

Full Review of Health and Prescription Drug Claims Utilization Analysis

In a previous [white paper](#), we discussed the value of examining health and prescription drug claims utilization for use in targeted wellness and plan design considerations. Today, we're going to review the process and what data an employer should receive and be reviewing and analyzing, as well as a sample analysis and report.

Fully Insured vs. Self-Funding

Employers with a fully insured health and prescription drug plan are at a disadvantage from the perspective of knowing where the claims dollars are going, unless the plan tends to cover more employees and is experience (rather than community) rated. A large, fully insured health plan may receive general, high level data on their claims, but are unlikely to see much detailed information. Smaller, fully insured health plans will usually not receive any claims data, either detailed or summary, on their plan.

Self-funding (or partially self-funding, self-insurance, etc.) has historically been the preferred funding mechanism of larger employers with the smallest employers typically having 100 or so participating employees. The inter-

est and availability of self-funded health plans is beginning to migrate down to employers with as few as 25 participating employees. While the financial argument is the primary reason for this, a secondary and very important component for this interest is the availability of claims data.

While it is unlikely to receive detailed (or any) claims data from a fully insured carrier, it is very likely to receive (perhaps on request) some level of detailed reporting on the claims being paid by the plan for health and prescription drug expenses. The initial data provided is often at a very high level, with detailed information sometimes available upon request.

Where to get claims data?

The Third Party Administrator (TPA) or insurance carrier holds the claims information that will be used for the analysis. In many cases, employers with a self-funded health plan will receive at least annual reports showing varying levels of claims detail. Some TPA's are very good about providing very detailed, granular (de-identified) data, while others provide the bare minimum.

Claims data can be provided directly from the TPA to the employer and/or an outside entity can receive the claims data and provide often

an even more detailed analysis than is readily available from the TPA.

Who does the analysis?

An agent, broker, or consultant can help in obtaining this claims data, as well as in the analysis of that data. Kushner & Company, for instance, provides outside claims analysis services for both direct clients as well as on behalf of agent partners who may not have

the software and/or detailed analysis expertise to provide for their clients internally.

What does a detailed analysis report look like?

In the following pages you will find a sample report that provides an idea of the types of analysis and reporting that should be conducted on an annual basis.

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Demo Company, Inc.

ENTIRE GROUP

January 1, 2012 - December 31, 2012

Kushner & Company Sample



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Project Id 277812
Data provided by: ABC Carrier

Key Takeaways

- While lives increased 2% from 1137 in 2011 to 1161 in 2012, your health plan cost increased from \$7,153 per employee to \$8,406 per employee. This represents a 17.5% increase.
- While administrative costs remained steady (the result of our negotiation last year), claims costs increased 23% from \$5,534 per employee to \$6,789 per employee in 2012. It is interesting to note that the majority of the claims are incurred by the employee (27% over the norm) and not the spouse or dependent. Communication strategy should be focused on employees for maximum impact.
- While the number of office visits has remained steady after implementing plan design changes in 2011, the average paid per visit has increased, resulting in a 14% increase in total paid over last year. We are recommending a communication campaign to help reduce unnecessary visits. In drilling further into these numbers and the main cause of the increase, we see that utilization for Specialist visits, for conditions such as Diabetes, Arthritis and Breast Cancer are much higher than 2011. Furthermore, spouses are contributing to this increase. We will discuss this in our meeting and I will show you some sample communication pieces that will not only target employee chronic care recommendations, but also to the spouses.
- Meanwhile, we are seeing an increase in Emergency Room visits, following several years of steady decline following plan design changes and communication efforts in 2009. The number of ER visits for 2012 exceeded the norm by 82%. Research indicates that employee utilization of the ER for ENT related claims is a primary factor in the number of overall visits. Given the usage, our recommendation will be to increase the Emergency Room copay. In addition, vast majority of claims are the employees so we will want to direct a campaign to them to change behavior.
- Outpatient surgical costs, overall, are in-line; however the cost per procedures was elevated. Among the top procedures we noticed a number of colonoscopy procedures, with higher than average costs. It should be noted that the primary providers for these procedures were hospitals. Encourage members to consider freestanding facilities for diagnostic procedures whenever possible.
- A big driver this year was large claims. In the past you have opted to not to include stop loss coverage on your plan. Due to the high cost claimants we are seeing our recommendation is to implement a \$150,000 specific stop loss deductible next year. Had this been in place in 2012 Demo Company would have saved \$320,638 as you had 4 large claims over that threshold. In addition we have run our Disease Profiler on these large claims and predicted your liability on these claims so we can discuss additional stop loss options for you.

At - A - Glance

General Information				
Total Employees				777
Total Covered Lives				1,161
Total Claim Charges				\$13,597,479.00
Total Claim Payments				\$5,275,002.44
Area	Actual	Norm	Difference	Experience
Health Plan Costs	\$8,407	\$7,795	7.84%	Unfavorable
Medical Claims Costs	\$5,153	\$3,690	39.63%	Unfavorable
Inpatient Analysis - Admissions/1000	113	82	38.01%	Unfavorable
Inpatient Analysis - Average Paid/Admission	\$16,453	\$16,074	2.36%	Acceptable
Maternity Admissions/1000	12	11	10.36%	Unfavorable
Maternity Average Paid/Admission	\$5,977	\$4,897	22.06%	Unfavorable
Outpatient Surgery/1000	876	1,446	-39.42%	Favorable
Outpatient Surgery Average Paid	\$199	\$149	33.29%	Unfavorable
Emergency Room Visits/1000	442	243	81.99%	Unfavorable
Emergency Room Average Paid	\$660	\$429	53.79%	Unfavorable
Office Visits Visits/1000	2,447	3,168	-22.76%	Favorable
Office Visits Average Paid	\$72	\$63	13.69%	Unfavorable
Chiropractic Visits/1000	896	753	18.96%	Unfavorable
Chiropractic Average Paid/Visit	\$18	\$18	-0.97%	Favorable
Physical Therapy Visits/1000	376	466	-19.28%	Favorable
Physical Therapy Paid/Visit	\$9	\$14	-38.13%	Favorable
Radiology Visits/1000	995	1,576	-36.87%	Favorable
Radiology Paid/Visit	\$100	\$226	-55.73%	Favorable
IPMH Admissions/1000	12	4	183.22%	Unfavorable
IPMH Average Paid/Admission	\$7,258	\$8,364	-13.21%	Favorable
Outpatient Mental Health Visits/1000	355	566	-37.29%	Favorable
Outpatient Mental Health Average Paid/Visit	\$60	\$99	-38.87%	Favorable

Norm source: "Employer Health Benefits 2012 Annual Survey", The Henry J. Kaiser Family Foundation and Health Research and Educational Trust, September 2012.

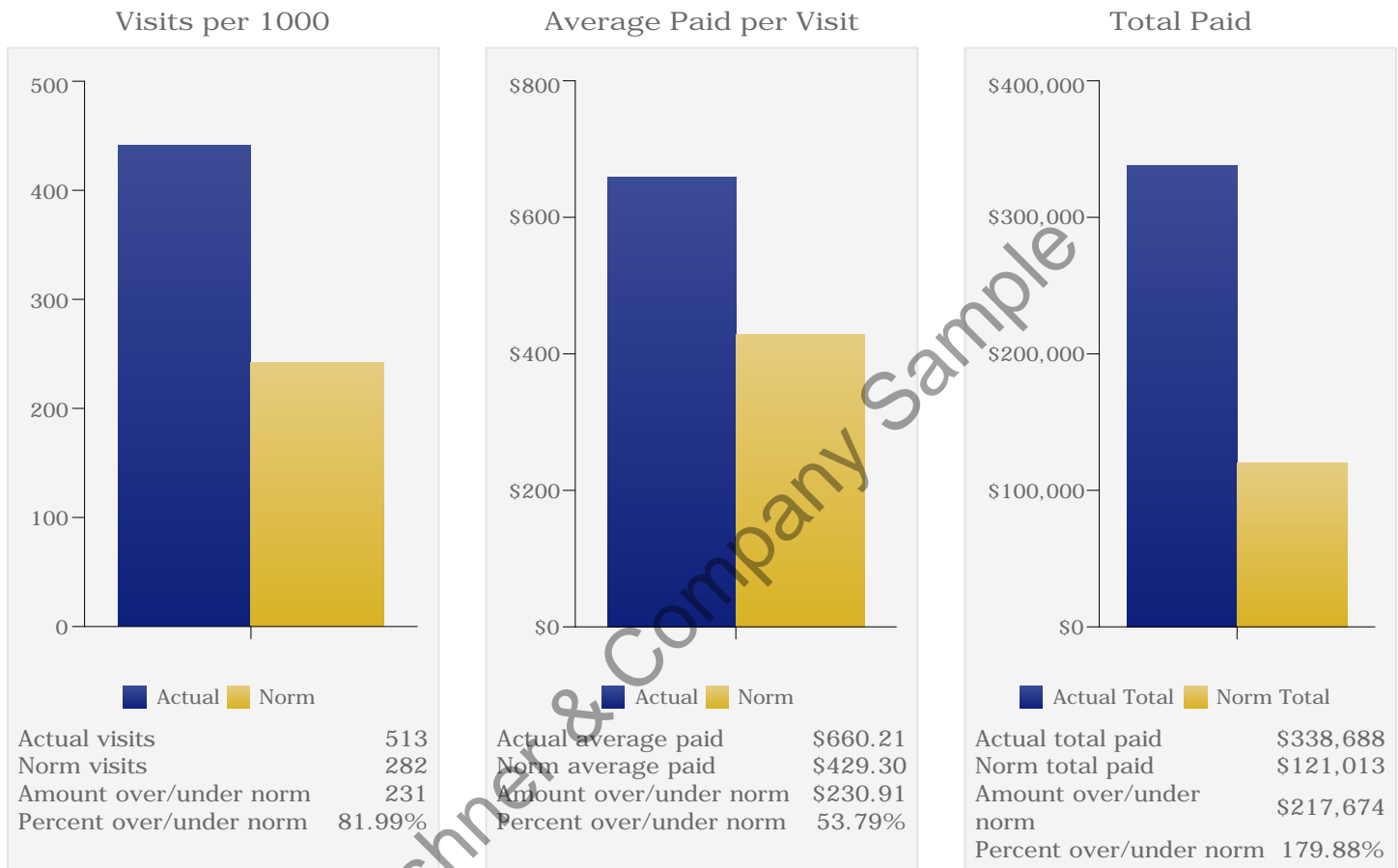
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277812 - January 1, 2012 - December 31, 2012

Emergency Room Visits

Gauge your plan's emergency room utilization and costs compared to that of your peers. For this report, the data includes claims that took place in an emergency room setting or included emergency room procedure coding.



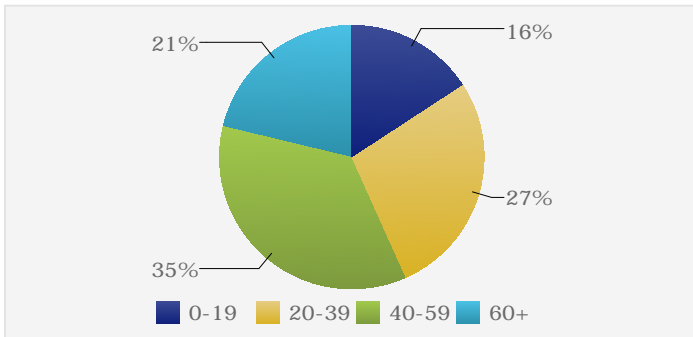
Points to consider:

- Is your plan design competitive?
- Do your plan designs and communications encourage the use of home care, nurse lines, urgent care centers, and primary care providers?
- Are there ways to encourage use of non-emergency providers, such as workplace policies, or making participants aware of nearby providers like urgent care centers?
- Could hand sanitizing stations or communication of self-care tips aid in reducing emergency room utilization during cold and flu season?

Emergency Room Visits by Demographic

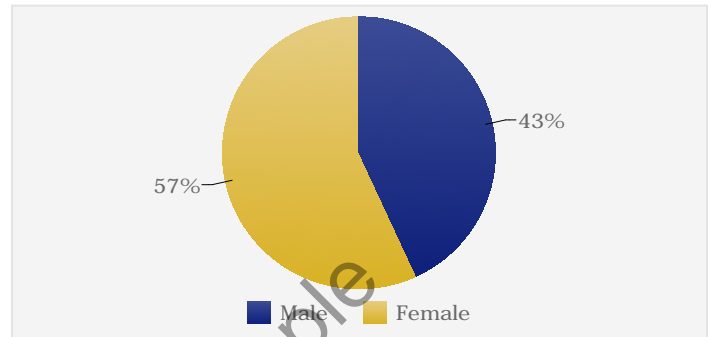
Evaluate a breakdown of your emergency room care by demographics to illuminate cost drivers.

Emergency Room Visits by Age



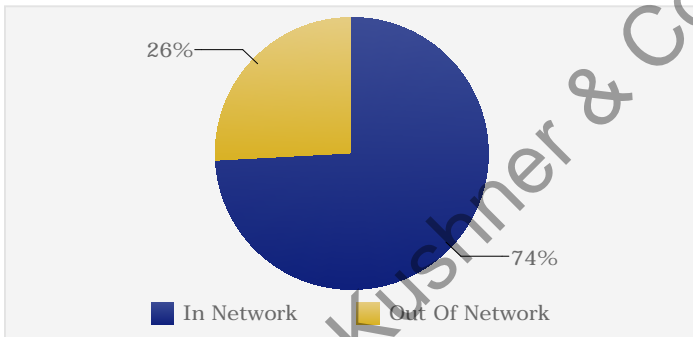
Age Range	Number of Visits	Average Paid per Visit	Total Paid
0-19	81	\$319.40	\$25,872
20-39	141	\$578.84	\$81,616
40-59	182	\$726.57	\$132,235
60+	109	\$907.94	\$98,965

Emergency Room Visits by Gender



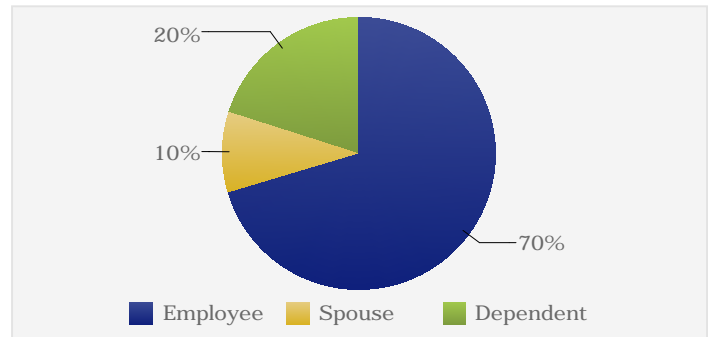
Gender	Number of Visits	Average Paid per Visit	Total Paid
Male	221	\$577.32	\$127,588
Female	292	\$722.94	\$211,100

Emergency Room Visits by Network



Network	Number of Visits	Average Paid per Visit	Total Paid
In Network	456	\$737.08	\$336,107
Out Of Network	159	\$16.23	\$2,581

Emergency Room Visits By Relationship



Relationship	Number of Visits	Average Paid per Visit	Total Paid
Employee	361	\$658.79	\$237,823
Spouse	49	\$1,175.08	\$57,579
Dependent	103	\$420.25	\$43,286

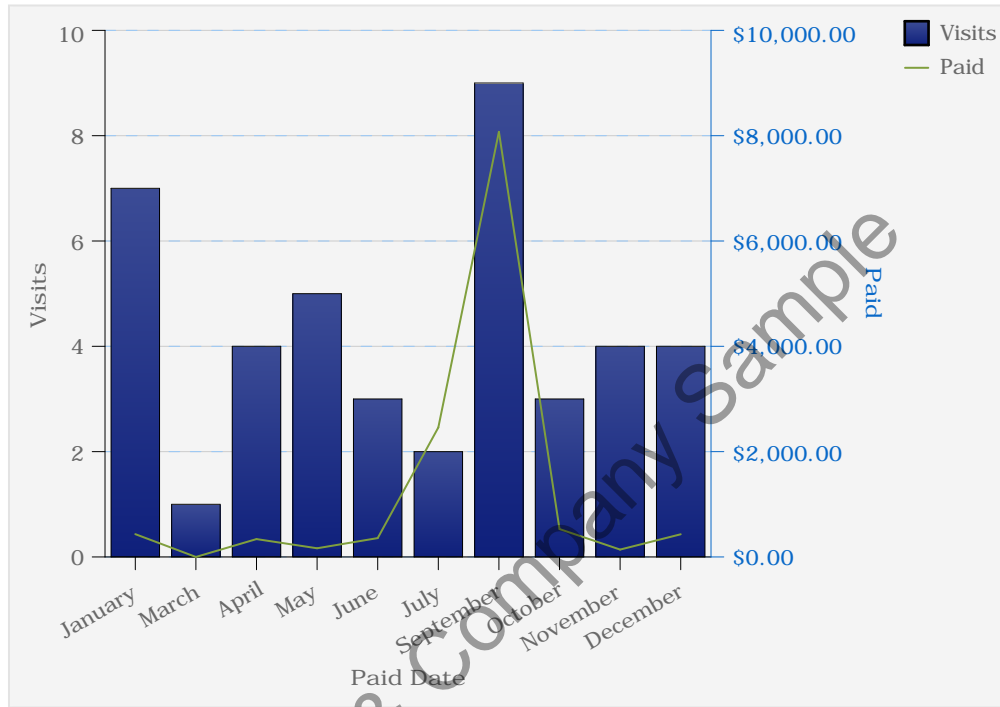
Points to consider:

- Is there a specific demographic with higher utilization or costs?
- How can you structure communication and delivery strategies to impact appropriate audiences?

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Emergency room utilization by employees for ENT related conditions

	January	March	April	May	June	July	September	October	November	December
Visits	7	1	4	5	3	2	9	3	4	4
Paid	\$433.14	\$0.00	\$339.44	\$164.90	\$358.32	\$2,458.36	\$8,072.79	\$529.98	\$140.02	\$430.56



There is excellent opportunity for employee communication and engagement prior to peak utilization periods: January and September.

KNOW YOUR BENEFITS.

From

Wise Use of the Emergency Room

An emergency is **life-threatening** and requires **immediate** care. Call 911! Be sure to bring along identification, insurance cards, medication and health history information.

Examples of an Emergency:

- Not breathing/having difficulty breathing
- Choking – unable to dislodge item
- Heart attack or stroke
- Broken bones
- Severe bleeding or burns
- Shock

Situations for Routine/Self-Care at Home:

- Minor cuts and sprains
- Fever of 102° F or below
- Headache
- Sore throat
- Upper respiratory infection
- Common neck and back pain

Your Home Emergency Kit:

- Assorted bandages
- Sterile gauze pads and tape
- Moleskin
- Thermometer

- Tweezers
- Moist towelettes
- List of emergency numbers
- Flashlight and batteries
- Nasal bulb syringe
- Scissors
- Elastic wrap
- **Over-the-Counter Aids:**
- Pain and fever medications (ibuprofen/acetaminophen)
- Antacids
- Antibacterial ointments
- Decongestants
- Antihistamines (avoid if pregnant)
- Sunblock
- Anti-itch products
- Anti-diarrheal products

An emergency is **life-threatening** and requires **immediate** care. Call 911! Be sure to bring along identification, insurance cards, medication and health history information.

Be Prepared for Emergencies:

- Learn CPR and first aid
- Keep first aid book or card handy
- Have emergency numbers posted
- Know the location of the closest emergency facilities
- Understand your insurance policy
- Have medical history available
- Carry ID and insurance cards at all times

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Emergency Room or Urgent Care?

How to choose

More than 10 percent of all emergency room visits could have either been addressed in an urgent care facility or solved in a doctor's office. But how can you determine which is more appropriate for your condition?

When to Use the ER

Emergency rooms are equipped to handle life-threatening injuries and illnesses and other serious medical conditions. An emergency is a condition that may cause loss of life or permanent or severe disability if not treated immediately. You should go directly to the nearest emergency room if you experience any of the following:

- Chest pain
- Shortness of breath
- Severe abdominal pain following an injury
- Uncontrollable bleeding
- Confusion or loss of consciousness, especially after a head injury
- Poisoning or suspected poisoning
- Serious burns, cuts or infections
- Inability to swallow
- Seizures

- Paralysis
- Broken bones

Patients at the emergency room are sorted, or triaged, according to the seriousness of their condition. For example, a patient with severe injuries from a car accident would likely be seen before a child with an ear infection, even if the child was brought in first.

Those who go to the ER with relatively minor injuries or illnesses often have to wait more than an hour to be seen, depending on the severity of the other patients' conditions. Often they could have been seen more quickly at an urgent care facility.

Using Urgent Care

Urgent care centers are usually located in clinics or hospitals, and, like emergency rooms, offer after-hours care. Unlike emergency rooms, they are not equipped to handle life-threatening situations. Rather,

they handle conditions that require immediate attention—those where delaying treatment could cause serious problems or discomfort.

Some examples of conditions that require urgent care are:

- Ear infections
- Sprains
- Urinary tract infections
- Vomiting
- High fever

Urgent care centers are usually more cost-effective than ERs for these conditions. In addition, the waiting time in urgent care centers is usually much shorter.

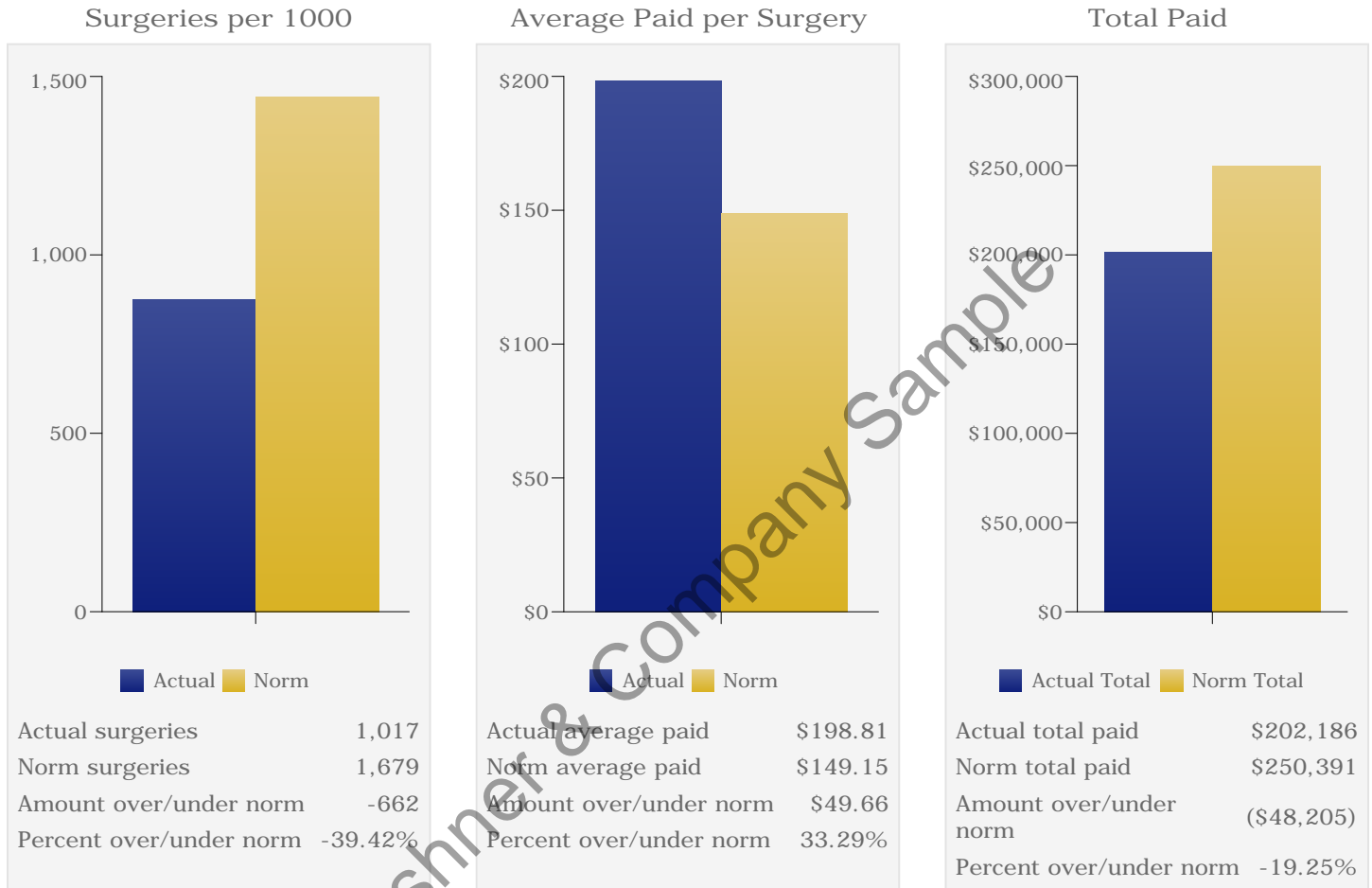


Did you know...?

Your out-of-pocket cost for an ER visit is usually much more than an urgent care visit. And a regular doctor's visit costs even less than urgent care. If you think you do need to go to an urgent care center, try to find one that is affiliated with your current health plan to minimize costs.

Outpatient Surgery

Evaluate your outpatient surgery costs compared to that of your peers. For this report, the data includes surgeon fees (anesthesia, assistant surgeon, facility/supply costs are excluded).

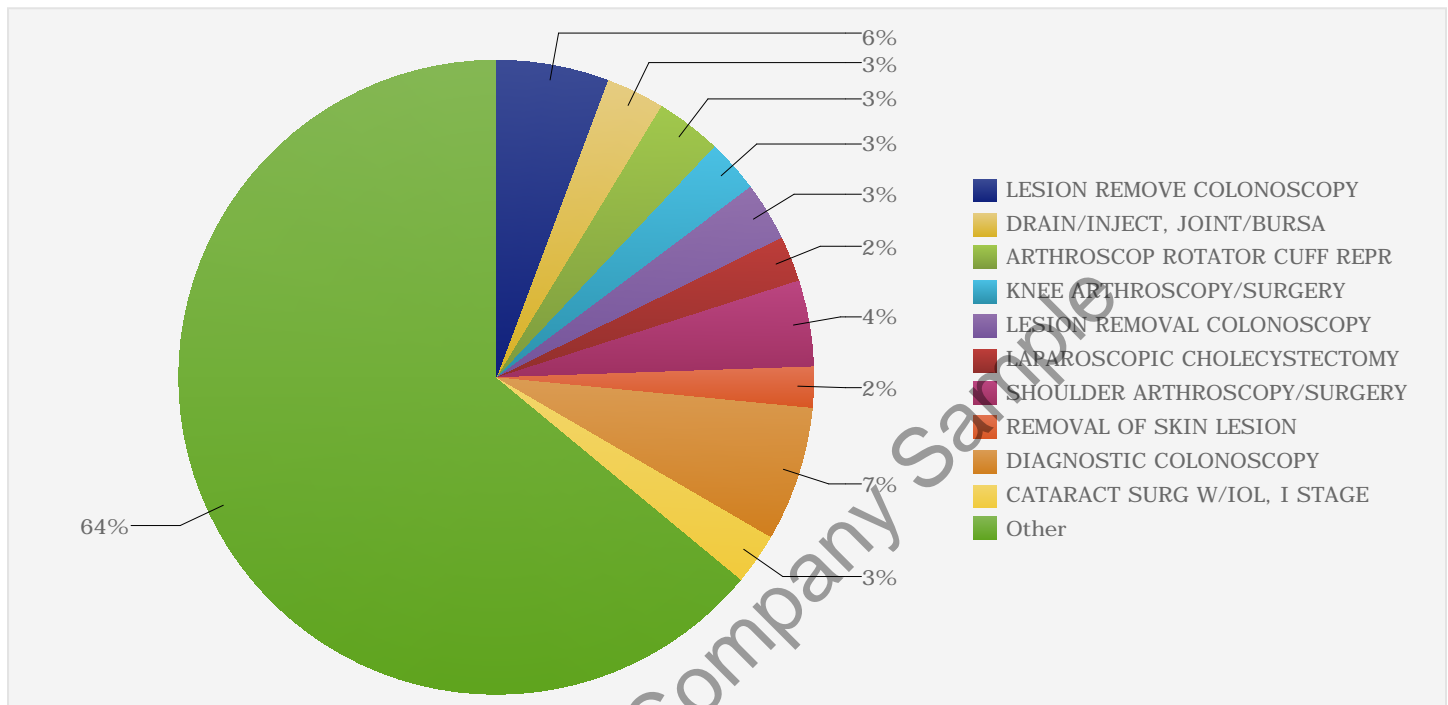


Points to consider:

- How effective is your plan at steering participants to surgery centers over outpatient hospital settings?
- Are there managed care options that can be considered?
- Is an effective wellness program in place to prevent the need for surgical procedures for some lifestyle related conditions?

Outpatient Surgery by Procedure

Review the top 10 outpatient surgical procedures. For this report, the data includes surgeon fees (anesthesia, assistant surgeon, facility/supply costs are excluded).



Procedure	Claimants	Total Paid	Average Paid	Percent of Total Paid
DIAGNOSTIC COLONOSCOPY	27	\$13,845	\$512.76	6.85%
LESION REMOVE COLONOSCOPY	23	\$11,546	\$502.00	5.71%
SHOULDER ARTHROSCOPY/SURGERY	7	\$8,879	\$1,268.50	4.39%
ARTHROSCOP ROTATOR CUFF REPR	4	\$6,774	\$1,693.55	3.35%
LESION REMOVAL COLONOSCOPY	10	\$6,065	\$606.51	3.00%
DRAIN/INJECT, JOINT/BURSA	32	\$6,018	\$188.06	2.98%
KNEE ARTHROSCOPY/SURGERY	7	\$5,480	\$782.89	2.71%
CATARACT SURG W/IOL, I STAGE	5	\$5,275	\$1,054.96	2.61%
LAPAROSCOPIC CHOLECYSTECTOMY	4	\$4,682	\$1,170.51	2.32%
REMOVAL OF SKIN LESION	19	\$4,212	\$221.68	2.08%

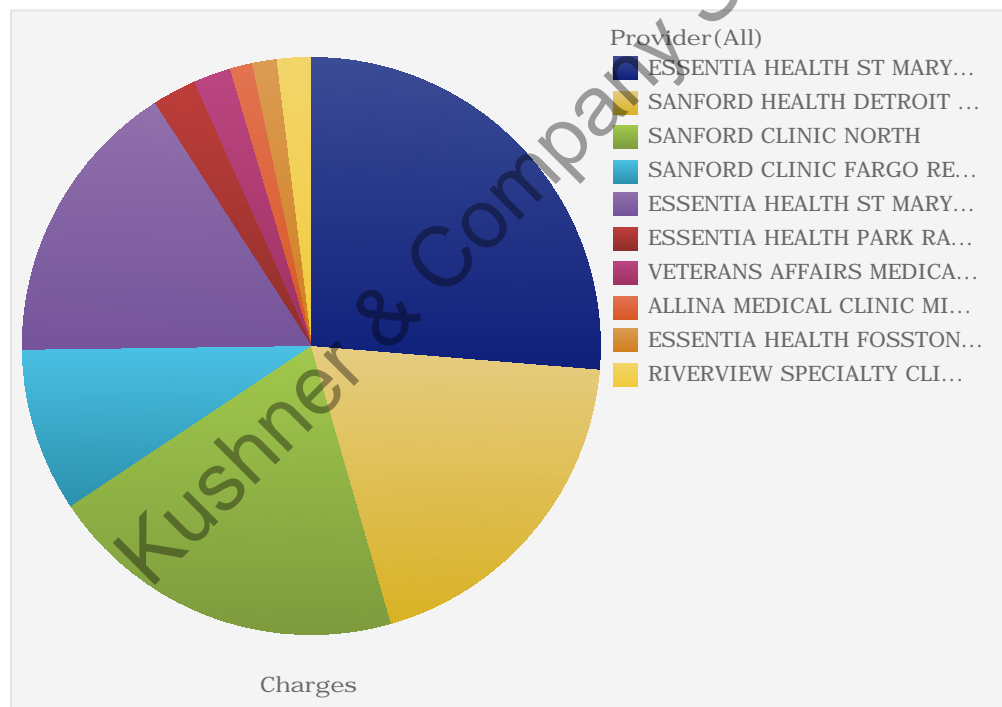
Points to consider:

- Does plan design encourage appropriate use of chiropractic and physical therapy services?
- Is an effective wellness program in place to prevent the need for surgical procedures for some lifestyle related conditions?

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Outpatient colonoscopy procedures by provider

	Charges	Paid	Visits	People	Charges per Visit	Paid per Visit
ESSENTIA HEALTH ST MARYS DETRO	\$23,059.00	\$8,338.19	18	18	\$1,281.06	\$463.23
SANFORD HEALTH DETROIT LAKES S	\$16,860.00	\$8,255.56	13	13	\$1,296.92	\$635.04
SANFORD CLINIC NORTH	\$17,627.00	\$7,790.34	19	19	\$927.74	\$410.02
SANFORD CLINIC FARGO REGION	\$8,023.00	\$3,876.09	8	8	\$1,002.88	\$484.51
ESSENTIA HEALTH ST MARYS HOSPI	\$14,098.00	\$3,868.68	11	11	\$1,281.64	\$351.70
ESSENTIA HEALTH PARK RAPIDS CL	\$2,154.00	\$829.03	2	2	\$1,077.00	\$414.52
VETERANS AFFAIRS MEDICAL CENTE	\$1,834.89	\$819.00	2	2	\$917.44	\$409.50
ALLINA MEDICAL CLINIC MIDWEST	\$1,101.00	\$790.74	1	1	\$1,101.00	\$790.74
ESSENTIA HEALTH FOSSTON CLINIC	\$1,200.00	\$500.59	1	1	\$1,200.00	\$500.59
RIVERVIEW SPECIALTY CLINIC	\$1,712.00	\$392.52	1	1	\$1,712.00	\$392.52
Provider(All)	\$87,668.89	\$35,460.74	67	64	\$1,308.49	\$529.26



Outpatient Surgery: Selecting a Facility

One of the biggest mistakes you can make when choosing an outpatient surgery center is to simply go to the closest or largest facility in your area. To make the swiftest recovery possible, it is important to select a facility that is best suited to your particular needs.

Types of Surgery Centers

Individuals are not always able to choose where their surgery is performed, but it is important to understand the different types of outpatient surgery facilities.

- *Hospital outpatient centers* are hospital-owned and operated facilities that specialize in outpatient surgery, usually located on hospital grounds.
- *Freestanding surgery centers* are traditionally owned by a group of physicians or a for-profit national company. They often specialize in a particular type of surgery.
- *Physicians' offices* sometimes allow minor procedures to be performed there. For example, dermatologists often do skin biopsies and general physicians can operate on benign cysts in their offices.

Questions to Ask

Seek referrals to qualified surgery facilities from trusted doctors and friends. Also, be sure to ask the following

questions about any place being considered.

- Is the center licensed or certified as a medical facility by your state?
- Is the center accredited by the Joint Commission (www.jointcommission.org)?
- Will anesthesia or sedation be required, and if so, is a trained, board-certified anesthesiology specialist available to administer it?
- Does the center have emergency provisions, like emergency cardiac equipment, bottled oxygen and a staff trained in CPR in case of surgical complications?
- Does the center have a transfer agreement with a hospital to handle any emergencies that may occur during surgery?
- Is the operating physician trained to do the specific type of surgery that you require? How many similar procedures has the doctor performed?
- Is information on the procedure and its risks readily available?

- Is precise information about costs of the procedure and other related fees available prior to receiving treatment?
- Are both the doctor and the facility's staff approachable with answers to these and all of your other questions?

Considerations

Keep in mind that all surgery comes with risk, and may not always be your only treatment option. Unless your condition is a life-threatening emergency, take the time to consider getting a second opinion or explore other treatment alternatives. In general, if there are both medical and surgical treatment options, try the medical options first.



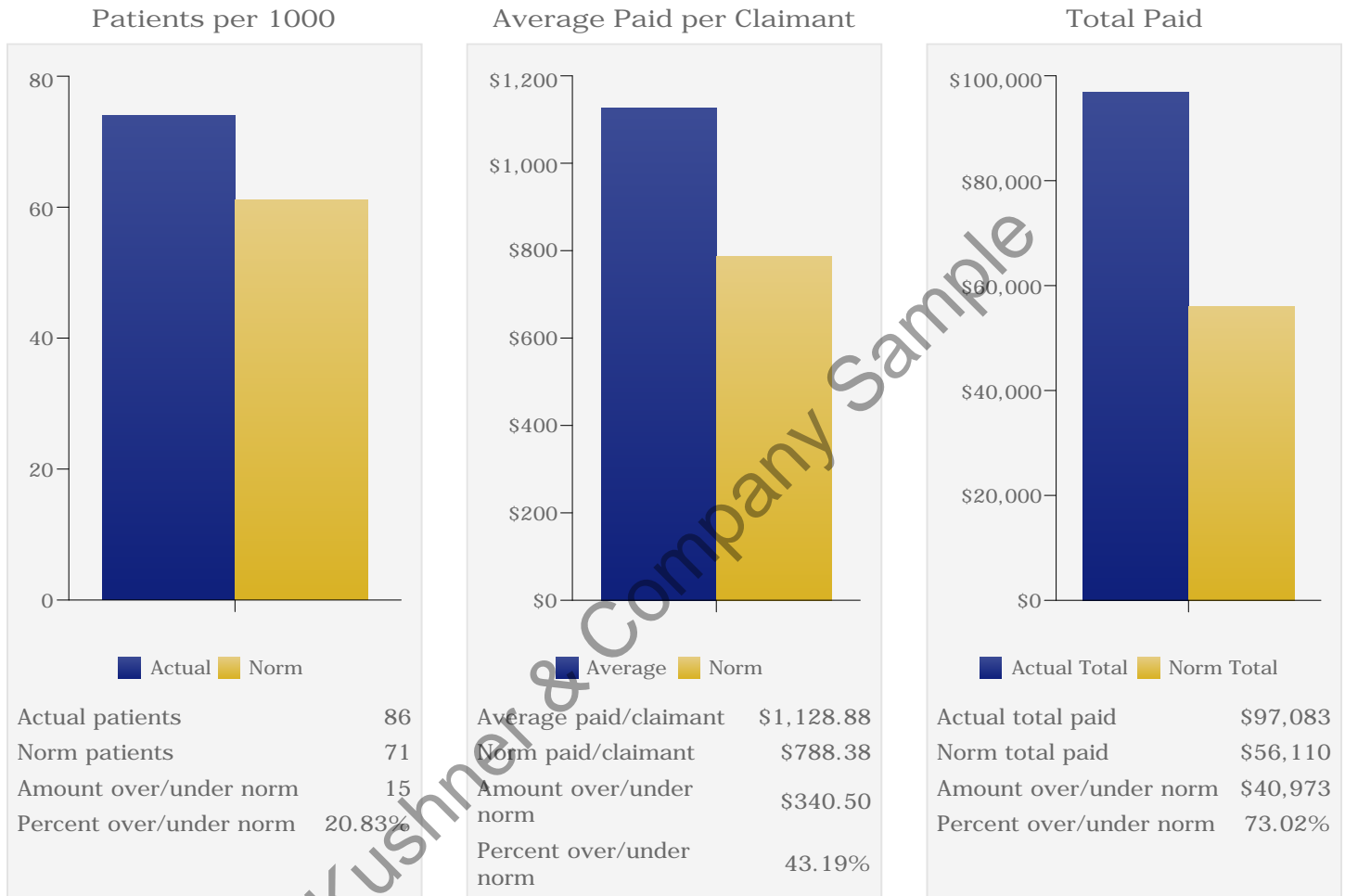
Did You Know...?

More than 60 percent of elective surgical procedures in the United States are currently performed as outpatient surgeries. Health experts expect this percentage to increase to nearly 75 percent over the next decade.

Source: www.emedicinehealth.com

Diabetes

Assess the impact of diabetes on your participants and plan compared to that of your peers. For this report, the data includes only costs associated with the primary diagnosis of diabetes. The total cost of care for an affected patient is not considered in this exhibit.



Points to consider:

- Is there an opportunity to better manage costs related to diabetes?
- Have you considered starting the conversation with a communication campaign?

For general health information on diabetes, refer to:

- Centers for Disease Control Prevention, www.cdc.gov/diabetes.
- American Diabetes Association, www.diabetes.org.

Top 20 Comorbidities Ranked by Average Payments

for Diabetes Mellitus Type 2, Unspecified Types of Diabetes, and Hyperglycemic States patients

For Diabetes Mellitus Type 2, Unspecified Types of Diabetes, and Hyperglycemic States	% of Patients with Comorbidities	Mean Annual Any Drug Payments	Mean Annual Medical/Surgical Payments
Neonatal Necrotizing Enterocolitis	0.00%	\$1,604	\$565,681
Toxic Shock Syndrome	0.00%	\$3,351	\$374,890
Leprosy (Hansens disease)	0.00%	\$5,540	\$350,466
Hemophilia A or B	0.06%	\$50,976	\$284,585
Mucormycosis	0.00%	\$28,604	\$288,334
Neoplasm, Malignant: Leukemia, Acute Lymphocytic	0.09%	\$13,751	\$215,078
Neoplasm, Malignant: Leukemia, Acute Nonlymphocytic	0.23%	\$16,697	\$198,238
Graft versus Host reaction	0.12%	\$16,302	\$191,785
Encounter for Dialysis	0.37%	\$6,823	\$199,479
Complications of Tracheostomy	0.09%	\$6,813	\$197,441
Neoplasm, Malignant: Hodgkins Disease with Lymphocytic Depletion	0.00%	\$20,586	\$180,047
Infective Endocarditis	0.16%	\$5,956	\$190,776
Cytomegalovirus Disease, (Acquired)	0.09%	\$20,985	\$170,042
Neoplasm, Malignant: Leukemia, Other Types	0.19%	\$15,787	\$175,183
Pneumonia: Aspiration	0.28%	\$8,243	\$161,394
Neoplasm, Malignant, Cardiovascular	0.00%	\$5,081	\$164,077
Aspergillosis	0.03%	\$16,710	\$149,713
Cryptococcosis	0.01%	\$11,984	\$149,091
Digoxin Toxicity	0.01%	\$6,285	\$153,246
Neoplasm, Malignant: Other Skin and Soft Tissue	0.00%	\$12,067	\$141,596

Overall Prevalence Rate: 7.61 / 1,000 covered lives

Mean Annual Payments: \$56,760 per patient

Demo Company, Inc. covers 1,161 lives. **\$501,487** is on the table to reduce through earlier diagnosis and prevention.

Diabetes: The Employer's Role

People suffering from diabetes can be found at workplaces. These individuals do not want their disease to interfere with their everyday lives or careers, and with proper disease management, they can and will continue to be productive members of the workforce.

Employees with diabetes can have an impact on your company. It can cause increased health care costs and hamper productivity if the disease is not properly managed. However, it is important for employers to avoid discriminating against employees with diabetes. By providing diabetes management education and support for your employees, you can help them manage their condition and remain productive workers.

Types of Diabetes

Type 1 Diabetes:

- Usually diagnosed before age 30
- Pancreas produces little or no insulin, so the body cannot control the amount of sugar (glucose) in the blood
- Type 1 diabetes sufferers take insulin and monitor their blood sugar, eat healthy foods and engage in regular physical fitness to control blood sugar levels.

Type 2 Diabetes:

- Usually diagnosed after age 40
- Pancreas produces insufficient amounts of insulin and/or the body

cannot use the insulin to control blood sugar levels

- Managed by eating healthy foods, engaging in regular physical fitness, taking medication and monitoring blood sugar levels

Gestational Diabetes:

- Pregnant women can develop gestational diabetes when blood sugar becomes elevated because

manage their condition (taking insulin shots or monitoring blood sugar).

- Provide opportunities for all employees to live healthier lifestyles to reduce the risk of developing chronic conditions such as diabetes.
- Provide healthy food options at employee functions.
- Educate employees on prevention and early detection methods.

By providing diabetes management education and support for your employees, you can help them manage their condition and remain productive workers.

their bodies cannot produce enough insulin or cannot use insulin properly.

- Managed similar to Type 2 diabetes

All diabetes sufferers must keep their blood sugars at a normal level to prevent further complications. To do so, they must learn how to manage the disease effectively and employers can help.

The Employer's Role

Since diabetic employees need education to manage their disease, you can take an active role to help in their efforts. Here are some easy yet effective ways to assist your diabetic employees:

- Create a supportive work environment so that employees feel comfortable performing behaviors to

- Increase awareness of blood sugar management.
- Offer high quality medical care and educate your employees on the care that they have at their disposal by outlining their covered benefits, services and supplies provided to control their disease.
- Promote blood sugar management techniques for diabetic employees to control blood glucose levels. This will improve their quality of life and will reduce health care costs.

ADA Implications

The Americans with Disabilities Act (ADA) is a federal law that prohibits discrimination against individuals with

disabilities. Since an employee with diabetes may be considered disabled under the ADA, employers need to understand their rights and obligations under the ADA.

Under Title I of the ADA, qualified individuals with disabilities are protected from discrimination in the job application process; in hiring, firing, advancement, compensation and job training; and in other terms, conditions and privileges of employment. Employers are also required to provide reasonable accommodations to qualified individuals with disabilities, provided that the accommodations do not impose an "undue hardship" on the employer's business.

When is diabetes considered a disability?
The determination of whether a person has a disability under the ADA is made on a case-by-case basis. Diabetes is a disability when it substantially limits one or more of a person's major life activities, or if the diabetes was substantially limiting in the past. Major life activities are activities that an average person can perform with little or no difficulty, such as working, caring for oneself and walking. Diabetes could also be a disability when it causes side effects or complications that substantially limit a major life activity. Finally, a person could be considered disabled if an employer simply treats a person as though diabetes substantially limits his or her major life activities.

When may an employer ask an applicant questions about his or her diabetes?
During the application stage, an employer may not ask questions about an applicant's medical condition or require a medical examination. In the event an applicant voluntarily tells an employer about his or her diabetes, an employer may only ask whether the applicant needs a reasonable accommodation and what type of accommodation is necessary. Once a job offer is made, an employer may ask questions about an applicant's health and may require a medical exam. However, the employer must treat all applicants the same. The fact that an applicant has diabetes may not be used to withdraw a job offer if the applicant is

able to perform the essential functions of the job, with or without reasonable accommodation, and without posing a direct threat to safety.

When may an employer ask an employee questions about his or her diabetes?
An employer may ask an employee questions or require a medical exam only if the employer has a legitimate reason based on objective medical evidence to believe that diabetes or another medical condition may be affecting an employee's ability to do his or her job, or that the employee is a direct threat to safety.

An employer may also ask about diabetes when an employee requests a reasonable accommodation because of his or her diabetes, or if the employee participates in a voluntary wellness program that focuses on early detection, screening and management of diseases such as diabetes. In general, an employer may only use the information provided by the employee to make reasonable accommodations or to determine whether the employee is a direct threat to safety.

What is a reasonable accommodation for an employee with diabetes?
Accommodations will vary depending on the person. The ADA requires employers to provide modifications requested by employees unless doing so would be a significant difficulty or expense. The employer should ask the employee what they need to help do their job.

Accommodations for diabetic employees may include:

- A private area to test blood sugar levels or take insulin
- A place to rest until blood sugar levels become normal
- Breaks to eat or drink, take medication or test blood sugar levels
- Leave for treatment
- Modified work schedules or shift changes

An employer does not have to provide the most difficult or the most costly accommodation if there is an easier or less costly way to meet an employee's

needs. The website for the Job Accommodation Network (<http://janweb.icdi.wvu.edu/media/diabetes.html>) provides accommodation ideas for employees with diabetes.

Can an employer disclose that an employee has diabetes?

An employer must keep any medical information that it learns about an applicant or an employee confidential. However, there are limited exceptions:

- Disclosure to supervisors that an employee has diabetes, to provide a reasonable accommodation or to meet an employee's work restrictions
- Disclosure to first aid and safety personnel if an employee needs emergency treatment or some other assistance
- Disclosure to individuals investigating compliance with the ADA and similar state and local laws
- Disclosure when needed for workers' compensation insurance purposes, such as for processing claims

Real-Life Example:

According to the Wisconsin Diabetes Prevention & Control Program, a division of the Department of Health Services, diabetes management programs are effective in the workplace. A 12-week study of 569 male employees who had Type 2 diabetes revealed these results:

- Employees who had assistance managing their diabetes were more productive on the job and able to remain employed longer than those who did not manage their blood sugar levels.
- The lost earnings from absenteeism were estimated at \$24 per employee per month for those who had assistance managing their blood sugar levels versus \$115 per employee per month for those who had uncontrolled blood sugar levels.
- Employees with assistance had fewer instances of needing bed rest and restricted activities than those who did not have diabetes management assistance.

Lifestyle Lessons

Loss prevention tips for all your home matters provided by:
Awesome Agency



Preventing Type 2 Diabetes

One-third of those with type 2 diabetes (6.2 million people) do not know that they have the disease. According to the American Diabetes Association, diabetes often goes undetected because many of its symptoms seem harmless.

Symptoms

Do any of the following symptoms sound familiar?

- Frequent urination
- Excessive thirst
- Extreme hunger
- Unusual weight loss
- Increased fatigue
- Irritability
- Blurry vision

If some of these symptoms sound familiar, see your doctor. Recent studies indicate that early detection of diabetes symptoms and treatment can decrease the chance of developing complications from the disease further down the road.



Healthy Hints

Concerned about diabetes? To find out if you are at risk, take the online diabetes risk assessment available at www.diabetes.org.

Risk Factors and Prevention

The following factors place people at a higher risk of developing both pre-diabetes, a medical condition in which blood glucose levels are higher than normal, and type-2 diabetes:

- Obesity (especially over the age of 45)
- Over 45 years old
- Inactivity
- High blood pressure, low HDL cholesterol and high triglycerides
- Family history of diabetes
- Ethnicity – African American, Hispanic, American Indian and Asian American are at a higher risk
- History of gestational diabetes or delivered a baby that weighed nine pounds or more
- Slow-healing sores or frequent infections

Blood tests are used to screen for diabetes. Once diagnosed, your doctor will prescribe a treatment that suits your needs.

If you are diagnosed with pre-diabetes, there's good news — progression from pre-diabetes to type-2 diabetes is not inevitable.

There are plenty of things you can do to manage — or prevent — the condition from worsening with these easy steps:

- Have routine diabetes screenings, especially if you gain weight or are inactive.
- Eat foods that are low in fat and calories such as fruits, vegetables and whole grains.
- **Do 30 minutes of moderate physical activity each day to keep your weight within the normal range.**
- **Lose any excess weight (even 10 pounds).**

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<http://www.zywave.com>
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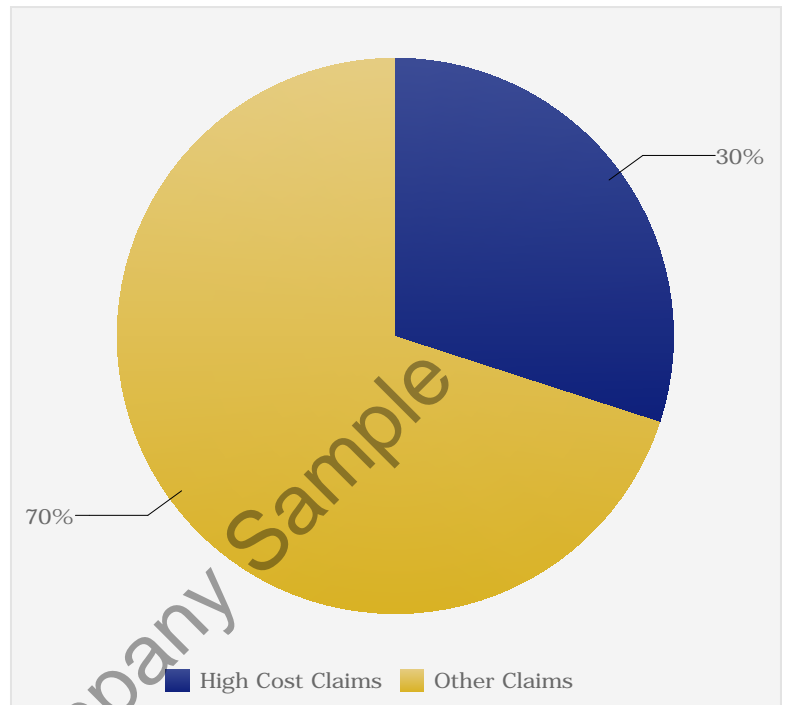
High Cost Claimants

Research the top 10 high cost claimants to observe and measure general health risks present in your population. The top 10 claimants are shown by total claimant paid amount and most costly diagnosis.

Examining high cost claimants provides your company insight into how a small number of participants can be responsible for a large percentage of total claims.

Points to consider:

- Could addressing certain conditions or comorbidities reduce your overall costs?
- Are your managed care strategies effective?
- Would setting stop loss contracts be appropriate?



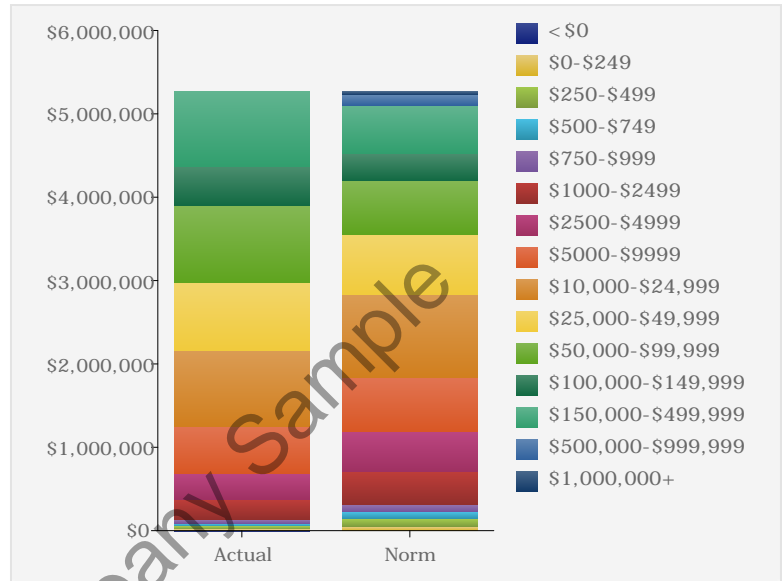
Claimant ID	Paid	Diagnosis
1897	\$348,786	ACUTE RESPIRATORY FAILURE FOLLOWING TRAUMA AND SURGERY
1001	\$209,543	OTHER POSTOPERATIVE INFECTION
1213	\$182,572	ENCOUNTER FOR ANTINEOPLASTIC CHEMOTHERAPY
960	\$179,737	END STAGE RENAL DISEASE
899	\$126,197	ALPHA-1-ANTITRYPSIN DEFICIENCY
1014	\$124,528	PNEUMONIA ORGANISM UNSPECIFIED
1117	\$113,691	COLLES' FRACTURE CLOSED
959	\$103,008	OTHER LATE AMPUTATION STUMP COMPLICATION
1524	\$98,712	CARE INVOLVING OTHER SPECIFIED REHABILITATION PROCEDURE
1227	\$95,071	SECONDARY AND UNSPECIFIED MALIGNANT NEOPLASM OF INTRATHORACIC LYMPH NODES
	\$1,581,846	Total Paid
	\$1,581,846	Liability

Paid Claims Distribution by Dollars

Consider the distribution of your plan costs by paid amount categories when making decisions related to plan design and risk acceptance. Reversals are included in the <\$0 - \$249 category.

Points to consider:

- Does your plan include appropriate deductible levels?
- What measures could be taken to reduce costs in higher paid categories?



	Actual Total Net Paid	Actual % of Total	Actual Cumulative Total	Norm Net Paid	Norm Percent of Total	Norm Cumulative Total
< \$0	-\$8,506	-0.16%	-0.16%	-\$528	-0.01%	-0.01%
\$0-\$249	\$21,830	0.41%	0.25%	\$52,223	0.99%	0.98%
\$250-\$499	\$34,152	0.65%	0.90%	\$90,203	1.71%	2.69%
\$500-\$749	\$32,798	0.62%	1.52%	\$88,620	1.68%	4.37%
\$750-\$999	\$44,948	0.85%	2.37%	\$80,180	1.52%	5.89%
\$1000-\$2499	\$243,705	4.62%	6.99%	\$398,790	7.56%	13.45%
\$2500-\$4999	\$308,851	5.85%	12.85%	\$476,860	9.04%	22.49%
\$5000-\$9999	\$559,570	10.61%	23.46%	\$645,133	12.23%	34.72%
\$10,000-\$24,999	\$914,582	17.34%	40.79%	\$1,000,668	18.97%	53.69%
\$25,000-\$49,999	\$811,488	15.38%	56.18%	\$718,455	13.62%	67.31%
\$50,000-\$99,999	\$923,520	17.51%	73.69%	\$644,605	12.22%	79.53%
\$100,000-\$149,999	\$467,425	8.86%	82.55%	\$324,413	6.15%	85.68%
\$150,000-\$499,999	\$920,639	17.45%	100.00%	\$585,525	11.10%	96.78%
\$500,000-\$999,999	\$0	0.00%	100.00%	\$122,908	2.33%	99.11%
\$1,000,000+	\$0	0.00%	100.00%	\$46,948	0.89%	100.00%