



## Take Advantage of Preventive Care Coverage for Children

Sources: HealthCare.gov

The start of school is just around the corner so what better time to take advantage of the Preventive Care Coverage for your children. The Affordable Care Act requires that health insurance plans provide coverage and eliminate cost sharing requirements for certain preventive services, including well-child care, without charging you a copay, coinsurance or deductible.

Most School systems require your child to be up to date on their immunizations, have vision and/or hearing screenings and if they participate in sports, they may be required to have a complete health physical.

Some of the child preventive services covered under Health Care Reform include:

- ✓ Physical Examination and Height, Weight and BMI measurements
- ✓ Vision Screening
- ✓ Hearing Screening
- ✓ Oral health risk assessments
- ✓ Screenings for hemoglobin or hematocrit level, lead, tuberculin and other test
- ✓ Obesity counseling and helping children maintain a healthy weight
- ✓ Depression among adolescent children
- ✓ Alcohol and drug use assessment for adolescents
- ✓ Immunizations – for children from birth to age 18 include:
  - Diphtheria, tetanus, pertussis
  - Haemophilus influenza B
  - Hepatitis A, B
  - Inactivated poliovirus
  - Influenza
  - Measles, mumps, rubella
  - Meningococcal
  - Pneumococcal
  - Rotavirus
  - Varicella

Check with your local school system to identify the health requirements for your child. Get ahead of the game, by giving your child a Healthy Head Start this school year.

## The Benefit of Youth Sports

Young athletes cite having fun, learning new skills, making friends and feeling successful as some of the reasons why they partake in sports. But the benefits of youth athletics go much further than this.

Sports offer a specialized arena where youth can demonstrate their talents and hone their skills. In fact, participating in sports is physically, socially, cognitively and psychologically engaging. Children are working together with others toward a common goal—not just with teammates, but coaches, families and the community as well.

### Physical Benefits

*Fitness:* Kids develop a high level of fitness that is good for their health, while having fun.

*Stress relief:* Partaking in sports allows kids to clear their heads. Because of this stress relief, many students perform better when they are involved in sports.

*Master skills:* Kids develop athletic talents while also learning that practice improves skills. The idea that practice leads to improvement provides children with a sense of ownership of their successes.

*Healthy lifestyle choices:* The most valuable tool used in sports is one's own body. Because of this, many young athletes tend to refrain from using drugs, drinking alcohol and smoking because they do not want to harm their bodies or their performance.

### Personal Benefits

*Valuing practice and preparation:* Participating in sports shows kids that self-discipline and practice yield positive results. Practicing also explores alternative ways of doing something to achieve better results.

*Resiliency:* Sports teaches kids about losing, disappointment and moving on from negative experiences.

*Controlling perspectives:* Athletes learn to be confident in themselves and their abilities.

*Leadership:* Athletes have the opportunity to serve as leaders of their peers, which teaches them valuable skills for the future.

*Identity:* Kids on sports teams learn to both identify with the team and to also establish a personal identity.

*Time management:* Since sports are time-consuming, athletes must learn how to balance them with school priorities and family commitments. This can help make children better able to prioritize their own lives.

### Social Benefits

*Establishing relationships:* Young athletes learn how to form strong bonds with others as they compete and train with one another.

*Teamwork:* Kids learn that cooperation with others is the key to achieving goals. They also learn to put aside differences and work together to achieve a common goal.

*Diversity:* The sporting arena is a great place to engage with people from diverse backgrounds and cultures.

*Developing relationships with adults:* Engaging with coaches and teammates' parents allows young athletes to develop social skills in meeting and talking to adults.

*Being part of the community:* Often sports teams are a central part of the community. Being a part of the team allows athletes to be active members of the community at an early age.



## New Task Force to Focus on Mental Health and Substance Use Disorders

In light of the growing prescription drug and heroin epidemic, the Obama administration announced the creation of the Mental Health and Substance Use Disorder Parity Task Force.

This task force will build upon the parity provisions included in the ACA, and will work to identify and promote best practices for compliance as well as identify areas for further improvement.

The task force will be made up of directors from seven government agencies. They will conduct outreach to patients, health care providers, employers and insurers to make behavioral health a priority and improve the prevention and treatment of mental health and substance abuse disorders.

The task force will present a report to the president before Oct. 31, 2016, and its findings and recommendations will be made public.

## Cadillac Tax Update

Beginning in 2020, the Affordable Care Act (ACA) will levy a 40 percent excise tax on health plans that are deemed to be overly generous. This tax, also known as the “Cadillac tax,” will affect health plans that cost more than \$10,200 for an individual or \$27,500 for a family. The Cadillac tax is designed to encourage companies to choose lower-cost employee health plans and to raise revenue to fund other ACA provisions.

The Cadillac tax is controversial because many believe the tax will force employers to shift more health care costs onto employees, many of whom are already struggling to pay their out-of-pocket expenses. It has also been criticized by labor unions and by those who believe it unfairly discriminates against employers in more expensive areas of the country.

### Why should I care about the Cadillac tax now?

According to the Kaiser Family Foundation, 40 percent of employers could be subject to the Cadillac tax by 2028. Furthermore, if health insurance premiums continue to rise faster than the rate of inflation, more plans could potentially be subject to the Cadillac tax over time.

The tax was originally intended to take effect in 2013, but was immediately delayed until 2018 following the ACA’s enactment. A 2016 federal budget bill then further delayed the implementation of the Cadillac tax until 2020.

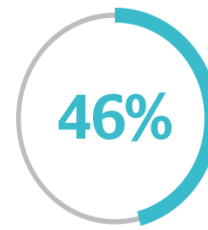
Even though the potential implementation of the tax is years away, it is important to start thinking about how your company plans to navigate the Cadillac tax. Depending on your plan, significant changes may be needed to avoid the tax. Since cutting benefits can cause employee dissatisfaction, you may choose to gradually phase out generous health benefits—allowing employees more time to adjust to new plan offerings.

### How are other employers preparing?

Many employers expect their plan costs to exceed the 40 percent threshold. According to Employee Benefits News, 69 percent of employers say the Cadillac tax is a factor in employee benefits planning for 2017—an 11 percent increase from 2016. The following is a list of changes employers are considering making in response to the tax, according to a study from Wells Fargo:



Increase wellness initiatives to improve health of the population



Changing employee health savings account (HSA) contributions to post-tax



Reduce the value of the plan design



Implement a spousal carve-out plan



Eliminate flexible spending account plan



Nothing—we will pay the tax if costs exceed the thresholds

### Future of the Tax

Given the controversial nature of this tax and the upcoming presidential election, there is a chance for appeal or amendment down the road. When and in what shape such a change could come in, though, remains unknown.

Considering the potentially huge financial impact of the Cadillac tax, it is important to start planning now. Even if the tax is ultimately repealed, taking time to strategically analyze your health plan and identify areas for cost savings can benefit your company’s bottom line in the long run.

To find out how your company stacks up or for more information on the tax, contact AssuredPartners NL today.