

Response to Questions for the Record

Russell DuBose

Rep. Tim Walberg (R-MI)

1. In 2020, the DOL issued a rule enabling default e-delivery of member disclosures in ERISA pension plans. The DOL stated that they would explore extending default e-delivery to ERISA health plans. Would members of self-insured plans support default e-delivery?

Congressman Walberg, thank you for the question regarding DOL's exploration of extending e-delivery as default for ERISA health plans. Yes, I believe self-insured plan sponsors will support default e-delivery. In our experience in communicating with plan members, the conveyance of information through digital media has become the standard. In a recent lean six sigma kaizen event on wellness, we conducted a voice of the customer and asked more than 60 employees how many read their annual healthcare packet mail-out. We learned that 98% do not even open the mailed packet! When asked would the plan members rather receive the information digitally, it was a 100% affirmation.

These findings are consistent with those from a recent poll commissioned by The ERISA Industry Committee (ERIC), which found that roughly three out of four (75 percent) group health plan members are concerned that the costs of printing paper communications divert money away from their actual health benefits.

The National Alliance for Healthcare Purchaser Coalitions, on behalf of whom I testified, was among 20 organizations that expressed our support for default e-delivery for ERISA health plans in response to the Education and Workforce Committee's RFI on improving ERISA. These 20 organizations represent a diverse set of stakeholders – including employers, unions, benefits administrators, health plans, and environmental advocates.

2. How would default e-delivery of member disclosures impact self-insured plans and the health benefits they provide?

Congressman, default e-delivery will have a positive impact on self-insured plans and the health benefits they provide by better educating our plan members through more effective communication techniques. Our plan members have adopted the digital landscape as the norm for seeking information and communicating. We believe that moving to default e-delivery will improve access to information by leveraging the digital reader's lookup capabilities based on the needs of the plan member.

In the 2020 pension rule, DOL estimates that unions and employers are saving upwards of \$317 million per year, and \$3.2 billion over a decade. The DOL acknowledged there could be significant savings if the safe harbor were extended to also cover health plans. These administrative savings could be reinvested in improving technological capabilities of health plan portals, and be used to provide better benefits and savings to their employees.

Rep. Aaron Bean (R-FL)

1. In my opinion, one of the most important things about ERISA is that it has enabled employers to develop initiatives and interventions to help their employees stay healthy and active participants in the

workforce. I know employers spend a lot of time, energy, and resources to develop their workforce and so keeping them healthy is of critical importance. Can you discuss how ERISA has helped employers keep a healthy workforce, specifically as it relates to employees with chronic diseases or ongoing health care challenges?

Congressman Bean, thank you for the question regarding how ERISA has helped employers keep a healthy workforce as it relates to employees with chronic diseases or ongoing health care challenges. We believe that ERISA has provided a tried and true framework that allows plan sponsors to innovate and create responsive solutions that better meet the specific needs of plan members than broad cookie cutter approaches. We believe early intervention and disease management through advanced primary care is our most powerful tool to meet plan members needs for ongoing health care challenges. In our operation of an advanced primary care health center, we have seen firsthand the power of early detection, intervention and chronic disease management. The ability to build a care team around the plan member has resulted in better outcomes at a lower cost with a much better experience for the plan member. The ERISA framework is what makes this type of solution possible.

2. Too often some of my friends on the other side of the aisle see government programs as the best possible solution. However, in my opinion, actively engaging individuals in their health care and keeping them active in the workforce is the most ideal outcome. Can you comment on the benefits of engaging individuals in their own health care, as well as the benefits of keeping employees active in the workforce?

Congressman, we believe that having highly engaged plan members is critical to a successful outcomes. We also believe it "takes two to dance," meaning that having highly qualified healthcare providers are a necessary ingredient in keeping plan members engaged in chronic care management. As an example, we operate an onsite pharmacy. The pharmacist and pharmacy technician serve on our advanced primary care team. This integration allows multiple touch points for the plan member which encourages plan member engagement. An outcome is a very high pharmacology adherence rate. We know that greater than 50% of emergency room visits are due to plan members not taking their prescribed medications. Therefore our pharmacology adherence rate becomes a leading indicator for emergency department visits. Having highly engaged plan members that follow testing schedules, treatment plans and adherence reduces absenteeism, improves on-the-job performance and creates the conditions for longevity. Our company steadily celebrates retirements for employees that work well into their seventies. The bedrock foundation provided by ERISA is what allows us to offer innovative healthcare solutions that meets the needs of our employees, their families and the business. Thank you for allowing me to testify on this matter.