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## The Walkway to Lower Health Care Costs

The Arthritis Foundation says there's a free and easy way to prevent, treat and manage the symptoms of arthritis: walking. Thirty minutes of walking a day, whether at once or in three separate 10-minute walks, will have a significant impact on the body's susceptibility to pain caused by arthritis.

Arthritis costs the U.S. economy \$128 billion annually. One in five (46 million) U.S. adults and 300,000 children suffer from arthritis. Obesity, a growing epidemic, is a significant contributor to the condition. Additionally,

arthritis is the leading cause of disability in the U.S.

Low- and no-cost methods are available

to promote the "walkway" to a healthier life. Some employers offer pedometers or other gadgets that measure distance walked or heart rate. Others encourage a buddy system to support the walking habit. By simply encouraging staff to walk as much as possible during breaks, employers can have a

significant impact on employee health and help reduce health care costs related to arthritis. ■



## Health Plan Costs Grow

Health care costs are still increasing at double-digit rates, finds a recent Aon study. Here is a sample of the average increases for health care plans:

- Health Maintenance Organizations (HMOs) up 10.9%
- Point-of-Service plans (POSs) up 10.8%
- Preferred Provider Organizations (PPOs) up 11.2%
- Indemnity Plans up 12.7%
- Consumer Driven Health Plans (CDHPs) up 10.7%.

Health care costs continue to be the fastest-growing expense for many companies. Reasons cited for increases

in costs include:

- Increasing patient demand for services
- An aging population
- Growing medical technology costs
- Higher hospital costs
- Increasing price and utilization of prescription drugs
- Poor lifestyle choices
- Cost-shifting and medical malpractice costs.

A positive finding in the survey is that pharmacy costs, as well as costs for specialty drugs, will continue to increase but at a slower rate than in previous years. ■

## Caregiver Wellness



The trend toward an older U.S. population carries with it an impact on younger generations, as well. Not only are there overall increases in health care costs for the general population, but there are ancillary costs associated specifically with caregiving. Employers are taking a closer look at assisting caregivers in order to reduce losses that can accrue from caregiving burdens.

Recently, employers such as IBM, Raytheon, Nike and Intel have begun offering programs aimed at caregiver wellness. These programs provide valuable resources for employees that help them deal with and prevent conditions common in caregivers, such as depression and anxiety—conditions that can cause long-term illness and significantly increase health care costs.

Employers interested in providing a caregiver wellness program or helpful information to employees can search online for independent program providers or visit the following Web sites:

- Area aging agency – [www.eldercare.gov](http://www.eldercare.gov)
- Cooperative extension service – [www.csrees.usda.gov](http://www.csrees.usda.gov)
- Red Cross chapter – [www.redcross.org](http://www.redcross.org). ■

## Health Management Program Participation

A recent survey by the ERISA Industry Committee, the National Association of Manufacturers and IncentOne – a N.J.-based provider of employer – sponsored incentive programs—reports that 76% of mid-sized and large U.S. manufacturers and corporations are offering health-management programs to employees. These programs seek to manage or maintain an employee's current level of health.

One of the biggest complaints employers express regarding health and wellness programs is non-participation by employees. Employees are busy and inundated with information

on all sorts of plans, offerings and activities on myriad topics, making a work-related program just one more item on a “to-do” list.

To encourage participation, some employers are appealing to the “cents-es.” The survey indicates that almost half of employers who offer health-management programs also offer some kind of monetary incentive to join. The most common incentive is a premium reduction. The second most common incentive is cash or a bonus.

If you would like more information about health-management programs, give one of our representatives a call. ■

## Travel Benefits That Don't Break Your Budget

The Travel Industry Association predicts that the number of business trips in the U.S. will increase by 1.6% in the coming year. Although increasing numbers of workers prefer telecommuting, mobile technology and other “work from anywhere” advances that allow them to work from home, business travel is more prevalent now than ever. That's not always beneficial, says the Association of Executive Search Consultants, which reports that a reduction in travel duties is one of the top three non-financial concessions sought by new hires.

If your employees are required to travel, consider offering benefits that make the experience more palatable. Some businesses can afford to upgrade accommodations or to allow airline points to accumulate in the traveler's account rather than the employer's.



Providing travel insurance is another benefit, one that mitigates financial risk to the employee and his or her family. Of course, teleconferencing and podcasting are alternatives to travel.

Talk with one of our employee benefits representatives about travel benefits that fit your budget and needs. ■

## Good Night, Good Day

Working all night has long been seen as a badge of honor in business, dedication so deep that one of the fundamental elements of human life — sleep — is put on hold. Recent research points to a needed change in this thinking; specifically, workers who don't get enough sleep are actually counterproductive.

The Institute of Medicine reports that sleep-related fatigue costs business \$150 billion annually in absenteeism, workplace accidents and lost productivity. According to the Better Sleep Council, nearly 40% of workers suffer from fatigue, and a lack of

sleep leads many workers to dislike their jobs. Sleep loss has been linked to heart attack, obesity, hyperten-



sion, depression and stroke — conditions that have a permanent effect on an employee's health

and lead to significant increases in health care costs.

You might want to educate your workforce on the value of good sleep. You could offer a sleep education talk to employees, covering such topics as why sleep is important and how different kinds of mattresses, foods and drinks affect sleep quality. You can also regulate overtime and demanding business travel to minimize work-mandated activities that contribute to sleeplessness. Encourage workers to get adequate rest, and support a healthy environment at work that includes frequent movement and proper diet. ■

### Mini-Med Plans Can Fill Gaps

**W**ith high-deductible health plans becoming a more common alternative for individuals and employers seeking to control health care costs, the need for stop-gap, limited-benefit or "mini-med" plans has never been greater. These terms all describe a type of health insurance policy designed to help fill the gaps in coverage that exist when a high-deductible health plan or major medical/catastrophe coverage is all that is available.

These limited-benefit health insurance plans can be issued with few restrictions. They are

an affordable alternative or addition to plans that mainly cover major medical costs. These limited plans primarily cover

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routine services, such as office visits, lab work and medications. Mini-med plans often include no deductible or co-pay, and cover-

age is immediate. In addition, there might not be a pre-existing conditions clause. The main drawback of these plans is that annual payouts are often capped at \$10,000 or less—a relatively small amount for catastrophic coverage and hospital emergency care.

It may suit your business to offer both a high-deductible health plan that covers major medical and a mini-med plan or some other secondary insurance that helps with day-to-day medical expenses. Talk to our employee benefits specialists if you would like more information on these sorts of plans. ■

**Thank you  
for your referrals.**

If you're pleased with us, spread the word!  
We will be happy to give the same great service to all of your friends and business associates.

## Offer Your Employees Annuity Info

Many employers want to assist their employees with financial planning for retirement but are uneasy with the fiduciary responsibilities and risks that come along with doling out this advice. As an alternative, employers who wish to help educate employees about annuities can encourage inquisitive staffers to visit one of the following sites dedicated to helping workers understand this important benefit:

- [www.incomesolutions.com/annuityfaq.asp](http://www.incomesolutions.com/annuityfaq.asp) Employees can find basic information about immediate fixed annuities, including questions about taxes.
- [www.sec.gov/investor/pubs/varannty.htm](http://www.sec.gov/investor/pubs/varannty.htm) – Employees can access a valuable publication from the Securities and Exchange Commission that outlines the advantages and disadvantages of variable annuities.
- [www.naic.org/documents/consumer\\_alert\\_annuities\\_senior\\_citizens.htm](http://www.naic.org/documents/consumer_alert_annuities_senior_citizens.htm) – The Web site of the National Association of Insurance Commissioners describes types of annuities, strategies to use when buying and ways to avoid deceptive sales practices. ■