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CPA

Magazine of the

New Jersey Society of Certified Public Accountants

Jan • Feb 2012

Divorce

The New Economics of
Divorce in New Jersey

Essential Elements for Successful
Divorce Practice Management

The Case of *Vine v. Vine*

The Joint Appraiser's Role in a
Divorce Action



Employees Managing Their Own Health Care

BY JAMES CELENTANO, EXTENSIS GROUP



Providing adequate health insurance benefits is crucial to employee retention, but rising costs make this a huge challenge for small business owners. As employers and employees are paying more for health insurance, it pays to empower employees to manage their own health care. Here are some current best practices that can help keep costs down.

High-Deductible Health Plan (HDHP) Combined with a Health Savings Account (HSA)

This approach helps keep spending in check because it puts the responsibility on the user to think about costs. HSAs allow individuals with high-deductible health insurance plans to use employee pretax money to pay for uncovered medical costs and carry over unused funds to future years. Companies can fund the account themselves or require employees to do so.

Health Reimbursement Accounts (HRAs) Coupled with High-Deductible Insurance Plans

In an HRA, employers set aside money to reimburse employees' deductibles or qualified out-of-pocket medical expenses up to a predetermined amount. If there is money left

in the account at the end of the year, it can be claimed by the employer sponsoring the HRA.

It is important that employers and employees don't misconstrue the value proposition of HDHPs or HSAs. They may appear less expensive at first glance when, in fact, the better reason to select an HDHP or HSA is for how it works and not for how much it costs. These plans allow employees to actively manage their health care expenses and carry forward into future years dollars they paid into an HSA that they did not use during the year.

Flexible Spending Accounts (FSAs)

FSAs allow workers to pay, with pretax dollars, for medical expenses that aren't covered by health insurance. Many FSAs feature a specialized debit card to increase its ease of use and administration. Employees can use this to pay for co-pays, medications and other covered expenses. The money is automatically deducted from the pretax funds employees have set aside. Unused balances usually do not carry over into the next calendar year.

Company Wellness Programs

Wellness initiatives run the gamut from educating employees

about healthy lifestyles to programs that drive healthy behavior. Many employers are offering some kind of wellness service, whether they realize it or not:

- Seasonal flu shots at the office as an effective way to keep employees healthy and reduce the cost of lost productivity due to absences.
- Healthy snacks in the company kitchen.
- Onsite health screenings.
- Behavior modification, such as smoking cessation or marriage counseling programs, or discounted gym memberships.

These programs can help lower a company's insurance costs by creating more health awareness among employees and encouraging them to take better care of themselves.

Disease Management

Disease management aims to minimize the effects of a disease through screenings and preventive care. Certain chronic diseases, such as diabetes or asthma, disproportionately impact health care costs due to their ongoing nature and potential for costly complications.

One employee's extended hospital stay or major health complication can be a huge financial burden for a small company with limited financial resources. To prevent such expenses, some businesses are adopting disease management programs that work with employees to better manage their chronic illnesses. Many insurers or third-party providers offer this service.

Medical Hotlines

Unnecessary emergency room and urgent care center visits by employees drive up health insurance costs significantly. Manage these costs by providing workers who have minor medical or behavioral issues and questions the ability to first call a medical practitioner. Hotline programs are often available through insurers and benefit administrators or to businesses directly.

Prescription Mail Order

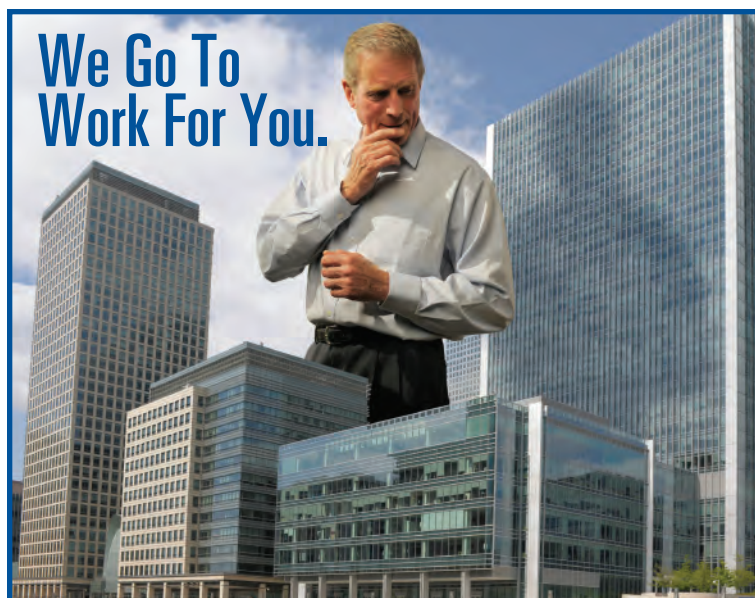
Maintenance and preventative drugs that are taken for more than 90 days are often more cost effective when obtained through a mail order program. Medications are also less likely to be skipped if they are regularly delivered to the patient.

At a time when the cost of health care and other benefits are rising, there is a greater need than ever for planning at companies, CPA firms and their clients. The best outcome is to ensure that with rising costs come a greater return on benefits investment. 📊

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