

## Health & Welfare Quarterly Update

### Legislative News

- **Health Care Reform Passes** – New legislation has been passed by Congress and signed into law by the President. The reform package affects such areas as lifetime benefit limits, dependent coverage, application of pre-existing conditions and individual mandates. Further analysis and regulatory guidance will be necessary to determine the effective date of many of these provisions. (*UAS CB*, 2010-21 and 2010-26)
- **State Challenges** – Several states have filed suit to block implementation of the reform package, suggesting it places an unconstitutional burden on their cash-strapped budgets with an expansion of state-run Medicaid. Virginia has sued separately contending the “individual mandate” requiring people to buy health insurance exceeds Congress’s powers.
- **COBRA Subsidy Extended** – The COBRA subsidy program has been extended another month and is available to qualifying participants experiencing an involuntary termination on or before March 31, 2010. Revised COBRA notices have been released by the DOL. (*UAS BNB*, 2010-22)
- **Updated HIPAA Privacy Notices** – The suggested deadline to distribute HITECH Act-compliant privacy notices is April 17, 2010. (*UAS SB*, 2010-14)

### Industry News

- **Reduced-Rate Coverage for Uninsured** – In one of the first steps under the new health care reform law, the Obama administration announced it was establishing temporary insurance pools where uninsured people with medical problems could buy coverage at reduced rates. (*New York Times*, 4/4/10)
- **E-Filing Form 5500** – The Employee Benefit Security Administration has announced its conversion to all-electronic EFAST2 Form 5500 filing effective for plan years beginning on or after January 1, 2009. (*UAS BNB*, 2010-04)

### Inflation News

- **Trending Up** – A recent Thomson Reuters report reflected health care costs for U.S. employers rose by an average of 7.3% in 2009, up from a 6.1% increase in 2008. This increase is net of any benefit changes. (*Reuters*, 3/22/10)

### Prescription Drug News

- **Generic Drug Consumerism** – \$4 generic drug offerings vary from one big box retailer to another, so [www.medtipster.com](http://www.medtipster.com) went live in March 2010 with a free online service intended to help individuals locate inexpensive generic drugs in their community.
- **Popular Brand Drugs with Upcoming Patent Expiration by 12/31/2010:**
  - Lipitor (atorvastatin calcium) - high cholesterol
  - Cozaar (losartan) - high-blood pressure
  - Advair (fluticasone and salmeterol) - asthma
  - Levaquin (levofloxacin) - antibiotic

### Did You Know...

**Inflation Concerns** – According to a recent study from the Society of Actuaries, inflation is the number one concern for pre-retirees, overtaking last year’s top concern, the inability to afford adequate health care. (*Society of Actuaries*, 4/1/10)

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