

# 4 Tips for Supporting HDHP Newbies

(And Ensuring the Success of Your Plan)



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# Introduction

**So you've introduced a new high deductible health plan to your employees**, and now you're thinking about what's going to happen once everybody starts using those shiny new plans.

Or maybe you haven't, and you're not. We're not mind readers over here.

But if you are thinking about those things, it's probably because you know that a bunch of your employees will be learning about health care consumerism on the fly, and coming to terms with a world of managed care that's vastly different from the one they've grown to know.

Fortunately, we've worked with lots of folks in your position, so we can walk you through what you can expect, and tell you what you can do when employees inevitably come to you for help.



# 1 Combat Point of Service Perplexity

**The first you'll hear** from employees after the business of choosing plans and setting up accounts is taken care of is when they start actually using their plans, and the questions you're most likely to encounter are going to be about what happens at the point of service, especially with pharmaceuticals.

Expect some sticker shock. Like when your employees head to the pharmacy in the middle of flu season and discover their prescription for Tamiflu is going to cost \$130 instead of the \$20 they would have paid with last year's prescription drug benefit.

Another source of frustration employees encounter happens at the doctor's office. If they haven't done any research ahead of time, they don't know what they are going to have to pay at the time of service, and the doctor's office staff can't give them a straight answer because they don't know the details of the plan.





## COMBAT POINT OF SERVICE PERPLEXITY

### Here are some steps to combat point of service perplexity:

**Remind employees** that spending for prescription drugs applies to their deductible.

**Make sure to use a price transparency tool or service.** Promote your transparency solution to employees as a “health care shopping service,” and show employees how it can make shopping easier while taking the mystery out of what they’ll pay.

**Promote free prescription drug price comparison tools like [goodrx.com](https://www.goodrx.com),** which show the costs of drugs at local pharmacies and provide coupons for discounts.



## 2 Reduce HSA Funds Befuddlement

### **HSA confusion comes in all shapes and sizes.**

You've no doubt witnessed this at open enrollment, but once the plan year starts, you'll get new and different types of questions.



One of the first points of confusion to pop up, HSA-wise, happens at the start of the year when employees realize that they don't have any money in their accounts yet. If you don't load HSA accounts with funds available for immediate use, employees accustomed to how their health care FSAs worked could come knocking on your door wondering where their \$600 contribution went.

Another common HSA issue involves the amount of money employees have chosen to contribute to their accounts. It's important for them to understand that they're not locked into what they thought they needed last year during open enrollment. They might have underestimated their health care needs or need to trim back the level of their contributions.

## 2 REDUCE HSA FUNDS BEFUDDLEMENT

### Here's how you can help reduce HSA funds befuddlement:

**Remember all those resources** you made to help employees understand HSAs during open enrollment? Start promoting them.

**Convert your HSA education resources into small messages that you can promote via email or social media.** Nobody's going to sit down and read the benefits guide over again, but a tweet-length email can certainly catch someone's attention and jog that person's memory.

#### **Think about the issues your employees might face and when they might face them.**

For example, January might be a good time to explain that employees can use HSA funds to reimburse themselves, so if they don't have any money in their account for services today, they can pay themselves back later once their contributions start adding up.

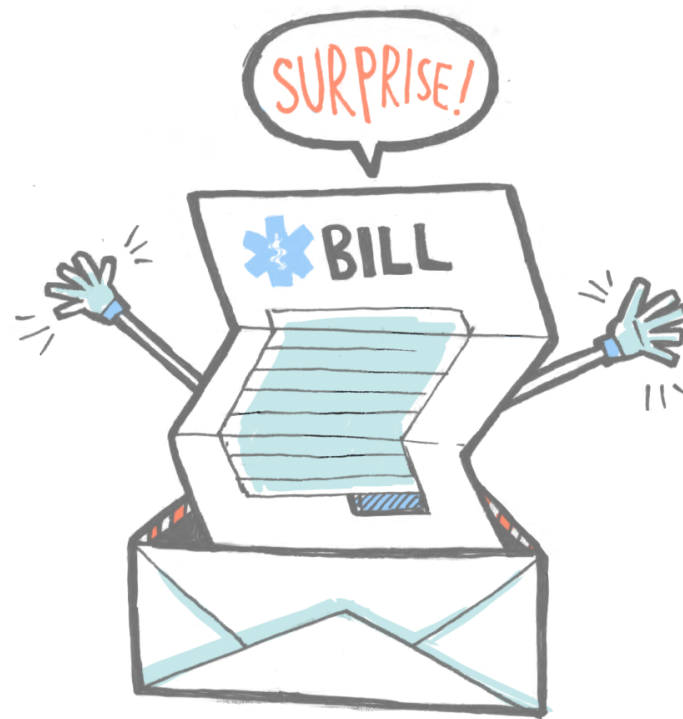


# 3 Clear Up Preventive-Care Coverage Confusion

**Imagine this:** Your employees are starting to get the hang of their HDHPs and becoming good health care consumers by taking advantage of their 100 percent covered preventive care. Great, right?

Of course it's great. Preventive care helps keep people from getting sick, and helps detect diseases and medical issues before they become more serious. What's not-so-great is the reactions some employees get when they receive unexpected bills for services they thought were supposed to be free.

Suppose an employee goes to a primary-care physician to get a physical. While there, the employee presents to the doctor allergy symptoms, so the doctor writes a prescription, and then a few weeks later the worker gets a bill and comes knocking on your door for an explanation.





### 3 CLEAR UP PREVENTIVE-CARE COVERAGE CONFUSION

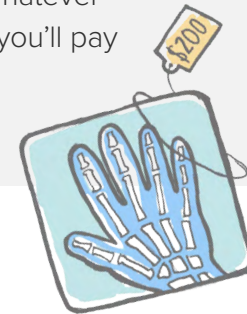
#### Here's how you can help clear up preventive-care coverage confusion:

**Encourage preventive-care use, but be sure to let employees know that when they start talking to a doctor about new or ongoing medical issues, they may be charged for the doctor's efforts to treat those issues.** These are not considered "preventive." In other words, the diabetes screening will be free, but the cost of treating diabetes won't be.



**Make sure your preventive-care coverage communication drives home the value of covered care in terms of real dollar values.**

For example, "Go see your doctor, and your plan will pick up the cost of your preventive care: Your physical is valued at \$90, your standard lab tests are valued at \$73, and your doctor's evaluation of that pain in your back (or whatever else that ails you) is \$38, but you'll pay nothing for visit."



# 4 Treat EOB Exhaustion

**The last HDHP challenge you'll face is helping employees** with the sense of tedium, weariness, and malaise caused by their explanation of benefits, or EOB, forms.

EOBs are confusing, rage-inducing, fonts of frustration. Anybody who considers themselves a fully functioning adult will recognize the layout of these things and reasonably think, "This looks like it's a bill," yet somewhere on the page is a line that says, "Not a bill."

What gives?

Employees new to HDHPs, when they get their first explanation of benefits, don't understand what they're supposed to be about. What are they supposed to do with them? File them? Throw them away? Process a payment somewhere despite the "Not a bill" announcement?

They're also very likely going to suffer a bit of sticker shock. After all, they're not reading the average, run-of-the-mill explanation of benefits one might get for getting coverage out of network. What they're getting is an EOB for an HDHP, which is a delightful way of seeing in black and white how none of your services are covered by insurance.

Now since the logo on the top of the EOB page is going to belong to your provider, you may not hear anything about explanation of benefits at all, but if you do, you'll probably find yourself talking to employees who want some sort of validation that everything was processed correctly.



## 4 TREAT EOB EXHAUSTION

### Here's how you can treat EOB exhaustion:

**If there ever was time to talk about the value of having lower monthly premiums, this is it.**

**Check with your provider to see if they've prepared any "how to read our EOB" resources,** which can walk employees through their EOBs on a line-by-line basis.

**Be ready to explain** how deductibles and maximum out of pocket limits are met, how the provider pays the medical provider (remember—not a bill), and what kinds of things will be covered and at what levels (like preventive care) before the deductible and MOOP are met.





**If you want to make sure your employees are best prepared** for the new world of high deductible health plans, you might want to consider introducing them to ALEX.

ALEX® on Making the Most of Your Plan answers the pressing questions employees have about their coverage, and offers practical tips on paying for health care services, opening and maintaining accounts, and more.

### **Eliminate Coverage Confusion**

Choosing healthcare coverage is different from actually using it. Once a new plan year kicks in, remind your employees what their plans cover and how they work.

### **Empower Your Employees**

Provide practical tips on topics such as prescription price-shopping and using HSAs to transform employees into smarter health care consumers.

### **Boost Your Bottom Line**

Better-informed employees make smarter benefits decisions that can save them—and your company—a lot of money.

### **Encourage Re-Enrollment**

Ensure the lasting success of your benefits strategy. When plans are easy-to-use and understand, employees are more likely to sign up year after year.

### **Customize Your Message**

Showcase your company's unique plans and coverage details with customized content designed to meet the specific needs of your workforce.

### **Keep Your Employees Engaged**

ALEX's humorous, friendly tone and jargon-free advice hold your employees' attention—and make the learning process (dare we say) fun.

# Learn More

We hope the tips presented in this eBook have been helpful, and we encourage you to learn even more about communication trends, tips, and best practices by engaging with us directly, reviewing the [ALEX blog](#), or perusing our useful—and free!—eBooks.



## The Ultimate HR Guide to Promoting Benefits Programs, Tools, and Resources



## 5 Ways to Engage Your Remote Employees Like Never Before



## The Ultimate Open Enrollment Communication Playbook



## 5 Tips for Introducing an HDHP to Your Employees



## 6 Tips for Communicating Benefits to Millennials



## The Ultimate New Hire Pre-Boarding Timeline



## About ALEX

ALEX—the best SaaS employee communication platform in the universe—saves HR leaders time and money by guiding employees through difficult health insurance, retirement savings, and wellness decisions. Hundreds of companies, including 88 of the Fortune 500 and one in four of the country's largest companies with more than 14 million employees in total, trust ALEX to transform confusing jargon, legalese, and gobbledygook into useful information and helpful advice. To learn more about ALEX, please visit [meetalex.com](https://meetalex.com).

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