



Union Trusts: Health Reform's Most Overlooked Winner?

Presenter:

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Past Webinars Available

Recordings of past webinars are available upon request, including:

- November 2012 -- Year-end Renewal and Bidding: Opportunities for Control and Savings
- October 2012 – The 5 Most Important Things an Effective Dependent Audit Should Include
- September 2012 - Old Question, New Twist: Is Self-funding Right for Your Group Health Plan?
- August 2012 - Are You Ready to Manage Your Health Plan Costs?
- June 2012 - Group Health Brokers' Future: Disintermediation or Re-intermediation
- May 2012 – Five Levers of Management Control
- April 2012 – How the AMA Can Help You with Plan Oversight
- March 2012 – Health Data Control
- February 2012 – Health Reform: A Contrarian's Perspective
- January 2012 – The Road to 100% Transparency
- December 2011 – 2012: What Does it Hold for Self-funded Health Plans?
- November 2011 – Overpayment Collection
- October 2011 – Finding Provider Fraud

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First topic to garner advance reactions.

Most important part of topic:





POSSIBILITIES not Predictions or a Proposal

Based on what I have observed in the self-funded space.
May well apply elsewhere.

Many possible objections and “what abouts” exist.

My intent is to focus on matters that can be addressed via contract.
No legislation required. Regulatory compliance presumed.

Current Issue:

Are Union Trusts (UT) Qualified Health Plans (QHP) eligible for tax credits in the as-yet-to-be-established Health Exchanges?

Worst Case (for Unions)
Best Case (for QHP)

UT gone in the

- lower wage (\$44,000 single/\$90,000 couple),
- small employer (under 50) trades

Most Likely

UT recognized as
QHP

Best Case (for Unions)
Worst Case (for QHP)

UT as the

- “Un-Exchange”
- Member/Family Advocate
- Employer partner

Observations

Individuals

1. Individuals are now routinely at financial risk and that risk will grow, not diminish.
2. Obamacare's focus on individuals and individual elections places new responsibilities on us and our families.

Self Funded Plans

3. Obamacare's focus on small groups and Medicare/Medicaid provider payment reform, leaves the self-funded space to fend for itself.
4. Self-funding and exchanges will battle for the 50-500 employee groups.

Union Trusts

5. In self-funded space, employer plans and union trusts are very different.
6. Union assumption of employer plan risks has been done for retiree coverage and is possible elsewhere.

Employer Plans vs. Union Trusts

Health Decisions has worked with both Employer Plans and Union Trusts.

They are VERY different.

Employers

- want to reduce risk and avoid **liability**.
- focus on the employee
- shed or cap retiree liability.
- favor defined contribution.
- see benefits as a necessary **problem**.

Unions

- want to provide a member **benefit**.
- focus on the member & family.
- preserve retiree coverage.
- favor defined benefit.
- view benefits as integral to their **value**.

Connect Dots

Differences create opportunities for Unions

What do Unions do best?

Organize Individuals

Fulfill Contracts with Employers

What is needed post-reform?

Individuals need Advocates

Employers want Options

Possibility #1

The “Un-Exchange”

What if Health Exchanges don't work at all or as planned?

How will Exchanges vary across States?

What happens when Exchanges end in about 5 years?

Union Trusts offer
an alternative and continuity
for the
Wary individual and the
Weary employer

Possibility #2

Right-to-Work (RTW) “Counter-punch”

Directed at Union income by allowing “free riders”.

Legal, legislative and electoral challenges will continue.

Enhanced services (in addition to collective bargaining) can help.

Union Trusts offer
Another reason to organize
and pay dues for members.

Another reason for
Employers to work with
Unions.

Your “Advocate”

Possibility #3

Individuals

Help dues-paying members and their families fully exercise their HIPAA data rights.

Establish two-way communication with dues-paying members and their families to help them understand and select their best option.

Assist dues-paying members and their families in understanding their health bills and cost-sharing obligations and options.

Employers

Compare members’ data to plan billings to find fraud and abuse.

Monitor elections for all members (employees, spouses and dependents).

Assure subsidies are used and penalties avoided.

Pioneering Specialists in

Group Health Care

Post-Payment Administration

For Over 25 Years

Customer Philosophy

Respect for Existing Procedures

Emphasis on Customization

FOCUS on Solutions

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