



Health Care **411**

Health Insurance Year-End Checklist

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It's

time again for Rochester's small businesses to research, select, and implement the health insurance plan(s) they will offer to their employees for 2006.

Since November of 1998, reports of double-digit rate increases have become common place for Rochester's community rated health plans—and although not officially confirmed until the rates are filed with the New York State Insurance Department on December 1st, the unofficial word is more of the same.

The high cost of health insurance makes it challenging for small businesses to provide affordable health insurance options for their employees. Selecting which health insurance plan(s) best fit your company and employees is a process loaded with much planning and many decisions.

To help navigate this process and assist you in making the best decisions this year, here's a handy checklist:

- Decide if you will undertake this endeavor in-house or with the assistance of an outside broker/consultant.**
- Identify health insurance goals.** Cost is certainly a key factor but not the only one. Another consideration might be that you are offering too many plans, increasing your administration time.
- Review your current plan(s) and discuss strengths and weaknesses.** Strengths are obvious—we are very fortunate in Rochester—a strong network of quality healthcare providers, strong solvent carriers and an increase in carrier competition. Surveying your employee's needs will help identify plan weaknesses.
- Shop around.** It's important to understand each carrier's complete line of plan offerings. The carriers have similar plans, but they also work hard to differentiate themselves. HMO's (Health Maintenance Organization) are currently the popular small group choice, but as the community rates continue to increase, more and more companies may find that another platform—either EPO (Exclusive Provider Organization) or PPO (Preferred Provider Organization) plans will strike

the right balance of coverage and cost for employer and employee budgets. The Rochester small-business carrier options are (in alphabetical order):

- Aetna (call 800-310-9401 extension 13584 or www.aetna.com)
- Excellus Blue Cross Blue Shield (call 877-872-9308 or www.excellusbcbcs.com)
- Preferred Care (call 585-258-8688 or www.preferredcare.org)

- Review plan design information** (benefits and rates) and confirm that the plan(s) include all of the riders you requested such as prescription, vision, eyewear, and desired dependency age limit.
- Confirm with the carrier(s) an implementation timeline to coordinate with your desired effective date.**
- Determine a premium contribution strategy.** How much of the monthly premium will the employee pay?
- Coordinate enrollment materials:**
 - Order detailed benefit information** from applicable carriers.
 - Prepare rate sheets.** A column for the total cost of the monthly premium and monthly employer and employee contributions are important, but also have a column that

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shows per pay period deduction.

- Confirm access to carriers' provider directories** via Website address or paper copies.
- A healthcare activity reporting mechanism** when consistently used will provide the employee valuable information for future plan decisions. Tracking healthcare activity will also promote skills that will be essential if consumer-directed healthcare plans are offered in the future.

- Establish employee enrollment meeting dates and notify employees.** For the most informative meetings, have carrier and (if applicable) broker/consultant representation.
- Notify COBRA participants of the open enrollment period.** By law, COBRA participants must be given the same rights and treatment as your eligible employees. Check with your carrier to see what assistance they offer.
- Facilitate the paperwork necessary to secure your contract(s).** If you are currently a client, the carrier will let you know when you need new paperwork for your existing contract. If you are becoming a new client, your carrier representative or broker/consultant will advise and assist you.

Proper planning, preparation and implementation will ensure that you have the best health insurance coverage for your employees at the best price.

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