On March 23rd, 2010, President Barack Obama signed the Patient Protection and Affordable Care Act. This in turn extended benefits of the Federal Employee Health Benefits program (FEHB) to certain Indian tribal employers. Tribal employers began purchasing FEHB coverage, rights and benefits for their employees on March 22, 2012 with an insurance effective date of May 1, 2012. The Federal Employee Health Benefits program is pooled with federal employees all over the United States. This has become an interest of Alaska employers with the high cost of insurance and healthcare in our state. Is it a good fit for your organization?

The FEHB authorizes Indian tribes, tribal organizations, and urban Indian organizations that carry out certain programs to purchase coverage, rights and benefits under the Federal Employees Health Benefits (FEHB) Program for their employees. To be able to participate in the FEHB program you must apply and not all tribal organizations are eligible to participate. Some tribal employers apply multiple times and are denied every time. What is your strategy and where do you start?

Everyone wants to have choices and under the FEHB, there are many options available. Employees can choose the plan that best meets their needs. Employees can choose Fee for Service (FFS) Plan, Consumer Driven High Deductible Health Plans (CDHDHP), PPO or HMO, for those that live (or sometimes work) within the area serviced by the plan. There are three tiers offered self, self plus one and Self & Family. Domestic partners are not eligible to be covered under the FEHB. Keeping in line with the FEHB enrollment rules is critical. Participating employers are limited in the direction they can give to employees on which plan they should choose for enrollment. With over 20 plan options in Alaska alone, this can be an overwhelming decision for your employees. It may be helpful to partner with an enrollment firm that is experienced with FEHB that can educate your employees on some topics to consider when making their plan selection, while at the same time getting an electronic version of the enrollment form to assist with the process.

Now that you have some basic eligibility information on the FEHB, here’s what we can do to help you come up with a strategic plan. How does your current plan compare to the FEHB options? Competing for contracts can be difficult if your health benefits are significantly more expensive. FEHB may be a way to reduce the cost and help the company financials. This is not the case for all companies and needs thorough review before diving in.

Some of the key points that need to be considered:

* Eligibility rules
  + Domestic Partners
  + Part-Time employees
  + Timing of enrollment and termination
* Required employer contributions
  + Minimum levels set by government
  + Rate tiers are employee, employee + 1 and employee + 2 or more, which differs from most employers that have 4 tiers.
* Administration
  + Paper enrollment forms
  + Ability to guide employees to a plan
* Plan differences from your current plan
  + COBRA
  + Carrier Networks

What’s important to you as an employer? Do you want to be able to receive claims information or use different metrics to lead employees to healthier outcomes? Once moved into the FEHB, employers will lose the ability to view or receive claims information. Programs used to measure outcomes are no longer available. At some point, if you leave the FEHB, or are no longer eligible, claims information won’t be accessible. We are here to assist your business in doing an evaluation of your current benefits and things to consider.

The Wilson Agency works with employers to come up with a strategy. The first step is an analysis of your current benefit offering and expenses, and how well those offerings are working within your broader total rewards, employment, and business strategies. We will compare your current benefit design and estimate to which FEHB plans your employees may migrate. Then we will evaluate your current spend compared to the estimated costs on the FEHB plans. The strategy needs to include a discussion on how you want to attract and retain your talented employees. The second step is to discuss transition considerations, which may be complicated depending on which health plan funding method you are currently using. Self-insured employers must consider their contractual obligations of stop loss and administrative agreements.

The Wilson Agency, An Alera Group Company has worked in Alaska for 50+ years. We understand the complexity of the Alaska market and the challenges employers face. Our dedicated team works with you to develop a strategy striving to meet your organizational goals. We want to discuss your objectives, develop a plan for agreement and execution. The strategy evolves based on outcomes and changing corporate initiatives. When you work with us, here’s what we do:

**Develop:** This phase consists of thorough discovery and an assessment that allows us to create a blueprint or action plan for your company. In other words, here is what you can do and should do to be successful.

**Execute:** We help you implement the blueprint by going through strategic planning, practically applying out plan, and then checking in continuously.

**Evaluate:** From here we will continue to do discoveries when needed and holistically serve you to the best of our abilities. The process lives and breathes, so innovations and opportunities for improvement are not missed.

We want you to have the tools you need to make good business decisions. Competing for contracts or talent can be difficult but FEHB may be a way to be mitigate some overhead expenses. Your trusted advisors can help you navigate this option.