If You Work in Healthcare, You Live in Interesting Times
How Will the Supreme Court Rule on Healthcare Reform?

In March, the U.S. Supreme Court heard oral arguments on the Patient Protection and Affordable Care Act (PPACA). The ultimate issue that the Court is grappling with is the constitutional authority of the federal government to require individuals to purchase health insurance or pay a penalty. The arguments for both sides can be summarized as follows:

Those in favor of PPACA believe the mandate is a valid use of congressional power to regulate interstate commerce. This would mean that Congress has the authority to implement a tax or penalty to help pay for healthcare.

Those opposing the individual mandate believe the act of requiring individuals to purchase insurance exceeds Congress’s authority and would essentially open the door to allow Congress to require individuals to buy any type of good.

The oral arguments lasted for three days. Most agree that the Justices appeared skeptical that the mandate could be considered constitutional. Justice Scalia even went so far as to wonder if Congress has the constitutional authority to require everyone to purchase health insurance, can Congress also force all of us to buy broccoli, too?

1. The Anti-Injunction Act — This Act says that a tax cannot be challenged until it is actually paid. When PPACA was passed, supporters said that the penalty for not obeying the individual mandate was a “fine” and not a “tax.” However, the Administration reversed course during oral arguments, suggesting that the penalty is only a “tax” (and thus, the Court cannot rule on the individual mandate until 2014). If the Court agreed with this theory, it could have used it as a reason not to decide the entire case (leaving us with two more years of uncertainty). Interestingly, the Court rejected imposing the Anti-Injunction Act.

2. Tax vs. Fine — The Obama Administration argued that the fine associated with the individual mandate is definitely a “tax” for purposes of the Anti-Injunction Act. However, the Administration later changed course and said it was a “tax,” which means the mandate would be constitutional. The Justices, however, didn’t seem to buy this argument.

3. Severability — The authors of PPACA forgot to include a severability clause. Severability clauses are used to prevent an entire law from being struck down in the event one part of the law is found to be unconstitutional. Because it lacks a severability clause, the Justices could strike down PPACA altogether if they decide the individual mandate is unconstitutional.

The Supreme Court will rule in June 2010, which will no doubt be a landmark decision. Most believe that the Court will take an all or nothing approach — either PPACA (as a whole) will be constitutional and stand as-is or the Court will strike down the entire law.

How do you think the Justices will rule? Do you think PPACA will be ruled unconstitutional? — by Sarah A. Bittner
Latest HealthSmart Heroes

**Bill Watkins**  
When faced with a tight deadline in which to have a proposal ready to ship for a key prospect, Bill rose to the occasion. By burning the midnight oil on a Friday night and returning to work the next Saturday morning, he made sure a HealthSmart Clinic proposal was received well ahead of the due date. His dedication and commitment to both internal and external customers personify the HealthSmart spirit.

**Tracy Hardee**  
Tracy delivered outstanding service to our client, Carrie, with Trinity Clinic. Carrie was pleased with the level of customer service that Tracy provided on a recent call concerning a member. Carrie also added that Tracy has always been delightful, effective and efficient in responding to her questions each time that she calls our office.

**Cheryl Scarbor**  
Cheryl assisted a customer in getting a claim processed correctly and made follow-up calls to make sure all issues had been resolved. Her work ethic and attention to detail drew praise from the client she helped who said, “I appreciated her helping me so very much and the fact that she genuinely wanted to help speaks volumes about her work ethic. She took the time to pay attention to detail.”

**Joyce Allen**  
Joyce went the extra mile by assisting a client from being charged overpayments that the provider miscalculated. Her work protected the participant from overpayments on service at both a doctor’s office and a surgical center. The client was very pleased, noting: “Joyce went above and beyond what was expected of her. I felt as though a stranger had my back.”

**Kathy Hansen**  
Kathy took the lead on performing the audit for The Funds and when they asked her (with only a week’s notice) to come to Washington D.C. and present during the meeting, Kathy showed her true sense of dedication and commitment by canceling her own vacation to Iowa to see her family. The Funds reported that Kathy's participation in the meeting definitely contributed to its overall success!

**Jim Oderkirk**  
When the Disbursing Department was in a critical state and needed assistance with restoring the database, Jim offered to look into the issue and help bring the system back up. Within very little time the system was up and running without any loss of production. In addition to saving the day, Jim was able to offer suggestions and created a procedure for importing claims into the disbursing system that will save the team production time.

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**LENDING A HAND**

Three members of the Account Management team donated their time this spring to help out Habitat for Humanity!

Cheryl Wright, Cheryl Brown and Stacy Cochran jumped in to lend a hand one rainy Saturday this March and then treated themselves to well-deserved refreshment at the end of their hard day’s work. We are proud of these ladies and look forward to expanding our donation of time in the trenches during upcoming events.
2012 HEALTHSMART FORUM

April 16th-17th
The Gaylord Texan

Keynote Speakers:
Newt Gingrich and Dr. Daniel Kraft

Insights on:
Social Media
Healthcare Innovation
Cost Control
Business Intelligence
And much more...

President's Corner: 2012 Forum Establishes HealthSmart as a Thought Leader in Healthcare

On April 16 and 17, HealthSmart hosted its “2012 Forum: Fresh Ideas for Healthcare” for clients, prospective clients and brokers. There were more than 300 attendees from throughout the country for the event at the Gaylord Texan Hotel where they were joined by our top management, sales representatives and other key client-facing team members.

Once again it was a terrific event that put HealthSmart in a very professional light; the feedback from participants was excellent. Everyone who attended came away impressed by the caliber of the speakers and the rich content of the sessions. Distinguished speakers included former Speaker of the House of Representatives and recent presidential candidate Newt Gingrich, and Dr. Daniel Kraft, a leading physician, scientist, inventor and innovator. Several of the panels featured HealthSmart clients, all of whom came across as highly professional and knowledgeable. One of the most intriguing sessions was titled “Your Genes, Your Wine, Your Health,” led by Dr. Charis Eng, a pioneer in the field of cancer genomic medicine and personalized genetic healthcare. Other sessions included insights on the patient centered medical home, discussions about healthcare reform and how evolving technologies are changing the face of medicine.

Chairman Dan Crowley said that the real takeaway message for brokers and clients is that HealthSmart is a serious managed care company with the expertise to help companies manage their health benefits and costs. This was the third Forum that HealthSmart has held; the continued success of these events contributes to positioning HealthSmart as a leader in innovative ideas for ways to lower healthcare costs. HealthSmart has one of the most advanced self-funded managed care models. It’s an exciting message for the sales team to take to the field.

Newt Gingrich delivers the keynote speech at the 2012 Forum
Olympics Healthy 15 Challenge

The Wellness Team recently launched the latest Healthy 15 Challenge. The past Challenges have been a huge success with the HealthSmart Team losing a total of 1,172 pounds! The Healthy 15 Challenge encourages participants to develop and maintain healthy habits. This is a team focused challenge which will evaluate 4 different areas: body fat%, weight, blood pressure and program participation.

This challenge has an Olympic theme; there are 24 teams going for the gold! Points and medals are earned individually and as a team. Winners will be determined by the total points earned for the week. The top 3 individuals will be awarded gold, silver and bronze medals each week.

The Challenge ends on July 20 and an award ceremony will be held for our Healthy 15 Olympic Medalists! Gold, Silver and Bronze medals will be awarded based on individual total points earned, weekly medal points earned by each team and office locations achieving the highest total points average for the challenge.

There are currently 285 medal contenders and several new locations that are participating in the Healthy 15 Challenge for the first time, including Anchorage, Alaska; Charleston, West Virginia; Fayetteville, North Carolina and Portland Oregon.

As of May 30, the top three teams are A Bunch of Losers, The Rock and Rollers and The Gold Diggers. The Healthy 15 Challenges are a great way to get to know other HealthSmart team members and improve the most important asset you have: your health. Stay tuned for the Final Awards Ceremony!

Thanks to Our Wellness Representatives!

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<th>Kelly Farmer (Alaska)</th>
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<td>Wendy O’Connor (Cleveland)</td>
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HealthSmart Stays in the Growth Mode with Acquisition of Innovante Benefit Solutions and 1st Choice Benefit Administrators

Within the last few months, HealthSmart has acquired two more companies, 1st Choice Benefit Solutions and Innovanté Benefit Administrators. Based in Springfield, Missouri, 1st Choice offers insurance, healthcare administration and consulting services for employers seeking cost-effective healthcare benefits that improve the health and productivity of employees. The company administers healthcare benefits for approximately 10,400 employees, retirees and dependents. Innovanté Benefit Administrators is a Denver-based third party administrator of partially self-funded health benefit plans. It brings 23 clients, primarily employer groups that are located throughout the U.S. Additionally, Innovanté is the administrator for 18,000 of the World Trade Center First Responder population that were on the scene with the 911 disaster. It works in conjunction with Mt. Sinai School of Medicine, the National Institute for Occupational Safety and Health (NIOSH) and the Centers for Medicaid and Medicaid Services (CMS) in providing claims administrative services to this very special population.

Larry Bowen of 1st Choice notes: “I am so proud of the people that work here. In good and bad times their character has shined through. I have never worked with a better group of people. We never hear “that’s not my job.” We just all pitch in and get the task done. To us the client is king. Each employee is empowered to do what’s right. We are excited about the additional resources that HealthSmart brings and look forward to working with the HealthSmart team.”

The Innovanté team has packed up their bags and headed one exit south of their previous location and now work out of the same office as Ted Stevens and the Ancillary Operations team. They are thrilled to be part of the HealthSmart family and look forward to mutual opportunities of assistance and support within the larger HealthSmart context.

Thanks to Our Wellness Representatives!