As the Holiday Season approaches, let us grasp this opportunity to appreciate the blessings in our lives. With the uncertainty and chaos in the world today we need to concentrate on the basics of daily living and realize the things that are really important for our survival of mind, body and soul. May we all celebrate with peace and love.
Anthem
Beginning January 1, 2010, OrthoNet, LLC will manage Anthem’s in-network outpatient physical therapy and occupational therapy services.

OrthoNet is a leading musculoskeletal management company that has strong ties to leading therapists in Anthem’s service areas. In addition, OrthoNet has created many “best practices” followed throughout the industry.

OrthoNet’s innovative care management model consists of a Utilization Management program and a Consultation Management program.

ConnectiCare
Please visit the following link for information on Minute Clinic’s. A regular PCP visit copay is all the members are responsible for. Members could access seasonal flu vaccines and other urgent care services at the new lower copayment. Participating clinics can be found at the following link or in the ConnectiCare Provider Directory.

http://www.minuteclinic.com/en/USA

Update on transition of prescription drug services
The transaction of Anthem’s parent company with Express Scripts to acquire NextRX subsidiaries is expected to close by the end of 2009. Express Scripts pricing will go into effect as soon as the transaction closes. Beginning March 1, 2010, we expect clients to start migrating to the Express Scripts pharmacy operating platform. The migration schedule is based on health plan system.

Express scripts will manage the transition with Anthem’s support. Extensive pre-testing will take place to help ensure both NextRX and Express Scripts are ready for a smooth transition of accounts.

Express Scripts will begin processing prescription drug claims on its platform once accounts have been migrated. Anthem will continue managing the clients’ prescription drug programs, along with a dedicated account service team that include pharmacy experts.

This & That
You should have received our change of address postcard as a reminder we are now located at 124 Court Street in Middletown. All our phone and fax numbers remain the same.

CBIA HealthConnections
The Cost of Care
Approximately 85 to 87% of health insurance premiums are spent on the actual delivery of medical care. The following factors all combine to drive increases in this area well beyond that of normal inflation.

Cost shifting
Nationwide and here in Connecticut Medicaid and Medicare payments to hospitals and physicians have not kept pace with the increasing costs charged by these providers. The growing reimbursement gap from these government-run programs gets shifted to private payers in order for these providers to make ends meet. In Connecticut, this under-funding of government programs has its greatest effect on the cost of hospital services and translates to a minimum 15% (and in some cases substantially more) increase in private sector insurance premiums due to cost-shifting.

Government mandated benefits
Nationally there are more than 2100 state mandates that directly impact the cost of health insurance. These mandates fall into three basic categories: benefits, providers, and covered populations. Unfortunately, Connecticut is one of the states leading the way with more than 50 government mandates in place. Benefit mandates alone add an estimated 20% to as much as 50% to the cost of health insurance in Connecticut.

The impact of increased services utilized as a result of individual behaviors such as smoking and obesity
Unhealthy behaviors are having an increasingly significant impact on the cost of care. Obesity, for example, contributed approximately $78.5 billion to the cost of health care in the U.S. in 1998. This figure is estimated to have grown to $147 billion in 2008 with the cost to treat obesity related conditions representing 12.9% of private insurance expenditures. When combined with the cost of other unhealthy lifestyle choices such as smoking and alcohol abuse, the impact on insurance costs is daunting.

Increased use of advanced technologies and/or treatment expansion
Technology continues to play a significant role in the increasing cost of health insurance. Multiple studies have concluded that technology either through the use of newer more advanced and expensive technologies or through treatment expansion (vastly greater use of a less expensive solution resulting in overall greater cost to the system) has contributed 38% to more than 65% to the growth in health care spending through the years.
Legislative Corner

New Health Coverage Mandates in Connecticut were passed in the last legislative session, making Connecticut among the most demanding states in coverage requirements.

These new mandates are costly to small business because they add to the cost of all fully insured health plans.

There are now coverage requirements for the purchase of prosthetic devices, hearing aids, and wigs.

Another bill was passed that mandates more comprehensive coverage for autistic children. It broadens coverage for autism disorders by requiring a policy to cover the diagnosis and treatment of autism including behavioral therapy and certain prescription drugs and psychiatric and psychological services.

While such mandates make health insurance more comprehensive, they also make it more expensive, requiring health insurers to pay for care that previously was not covered. An independent watchdog group has determined that the new coverage for autism could cost employers as much as $4 per member per month.

As this newsletter goes to print, our Legislators in Congress are debating National Health Care Reform. The House of Representatives has already passed a reform bill and the Senate is looking to pass one as well. Both contain public option provisions that will add to the cost and increase the national deficit. It remains to be seen what the final outcome will be later this year or early in 2010. Suffice to say that taxes will increase. Also, there is no consensus on any employer mandates at this time.

We pledge to keep you informed of any developments that will affect you and your employees in the future.

RX Reminder

We would like our clients to be aware that many pharmacies and chain stores are offering free or low cost prescription drugs. Please take some time to check out the links we have provided here for you.

**www.walgreens.com** Walgreens offers a prescription savings club with many discounts and incentives for members. Please check it out.

**www.walmart.com** Wal-Mart offers a variety of prescriptions at the low cost of $4.00. Please check the pharmacy link from the main website.

**www.stopandshop.com** Stop and Shop currently has a generic prescription drug program available to customers. They are offering $9.99 for up to a 90 day supply of 350 of the most commonly prescribed generic medication. Go to the link above for more information.

This is just a sampling of the vendors that are offering discounted prices. If your local pharmacy is not listed here give them a call or check their websites for possible discounts.
Our Service Team

Donna Calnan
Office Manager, Sales Assistant
donna@ameribenalliance.com

Richelle Carlone
Client Service Representative
richelle@ameribenalliance.com

Laura Roy
Client Service Representative
laura@ameribenalliance.com

Tina Barbeau
Service Assistant for Thomson Financial
860.621.8005
tina@ameribenalliance.com

New Years Resolution suggestions:
To a customer, service.
To all, charity.
To every child, a good example.
To a friend, your heart.
To yourself, respect.

Oren Arnold

Member Sales Offices

Kelly M. Smith Managing Partner
Robert G. Viets Benefits Advisor
KGS Insurance Services, LLC
124 Court Street, Middletown, CT 06457
860.704.8020
877.661.6663 toll free
860.704.8368 fax
kelly@ameribenalliance.com
viets@ameribenalliance.com

Robert M. Thomson Partner
Thomson Financial Services
Paul E. Smith Partner
George Utter Benefits Advisor
Paul E. Smith Insurance
100 Queen Street, Southington, CT 06489
860.276.9181
800.343.2504 toll free
860.628.2352 fax
rob@ameribenalliance.com
paul@ameribenalliance.com
george@ameribenalliance.com

Keith J. Bell Benefits Advisor
Benefit Plans Unlimited, Inc.
20 Walt's Hill, Bloomfield, CT 06002
860.286.8880
860.286.8887 fax
keith@ameribenalliance.com

AmeriBen has the capabilities and offerings that the larger agencies have. We offer ancillary coverage, individual coverage, payroll services, Section 125, and a real time web based HR system. Call us today to inquire about these benefits.