



EMPLOYERS FIGHT BACK (AND HOW CLINICIANS CAN HELP)

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WARTIME 1940'S

National War Labor Board wartime wage controls

Employers' work around—offering “fringe benefits” to attract labor, including health insurance benefits

IRS rules these are not subject to wage controls and not treated as taxable income

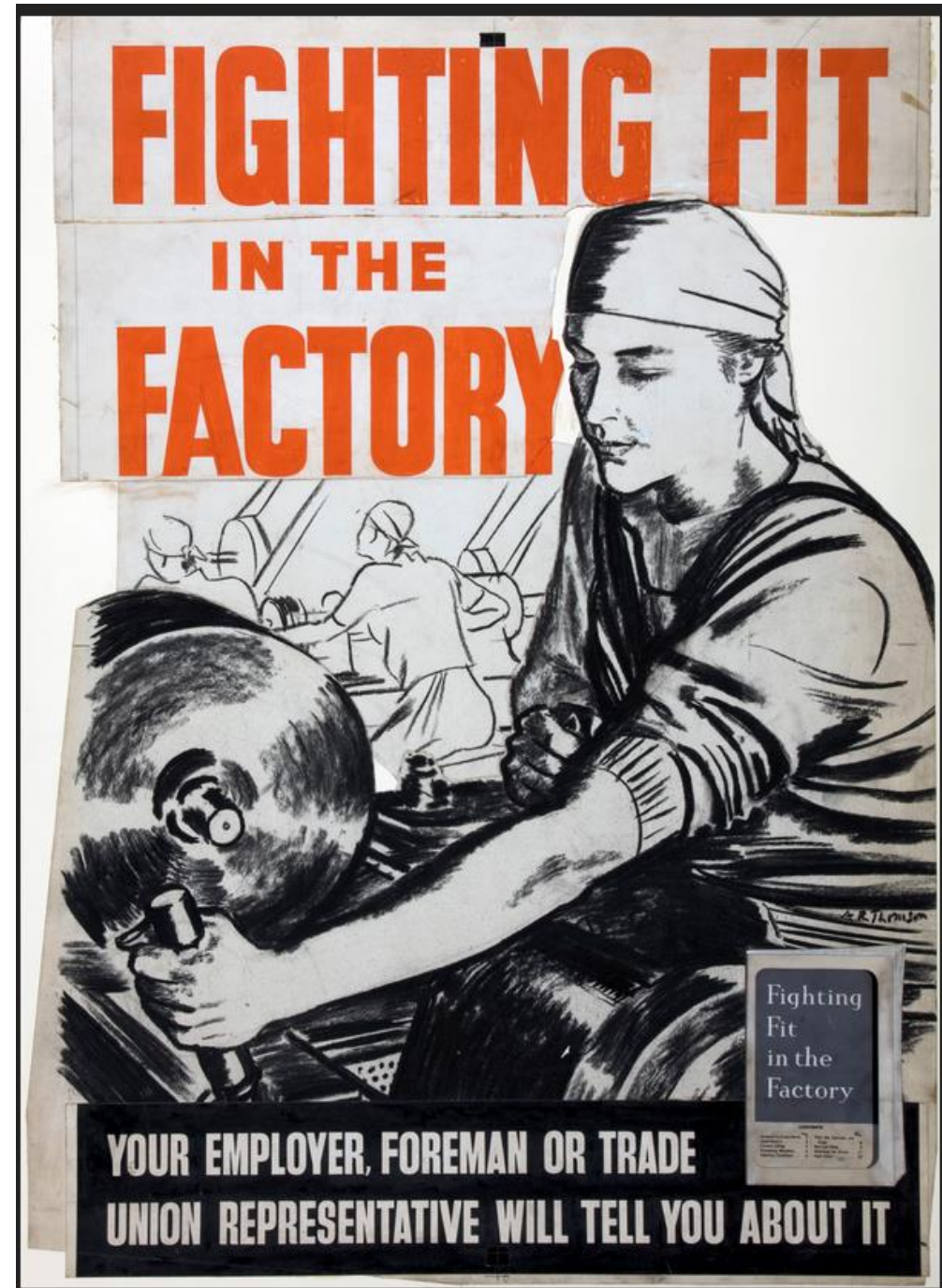
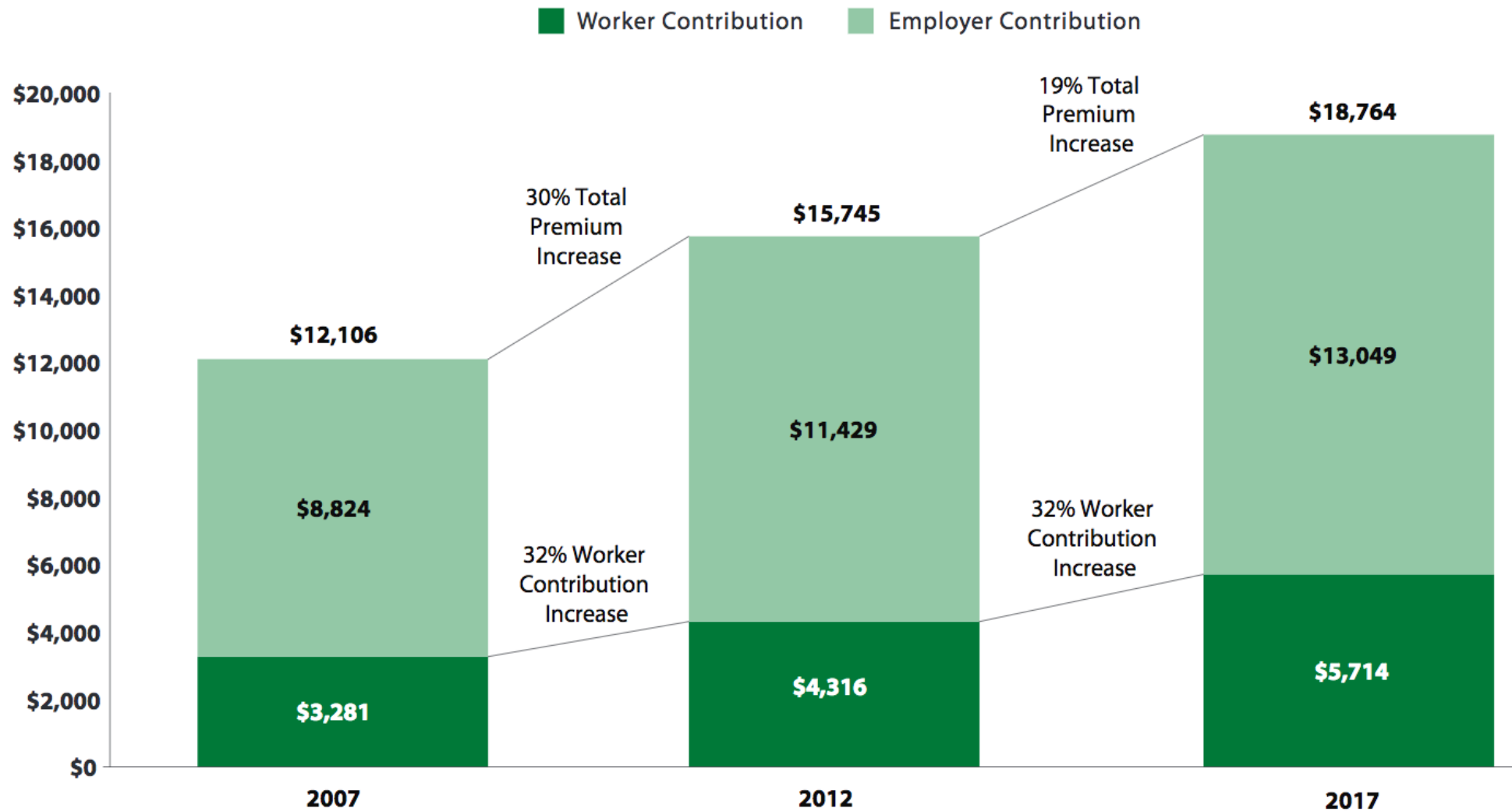


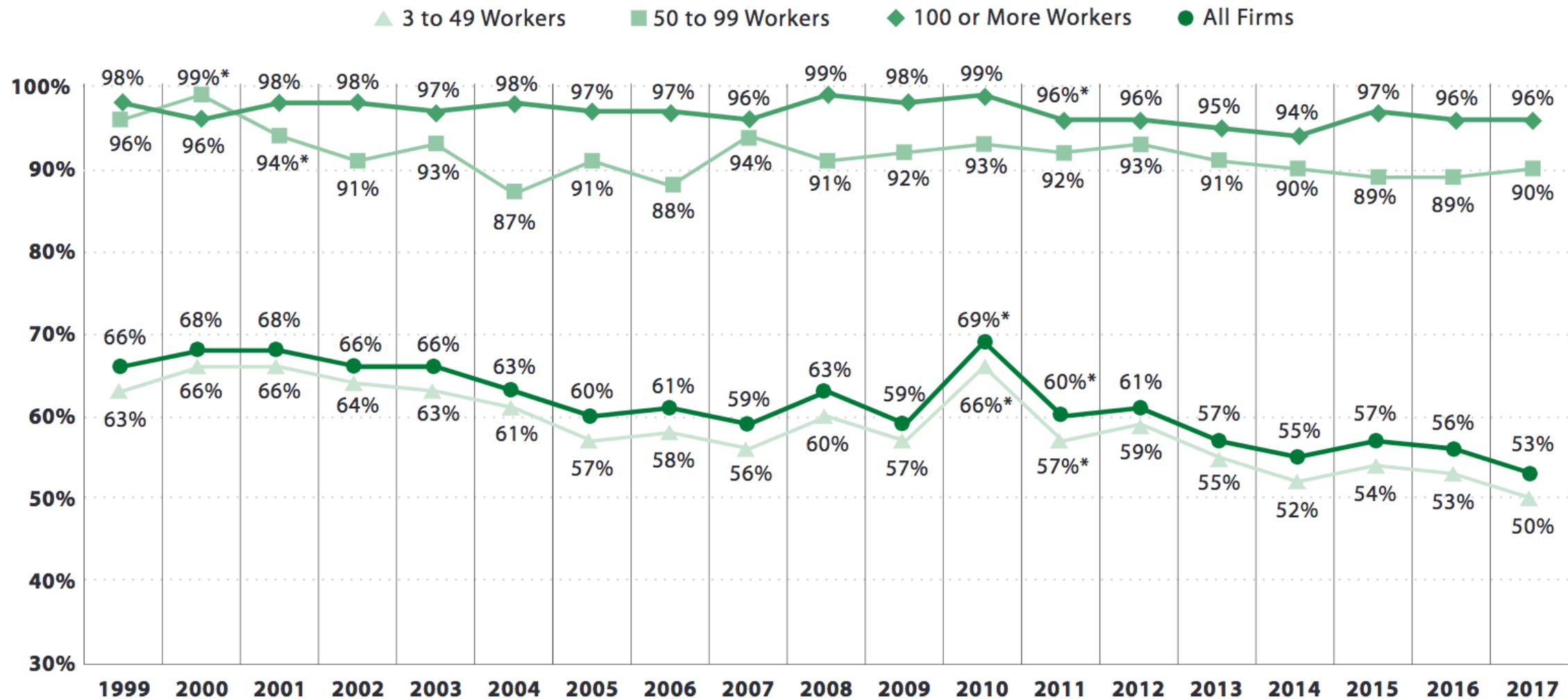
FIGURE B

Average Annual Health Insurance Premiums and Worker Contributions for Family Coverage, 2007–2017



NOTE: Since 2007, the average family premium has increased 55% and the average worker contribution toward the premium has increased 74%.

SOURCE: Kaiser/HERT Survey of Employer-Sponsored Health Benefits, 2007–2017

FIGURE G**Percentage of Firms Offering Health Benefits, by Firm Size, 1999–2017**

*Estimate is statistically different from estimate for the previous year shown ($p < .05$).

NOTE: As noted in the Survey Design and Methods section, estimates presented in this figure are based on the sample of both firms that completed the entire survey and those that answered just one question about whether they offer health benefits.

SOURCE: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999–2017

EMPLOYER STRATEGIES

Stop insuring employees (especially small employers)

Shift financial responsibility to employees

“Consumer Driven Health Care”



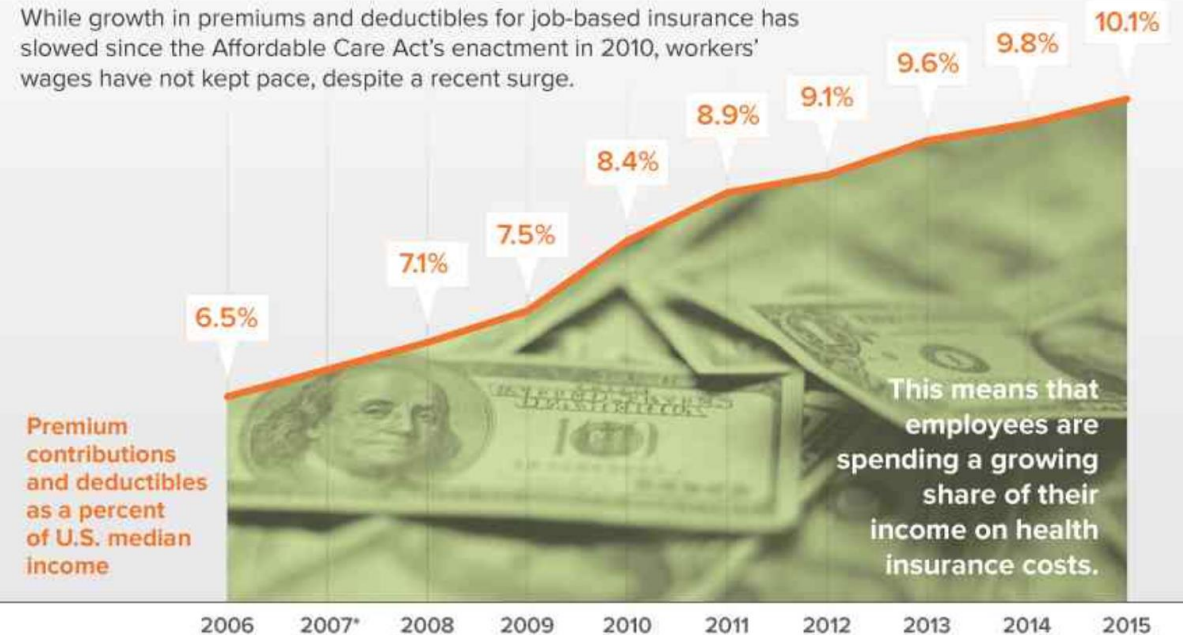
CONSUMER-DRIVEN HEALTHCARE

- 154 million Americans receive health insurance through their employers
- Rising share of health care costs (copay, coinsurance, deductibles) exceeding 10% of income
- Variable from state to state
- 8% covered contribute > \$12,000/year

Incomes Aren't Keeping up with Employees' Health Plan Costs

More than half the U.S. population under age 65 had health insurance through their own job or a family member's job last year.

While growth in premiums and deductibles for job-based insurance has slowed since the Affordable Care Act's enactment in 2010, workers' wages have not kept pace, despite a recent surge.



* Insurance cost data are not available for 2007 because of changes in the Medical Expenditure Panel Survey. This graphic assumes linear cost growth between 2006 and 2008.

Source: S. R. Collins, D. C. Radley, M. Z. Gunja, and S. Beutel, *The Slowdown in Employer Insurance Cost Growth: Why Many Workers Still Feel the Pinch*, The Commonwealth Fund, October 2016.

CONSUMER PRICE TRANSPARENCY



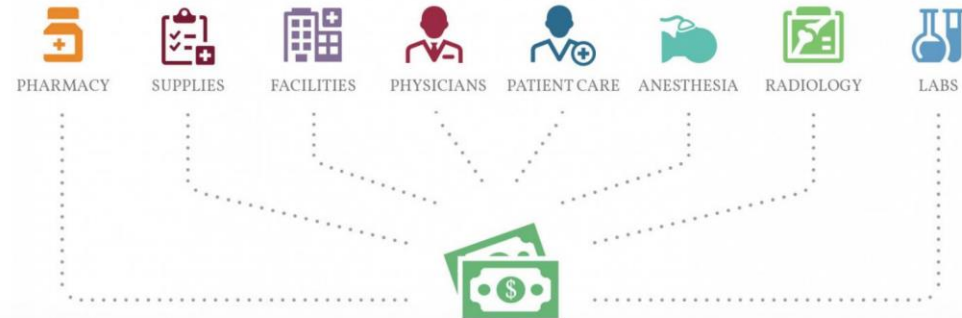
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PRICING TRANSPARENCY

PRICE ESTIMATE GUIDE

HOW DO WE

Determine Your Price?



<https://healthcare.utah.edu/pricing/>

EMPLOYER STRATEGIES

Stop insuring employees (especially small employers)

Shift financial responsibility to employees

Incentivize health behaviors with lower premiums

Wellness:

- Lifestyle management
- Disease management

Onsite clinics

Centers of Excellence for surgery, complex care



COMMENTARY

How Safeway Is Cutting Health-Care Costs

Market-based solutions can reduce the national health-care bill by 40%.

By Steven A. Burd

Updated June 12, 2009 12:01 a.m. ET

THE WALL STREET JOURNAL.

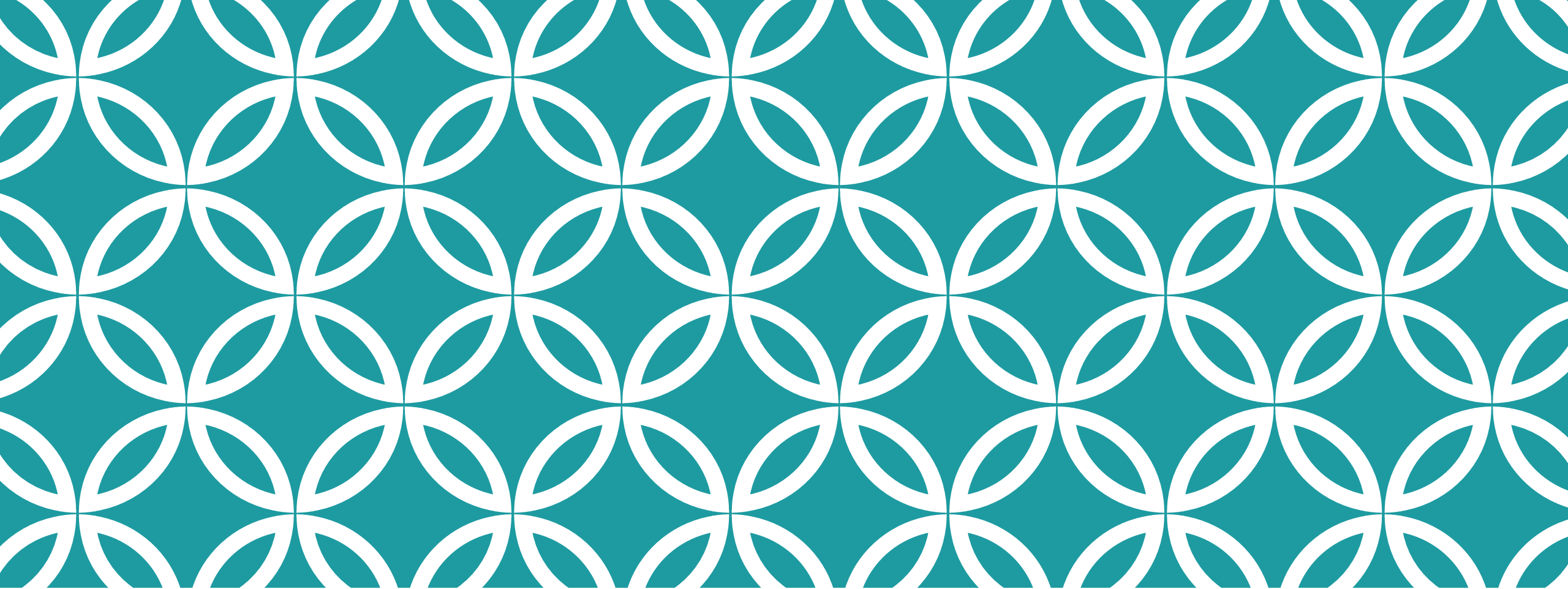


By John P. Caloyer, Hangsheng Liu, Ellen Exum, Megan Broderick, and Soeren Mattke



Managing Manifest Diseases, But Not Health Risks, Saved PepsiCo Money Over Seven Years

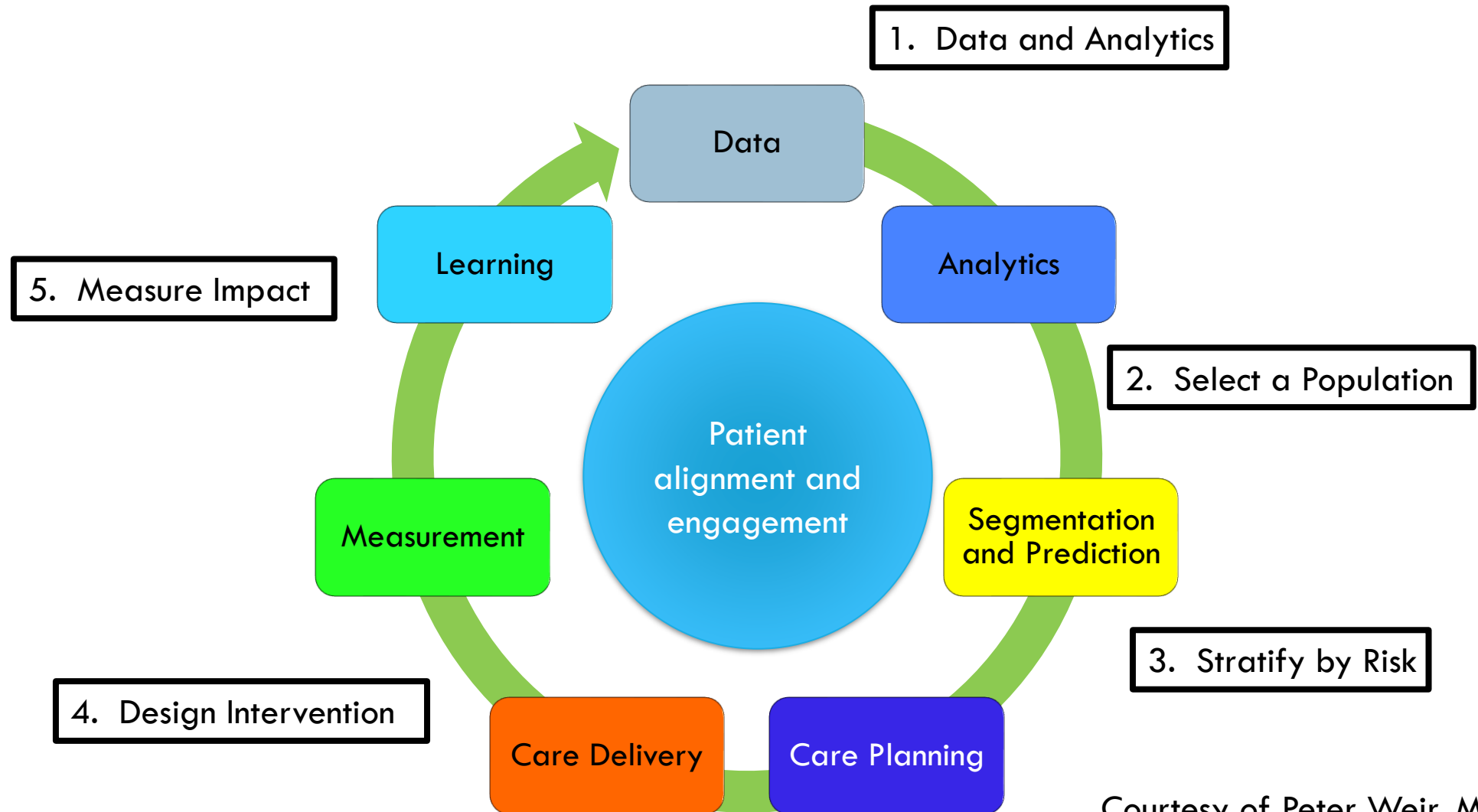
Health Affairs 2014



CASE STUDY 1: ARUP LABORATORIES



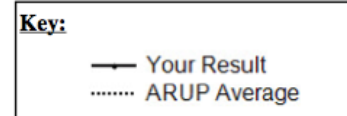
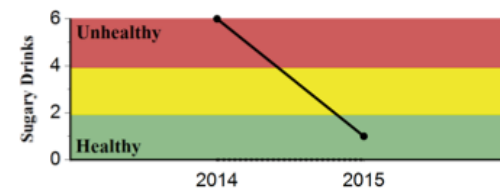
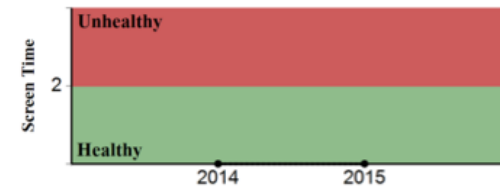
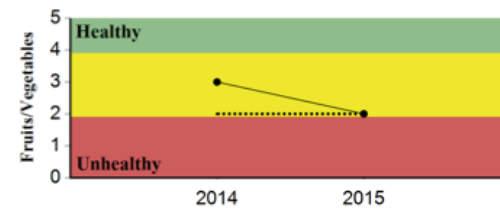
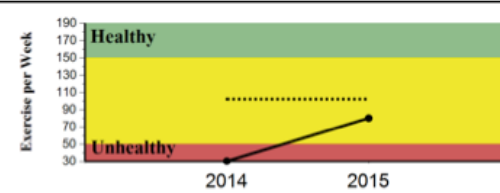
POPULATION HEALTH VALUE CHAIN



STEP 1: DATA AND ANALYTICS: HEALTH ASSESSMENT

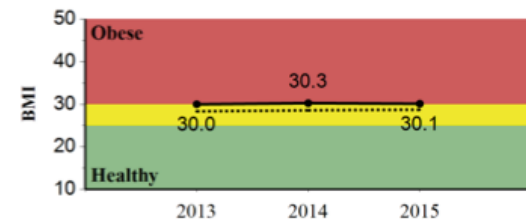
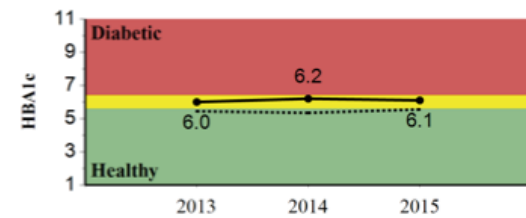
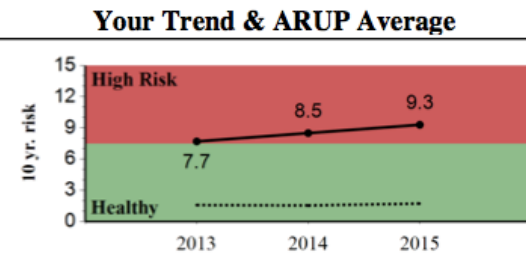
Healthy Habits	Your Values		
	2013	2014	2015
Exercise			
Minutes of Exercise per Week Goal: 150 minutes	N/A	20	80
Fruits/Vegetables			
Avg. Serving of Fruits/Veggies per Day Goal: 5	N/A	3	2
Screen Time			
Hours of Screen Time per Day Goal: < 2 Hrs.	N/A	<2 Hrs.	<2 Hrs.
Sugary Drinks			
Sugary Drinks per Day Goal: < 1	N/A	More than 5	1
Cancer Screening			
Coloscopy	Complete		

Your Trend & ARUP Average



STEP 1: DATA AND ANALYTICS: HEALTH ASSESSMENT

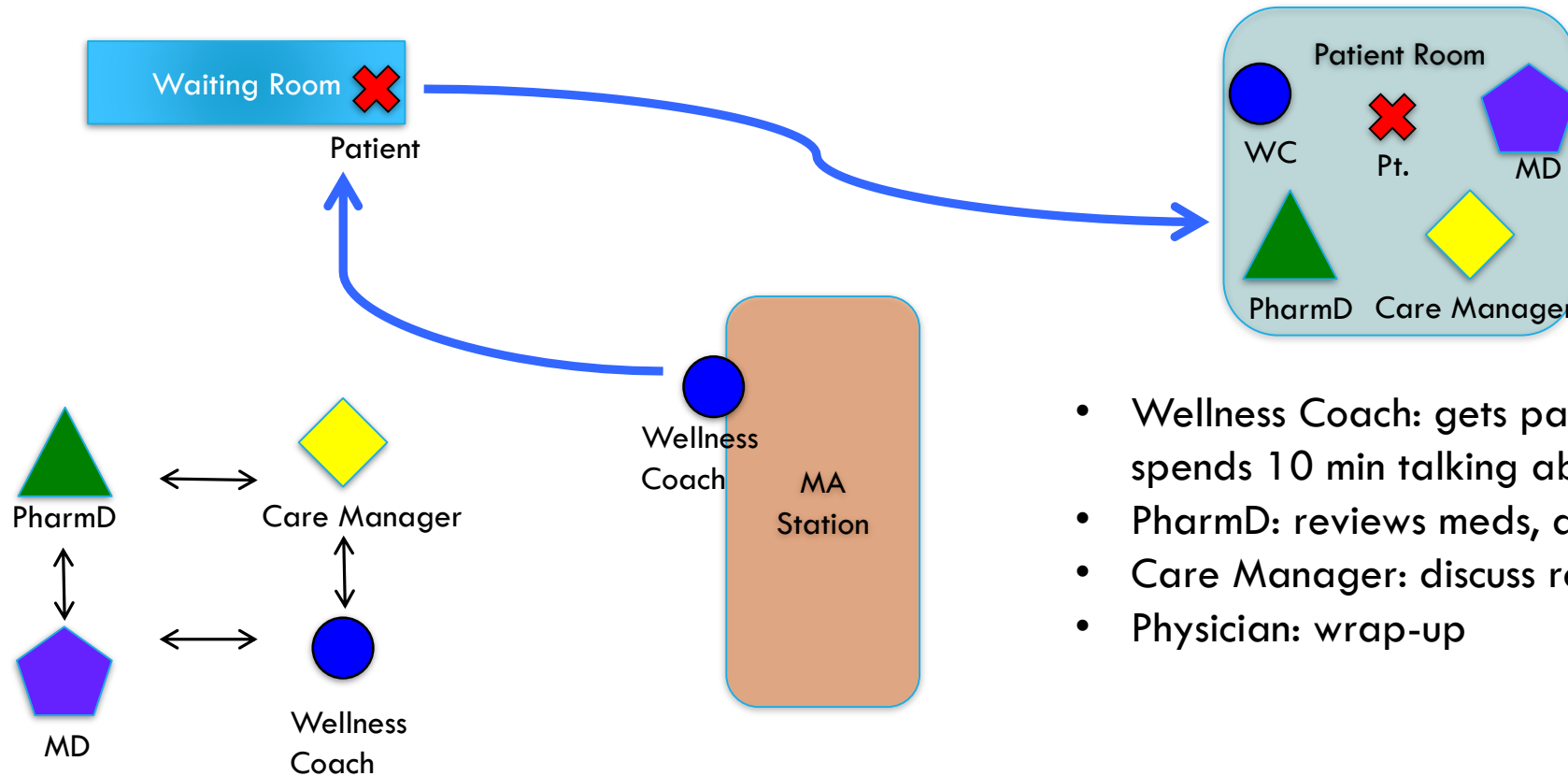
Risk Factors for Heart Disease	Your Values		
	2013	2014	2015
Heart Attack Risk			
10 year risk of Heart Attack/Stroke Goal: < 7.5%	7.7%	8.5%	9.3%
Diabetes Risk			
HBA1c 3 month measure of blood sugar Goal: < 5.7%	6.0	6.2	6.1
Obesity Risk			
BMI Body Mass Index Goal: < 25.0	30.0	30.3	30.1
Hypertension Risk			
Blood Pressure Goal: < 120/80	143/88	129/79	134/90
Tobacco Use Goal: None	No	No	No



Key:
 — Your Result
 ARUP Average

For more information about how to improve your health go to
www.arup.com/wellness

CLINIC FLOW FOR A DIABETES VISIT



- Wellness Coach: gets patient, takes vitals, spends 10 min talking about wellness goals
- PharmD: reviews meds, discusses insulin changes
- Care Manager: discuss referrals, needs, MH
- Physician: wrap-up

If a member with diabetes is managed at the ARUP Family Health clinic they receive:

Free insulin and oral generic diabetes medications

Free diabetic supplies (glucometer, strips, lancets)

PERSONALIZED DIABETES PROFILE

Name: Jane Doe

MRN: 12345678

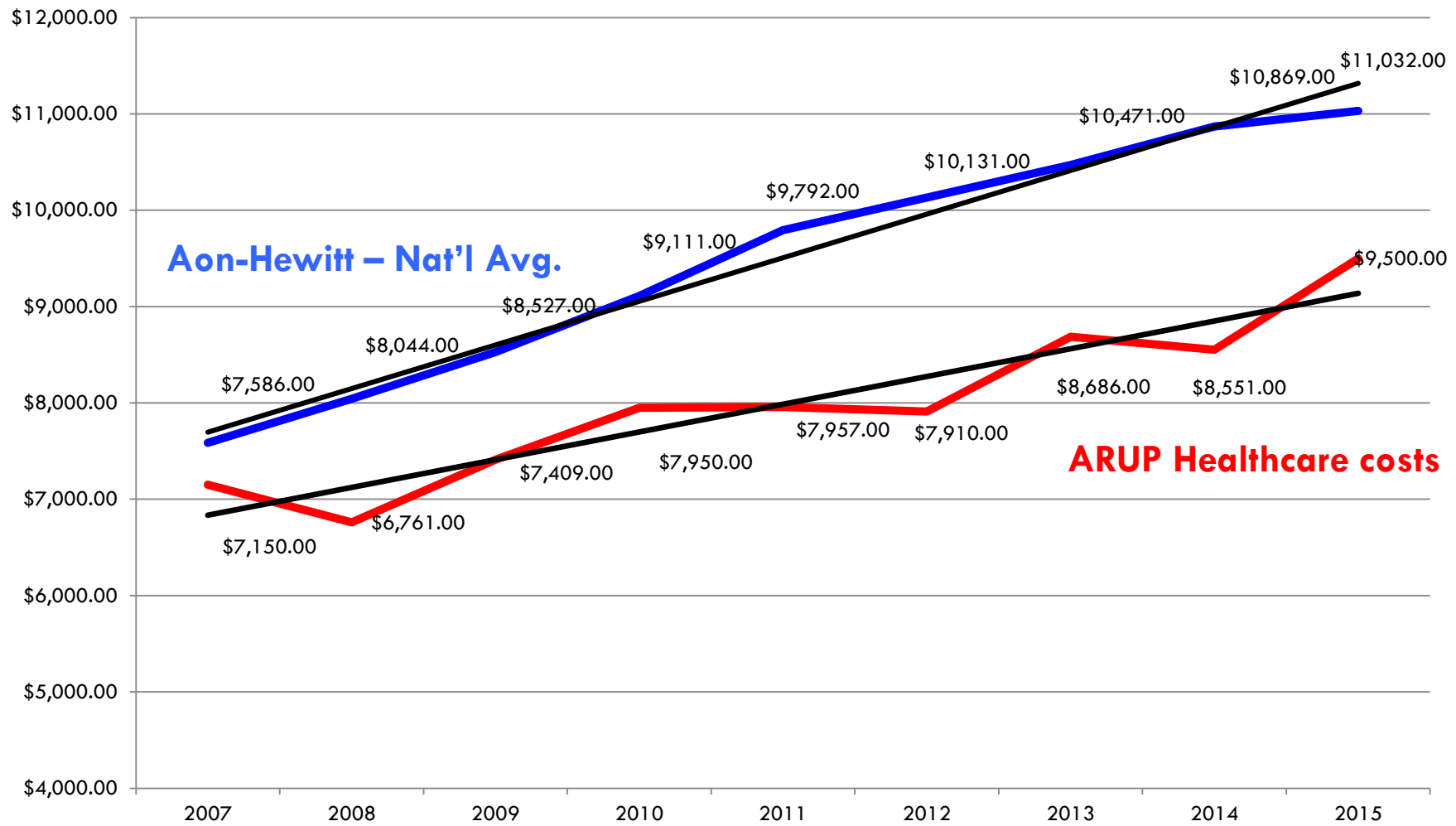
DOB: 3/22/1964

Primary Care Provider: Peter Weir, MD

	Health Measure	5/1/16	4/1/16	3/1/16	2/1/16	1/1/16
Diabetes	Hemoglobin A1c goal <7%	6.9	7.2	7.1	8.4	9.6
	30 Day Blood Sugar Average goal <150	138	151	147	175	228
Heart	10 Year ASCVD Risk Score goal <7.5%	8.3	8.0	7.9	9.1	8.8
	Systolic Blood Pressure goal <140	141	137	132	152	143
	Diastolic Blood Pressure goal <90	86	74	80	95	78
Kidneys	Urine Albumin/Creatinine Ratio goal <30	158	133	278	390	410
	Glomerular Filtration Rate goal >90	112	109	110	130	105
Health Prevention	Date of Last Eye Exam goal yearly	1/1/2014				
	Date of Last Foot exam goal yearly	4/1/2016				
	Smoking Status goal non-smoker	Non-smoker				



HEALTHCARE COSTS





CASE STUDY 2: VIRGINIA MASON



“ONE DAY THESE FOUR EMPLOYERS CAME INTO MY OFFICE...”



King County

NORDSTROM



Dr. Bob Mecklenburg



Virginia Mason™

WHAT MECKLENBURG TAUGHT EMPLOYERS

Claims data have to be wrestled from Insurers

Claims data are messy

Once cleaned up and deciphered, common top 10 list

- Colds and coughs
- Back pain
- Migraines
- Benign breast masses
- Joint pain
- ...

WHAT EMPLOYERS TAUGHT MECKLENBURG

Health care should be a supply chain problem for employers

THE FIVE PURCHASE SPECS:

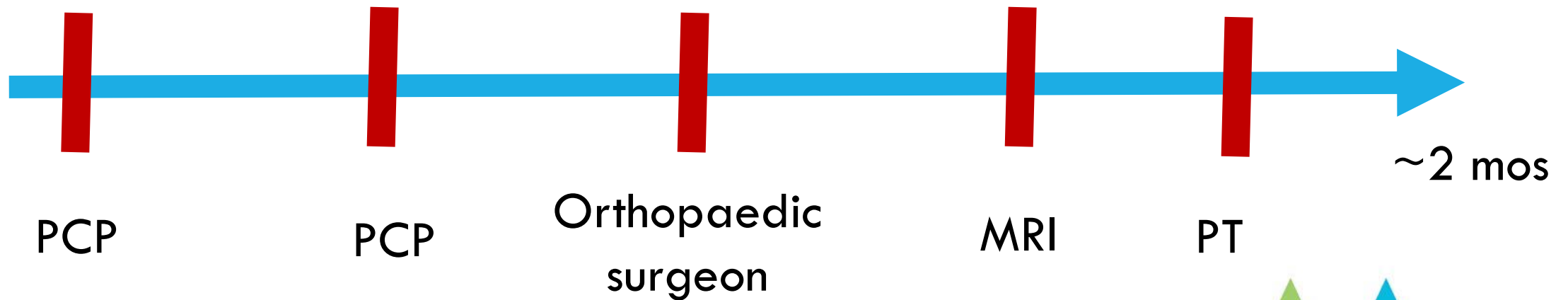
- Give us what works and skip what doesn't
- 100% customer satisfaction
- Same day access
- Rapid return to function
- Affordable price for buyer and seller

Care protocols (some delivered onsite, some in hospitals/clinics nearby, and if not nearby, then Walmart, Lowe's, GE, and others fly them to centers of excellence)

Intel: How to reduce variability, improve performance (QI)

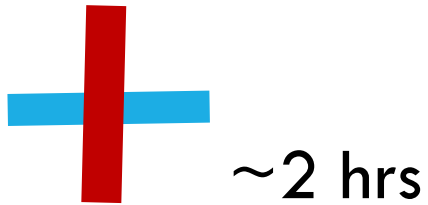
UNCOMPLICATED BACK PAIN

What was a 2 month (PCP – orthopaedic surgeon – MRI – orthopaedic surgeon – physical therapist) process



UNCOMPLICATED BACK PAIN

Became a 2 hour comprehensive visit to the Spine clinic (same day PT)



Spine Clinic
Same day PT

EMPLOYER-CLINICIAN PARTNERSHIPS: A PERFECT MATCH

Employers: take healthcare seriously, engage professionals

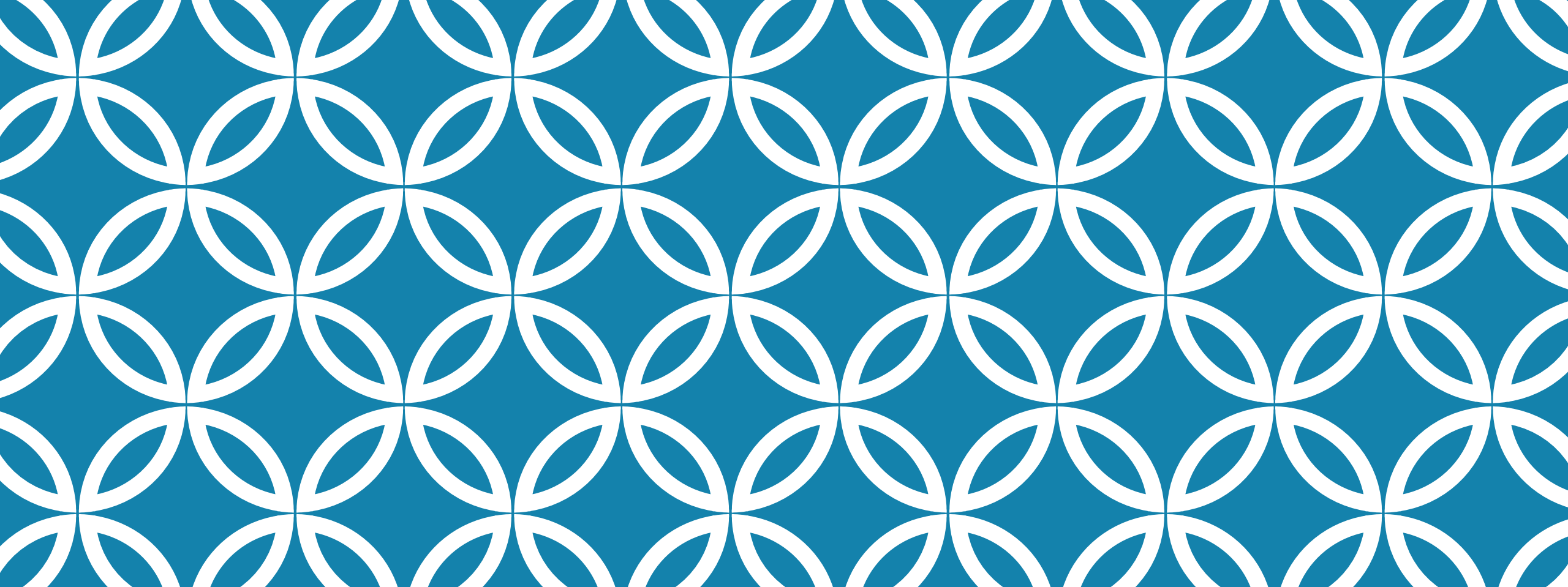
Self-insured employers: The claims data are YOURS

Decipher and translate the data—top 10 conditions

Layer on health assessment survey data to identify/stratify high risk

Partner with clinicians

- Create your purchasing specs for the top conditions and high risk employees
- Band together to create critical mass for local health systems
- Offer your management expertise where relevant
- If necessary, use Centers of Excellence for high cost/complex care



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THANK YOU!