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Area Firms Tweak Benefit Plans

Workers Absorb More Health Costs, but Some Gain Perks

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More Washington- and Baltimore-area employers are shifting health-insurance costs to workers, offering high-deductible health plans and imposing restrictions on prescription-drug coverage to save money in the recession, according to a new survey by area human resources managers to be released today.

But to keep good workers from jumping ship, according to the survey, more employers are offsetting the restrictions by beefing up other perks -- giving staff more flexibility in taking time off and working from home, and extending benefits to domestic partners.

Unlike companies in other parts of the country that have been aggressively laying off workers to save money, Washington-area employers "are scaling back on benefits to preserve jobs," said George Lane, chair of the benefits survey committee of the Human Resource Association of the National Capital Area, which conducted the survey.

At the same time, he said, employers are expanding some of their offerings "to keep employee benefits as competitive as possible."

The 220-page study is based on a survey of 265 companies and government agencies in the area, including the American Bankers Association, Raytheon Solipsys, Long & Foster Real Estate, Metropolitan Washington Airports Authority and [Inova Health System](#). The survey was conducted between February and April. Not all the employers participated in previous surveys.

This year, 23 percent of the employers said they raised co-pays for their workers, compared with 16.4 percent last year. Twenty percent said they raised deductibles this year, compared with 12.8 percent last year. If the economy doesn't improve, experts say, the trend will accelerate next year.

If health-care costs continue to soar, premiums for employees at the Endocrine Society could "go up -- we hope not but it's possible," said John R. Heberlein, the association's chief financial officer and senior director.

For now, more employers are attempting to save money by switching to high-deductible "consumer-driven health plans" -- this year, 18 percent of employers said they were offering them, compared with 15 percent last year -- and controlling prescription costs by requiring workers to buy generics or to obtain permission before purchasing certain drugs.

And they are promoting healthy living -- offering flu shots, free medical screenings, stress-management

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courses, and nutrition and weight-loss programs.

This year, 32 percent of the employers said they provided such wellness programs, compared with 23 percent two years ago.

"We're adding a personal health evaluation, a battery of tests helping [workers] understand where they are healthwise," Heberlein said. The screening will "give them a forewarning to risks so we can reduce our health costs down the road."

To retain workers, more employers this year have extended health-care benefits to domestic partners and offered accounts providing pretax dollars for transportation and parking.

They've also replaced the policy of tracking time off for sickness, holidays and vacation with paid-time off days that workers can use at their discretion.

The employer "won't have to figure out if you're really sick or taking a mental-health day," Lane said. "This is giving the employee more autonomy."

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