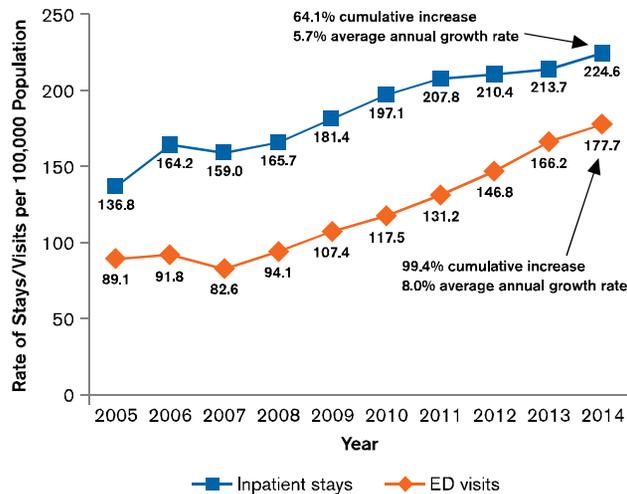


Learn more by clicking on the red text below.

## Key Statistics

**Opioid-Related Inpatient Stay and ED Visits** | Between 2005 and 2014, the rate of opioid-related inpatient stays increased 64.1 percent and the national rate of opioid-related emergency department (ED) visits increased 99.4 percent.



Source: Agency for Healthcare Research and Quality—HCUP Statistical Brief #219 (January 2017). Used with permission.

According to data compiled from Sibson's **2017 Medical Stop-Loss Insurance Database**, the most common specific deductible for specific stop-loss insurance is \$200,000 and the average premium increase for that deductible was 6.6 percent.

The Healthcare Trends Institute recently released the **2017 Healthcare Benefit Trends study**. Key findings include:

- Preferred provider organizations (PPOs) are the most offered coverage option (70 percent), but more than half of employers (53 percent) offered high-deductible health plans, up from 39 percent last year; and
- The top three cost-management solutions include increasing employees' share of the cost (20 percent), increasing employee health care engagement (22 percent) and enhancing wellness and health management programs (18 percent).

## Compliance News

**American Health Care Act Pulled** | Draft legislation to "repeal and replace" certain aspects of the Affordable Care Act (ACA) was pulled by House Republicans. The Health and Human Services (HHS) Secretary is expected to take administrative actions to make changes to the ACA, including making a "market-stabilization rule" that would affect the state Exchanges/federal Marketplace.

A final rule regarding a **new claims and appeals process for disability benefits** covered by the Employee Retirement Income Security Act (ERISA) was issued by the Department of Labor. The final rule applies to all claims for disability benefits filed on or after January 1, 2018.

HHS published a final rule updating **out-of-pocket limits for non-grandfathered group health plans** under the ACA. The 2018 limit for single coverage will be \$7,350 and the limit for other coverage tiers will be \$14,700.

**21st Century Cures Act Signed Into Law** | This law includes provisions to improve compliance with the Mental Health Parity and Addiction Equity Act.

**Sibson Health Care Reform Resources** | The Health Care Reform Resource page on Sibson's website links to all publications and other resources related to the ACA and health care reform.

## The Vendor Marketplace

Due to a violation of antitrust law, the proposed mergers of **Aetna-Humana** and **Anthem-Cigna** was blocked by federal judges.

A lawsuit was filed against makers of insulin — **Sanofi, Novo Nordisk** and **Eli Lilly** — for conspiring to drive up the prices of their drugs. According to a study in *The Journal of the American Medical Association*, price of insulin nearly tripled from 2002 to 2013.

**New guidelines for treating low back pain** were released by the American College of Physicians (ACP). Treatment recommendations include exercise, multidisciplinary rehabilitation, massage, acupuncture, spinal manipulation, tai chi and yoga. If drug therapy is preferred, nonsteroidal anti-inflammatory drugs are recommended as first-line therapy. Surgery is *not* recommended as a first-line therapy for treatment.

In a step towards price transparency, **Merck & Co.** published a list of average price increases across its drug portfolio.

**Aon** has agreed to sell its benefits administration and Human Resources Business Process Outsourcing platform to **Blackstone**.

## What Employers Are Doing to Manage Plans: Selected Strategies

In response to the **opioid epidemic**, employers should consider the new ACP guidelines and incorporate plan design options to encourage non-drug therapy on a step-therapy basis. Strategies should include enhanced patient and provider education, Rx quantity limits on pain medications and employee lock-in programs designed to address employee abuse or overutilization by restricting employees to a limited number of pharmacies or prescribers. A fresh look at provider care-management programs and employee assistance programs may also be warranted.

With the increase in specialty drug trend increasing, employers should consider implementing utilization management strategies. Employers that use prior-authorization strategy should evaluate **prior-authorization denial rates** during the next competitive market bid. A higher denial rate would produce a larger financial savings for the employers (it would indicate appropriate use). However, a low denial rate may indicate that there is less employee disruption (higher approval).

To discuss the implications for your plan, contact your Sibson consultant or get in touch via our [website](#).