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## 6 Things To Know About Health Care for 2014

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Benefits Pro

Have you talked to your soothsayer or medicine man yet about what they see in their tea leaves about **health care for 2014**? Certainly with all the moving parts of the Patient Protection and Affordable Care Act, and other initiatives in the employer and medical communities, there usually tends to be quite a bit of prognostication of pending opportunities. And there may be some amazing possibilities to take advantage of by all stakeholders. Here are six things you should know about this new year:

**1. Guaranteed issue:** Beginning in 2014, health insurance companies cannot deny health insurance coverage to an individual based on a pre-existing condition. They must give coverage to anyone who applies, and it cannot cost more if you are sick. The cost of health insurance premiums cannot vary based on health status for children or adults. Premiums may only vary based on age, geography, family size and tobacco use. The law also restricts how much premiums can vary based on age.

**2. Taxation, with representation.** The penalties are phased in. In 2014, the penalty is \$95 per uninsured adult (the penalty for uninsured children is always half the adult amount, but in 2014 there's a \$325 cap for a family) or 1 percent of taxable household income, whichever is greater. There are some exceptions though. You are exempt if you fall into any of these categories:

- You can't find a premium for a qualified plan through your state health exchange that is less than 8 percent of your adjusted gross income;
- Your income is below the tax filing threshold;
- You have a hardship waiver;
- You are not covered for a period of less than three months during the year;
- You have a religious objection;
- You're a member of a health care sharing ministry;
- You're a member of an Indian Tribe;
- You're incarcerated; or
- You're not legally present in the U.S.

**3. Boomer sooner:** People are aging faster, and the population growth is shifting rapidly to the 50+ age crowd. Born between 1946 and 1964, baby boomers number some 450 million worldwide, according to TrendWatching.com. And, the world's population is aging at a staggering rate. The 50+ population is the fastest growing segment worldwide and predicted life expectancies are at a historical high. An American turns 50 once every seven seconds. Within the next few years, 50 percent of the European Union's population will be 65+. By 2030, in Italy, retirees will outnumber active workers. By 2050, the median age in Thailand will rise to 50.

And, fitness will continue to increase in this age group with clubs catering to the senior crowd.

**4. Designer teeth and eyes:** More people are retiring earlier than ever before due to a variety of reasons including the economy and corporate downsizing. Therefore, these men and women have been used to keeping up appearances and having access to aesthetic benefits like dental and vision.

With those services being stripped out of most employer health plans, retirees are going to go into the market and increase demand for the individual plans for both insured and discount dental and vision programs — cosmetic work including veneers, teeth whitening, implants, and more for dental and designer frames for vision. These folks want to look and stay pretty. They already have too much invested to let their teeth and eyes go bad. Having a beautiful smile

means more now than ever, and designer frames are still considered a good thing with most of this demographic group.

**5. Clinical review:** Americans are seeking access to less expensive health care options including **clinics and urgent care centers** rather than going to typical private physician offices and hospital emergency rooms. Consumers are learning to cope with increasing costs by changing their behaviors. With the cost of emergency room co-pays up 50 percent between 2009 and 2013, many consumers have switched to less-expensive venues for health care services, such as retail clinics and urgent care centers.

Visits to retail clinics, such as those in pharmacies and other retailers, nearly tripled in the past five years, according to a report by PwC's Health Research Institute. These types of medical facilities are going to escalate in the number of patient visits. Cost-conscious consumers are a major factor driving the slowdown. Bearing a greater share of health care costs, many workers are limiting doctor visits, delaying procedures and choosing cheaper providers.

**6. Doc talk:** There's a huge opportunity for mobile applications and customized, purpose-built devices. There are already roughly 100,000 health applications available in major app stores, and the top 10 mobile health applications generate up to 4 million free and 300,000 paid daily downloads. Consumer adoption of mobile health apps is going to proceed apace.

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