



Health Care Benefit Strategies Are A-Changing

By Larry Borress, President and CEO, MBGH

If anything positive has come out of this past year's difficult economic environment, it has been the almost universal acknowledgment among employers that the time has come to examine their traditional and paternalistic health benefit philosophies and strategies .

In 2009, we began to see an increasing number of employers taking advantage of the time employees spend at work to reduce costs and improve their population's health. These employers recognize that while a worker may spend 12-20 minutes a year getting services from their doctor (if they even HAVE a primary care physician), there are enormous opportunities to impact an employee's health during the over 1000-2000 hours a year an employee spends at the workplace.

The directions of health benefits strategies and programs for 2010 and beyond are clear:

- Even as the economy slowly improves, employers recognize they no longer can afford to offer health benefits without demanding the involvement of individual employees in clinical and financial decisions affecting their health and elective health care services. MBGH has been banging the drum of consumer engagement since the mid 90's and, due to the strain on benefit budgets, plan sponsors may have finally recognized the importance of altering their population's view of benefits from an entitlement mentality to an engagement mentality.
- Exploring strategies and activities that can reduce benefit costs without reducing benefits is a necessary first step. Employers are taking advantage of existing, but often underutilized tools, such as dependent and eligibility audits; promotion of generic drugs; pre-authorization of certain high utilization services such imaging and certain surgeries; using smaller provider networks; promoting greater medication compliance and other approaches.
- Incorporating incentives, appropriate to the covered population's culture, composition and expectations, will be required to motivate changes in health behaviors. These include both positive rewards and negative takeaways aimed at participation in health appraisals, screenings, preventive care, chronic care management, care counseling, self-management education, medication compliance, and the selection of higher quality, more efficient providers and procedures.
- Offering medical screenings and services at the worksite can reduce the cost of outside providers, regain productivity losses that result from workers taking time off for basic medical treatments and increase engagement in disease management programs. In 2009, over 29% of



employers, some as small as 200 lives, were offering or considering onsite clinics or programs, from flu shots to five days a week physician-staffed primary care clinics. The number of interested employers has grown so much that MBGH created a special Onsite Clinic Roundtable to provide networking, benchmarking, informational and educational opportunities for those adopting this strategy.

- Creating a “culture of health” in all aspects of the workplace is being recognized as an effective strategy to lower the cost trend and improve productivity. This can be accomplished in multiple ways throughout an organization, by offering activities that will result in short-term and long terms savings. The keys to creating and sustaining a culture of health include visible senior management involvement in efforts to increase fitness, address obesity, reduce smoking and screen for early identification of disease We seen an increasing number of employers offering healthier meals at lower cost in the cafeteria and vending machines, promoting employee-run fitness challenges and providing free screening and preventive services.
- To get more value and create true partnerships from contracted vendors, employers need to set their expectations and require collaboration between these vendors. In this way the employer can get a handle on ALL of its medical, disability, lab, drug, HRA, clinical and other data; simplify how workers learn about and interact with their benefit programs; reduce duplication of services; and, ensure the vendors understand the need to work together to improve the health for a common population.

In 2010, we will celebrate our 30th year! There will exciting opportunities and new challenges for health care purchasers as health reform becomes closer to reality, in whatever form it takes. MBGH will continue to keep employers abreast of developments and provide a wide range of educational programs, research and networking activities, to enable you to effectively and efficiently design, purchase and evaluate your health benefits offerings.

We hope you’ll join us May 6-7, 2010, as we celebrate the accomplishments of MBGH over the past three decades at the 30th Annual Conference. It promises to be an exciting and fun-filled event.

Thank you for your support and involvement over the years. Have a safe and enjoyable holiday season.

Larry Boress