

## Maintaining Perspective — Is There Still a Place for Camper Accident and Sickness Insurance in Your Camp Risk Management Plan?

Healthcare costs are out of control in our society, driven largely by Americans' lifestyles, attitudes regarding exercise, and unhealthy eating habits. These costs are exacerbated by our litigation-minded society, which forces medical professionals to practice defensive medicine. Add the expense of advances in medical science and technology, and costs will continue to spiral out of control for the foreseeable future.

The new healthcare plan, called the Patient Protection and Affordable Care Act (PPACA), was signed into law in response to the growing need for solutions to the problems of health insurance availability and affordability, and to stem the tide of a growing number of uninsured Americans. Just over a year old, the plan has already faced challenges in the courts, and while some benefits are already in place, full implementation of the law will not occur until 2014.

In the meantime, rising costs and a slow economy deter employers from providing and subsidizing health insurance for their employees. Those employers who already offer health insurance as an employee benefit are finding it necessary to pass increasing costs along to their employees, raise deductibles, or offer lower cost plans with fewer comprehensive benefits. The result? More and more individuals and families are retaining a larger share of their health insurance and healthcare costs, and they are quite probably not as well protected as they were in the past.

### Impacts on Camp

Camps are a microcosm of society, and as such, they are directly impacted by the costs of health insurance and problems with healthcare. Camping professionals have been concerned for a long time about the cost of camper insurance and health and wellness at camp.

Depending on where your camp is located and the demographics of your camper population, you may have experienced little or no difficulty over uninsured campers or staff members. The economic and health insurance crises have not been equally distributed — some parts of our country and segments of our society are suffering more difficulties than others.

As the economy stumbled and staggered forward, even camps that had been previously unaffected by economic struggles were surprised to learn some of their camper families had large health insurance deductibles. Camp leaders found themselves in the awkward position of sending bills home for camper emergency services.

There always seems to be some incongruity in challenging times, and these times are no exception. Some families need back-up health insurance, while at the same time, some camps have been dropping their accident and/or sickness medical insurance in response to dipping enrollments and tighter budgets. This might make some financial sense, but the thought and action miss an essential risk management fact.

Risk management seeks to create an environment where risk is controlled, reduced, avoided, or transferred. But risk transfer as a risk management technique only makes sense when the parties assuming the risk can afford to assume it.

In our uncertain times, we can no longer assume that all camper families are

willing and able to assume the costs of accidental injuries and illness at camp. Ignoring this reality may invite litigation for medical expenses — or more — arising from accidental injuries at camp, simply because the camper's parents didn't have health insurance and couldn't afford to pay. Circumstances are changing and we are moving toward a new "normal." The downside risk is that we unintentionally trade a little problem (the medical bill) for a bigger one (the distraction and expense of a lawsuit). This can be very expensive.

### Uncertainty: The New "Normal"

For the foreseeable future, uncertainty over health insurance costs and availability of health insurance coverage will reign supreme.

Employers will continue to delay or defer sponsoring affordable health insurance for their employees until they are forced to do so. Other employers will continue to shift costs to employees and/or reduce the scope of their insurance protection.

There will continue to be large numbers of uninsured and underinsured individuals and families as the economy remains in the doldrums.

Educational efforts and outreach programs in camps and schools will grow