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Welcome!

Banyan Consulting LLC is pleased to present our monthly newsletter. We hope the articles in this and future editions will provide insight into an array of employee benefits topics.

We appreciate your feedback! If you have a topic for future discussion, please let us know.

Aetna Study Shows CDHPs Can Save Money

A recent study released by Aetna has demonstrated that people participating in a health savings account (HSA) visit their primary care physicians 15 percent less than average for non-routine visits. They were also shown to have medical costs that were a total of 10 percent less than that of traditional plans.

With HSAs, funds deposited into these accounts are tax-deductible, and the funds can also roll over from one year to the next if they are not spent. Withdrawals from these accounts to pay for qualified medical expenses are tax-free.

HSAs are usually one component of a consumer-directed health plan or CDHP. As part of a CDHP, the HSA is usually used in conjunction with high-deductible health insurance. This insurance exists to protect individuals against sudden catastrophic healthcare costs. Alternatively, the money withdrawn from the HSA is used to pay for more regular, routine healthcare expenses.

The benefits of utilizing CDHP plans with HSAs are not limited to reducing the number of visits made to primary care physicians. The same study also suggests that HSA participants are more directly involved in their own healthcare. They were 250 percent more likely to research health conditions on the internet to become more educated on their health. HSA participants were also 300 percent more likely to take health assessments than people enrolled in traditional plans.

Individuals with HSAs were also shown to focus more on preventive care. Screenings by HSA users for diabetes and cancers, such as breast cancer and cervical cancer, were much higher. HSA users also saved money by visiting the emergency room far less and using generic drugs more often than name brand medications.

HSAs under a CDHP also provide benefits to employers as well. Over a period of five years, employers that only offered CDHP options to their employees, saved \$18 million dollars per ten thousand members enrolled in the plans.

Whether it is employers who offer them or the employees who use them, HSA plans can save a significant amount of money over more traditional healthcare options.

Employees Value Benefits and Job Security the Most

According to a recent report from the Society for Human Resource Management (SHRM), employees consider benefits and job security as the two most important factors that contribute to their overall job satisfaction. This marks the fourth time in as many years that these two factors topped the SHRM's annual Employee Job Satisfaction survey.

The survey also polled HR professionals on their thoughts about job satisfaction, and found similar results. HR professionals agreed with the employee population on the value of job security, positioning it as their second most important factor. An astonishing 72% of the HR population polled, selected the employee-supervisor relationship as the most important factor effecting job satisfaction, ranking number one in the survey for the seventh time in the last eight years. In comparison, only 48% of employees polled selected "relationship with supervisors" as an important factor, ranking it seventh on the list.

The 2010 survey was made up of 25 elements spread across four categories, and included factors regarding wages, benefits, work environment, and advancement opportunities, among others. To ensure the validity of the survey's results, the SHRM polled a wide sample of over 600 employees and 589 HR professionals, all from the United States.

This year's survey had other interesting results. Employee compensation fell to its lowest rank ever this year, coming in at fifth on the employees' poll. Last year, compensation fell out of the top five rankings for HR professionals, and this year it was listed as the ninth biggest contributor to job satisfaction.

Besides job security, employees and HR professionals appear to agree that having opportunities to utilize skills/abilities while at work contributes to overall satisfaction. It is the third consecutive year this factor

has ranked in the top five in both surveys, with employees placing more emphasis on this choice in 2010 than in previous years.

SHRM included a new choice in this year's survey that received a lot of attention from both sides of the table. For the first time in the survey's history, participants could select "organization's financial stability" as a key contributor to job satisfaction, receiving enough selections to rank fourth on both surveys.

As for employee benefits, a secondary survey revealed that health care coverage was the most important benefit, followed closely by paid time off. Despite the amount of significance employees' place on benefits, only 38% of employees polled felt "very satisfied" with their current medical benefits. Conversely, the majority of employees were very satisfied by the amount of paid time off being received.

Some employers are concerned about how health care reform could affect the benefits they offer, which could also affect job satisfaction. On the brighter side, this year's employee survey showed that "the work itself" was selected enough to tie for fourth, pointing out that satisfaction does not only come in the form of paychecks and paid vacations.

Supplemental Benefits Play Important Role in Maintaining Overall Health

When you think of a dental or vision plan as being included in your employee medical insurance package, you usually think of them as a nice perk. However, for many people it can actually be much more than that. Many serious diseases and illnesses can often be diagnosed during a routine dental or vision exam that would have ordinarily gone undiagnosed. Let's take a look at how each of these supplemental plans can be vitally important to your health.

Dental Exams

Dental exams can catch many diseases early before they get out of hand and before the patient even realizes that they may be a problem. Here are a few of the most notable:

1. Diabetes

Diabetes is a disease that can often creep up on an individual without the person even being aware of it. If left untreated, diabetes can lead to many adverse health effects, including heart disease and death. Many lives have been saved because dentists spotted the warning signs of diabetes right inside someone's mouth. Gum disease, cavities, and oral infections are some of the most common warning signs.

2. Immune Deficiency

An immune deficiency can be a disaster on a person's health. Even a cold or flu virus can leave them crippled and can possibly even kill them. While a person might not know he has such a deficiency because he hasn't contracted a major virus - a dentist can sometimes notice that the patient's oral inflammations aren't healing in a reasonable amount of time.

3. Stress

A dentist can notice that a patient has been grinding his teeth - a sure indication of stress. He can then recommend that he see a doctor and get the proper medication.

Vision Exams

Vision Exams can be equally important for catching disorders before they get out of hand. Here are a few of the most important:

1. High Blood Pressure

Your eye doctor can often pick up the tell-tale signs of high blood pressure by examining the blood vessels in your eyes.

2. Tumors

Tumors are often a warning of potential cancer. These can be easily detected by an eye doctor.

3. Heart Disease

The early symptoms of heart disease can also be detected by a thorough examination of the eye's blood vessels. Heart disease is often caused by a hardening of the arteries and veins of the body.

With all the diseases that can be diagnosed by a simple dental or eye exam, it simply doesn't make sense to consider these crucial exams as mere supplemental health benefits. Even if your group doesn't include these as part of the basic package, you may want to offer these as a voluntary benefit. You and your employees' lives may depend on it.