UnitedHealthcare®

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Helping customers get more out of their health plans.

Summer 2010

Get your free reform guide

Now is the time to begin planning your strategy for carrying out the reform regulations. For more details about the changes and how they affect your firm, visit **www.uhc.com/reform** to download our free guide, *Navigating Health Care Reform – An Employer's Guide.*

Embracing the future: health care reform

The Patient Protection and Affordable Care Act that President Obama signed in March fundamentally reforms the insurance market. We can't begin to explain all the ramifications of Health Care Reform. But we do know two things:

- **First,** the job of modernizing the health care system is just beginning.
- **Second,** the future belongs to those who are willing to embrace change and who have a burning desire to improve the health care system through innovations and proven best practices.

UnitedHealthcare is committed to comprehensive health reform because we believe everyone deserves equal access to quality health care. Even more importantly, we're ready to begin right now; today. In fact, we've already begun carrying out important provisions of the reform bill – months ahead of schedule.

For example, two parts of the new health care legislation coming into effect in September of this year will require dependent coverage up to age 26 and ban the practice of rescission. But instead of waiting, we announced in April that we will extend the health coverage for college students graduating this year. And in May we ended our limited use of rescission, except in cases of fraud or intentional misrepresentation. In both cases we are well ahead of the deadline.

Future reform priorities

But these are just the tip of the iceberg. Health care reform will unfold in a series of changes for many years to come. Some of these changes will affect your firm, others will not. The next page shows a convenient summary chart listing the changes and general timelines.

Health reform quick reference timeline

	Effective Date	Change
2010	Upon enactment March 23, 2010	• Automatic enrollment* process - Employers with more than 200 employees must automatically enroll all new full-time employees as soon as they are eligible for coverage, and employees may opt out of coverage.
	90 days following enactment on March 23, 2010	• Temporary retiree reinsurance program • High risk pool
	On or after September 23, 2010	• Adult children coverage to age 26 • Annual limits only allowed on non-essential benefits (to be defined) • No lifetime limits on essential benefits • No pre-existing condition exclusions for enrollees under age 19 • No rescissions (primarily individual and small group coverage) • First dollar coverage for certain defined preventive care** • External appeal process required** • Non-discrimination rules extended to insured plans** • Emergency services without prior authorization/treated as in-network** • Child's pediatrician may be chosen as the primary care physician** • A woman can choose her OB-GYN without referral or preauthorization**
2011	January 1, 2011	• No reimbursement through the FSA for over-the-counter drugs unless prescribed • Form W-2 reporting of value of benefits (for W-2 issued in January 2012 with respect to tax year 2011) • Increased penalty for non-medical HSA withdrawals (from 20 to 30 percent)
2012	March 23, 2012	• Uniform explanation of coverage • 4 page pre-enrollment coverage document sent outlining benefits and exclusions • 60-day notice in advance of material modifications
2013	January 1, 2013	• Medicare tax increase for high-earners • No deduction for retiree drug subsidy • Cap on salary reduction health FSA contributions ($2,500 limit) • Comparative effectiveness fee (policy years ending after November 30, 2012)
	March 1, 2013	• Employer notification regarding exchanges
2014	January 1, 2014	• State-based exchanges • Free rider penalty • No pre-existing condition exclusions • Employer certification of coverage • Increased wellness program incentives (from 20% to 30%) • Individual mandate • Free choice vouchers • No annual limits • Required coverage for clinical trials for life-threatening diseases • 90-day limit on waiting periods • Retiree reinsurance program ends if money has not already run out

* The legislation does not set out a separate effective date (so effective on March 23, 2010), however as a practical matter, employers may not be able to comply until regulations are issued.

** Applies to non-grandfathered plans only. Grandfathered plans are exempt until the status is lost.

Beating obesity with wellness coaching

***Calorie:** a unit measuring the amount of rationalization required by the average person prior to taking a second helping.*

Pretty funny, except it is also sadly true. Or at least that's the conclusion we might draw from research[1] done at the University of California, Los Angeles. They examined 31 weight-loss studies and found long-term dieting doesn't keep the pounds off. While people can lose weight initially, up to two thirds of them regain that weight.

The findings confirm what many of us know from bitter experience: Temporarily losing weight is relatively easy. But resisting those second helpings can seem nearly impossible.

A problem for business

Unfortunately, obesity is no laughing matter. Obesity is the cause of many preventable health problems including diabetes, heart disease and some forms of cancer.[2]

Obesity is also an important problem for employers. Employers must bear a growing financial burden as a result of an overweight and obese workforce through higher health care costs and lost productivity. Since treatment costs for obese patients are typically 30 percent higher than they are for individuals of an ideal weight,[3] an organization with 1,000 employees can incur an average of $285,000 per year in additional costs associated with obesity.[3]

Workplace solutions

Fortunately there is something you can do. The Centers for Disease Control and Prevention reports that workplace obesity prevention programs can be an effective way for employers to reduce obesity and lower their health care costs, lower absenteeism and increase employee productivity.[4] But how can you avoid the problems with failed diets and weight losses that cannot be sustained over time?

Visit myuhc.com®

Encourage your employees to visit myuhc.com to access the online health coaching programs. Choose the *Health & Wellness* tab and then *Personal Health Center* on the right side of the screen.

[1] Dieting usually fails in the long run, study finds; April 22, 2007; www.msnbc.msn.com/id/18260925/

[2] National Diabetes Fact Sheet, 2007 Centers for Disease Control and Prevention; March 12, 2010

[3] Economic Impact of Obesity, Yale University Rudd Center for Food Policy and Obesity, 2008

[4] CDC's LEAN Works! - A Workplace Obesity Prevention Program; Centers for Disease Control and Prevention May 29, 2010

UnitedHealthcare provides successful weight loss wellness tools and resources as part of your benefit plan. Our targeted wellness coaching approach offers solutions that educate, engage, activate and motivate your entire employee population — focusing not only on individuals who need to lose weight, but also on those who need to maintain their weight.

Programs that work

We conducted a controlled study[5] where people who participated in a weight loss coaching program were compared with people who did not. The results were instructive:

- Overweight and obese employees who completed an interactive health coach weight loss program were 44 percent more likely to lose weight compared with the control group.
- Coaching program participants lost 63 percent more weight than those who didn't complete the program.

And surveys show that among those who recently completed one of our wellness coaching programs achieved a key outcome:

- 92 percent lost more than one percent of their body weight
- Nearly 33 percent lost six percent or more of their body weight

Just a little change is worth it

Maybe six percent weight loss doesn't sound like very much, but it can be significant. We know for example that if people with pre-diabetes lose just five to seven percent of their body weight they reduce their risk of developing diabetes by 58 percent.[6] That means someone who weighs 220 pounds would only need to lose between 11 and 15 pounds to cut their chance of developing diabetes by more than half.

Our experience has shown that many factors can influence behaviors, lifestyle and health status. So a successful weight management solution must address a whole range of health needs, intensity levels and communication preferences or risk failure.

Contact us

Ask your broker or UnitedHealthcare representative how our weight management wellness coaching can reduce health care costs and improve the health of your company's workforce.

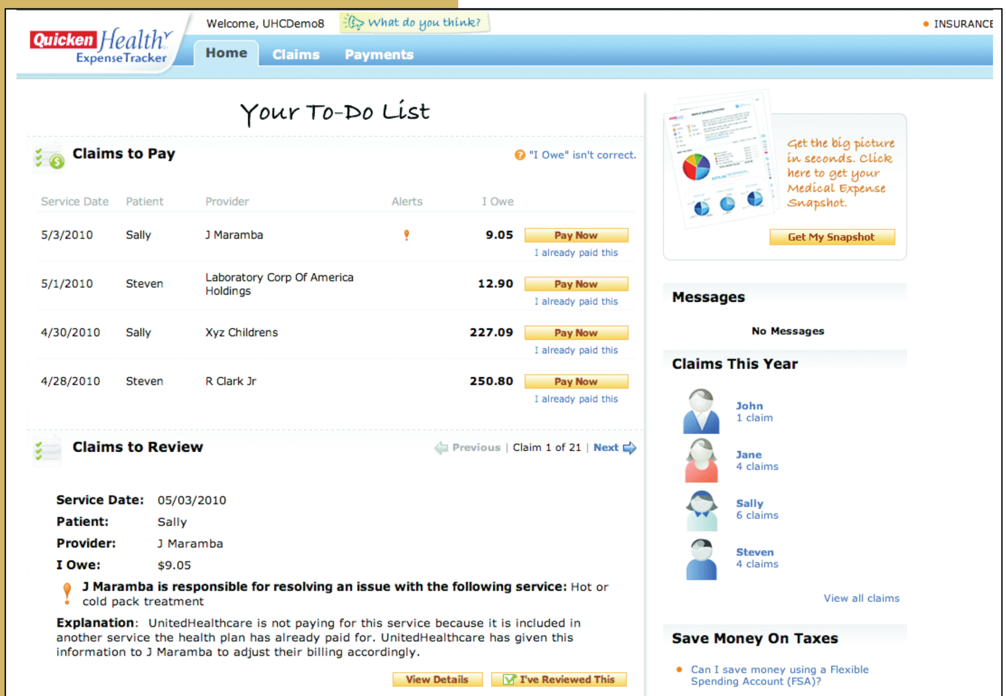
Visit the **Communication Resource Center** online at www.EmployereServices.com for weight loss employee communications.

[5] Impacting Weight Management Across the Health Continuum; White Paper, Culture of Health Institute, OptumHealth, 2010

[6] Diabetes Prevention Program National Institutes of Health; NIH Publication No. 09–5099 Oct. 2008

Quicken Health Expense Tracker℠

Promote Quicken Health Expense Tracker℠ to your employees



When consumers have a better understanding of their health care expenses, they can make better health care decisions. Quicken Health Expense Tracker is available to UnitedHealthcare members and is very easy to use.

The tool allows members to sort, organize and track health care expenses to better estimate future spending and budgeting. This really comes in handy for Flexible Spending Accounts or Health Savings Accounts.

With Quicken Health Expense Tracker health care benefits are easier to understand, and health care costs are easier to manage and track. Members can also opt for the **convenience of online payment** for outstanding doctors' bills using Quicken Health Expense Tracker's secure online bill pay function.

The tool is easily accessed through the myuhc.com member website. By just clicking on the Quicken Health Expense Tracker link on the home page the system will automatically load up to 18 months of a family's UnitedHealthcare claims history. New claims will continue to be automatically added for as long as the member has a UnitedHealthcare benefit plan.

Choosing medical benefits is an important decision your employees make each year, and for many, it can be confusing. The Quicken Health Expense Tracker helps take the confusion out of these decisions. Members automatically have a history of health care expenses and payments that can be used to plan for next year's benefits.

Spread the word today

Help your employees and their families take advantage of the Quicken Health Expense Tracker. Visit the **Communication Resource Center** on **www.EmployereServices.com** for materials and video demonstration links you can share with your employees to promote the Quicken Health Expense Tracker.

Integrated Medical and Disability Management Program – keeping employees healthy and productive

Studies show that individuals on disability account for a significant portion of a company's medical costs.* The way to address this challenge is to offer an integrated approach that manages the clinical, behavioral and social aspects of a disability – all at once. The result is employees who more quickly regain their health and return to productive work.

Our Integrated Medical and Disability Management (IMDM) program is exactly the kind of integrated approach we mean. This innovative program is designed to improve health outcomes, reduce absence days and better manage health care and absentee costs.

The IMDM program coordinates health case management into a personalized plan for each employee, including:

- Creating awareness about available health and financial support programs
- Educating about the ways to improve health
- Supporting behavior change with coaching and other tools

Since the introduction of this program, participating employees have seen some dramatic improvements in their health and well-being. Here's just one example that involved a 55-year-old woman who was on disability due to uncontrolled diabetes and chronic obstructive pulmonary disease, high blood pressure and untreated depression:

- After working with her IMDM case manager, the woman developed a better understanding of her health needs and how to take some simple, practical steps toward improvement.
- By gaining control of her diabetes through diet and medication, she was able to return to work and continue living a healthier lifestyle. She also lost a significant amount of weight by making better food choices and exercising daily, which subsequently, allowed her to stop taking blood pressure medication.

* Council for Disability Awareness. Employer Resource Information Center, www.disabilitycanhappen.org/employer/overview.asp

Contact your broker or UnitedHealthcare representative about how our Integrated Medical and Disability Management Program can work for you. It's an innovative way for your firm to improve health care quality and reduce costs. That's good for your employees – and good for your business.

In Touch is a publication for UnitedHealthcare customers. It's designed to help you and your employees get the most value out of your health plan, and keep you informed about our latest products and services.

Stay connected with our e-newsletter

Receive the very latest news and information about your benefits plan by subscribing to our monthly e-newsletter. Simply contact your broker or UnitedHealthcare representative and request to be added to our e-mail list.

UnitedHealth Wellness® is a collection of programs and services offered to UnitedHealthcare enrollees to help them stay healthy. It is not an insurance product but is offered to existing enrollees of certain products underwritten or provided by UnitedHealthcare Insurance Company or its affiliates to encourage their participation in wellness programs. Health care professional availability for certain services may be dependent on licensure, scope of practice restrictions or other requirements in the state. Some UnitedHealth Wellness programs and services may not be available in all states or for all group sizes. Components subject to change.

UnitedHealthcare Life and Disability products are provided by UnitedHealthcare Insurance Company and Unimerica Insurance Company; Unimerica Life Insurance Company of New York (NYC); and in California, Unimerica Life Insurance Company.

Insurance coverage provided by or through UnitedHealthcare Insurance Company or its affiliates. Administrative services provided by UnitedHealthcare Insurance Company, United HealthCare Services, Inc. or their affiliates.

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