



HSA Employer News!

May 2011

Consumer-Directed Plans Save Employers and Consumers Millions of Dollars Each Year

A study conducted by Aetna showed a direct cost savings when employers replaced their traditional health benefits plans with consumer-directed health plans (CDHPs): employers saved \$21.5 million over a five-year period for every 10,000 members. In addition, the study confirmed that members of consumer-directed plans accessed more preventive care and screenings than people with PPOs.

The study also showed that “HSAs continue to demonstrate more dramatic savings than HRAs. HSA members had 15 percent lower primary care physician utilization for non-routine visits, which may include a cold or sore throat, 11 percent lower specialist utilization and 9 percent lower overall medical costs in 2009.”

EBRI Study: Enrollment in CDHPs and HDHPs Is Growing

The Employee Benefit Research Institute (EBRI) released a study of more than 4,500 privately insured adults showing that enrollment in CDHPs and high-deductible health plans (HDHPs) is growing and that consumers with those plans are more engaged in managing their health than those with traditional plan coverage. The findings are from the 2010 EBRI/MGA Consumer Engagement in Health Care Survey.

Lactation Expenses Approved as Qualified for HSA Funds

Breast pumps and other supplies that aid in breastfeeding are now approved as qualified medical expenses for HSA purposes.

These devices are now covered under Section 213(d) of the Internal Revenue Code, because, like obstetric care, they are for the purpose of affecting a structure or function of the body of the lactating woman.

Online Statements: Fast, Simple, Secure and Free

We are encouraging customers to switch from paper statements to online statements and enjoy free, secure and convenient access to their statements. Your employees may visit us online for details and to enroll.

Employer Tool Kit: Implementing a CDHP Is Easy

The #1 reason employers look to add a CDHP option to their benefits suite is long-term cost control. The decision stems mainly from an effort to keep insurance premiums as low as possible and avoid large increases year after year.

Implementing a CDHP is easy, if you take advantage of the information The Bancorp Bank has compiled with employers' needs in mind. Our Employer Tool Kit includes an abundance of resources and guides, and we have designed the materials to provide you with everything you need to educate and train your employees to effectively manage their HSAs.

During open enrollment, it is important to promote the benefits of an HSA to employees who have opted for an HSA-qualified plan. Our Tool Kit can be extremely helpful during the implementation of an HSA program, as it includes step-by-step instructions for all of the employer's administrative needs. It includes an account-opening brochure, rollover forms and several other HSA guides for the employer.

The “Funding Your HSA” section of the Tool Kit includes materials that detail the funding methods available to you to facilitate contributions to your employees' accounts.

To learn more about how easy it is to implement a CDHP and an HSA as a cost-saving plan, visit your HSA custodian's Web site and review our Employer Tools by clicking on the “Employer” tab in the middle of the home page.