healthcare benefits, showing what the plan paid for a benefit, what they owe for that benefit and why that amount is owed.

- **A journal application** to log and track important health information such as blood pressure, cholesterol and body mass index (BMI); set reminders for appointments; or create checklists of questions to ask doctors.

- **Access to care online**, at any time, to see and talk to a doctor from a mobile device or computer.

### Exciting new developments in online doctor visits

Telemedicine isn’t new; it’s been around for over a decade, particularly in medically under-served rural areas, and for specific circumstances. But now it is rapidly gaining momentum as a mainstream tool for convenient, quick access to a personal, virtual visit with a doctor for consumers. This year, the Centers for Medicare and Medicaid Services added seven new telemedicine billing codes, including psychotherapy, prolonged office visits and annual wellness visits, and some health benefits companies are beginning to offer it as an in-network covered benefit with a

see DECISIONS pg. F4



## Report shows more smoking, drinking among Utah construction workers



Utah's construction and manufacturing industries workers are more likely to smoke and go on drinking binges that workers in other businesses, according to a report from the Utah Department of Health.

The results are based on a telephone survey of more than 10,000 Utah residents and represents the first time the state has taken a look at substance abuse and other health issues among different workers, said Michael Friedrichs, the report's author.

Participants in the survey were asked about where they work, whether they have insurance, their use of cigarettes and alcohol and other questions.

Friedrichs, who works in the health department's Bureau of Health Promotion, said that while workers in certain fields report higher rates of substance abuse and other health issues, there's no data to show that the jobs themselves cause those issues.

The report found 19 percent of construction workers and 16 percent of manufacturing workers smoke. The average among adults in Utah is 11 percent.

Those employed in construction and manufacturing also had higher binge drinking rates than the statewide rate of 15 percent. About 22 percent of construction workers reported binge drinking, while 21 percent of those in manufacturing reported binge drinking.

The highest binge drinking rate

was reported in a catchall category of workers who didn't fit into nine other industries tracked by the report. That rate was 25 percent. Teachers and other education workers reported the lowest smoking and binge drinking rates. Only 3 percent of educators were smokers and 6.5 percent were binge drinkers.

The report defined a smoker as someone who has had more than 100 cigarettes in their lifetime and smokes some days or every day. Binge drinking was defined as a man having five or more drinks on one occasion or a woman having four or more drinks.

The report also looked at mental health among workers. Workers in sales, office and administrative jobs reported the highest levels of stress and emotional problems, with 13 percent of people in sales and 12 percent of those in office jobs reporting they experienced frequent mental distress. Those working as managers or in business or financial jobs reported the lowest rates, with only 6 percent saying they felt regular mental distress, according to the report.

Blue-collar industries such as construction tend to have higher rates of male workers and workers with no education beyond high school. Those are populations that generally have higher rates of binge drinking and smoking than college-educated workers, health officials said.

### Why *The Enterprise*?



Amy Spencer  
Communication Manager, UACPA



*"With a compelling balance of weekly business headlines and stories of interest to professionals, the Enterprise is a must-read for every office."*

*"Every week, I find relevant news in the local business community and enlightening stories that benefit my career."*

### DECISIONS

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co-payment similar to an in-office visit. There are clear advantages. For the busy consumer juggling a job and family responsibilities, it's convenient and quick — and available when Junior wakes at 2 a.m. with a high fever — and it frequently helps worried consumers avoid costly emergency room visits. A virtual visit certainly costs less than an office visit. In a recent study by Red Quill Consulting, analysis showed a savings of \$100 or more. And it's proving to be reliable. That same study found that 83 percent of telehealth visits resolved the issue without further follow-up.

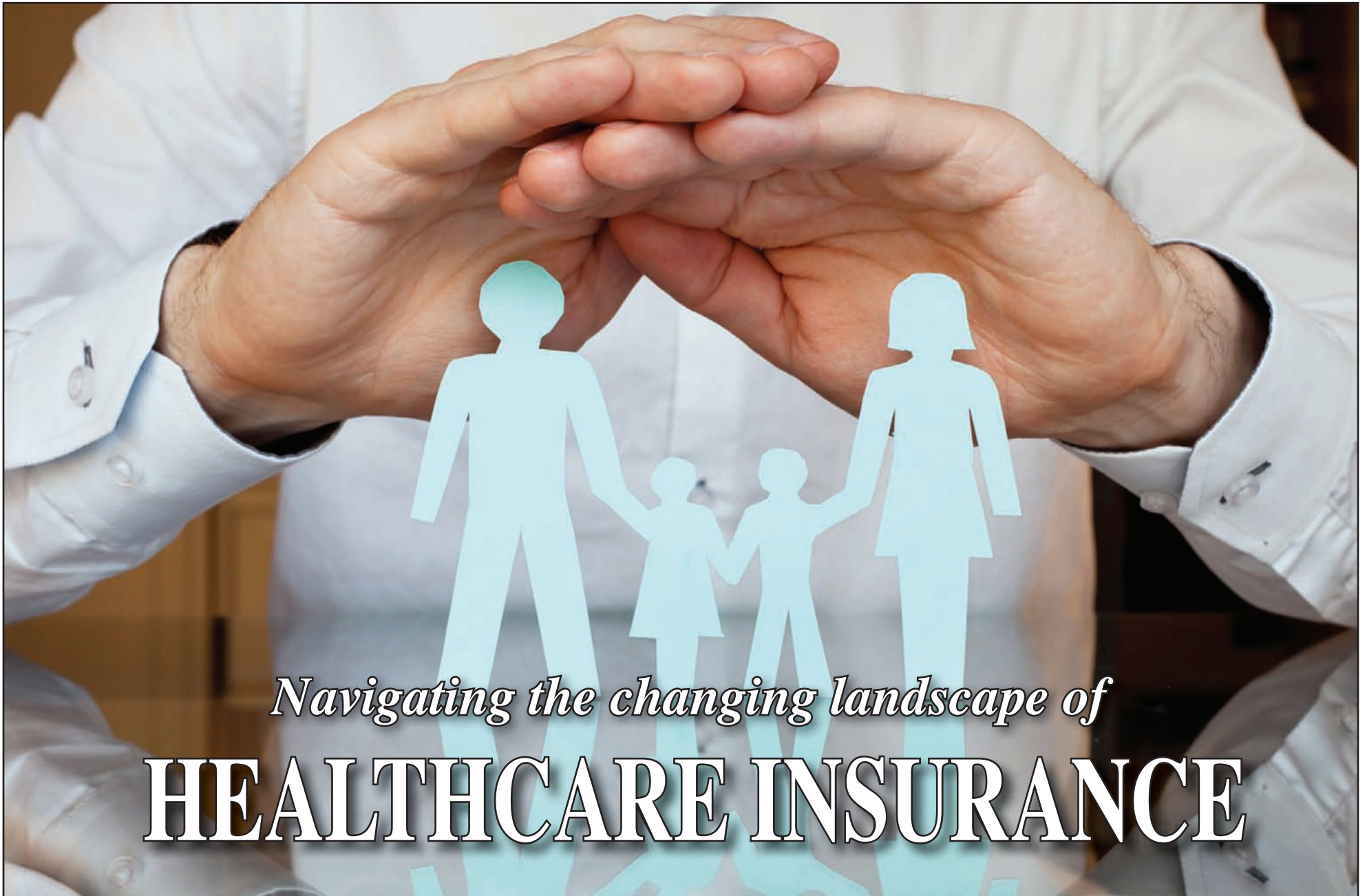
Wellness programs continue to prove their value in cost reduction. A collaborative study from the National Business Group on Health and National Comprehensive Cancer Network on costs and savings associated with workplace disease prevention and wellness programs found that medical costs fall by about \$3.27 for every dollar spent on wellness programs and absenteeism costs fall by about \$2.73 for every dollar spent.

Health insurers that offer customizable wellness programs frequently have studies available (white papers) that show measur-

able results from wellness programs they've implemented in clients' organizations. Find one that offers a wellness program with a dedicated team who will work with you to implement a culture of wellness and engage your employees in healthier behaviors. Depending on the strategies you choose, the program could include an online wellness program, customizable newsletters and other communications. There should be many options available so you can customize the program for your business. The goal of a wellness program is to help improve the health of your employee population so significantly that you will see measurable cost savings.

Your business is contributing to the growth and success of the thriving Utah community. Ultimately, your health benefits company should provide you with tools and resources that will help your employees better manage their healthcare and, in so doing, help put healthcare costs on a downward trajectory to everyone's benefit.

Pam Gold is the vice president for sales and account management for UnitedHealthcare and has more than 30 years of experience in health benefits.



*Navigating the changing landscape of*

# HEALTHCARE INSURANCE

The pumpkin-filled fall season is in full gear, which means open enrollment is right around the corner. As you think about health coverage for next year (and beyond), you may be wondering what changes to expect.

The health insurance landscape is more complex than ever — a trend that you can expect to continue. Demographic shifts, the Affordable Care Act (ACA), and other legal requirements have resulted in significant changes to the health insurance marketplace.

So what are the important guideposts you should be thinking about? Here are a few you can expect to see in the months to come:

#### **Health Insurance in the Digital Age**

Today, electronic platforms are the gold standard for just about any shopping experience — and that includes buying health insurance. Individuals may consider shopping online directly with a carrier or through the Federally Facilitated Marketplace — healthcare.gov. Small employers can choose to shop coverage options through Avenue H, Utah's state-based small-employer exchange.

As we do more of our shopping online, the health insurance market

has adapted to this new environment. Don't be surprised if you soon pick your next health plan from an app on your mobile phone.

#### **ACA Here to Stay?**

The ACA (ObamaCare), entering its sixth year in 2016, is likely to stick around. It may be altered or changed, but we can expect many components to be around indefinitely. This means mandated coverage, strict insurance regulations on health plans and government-funded subsidies for individuals and small businesses.

Initiated by the ACA, healthcare.gov is a website run by the federal government that individuals can use to buy insurance. The "portal" guides individuals to their respective state exchanges, or if none exists for individuals, they can shop directly through the Health Insurance Marketplace.

Healthcare.gov had a rough start, but the technical and customer service problems that plagued the site in its first few months have mostly been ironed out. Despite these improvements, the process of using these online tools to navigate health insurance can be daunting for consumers.

"How do I know what is the right plan for me? Am I eligible for premi-

um subsidies? Should I just keep the coverage I have with my employer?" These are all questions with no easy answer. Business and community leaders can help point people in the direction of trusted brokers, insurance companies and others with robust resources and tools to make shopping easier.

While no one is *required* to buy health insurance through the exchange, it is the only way to take advantage of the premium subsidies offered by the government. Anyone can find out if he or she is eligible — just use a calculator like the one at healthcare.gov. Subsidies are based on income and can significantly lower the cost of premiums for some families.

#### **Open Enrollment Season Shifts**

Whether you're an individual buying insurance for your family or picking a health plan for your employees, you should be aware of your upcoming open enrollment window. Employers typically time their open enrollment to begin in late fall, but the ACA sets the dates for any plan sold through the federal Marketplace.

This year, Marketplace open enrollment begins Nov. 1 and ends Jan. 31. This means if you want coverage that begins Jan. 1, 2016, you need to finalize your choice no later than

Dec. 15. Open enrollment continues until Jan. 31, but changes after Dec. 15 will result in later effective dates.

#### **Small Becomes Large**

The recently passed PACE Act repealed an ACA mandate that would have expanded the definition of small employers — from up to 50 employees to include groups up to 100. Federal law now leaves it up to the states to define a small employer.

In Utah, the 50-employee maximum remains, but the definition counts all full-time equivalents (FTEs) rather than just eligible employees who work 30 or more hours per week. This means that some groups who have only a handful of insurance-eligible employees but employ dozens — or hundreds — of part-time employees will now be considered "large employers." The differences in large and small employer plans aren't astronomical, but could lead to some confusion. It's important for business owners to understand these changes and be prepared as they look to purchase or renew insurance for their employees in 2016. Still a bit muddled? There's a calculator at healthcare.gov that will help you determine if your group is small or large employer.



HEIDI CASTANEDA

# Benefit Brokers

Ranked by Premium Volume in Utah in 2014

Rank	Company Name Address	Phone Web	Premium Volume in Utah in 2014 Year Founded	Number of Licensed Agents in Utah Number of Employees	Number of Utah Offices Number of Offices Worldwide	Specialties	Owner/Managing Principal
1	<b>FirstWest Group of Companies</b> 1139 S. Orem Blvd. Orem, UT 84058	801-224-9600 firstwest companies.com	\$302.5 million 1987	28 40	2 2	Benefit & retirement plan consulting, wealth management, risk management, HR solutions	First West Brokerage Service/Dave Jackson
2	<b>HUB International Insurance Services Inc.</b> 6440 S. Wasatch Blvd., Ste. 235 A SLC, UT 84121	DND hubinternational.com	\$290 million 1998	9 11	1 300+	Employee benefits, property & casualty, business insurance and risk management	Delbert Mulvey, Vice President
3	<b>Hays of Utah Insurance Services</b> 201 S. Main St., Ste. 2100 SLC, UT 84111	801-505-6503 hayscompanies.com	\$154.6 million 2005	15 17	1 38	Employee benefits and property & casualty	David Knoop
4	<b>Fringe Benefit Analysts LLC</b> 393 W. 1000 N. Layton, UT 84041	801-546-6004 fbabenefits.com	\$92 million 1970	42 28	7 8	Full-service employee benefit consulting & brokerage firm, etc.	Scott E. Deru
5	<b>Poulton Insurance Services LLC</b> 2137 E. 3300 S. SLC, UT 84109	801-484-4477 DND	\$12.2 million 1956	16 9	1 1	P&C insurance, commercial insurance, workers' compensation insurance, etc.	Steve Poulton & Mike Poulton
6	<b>RBI Benefits</b> 655 E. Medical Drive Bountiful, UT 84010	801-298-5021 rbibenefits.com	\$10 million 2001	25 5	1 1	Individual/family health insurance, employer-sponsored health insurance, employee benefits	R. Blake Izatt & Shane R. Skeen
7	<b>CBIZ</b> 175 S. West Temple, Ste. 650 SLC, UT 94101	801-364-9300 cbiz.com	DND 1999	8 1,200	1 60	Government contracts, construction industry, school districts	Brent Bennett
8	<b>GBS Benefits Inc.</b> 465 S. 400 E., Ste. 300 SLC, UT 84111	801-364-7233 gbsbenefits.com	DND 1989	30 120	4 DND	Employee benefits, medical, dental, vision, life, 401(k), disability, technology solutions	Richard K. Fielding
9	<b>Spectra Management</b> 11650 S. State St., Ste. 200 Draper, UT 84020	801-727-6000 spectrabenefits.com	DND 1986	7 31	2 2	Employee benefits, investments & retirement	Brent Bennett
10	<b>Ventris</b> 10913 S. River Front Pkwy., Ste.100 South Jordan, UT 84095	385-355-0000 ventris.com	DND 1999	12 25	2 1	DND	Joel Mills



## What's normal can be anything but normal.

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# Cyber liability is changing the way we do business

As the world becomes more connected through increased e-commerce and data accessibility, the risk of data breach and the loss of personal information also rise. Over the past few years alone, there have been significant cyber attacks where a large amount of digital information was stolen, leaving many exposed.

These security breaches are no longer the exception; however, they instead exemplify the cyber risk that every organization faces. While not every country's privacy laws require that they report security breaches to consumers, researchers are finding that of the known breaches, according to a recent survey, organizations faced an average of 10 or more security incidents each day. Many organizations fail to understand the risks that come with being stewards of private data. To understand cyber risk, it's important to understand the types of data security breaches that can, and do, occur.

Many times a breach will happen when data has not been disposed of properly. While traditionally this includes unshredded documents, unlocked or unchecked file cabinets or even prescription bottles, today there are many more electronic assets that need protecting. These assets include computers, smartphones, tablets, back-up tapes, hard drives, servers, copiers, fax machines, scanners and printers.

Additional types of breaches come in the form of online phishing attacks or social engineering. Other outside attacks include network intrusions, hacks, malware, viruses and ransom-

ware. An inside attack can also occur, whether accidental or not, when a member of an organization loses, misplaces or even steals electronic or hard copy assets. A breach can be the fault of insider misuse when there is a failure to follow internal policies and procedures, an accidental disclosure takes place or when there is a rogue employee, student or visitor.



**JONATHAN STUTZ**

According to a 2015 Verizon survey, the average financial loss for every 1,000 records stolen was between \$52,000 and \$87,000. And, according to Ponemon, healthcare-related breaches cost the most of any industry, averaging \$233 per breached record. Although it may seem that many cyber criminals are often after credit card information or even intellectual property, organizations with health records are also at great risk as data thieves steal medical information for a variety of reasons.

Recently, in Salt Lake City, a woman stole a medical identity and tested positive for methamphetamine. This nearly caused an innocent woman's children to be taken into state custody. Also, a psychiatrist in Massachusetts created fake diagnoses for people who were not patients and submitted claims for sessions that were never conducted. In Ohio, a worker in a dental office had access to the protected information of Medicaid patients and used it to obtain prescription drugs illegally. And in Colorado, a man's medical identity was stolen and he later received a bill for \$44,000 for a surgery he did not have.

While a driving catalyst of innovation is and will be the ability to share electronic medical records between clinics, hospitals, pharmacies, billing centers, etc., there is, unfortunately, a dark side to this trend. This becomes apparent when looking at the number of medical record breaches occurring every year. No organization, large or small, is immune. And no amount of money in IT security can eliminate all of the exposure. Experts indicate that IT security in the healthcare industry as a whole is lagging in medical record controls. Organizations that are responsible for medical record protection assume the costs to notify impacted individuals, provide medical record monitoring, hire forensic and legal resources, defend any lawsuit and face a difficult public relations battle.

In the United States, 48 states have consumer privacy laws, and though all different, they define what is considered personal information that triggers a notification, notification language and timing and they may require a risk of harm analysis. These privacy laws may also require notice to the attorney general or a state agency and may have an encryption safe harbor.

When it comes to the healthcare industry, there are additional federal protections in place with the Health Insurance Portability and Accountability Act (HIPAA), which was passed into law in 1996. HIPAA had some teeth with regard to penalties assessed when medical records were breached, but did not require a HIPAA-covered entity to notify or disclose a breach of medical record data. As such, in 2009 the Health Information

Technology for Economic and Clinical Health (HITECH) provisions now require notification to impacted individuals and the U.S. Department of Health and Human Services, as well as the media. Further, HITECH imposes very stiff penalties for breaches of patient medical record data with no cap and penalties determined by how egregious the lacks of controls that contributed to the breach.

This active regulatory involvement in the health care industry makes any medical record breach a tenuous and, most likely, a very expensive experience.

Despite state, national and even some international privacy laws in place, data security experts see a security breach as unavoidable. In fact, there is a good chance your organization has already been breached in some respect. How can organizations mitigate and reduce the risks? Research shows that many organizations are missing a few key items that will improve their outcomes when a breach occurs. Those include a proper protections and incident response plan, an insurance policy and a practice session — which will become more important as lawmakers seek to add an additional cost burden to organizations that suffer system security breaches. It is the basic security measures and the continual validating of them that will help organizations remain strong against breaches.

Jonathan Stutz services the executive risk for Moreton & Co. clients which can include cyber liability, director and officers' liability, employment practices liability, kidnap and ransom and errors and omissions liability.

# INSURANCE

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## Qualified Health Plans

Any individual/family or small employer plan sold on the Health Insurance Marketplace must meet the requirements of purchasing a “qualified health plan,” as defined by the ACA. These requirements are based on actuarial markers to determine how extensive a certain plan’s coverage is. Plans are separated into metallic tiers — Bronze, Silver, Gold and Platinum. Lower-tier plans cost less in premium but they also cover less, leaving the member with a higher share of costs for essential health benefits.

Why is this important? Because the government can tweak the calculations it uses to determine tier levels, some people who wanted to keep their existing plan will see benefit changes that ensure their plan still meets the government-mandated requirements. The challenge for leaders is to help people understand their benefits and the changes they should expect for the new year. It could mean paying more for some benefits such as higher co-pays for seeing a specialist.

## Essential Health Benefits

Essential health benefits (EHBs) are another term defined by the ACA. These are 10 health plan benefit categories that the federal government considers “essential” and are therefore mandated to be covered by any qualified health plan. EHBs include ambulatory, emergency, hospital, maternity and newborn care, behavioral health, and more.

Small employers and individuals must purchase plans that meet minimum EHB coverage. The government provided “transition relief” for purchasers, allowing them to keep their existing plans — but this help runs out for plans bought or renewed after Oct. 1, 2016. Some groups who need time to adapt to new plans may want to consider shifting their renewal dates to keep transition relief into 2017.

## Cost vs. Access

Premiums are still on the rise. On Avenue H, the trend for premium increases from Utah insurers ranges between 5 percent and 11 percent.

This means it’s imperative for people to think carefully about the healthcare services they use and the insurance plans they buy. Although many believe “cost is king,” consumers should be thinking critically about balancing bare costs with access to care. Many health plans are scaling back on their provider networks to rein in spending. It’s critical that people pay attention to avoid a plan that doesn’t consider their doctor participating, leaving them footing the entire bill.











## Prepare for the Journey

These are just a few of the major markers to watch out for. We also

expect changes in health insurance taxation (such as the so-called “Cadillac Tax”), state-mandated coverage for autism and a possible Medicaid expansion. To put it simply, the health insurance landscape isn’t simple. But you can prepare for the journey by marking your calendars, educating yourself and the community using reliable sources and making smart purchasing decisions.

Heidi Castaneda is the director of small-employer/personal plans programs for SelectHealth, based in Salt Lake City. She has led the small-employer and individual sales teams as well as worked in broker relations during her 19 years with the organization.

## Ten Essential Health Benefits (EHBs)

10 “Essential Health Benefits” All Qualified Health Plans Must Provide			
	Ambulatory Patient Services		Preventive and Wellness Services and Chronic Disease Management
	Emergency Services		Laboratory Services
	Maternity and Newborn Care		Prescription Drugs
	Mental Health and Substance Use Disorder Services, including Behavioral Health Treatment		Rehabilitative and Habilitative Services and Devices
	Hospitalization		Pediatric Services, including Oral and Vision Care

# MEDICAID

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mostly citing its cost. In Utah, House Republicans noted the Obama administration’s reluctance to allow states to set enrollment caps and worried they would not be able to control costs in Utah Access Plus.

The plan would also have helped pay for expansion with a new tax on health providers, under the theory that they stand to gain from having newly insured patients. That provision met resistance from Republicans in the Legislature.

“Everyone loves expanding Medicaid until they have to pay for it,” Hughes told *The Salt Lake Tribune*. Hughes promised that the expansion effort would continue. “I do believe the state of Utah and its Legislature has the political will to provide healthcare to those who need it.”

Hughes told Townhall.com that it was concerns about the long-term

sustainability of the Medicaid funding for the program, the potential for exploding costs and vocal opposition from medical providers that ultimately doomed Utah Access Plus in the House.

One of the concerns voiced nationwide about any Medicaid expansion is the probability that more than the intended beneficiaries — America’s working poor — would take advantage of the program. In states where Medicaid expansion has passed, a large percentage of enrollees are healthy, able-bodied and childless adults who have other options to find healthcare. To counter the trend in some states, like Virginia, almost a quarter of doctors aren’t accepting new Medicaid patients.

The Utah Access Plus plan was very similar to the Healthy Utah plan proposed by Herbert earlier in the year with a few minor tweaks. The highlights included:

- Coverage for low-income Utahns earning up to 138 percent of FPL (\$33,465 for a family of four).
- Approximately 126,500 Utahns

would have received coverage under Utah Access Plus, including 32,000 adults from 100 percent to 138 percent of FPL, 63,000 adults below 100 percent of FPL and 31,500 so-called “woodwork effect” children and adults — those currently unidentified but that would have “come out of the woodwork.”

- It is estimated that 78 percent of the expansion population would have received premium assistance to join employer-sponsored plans or to purchase private commercial plans on the exchange. Healthcare providers would have received commercial reimbursement rates for these patients. Individuals between 100 percent and 138 percent of FPL would have been required to share in premium contributions, deductibles and co-pays.

- Individuals meeting the definition of “medically frail” would have received traditional free Medicaid coverage.

- Utah Access Plus was expected to cost the state of Utah \$78 million to implement.

- To pay for plan implementation,

healthcare providers that would have benefitted from the plan would have received a “proportional assessment” related to expected provider benefit to begin in 2017. These funds would have been generated through a variety of new assessments, licensing increases, premium taxes and, in some cases, a gross receipts tax.

Following the rejection of Utah Access Plus, Herbert’s office released a statement that, in part, said, “The poorest among us will continue to struggle until Utah leaders can find agreement on this difficult issue. As new plans are brought forward, the governor maintains that his Healthy Utah proposal was the most innovative and cost-efficient for the state. ... After three years debating this issue, he has yet to see a better proposal that respects taxpayers while caring for Utahns most in need.”

Although future decisions regarding Medicaid expansion are up in the air, Niederhauser is telling Utahns to “keep the faith and make sure you’re working with your legislators to make sure they know how you feel about it.”

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# Health Insurance Companies

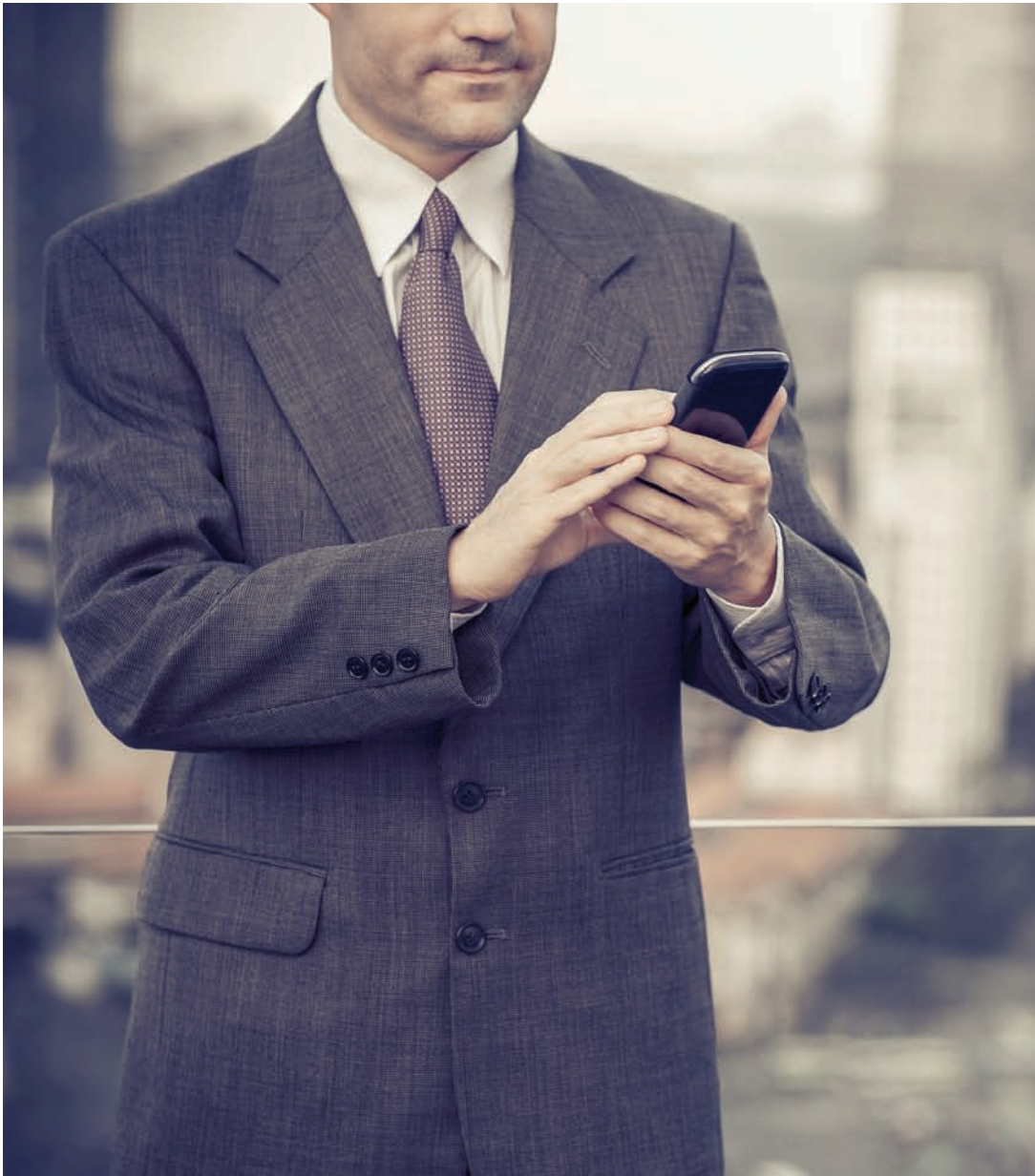
Ranked by Individuals Covered in Utah in 2014

Rank	Company Name Address	Phone Web	Number of Individuals Covered in Utah in 2014 Number of Offices in Utah	Number of Utah Employees Premium Volume in Utah Year Founded	Insurance Products Offered	Top Local Executive
1	<b>SelectHealth</b> 5381 Green St. Murray, UT 84123	801-442-5000 selecthealth.org	800,000+ 2	1,400+ DND 1984	Medical, dental, vision, pharmacy, life and disability	Patricia Richards
2	<b>Regence BlueCross BlueShield of Utah</b> 2890 E. Cottonwood Parkway SLC, UT 84121	801-333-2000 regence.com	453,000 1	319 \$1.12 billion 1944	Health, life, dental	Jennifer Danielson President
3	<b>UnitedHealthcare of Utah</b> 2525 Lake Park Blvd. SLC, UT 84120	801-982-3911 uhc.com	442,424 3	739 DND 1977	HMO, PPO, Medicare, Tricare, POS, ASO	Pam Gold
4	<b>Aetna</b> 10150 Centennial Pkwy., Ste. 450 Sandy, UT 84070	1-800-365-1334 aetna.com	305,225 1	1,078 \$363 million 1853	Group health, individual health, group dental, group vision, group life & group disability	Todd Trettin Market President
5	<b>EMI Health</b> 852 E. Arrowhead Lane Murray, UT 84107	801-262-7476 emihealth.com	174,674 1	138 73.8 million 1935	Medical, dental, vision	Todd Morrison, CEO
6	<b>Cigna</b> 5295 S. 320 W., Ste. 280 SLC, UT 84107	800-261-5731 cigna.com	128,212 1	13 \$44.9 million 1792	Medical, dental, pharmacy, life, vision, disability and behavioral benefits	Kim Bimestefer Mountain States Regional President and General Manager
7	<b>Humana</b> 9815 S. Monroe St. Sandy, UT 84070	801-256-6200 humana.com	83,900 1	96 DND 1961	Group medical, individual medical, Medicare Advantage, dental, vision, wellness, etc.	Leslie Andrews Mountain States VP for Humana's Employer Group Segment

## DENTAL & VISION INSURANCE PROVIDERS

Ranked by Number of Utah Employees

	Dental/Opticare Company Name Address	Phone Web	Number of Licensed Utah Agents Number of Utah Employees	Number of Utah Offices Number of National Offices Year Founded	Specialties	Owner/Managing Principal
1	<b>Total Dental Administrators Inc.</b> 6985 Union Park Center SLC, UT 84047	801-268-9740 DND	631 10	1 2 1996	Dental, life/disability	Jane Ann Craig
2	<b>Dental Select</b> 5373 S. Green St., Fourth Floor SLC, UT 84123	800-999-9789 dentalselect.com	DND 85	1 1 1989	Dental, vision and AD&D plans	Brent Williams
3	<b>Opticare of Utah</b> 1901 Parkway Blvd. SLC, UT 84119	801-869-2020 opticareofutah.com	6 16	1 0 1987	Comprehensive vision insurance	Aaron Schubach



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- Employment practices liability
- Employee dishonesty / crime
- Kidnap & ransom

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