



## The First 100 Days

### *The importance of industry experts in a time of health care reform*

As the new presidential administration approaches 100 days in office, upcoming health care reform continues to develop.

“The House recently shared its preliminary plan to repeal and replace major components of the Affordable Care Act (ACA), but there will likely be many changes to the bill, titled the American Health Care Act, before it is passed,” says Erin C. Davidson, sales account executive II at HealthLink, Inc. “Once finalized, the new bill will likely have a direct impact on employers who recently transitioned to an ACA-compliant plan, or who were planning to do so in the near future.”

#### **What changes to health care reform can employers expect in the upcoming year?**

One significant change is that employers who have ‘legacy plans’ that were supposed to transition to ACA-compliant plans by January 1, 2018, may be able to keep their current plans through December 2018. The Centers for Medicare & Medicaid Services recently announced another one-year extension for transitional (grandmothered) policies. As details of the American Health Care Act are finalized, we should learn more about what changes, if any, may directly affect employers in the next year.

One thing is certain, self-funded plans are not regulated as heavily as fully insured plans, so they are not subject to certain reform regulations and mandates. In addition, employers who self-fund their health plans have been able to minimize

the impact of the ACA and eliminate some premium taxes. Therefore, the current uncertainty surrounding future health care reform may have less of a direct impact on employers who self-fund their employee health plans.

#### **With this uncertainty, where can employers get reliable information and advice?**

No matter the state of the industry, it is very important that employers have a partner they can rely on for reliable, unbiased information. This could be their insurance broker, or their insurance carrier account manager or representative. For employers who self-fund their health plans, it might be their third party administrator (TPA) or network partner.

In times of change, an established relationship with an industry expert becomes even more valuable as employers have to decide the best option for offering health care benefits to employees. The wisest employers rely on multiple resources to gather information and make decisions. This means self-educating themselves about changes in the industry, gathering input from a variety of industry experts and examining options, such as self-funding, that safe guard their health plan from industry shifts.

However employers choose to make important policy decisions, they should have an industry expert they can rely on for information and advice.

#### **Has the importance of relying on industry experts changed over the past five years?**

Since self-funded arrangements come with the ability to customize nearly every aspect of the plan, it has always been important for employers to rely on industry experts to ensure they select the best network and programs for their employees.

In regards to fully insured health plans, health care reform has perhaps deepened the way employers rely on experts. Previously, employers depended on experts, such as insurance brokers, to shop around for them and ensure they were receiving the best coverage and the best rates. Once the ACA took effect, employers began relying on these experts more heavily to not only ensure they receive the best coverage and the best rates, but also to determine which mandates applied to their company and ensure they met requirements.

#### **What else should employers know?**

Many network providers and insurance carriers already have established relationships with industry experts that employers can take advantage of when searching for a partner to meet their needs.

Whether it is a broker, TPA or network provider, employers should talk to experts about the state of the industry, upcoming reforms and how their health plan may be affected by changes.