



**News Spotlight:** Karen Nixon, Partner and CEO at Nixon Benefits, co-authored a recent article exploring prescription drug rebates and their impact on consumer pharmacy spend. The article was published in conjunction with The Society of Actuaries' Initiative 18 | 11 which is exploring all areas of the U.S. health care system to find ways to control spending. Nixon Benefits is one of 30 honored members.

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## Rebates at the Point of Sale

Initiative 18 | 11 explores prescription drug rebates and their impact on consumer pharmacy spend  
**Deana K. Bell and Karen L. Nixon – May 2020**

As the United States continues to struggle and question the high cost of health care, the fact that drug manufacturers issue rebates to prescription benefit managers (PBMs) and health plans (payers) has moved from industry-insider information to the public spotlight. In light of this, payers have considered sharing their rebates with the consumer at the point of sale (POS). The Society of Actuaries' (SOA's) Initiative 18 | 11 is exploring all areas of the U.S. health care system to find ways to control spending. One of these areas is prescription drug rebates. To learn more visit, *The Actuary*: <https://bit.ly/3dct1C1>

### Additions to No Cost Sharing Preventive Services

The U.S. Preventative Services Task Force (USPSTF) has added a new category to the list of which drugs must be covered as preventive under ACA. The new category is nick-named PrEP which stands for HIV Pre-Exposure Prophylaxis (PrEP).

- Truvada and Descovy are the drugs which have an FDA approved indication for PrEP
- A Truvada generic is expected to enter the market in Fall 2020
- Plan applies to non grandfathered plans under ACA

For more info, visit <https://bit.ly/2UR4uMB>  
U.S. Preventative Services Task Force

### Temperature Checking Returning Employees – Will it Help Stop the Spread of COVID-19?

Temperature checking can uncover the fever in some people. If those people then self-isolate, the identification of them can be said to help prevent transmission of the disease. However, temperature checking will not catch all COVID-19 related fevers. The absence of fever is not a reliable screening tool for COVID-19. Temperature checks should be just one part of an overall strategy to prevent transmission of COVID-19, such as limiting personal interaction, and disinfecting high touch surfaces. *Healthline* <https://bit.ly/2Ax34QF>

### Finding Balance – Kids, Work and Well-being for Everyone

Summer 2020 will likely look different than many of us might have expected. For parents of school-age children, balancing work and family responsibilities during the COVID-19 pandemic can be particularly challenging. In addition to changes in routines, there are added pressures to keep everyone healthy, provide learning opportunities and make time for fun, while also managing all the other responsibilities we have. It can easily become overwhelming. WELCOA has some great tips on finding balance: <https://bit.ly/3e72KXa>

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### Cost of COVID-19 to the HealthCare System

We are often asked about the overall effect of the COVID-19 pandemic on the health insurance system. While there is less spending since many people are deferring care, and the overall infection rate has been better than expected (to date) the costs and reduction in revenue to hospital systems to prepare and respond to the pandemic has been significant.

#### Increased Hospital Costs:

- Labor costs: Employee support (housing/ childcare/screening)
- Overtime
- Tenfold increase in cost of Personal Protective Equipment

#### Decreased Hospital Revenue:

- Cancellation of nonemergency procedures and non-essential care
- Unemployment/loss of insurance leads to uncompensated care
- Deference of care may result in higher costs in long run

While the overall impact to insurers will be based on the level of infection that comes to pass, the combined impact will be an increase in the costs that hospitals will need to re-coup when it comes time to re-contract with insurers. The magnitude of this cannot be quantified due to the ever-shifting landscape.

American Hospital Association  
<https://bit.ly/2AH7q7L>

### The MetLife 2020 Employee Benefits Survey – Before and After COVID-19

The COVID-19 pandemic has transformed work and life, creating new challenges for employees and employers. Understanding how to improve employee well-being is key to helping employees navigate this new reality. This survey combines interviews from over 2,500 companies conducted before and after the pandemic. Below are a few highlights from the survey:



**The “new normal” calls for enhanced employee emotional and financial wellness for better management of work-life stress.** After flexible policies, employees are looking for support to manage other aspects of the blended work-life world. There is a significant opportunity for employers to provide greater support, particularly around mental health and financial wellness.

**Employers who are taking action to support employees during the COVID-19 crisis are creating a positive impact.** When employers support their employees, especially in the face of unprecedented challenges and uncertainty, employees report feeling more successful, valued/appreciated, engaged, productive and respected. If employees are unsupported, reports of those feelings drop significantly.

**Employers who are providing benefits during the crisis are positively impacting employee well-being.** The more benefits an employee is offered, the more likely they are to say they feel well-supported by their employer during COVID-19. Employees who state they are receiving support during this time are more likely to have benefits such as life, dental and disability from their employer. Data from the early stages of the COVID-19 pandemic shows that employers who have offered benefits and programs to help employees manage the impact of the crisis also have a workforce that reports greater holistic well-being. *MetLife* <https://bit.ly/3hBmuEE>

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