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Midwest Business Group on Health

The Source for Leading Health Benefits Professionals

Trends in Health Benefit Designs and Strategies

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National Association of Worksite Health Centers

nawhc

NATIONAL ASSOCIATION OF WORKSITE HEALTH CENTERS

- The nation's only non-profit association supporting employer and union sponsors of onsite, near-site, mobile health, pharmacy, fitness and wellness centers
- Assisting employers in developing and expanding the capabilities of onsite centers into primary care and wellness centers
- Offering educational programs, networking, benchmarking and advocacy for the worksite health center employer and vendor communities
- Website offers NAWHC membership information and materials on worksite health and fitness centers, on-site pharmacies and wellness centers
- *Guidelines for Measuring the Performance of Worksite Health and Wellness Centers*
- www.nawhc.org
- NAWHC LinkedIn Group

- MBGH is a Chicago-based, coalition of employers working to improve the quality and cost-effectiveness of health care for purchasers and the health statusof their constituents
- Founded in 1980, membership is composed primarily of public and private employer HR/benefit professionals, but also includes hospitals, health plans, pharma, wellness vendors, consultants and professional associations
- 130 Members cover over 4 million lives, spend >$4.5 billion on health care
- Offers education, networking, benchmarking, grouppurchasing, research and advocacy on "Purchaser's Perspective'
- www.mbgh.org
- Health Benefit Professionals LinkedIn Group

Membership:

Close to 130, providing coverage to over 4 million lives

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Why are employers still offering health care benefits?

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- To recruit and retain talent
- Health benefits are an investment in human capital, whichhas a major impact on bottom line of company
- To increase productivity by ensuring a healthy workforce
- To incentivize workers to take responsibility for own theirhealth, which providers do not
- To reduce lost work time and absenteeism by makingservices available onsite and easily accessible
- To address the increasing number of workers entering workforce and in their populations with chronic disease
- To reduce and prevent injuries and accidents due to illness and behavioral health issues

The existence of the ACA does not change any of these factors for employers

Employers currently provide array of health services to workers:

Data are critical to develop and measure services

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- Treatment of Injuries
  - First aid
  - Acute/urgent care
- Occupational health
  - OSHA exams, drug testing
  - Physicals/RTW
  - Travel medicine
  - Disability mgmt
- Identification of risks
  - Health risk assessment/screenings
- Prevention ofillness
  - Immunizations
- Health and Benefits Education
  - "Lunch and Learn"/health fairs
  - Online health portal
- Chronic Disease Mgmt
- Worksite Wellness Programs
  - Weight management/coaching
  - Fitness programs/challenges
  - Incentive-based activities
  - Smoking/tobacco cessation
  - EAP/lifestyle coaching/stress mgmt
- Primary care/care coordination
  - Health advocacy
  - Telehealth
- Ancillary Services
    - Pharmacy services
    - Lab/x-ray services
    - Physical therapy
    - Vision services
    - Dental services
    - Chiropractic services
    - Massage therapy
    - Acupuncture

External challenges for employers

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- For private employers, competing on a global market against non-US employers who don't have to add the expenses of health benefits to their product/services
- Ensuring workers have access to primary care services
- Identifying high quality and safety-driven health systems and physicians
- Responding to the variability in provider costs and quality, even within the same health system, hospital and medical group
- Ensuring their population is provided care in a system that is coordinated, integrated, without causing confusion, higher costs, poorer outcomes and more time away from work
- Relying on health plans as their agents, in obtaining better services, quality and data from physicians and hospitals

Internal challenges for employers

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- Addressing chronic disease: 80% of health benefit costs
- Managing specialty drugs: projected to represent 50% of drug spend
- Preventing illness and reducing risk factors
- Motivating workers to make better elective health care choices
- Helping people understand and navigate the health care market
- Providing access to primary care and ancillary services
- Reducing health benefit costs and facing a 2020, ACA 40% excise "Cadillac" tax on benefits above the designated cost levels
- Obtaining and understanding the data on their medical cost

Employers need data to understand, measure and address cost, productivity, health, safety and performance issues

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- Understanding which health conditions and behaviors have the greatest impact on their health costs and productivity
- Identifying people with chronic disease
- Designing benefits and programs to address problem areas
- Creating new strategic directions for health and productivity
- Establishing a baseline against which to measure the performance of their vendors, plans, onsite clinics and programs
- Contracting or developing networks with the "best" providers
- Ensuring access to services
- Helping physicians offer the most effective treatments
- Helping patients improve self-management of conditions
- Engaging and motivating patients to seek and comply with recommended care
- Measuring and reporting on participation, engagement and clinical outcomes of their programs and services
- Measure, evaluate, and document results
- They use data integrators or clinical consultants to consolidate and interpret health data from multiple sources

Evaluating data from multiple sources provides understanding of health costs from a population view

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Demographics	**On-site Biometric Screening**	**Medical Claims and Lab Data**
Employer	Employer or vendor	Health plans or third-party administrators
Pharmacy Claims	**Illness / Absenteeism / Presenteeism**	**Annual Health Risk Appraisal**
PBMs	Surveys	Patient and family members (Vendor)
Disease Management	**Short and Long-Term Disability**	**Worker's Comp**
Vendor	Vendor	Vendor

- **Provides an understanding of:**
  - Population risk
  - Cost burden Major
  - cost drivers
- **Enables employers to:**
  - Obtain a holistic view of health at workplace
  - Evaluate trends
  - Predict costs
  - Identify highest cost Conditions
  - Benchmark vs. other firms

Partnership for Prevention. *Leading by Example: Creating a Corporate Health Strategy: The Kansas City Collaborative Experience*. Washington, DC: Partnership for Prevention; 2011
Mahoney J, Hom D. BeneFIT Design: Seven Steps to Value-based Health Benefit Decisions. Philadelphia, PA: GlaxoSmithKline; 2007.

Employers see challenges with the changes in the health care landscape

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- Merger of hospital systems, ACOs and Medical Homes offer promise of collaboration and integration of care, but…
  - These seem limited to only larger organization; and
  - There's a fear these may lead to consolidation in health care market, leading to less competition and higher costs
- With more people covered, access to care is more difficult, so onsite and retail clinics are developing rapidly to offer primary and acute care, but..
  - There is a concern that these are disconnected from patients' physicians
  - These could lead to further fragmentation of health care
- There's increased technology, new models of health care and more use of mobile apps, but…
  - People are confused by the complexity and new players in the health market, feel disconnected and face health and benefit literacy issues

MBGH Member Priorities in 2017-2018 in addressing health benefit management activities

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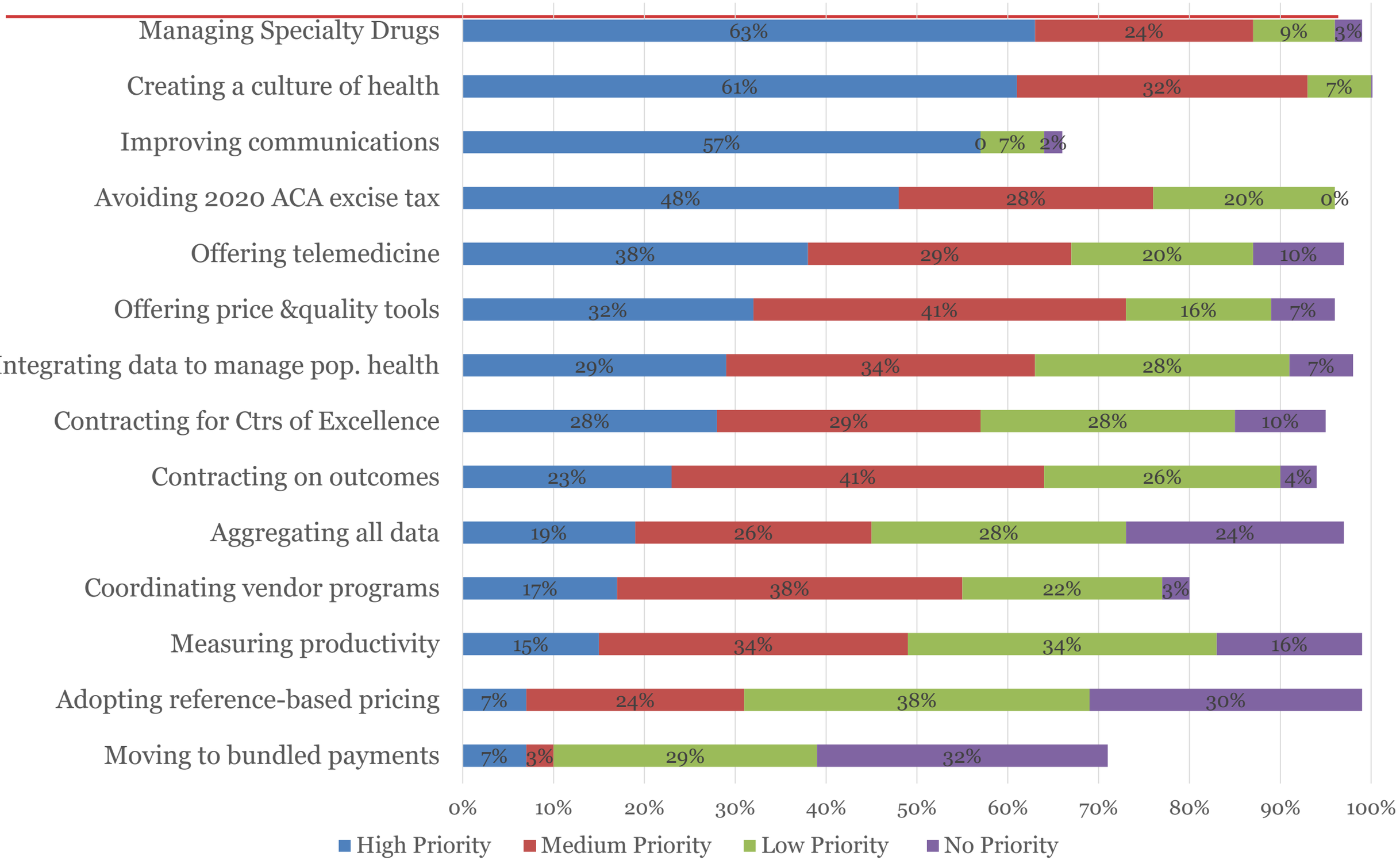

MBGH Member Priorities in 2017-2018 in addressing worksite wellness activities

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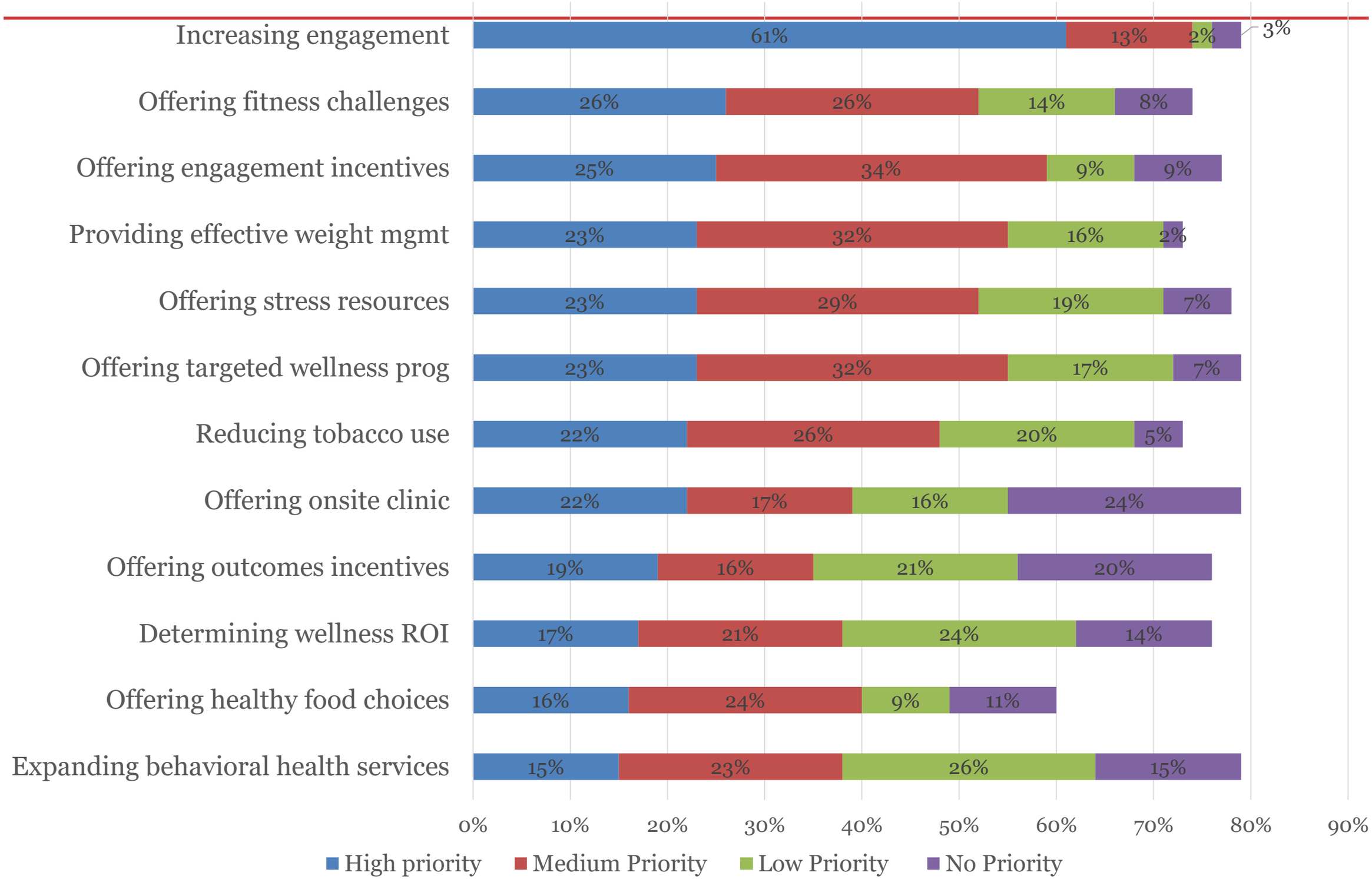

Employers concerned about overuse and unnecessary care

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- Health care expenditures are increasing at unsustainable rates
  - Commonwealth Fund National Scorecard on U.S. Health System Performance, 2011

- There is waste in the health care system—some say as much as 30%
  - CBO and Jack Wennberg, Dartmouth Center for the Evaluative Clinical Sciences.

- One third of all physicians acquiesce to patient requests for tests and procedures—even when they know they are not necessary
  - Campbell EG, et al. Professionalism in medicine: results of a national survey of physicians. Ann Intern Med. 2007; 147(11):795-802

- Physician decisions account for 80% of all health care expenditures
  - Crosson FJ. Change the microenvironment. Modern Healthcare and The Commonwealth Fund [Internet]. 2009; Apr 27

Supporting Patient Decisions

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- As employers move to greater use of CDHPs and shifting the clinical and cost decisions to employees, workers need to know:
  - Which doctors get good results
  - How providers compare apples-to-apples, regardless of whether service is received in a hospital or ambulatory clinic or within an HMO or ACO
  - What other patients have experienced with providers
  - Where to obtain objective cost and performance information that is relevant, easily accessible, and understandable
  - People need to know what they will pay out of pocket and what their benefits cover, not "charges," which do not reflect the discounts that most hospitals have negotiated with health plans

Prevalence of onsite health and fitness centers

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- A 2017 study of large employers by the National Business Group on Health found more than half of employers (54%) will offer onsite or near site health centers in 2018 and that number could increase to nearly two-thirds by 2020
- NAWHC studies estimate around 30% of all companies offer some form of onsite, near-site or mobile health services to employees, dependents, retirees and others – 16% offer onsite pharmacy services
- Approximately 67% of employers have some form of onsite fitness programs and centers
- While many vendors recommend at least 1000-1500 employees in a single location to support center, many employer-sponsors of centers have smaller populations
- Centers range from one day a week operations, led by NP/PA, to 5-7 day a week centers, open evenings and weekends, primarily staffed by physicians

Employers find value in onsite clinics

Health & wellness objectives being met

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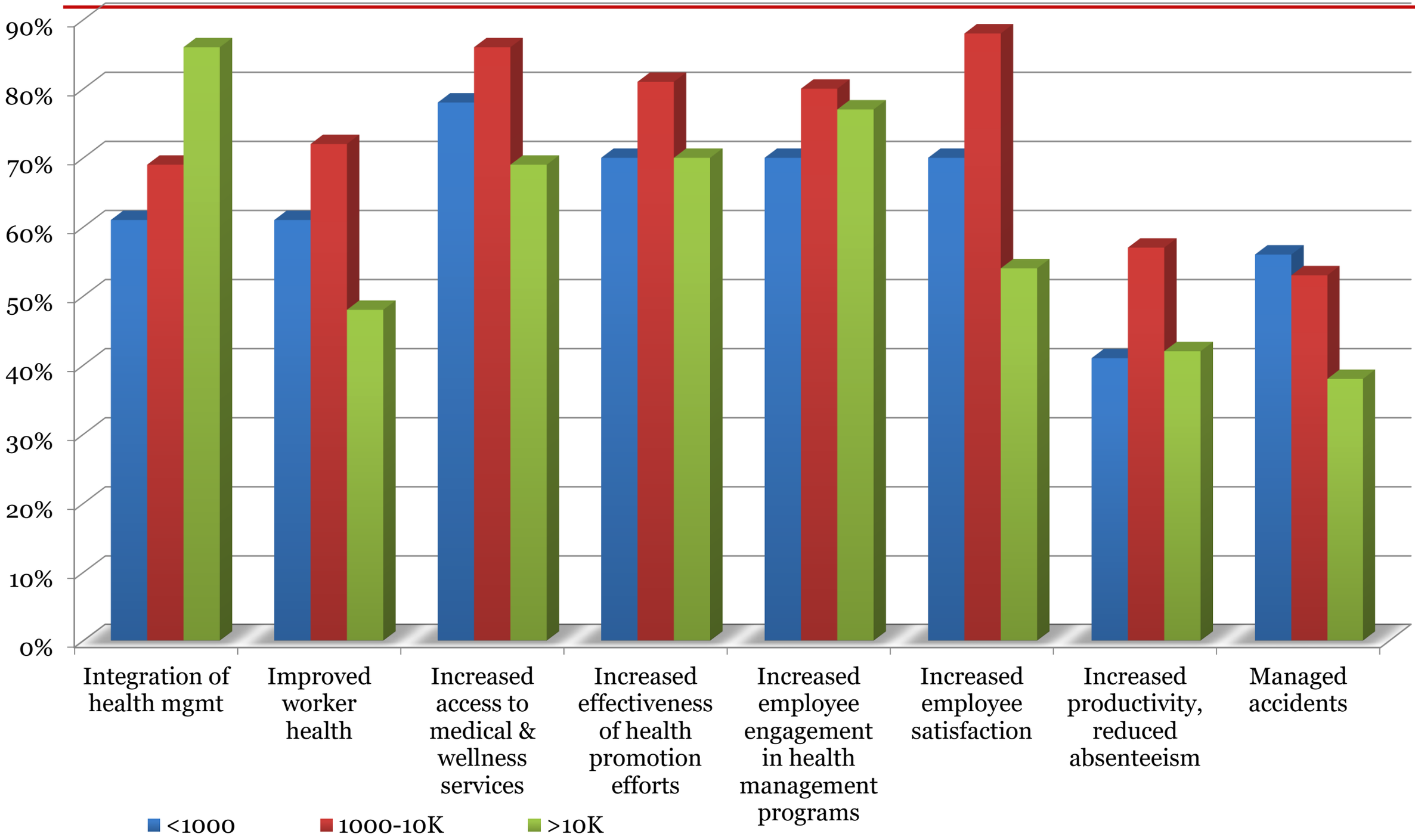

Size of employer: Number of employees

Employers find savings in onsite clinics

Financial objectives being met

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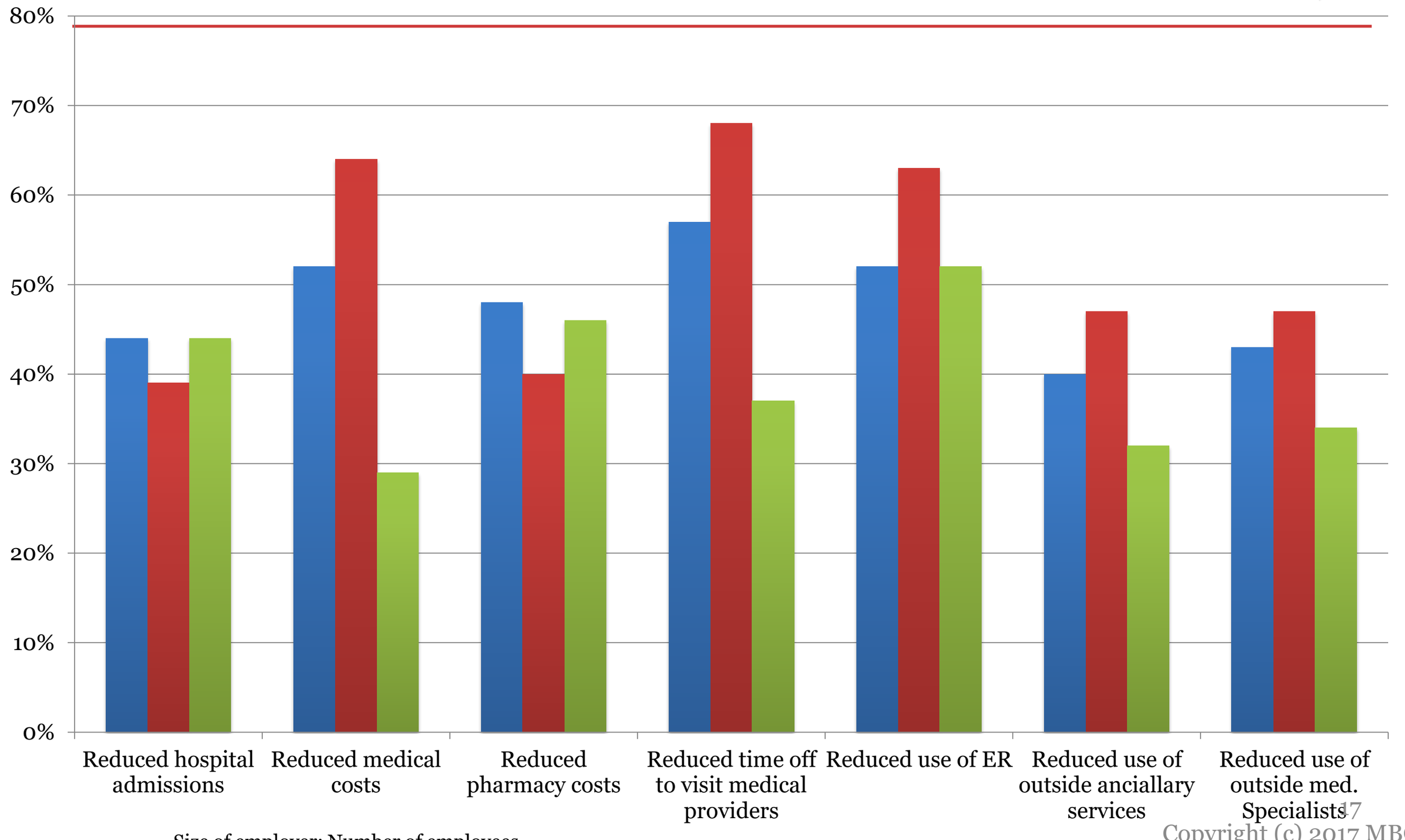

Key components of today's health benefit programs

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- Telemedicine for primary and acute care, behavioral health, chronic disease monitoring and support, an dermatology
- Health coaching and navigation
- Transparency tools for provider and treatment price, quality and selection
- Onsite and shared clinics
- Value-based benefit design and purchasing
- Direct contracting for Centers of Excellence
- Strong utilization management of specialty drugs
- Wellness program expansion
- Incentives tied to participation and outcomes
- CDHPs
- High performance networks, with incentives to use
- Retail clinics and urgent care access
- Surcharges for tobacco use, spouses covered by other insurance

Employers Need for and Use of Data

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- Level of detail they want and receive
  - Looking at high level categories, though some are personalizing benefits and program
  - As a self - insured employer, they get member level data, though blinded if desired
  - Individual hospital information – cost by patient by hospital, by codes
  - Individual physician information, may be only by provider number, by codes, but not costs
  - They usually don't see quality other than what health plan ratings
- Questions to be addressed:
  - Where are expenses coming from? – Medical, drugs, which plans, firm locations, types of conditions
  - Are those identified with higher risks more costly than others?
  - Where major access, cost and quality issues exists?
  - Are we able to measure ROI/VOI from benefits, wellness programs and clinic?
- What do they do with it?
  - Address high utilization in ERs in certain facilities/geographic locations for non-emergency conditions
  - Need for communications and locations to target
  - Developing programs for certain conditions
  - Looking for cost outliers

Employer questions with about State-provided data

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- What's available?
- What's the source of the data?
- Can the state provide data for specific firm locations?
- Will the State tend release cost and quality data on individual hospitals and physicians?
- How would an Employer obtain data from its populations in multiple states without having to go to every state?
- Can the State data be used in benchmarking? It would need to be comparable to health plan data
- Can the State provide data on only insured populations? Data from state would need to be free

At the end of the day…

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We need to create a system built on
partnerships, collaboration, accountability, transparency,
engagement, value and knowledge,
and away from
one built on competition, fragmentation, entitlement,
waste and uncertainty




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For more information on these topics or MBGH or NAWHC…

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