



# Benefits Breakdown

November 2021

## Complex Health Benefits Can Hinder Employee Success

Health care is rarely straightforward for the average consumer. Many individuals need help making sense of their options both during open enrollment and when receiving health services. In fact, 8 out of 10 people said they faced challenges when receiving care, according to a [recent study](#) from Quantum Health.

According to the study, the vast majority of consumers have reported facing hurdles in the past two years when receiving care. These challenges include issues understanding coverage levels, locating providers and navigating the insurance claims process. Issues like these were compounded for individuals with chronic conditions—90% of whom said they faced additional challenges, such as making sense of diagnoses or test results.

Employers spend a lot of time tailoring their health benefits to ensure they meet the needs of their employees. But, if only half of those employees can effectively use such benefits—let alone understand them—then employers may need to refocus their efforts. One of the best ways to help reduce employee confusion and maximize benefits value is through education.

Reach out to discuss a benefits communication plan and secure health literacy resources for your employees.

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## Understanding Individual Coverage Health Reimbursement Arrangements (ICHRA)

HRAs reimburse employees for certain medical costs. Depending on the plan, such expenses may include doctor visits, medical procedures and prescriptions. An employee must be enrolled in their employer's group health plan to qualify for an HRA.

ICHRA are a bit different. These accounts can reimburse employees for certain medical expenses, insurance premiums or both. Whether an ICHRA will cover both premium and medical expenses is up to the employer.

To qualify for an ICHRA, an employee must enroll in **individual health coverage** using a Health Insurance Marketplace (Marketplace), a private insurer, Medicare or another method. In other words, an individual cannot be enrolled in an employer's group health plan and qualify for an ICHRA.

ICHRA can also be offered to different employee segments, adding even greater flexibility for employers. Reach out today to learn more about this exciting plan type and how it can help reduce your organization's overall health care spending.



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