

# Representative scenario: The employee in the driver's seat...

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- Management of fleet is systematically done; attention to truck functionality, preventive maintenance, and sufficient fleet size.
- But what about the drivers?

Does your organization think like this?



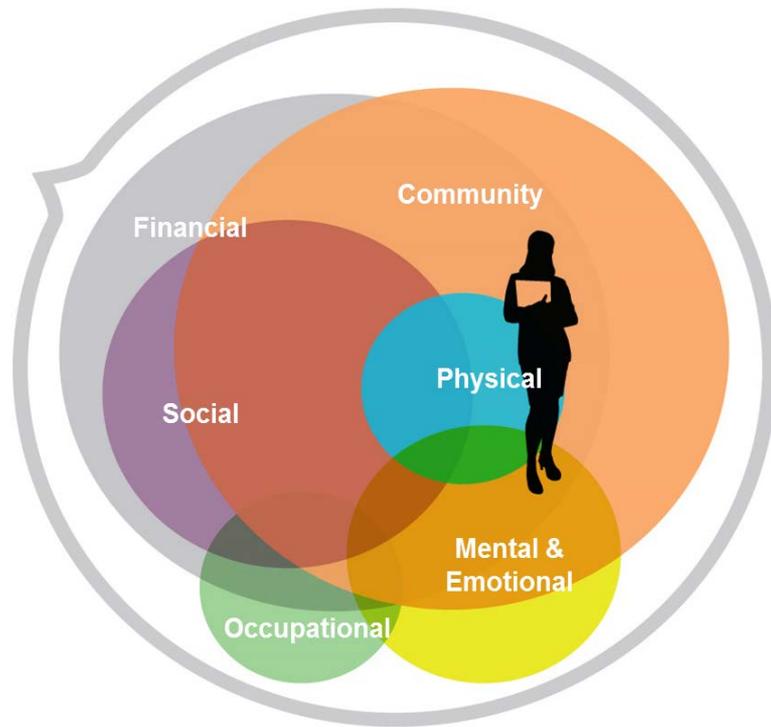
Perhaps they should!

Health: “...a complete state of physical, mental and social well-being, and not merely the absence of disease or infirmity.”

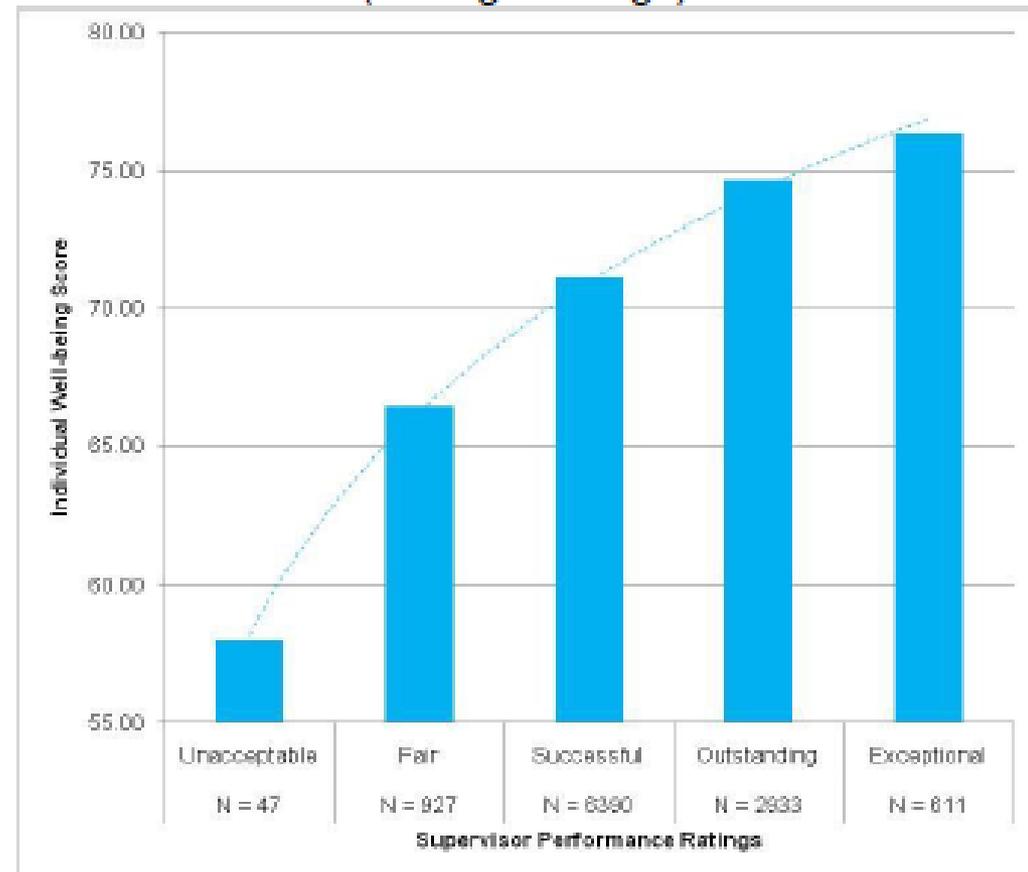
- World Health Organization,  
June, 1948

# Higher well-being is associated with improved workplace performance

## Well-being Is More Than Physical Health



## Well-being and Job Performance (Manager ratings)



# A holistic approach to well-being has business impact

Working Population	Thriving in Physical Only (n=386)	Thriving in All 5 Elements (n=839)	Compared to Adults who are Thriving in just Physical – Those who are Thriving in all 5 Elements:
Average unhealthy days per month	0.81	0.48	<ul style="list-style-type: none"> <li>▪ Have 41% less absenteeism</li> </ul>
Involved in accident resulting in Workers Compensation claim	1.4%	0.5%	<ul style="list-style-type: none"> <li>▪ Are 65% less likely to be involved in workplace accident</li> </ul>
If job market improves, intent to look for job with different employer next 12 months	39.2%	7.3%	<ul style="list-style-type: none"> <li>▪ Are 81% less likely to move when the job market improves</li> </ul>

# Well-being is central to employee engagement

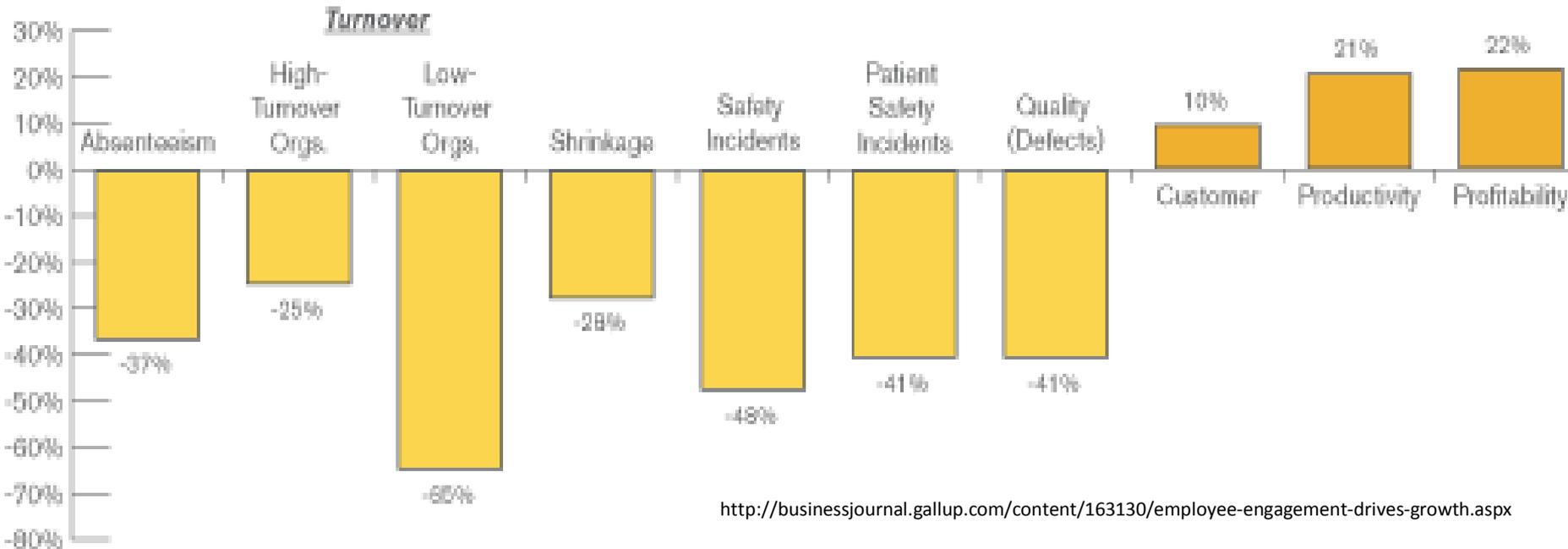
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## **Top 10 Drivers of Employee Engagement Globally**

- 1. Senior management sincerely interested in employee well-being**
2. Improved my skills and capabilities over the last year
- 3. Organization's reputation for social responsibility**
4. Input into decision making in my department
- 5. Organization quickly resolves customer concerns**
6. Set high personal standards
- 7. Have excellent career advancement opportunities**
8. Enjoy challenging work assignments that broaden skills
9. Good relationship with supervisor
- 10. Organization encourages innovative thinking**

# Employee engagement affects key business outcomes

Work units in the top quartile in employee engagement outperform bottom-quartile units by 10% on customer ratings, 21% in productivity, and 22% in profitability. Work units in the top quartile also saw significantly lower absenteeism (37%), turnover (25% in high-turnover organizations, 65% in low-turnover organizations), and shrinkage (28%) and fewer safety incidents (48%), patient safety incidents (41%), quality defects (41%), and quality defects (41%).



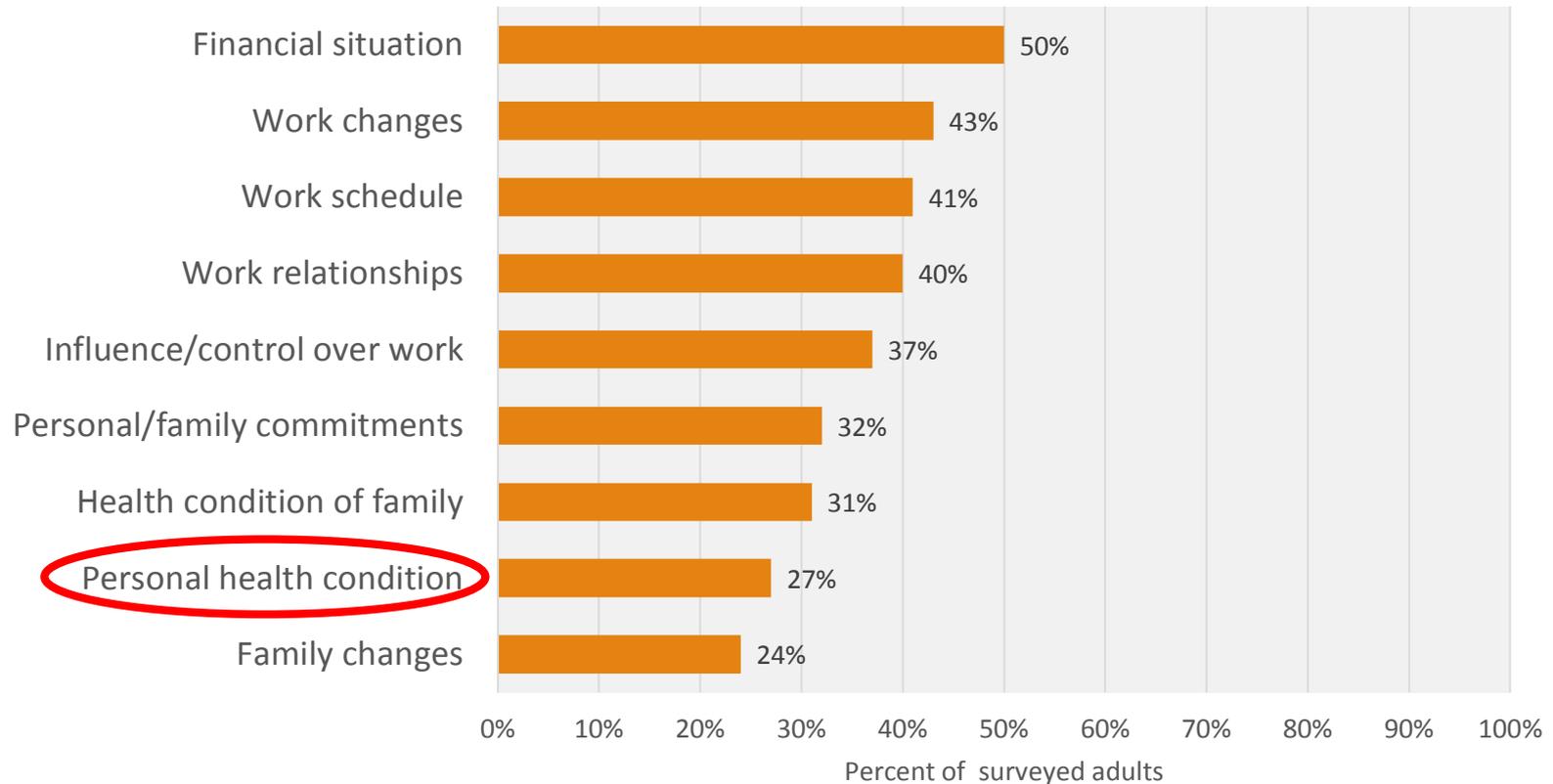
<http://businessjournal.gallup.com/content/163130/employee-engagement-drives-growth.aspx>

Whenever you find yourself  
on the side of the majority, it  
is time to pause and reflect.

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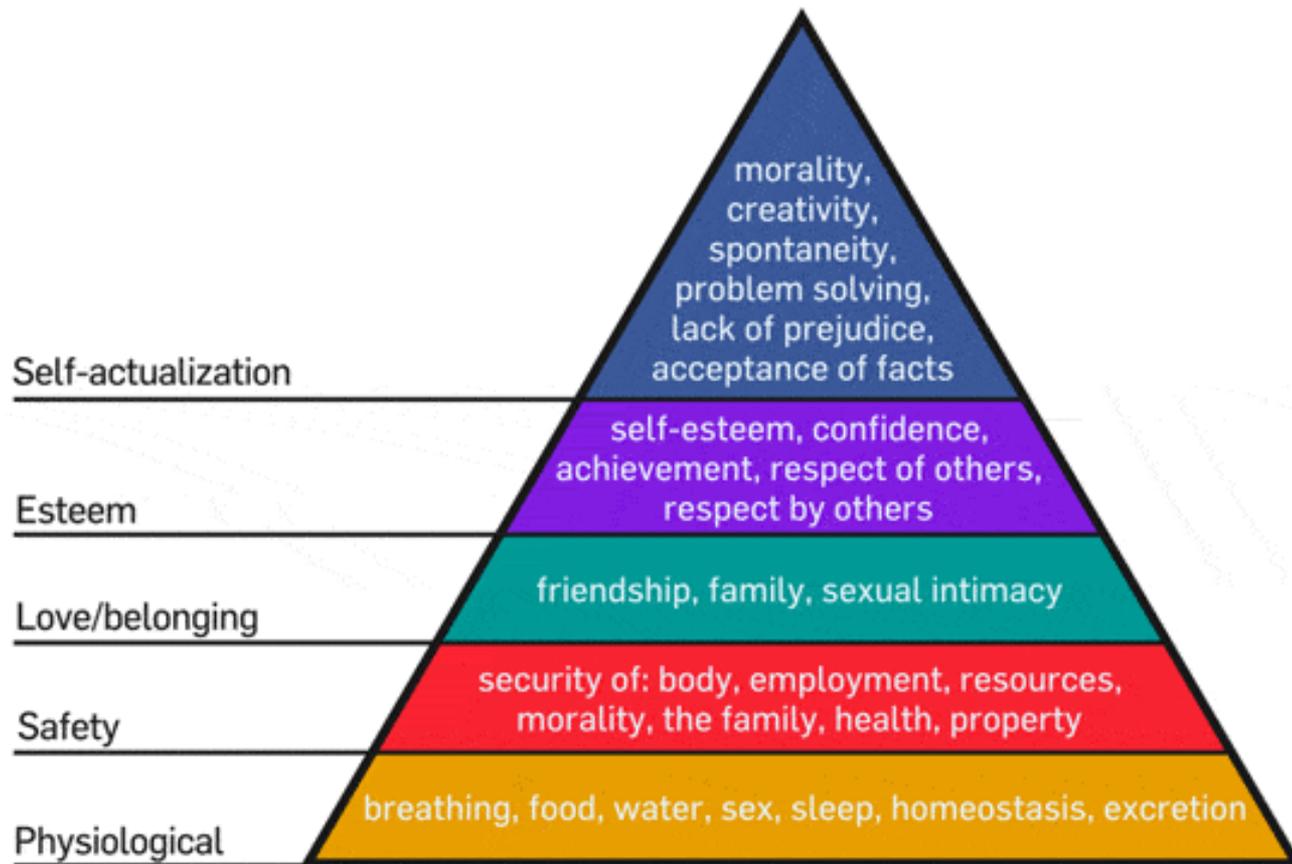
# Factors that stress people most intensely



**What does this mean for prioritization of personal health issues?**

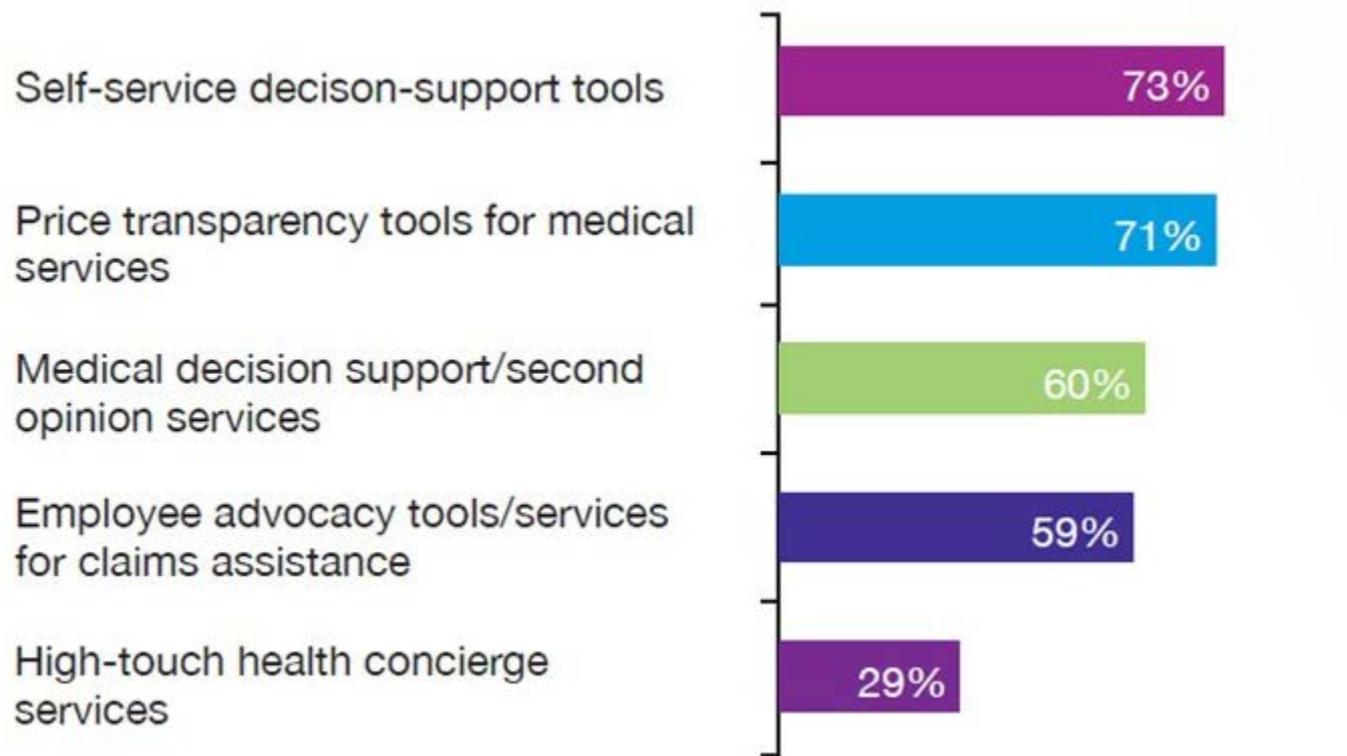
# Maslow's hierarchy of needs

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# Employer use of consumerism tools - 2016

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# Consumerism: Key observations

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- For many, healthcare consumerism is about cost and quality of available healthcare services.
- Individuals can become informed consumers of healthcare services – but they need support to do so.
- Few, if any, employers have a comprehensive consumerism engagement platform in place.
- In private exchanges, consumerism seems to be [unfortunately] focused on buying the right health plan.

# Consumerism engagement tool: Patient Activation Measure (PAM)



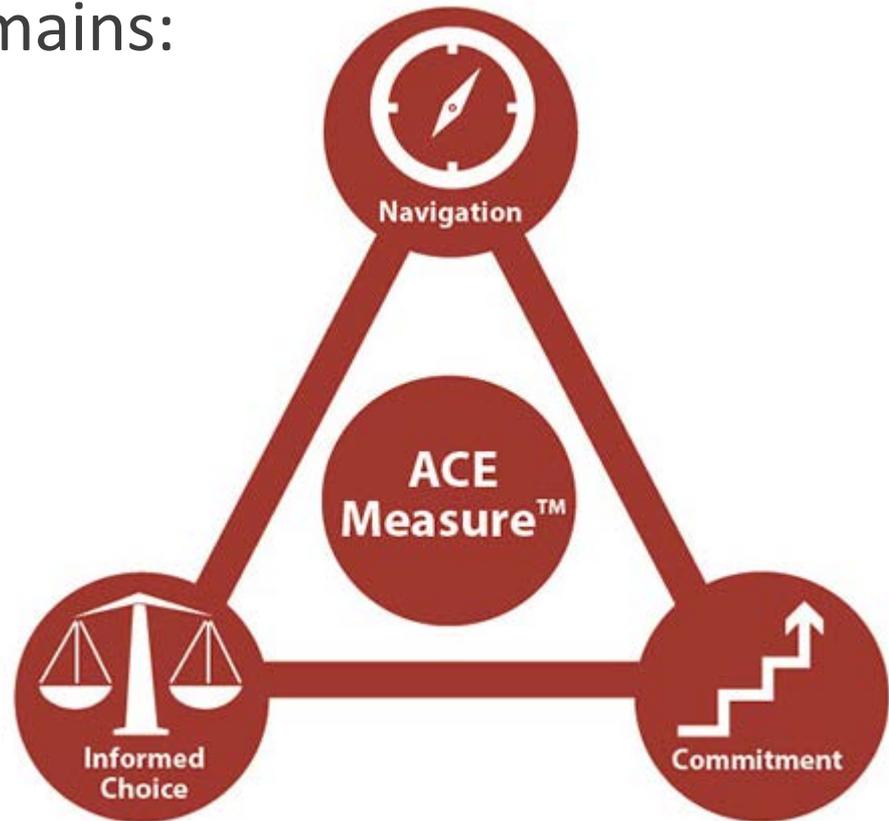
- More than 200 peer-reviewed studies addressing a broad range of topics
- Increased engagement associated with better consumerism behaviors as well as better health outcomes

# Consumerism engagement tool: Altarum Consumer Engagement (ACE)

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Three engagement domains:

- Commitment
- Informed Choice
- Navigation



# Socioeconomic status impacts healthcare consumerism

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Differences in:

- Healthcare literacy
- Patient activation/engagement
- Patterns of healthcare use
- Prioritization of personal health concerns relative to other life priorities

# Who are the least healthy in the workforce?

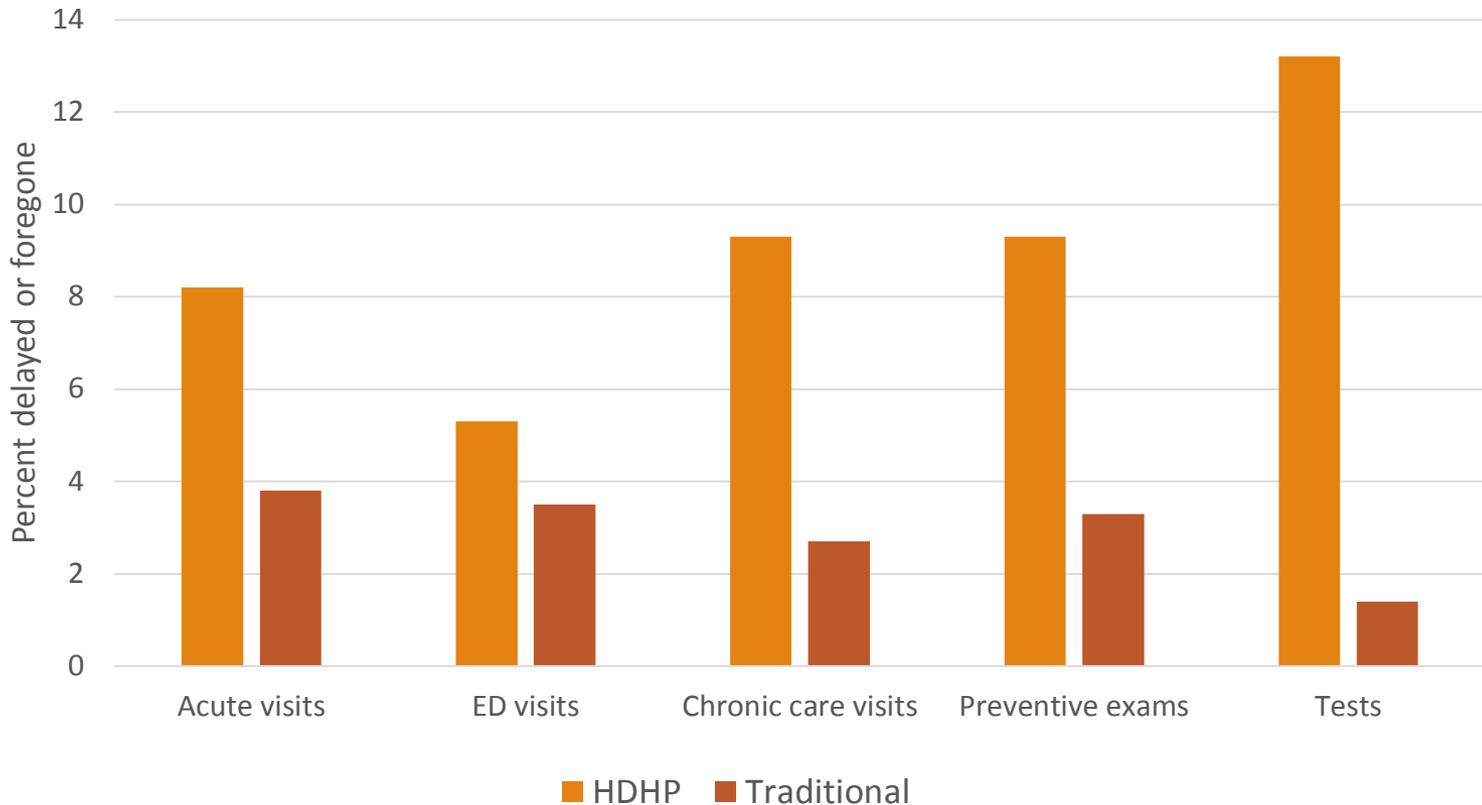
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## Lowest paid workers

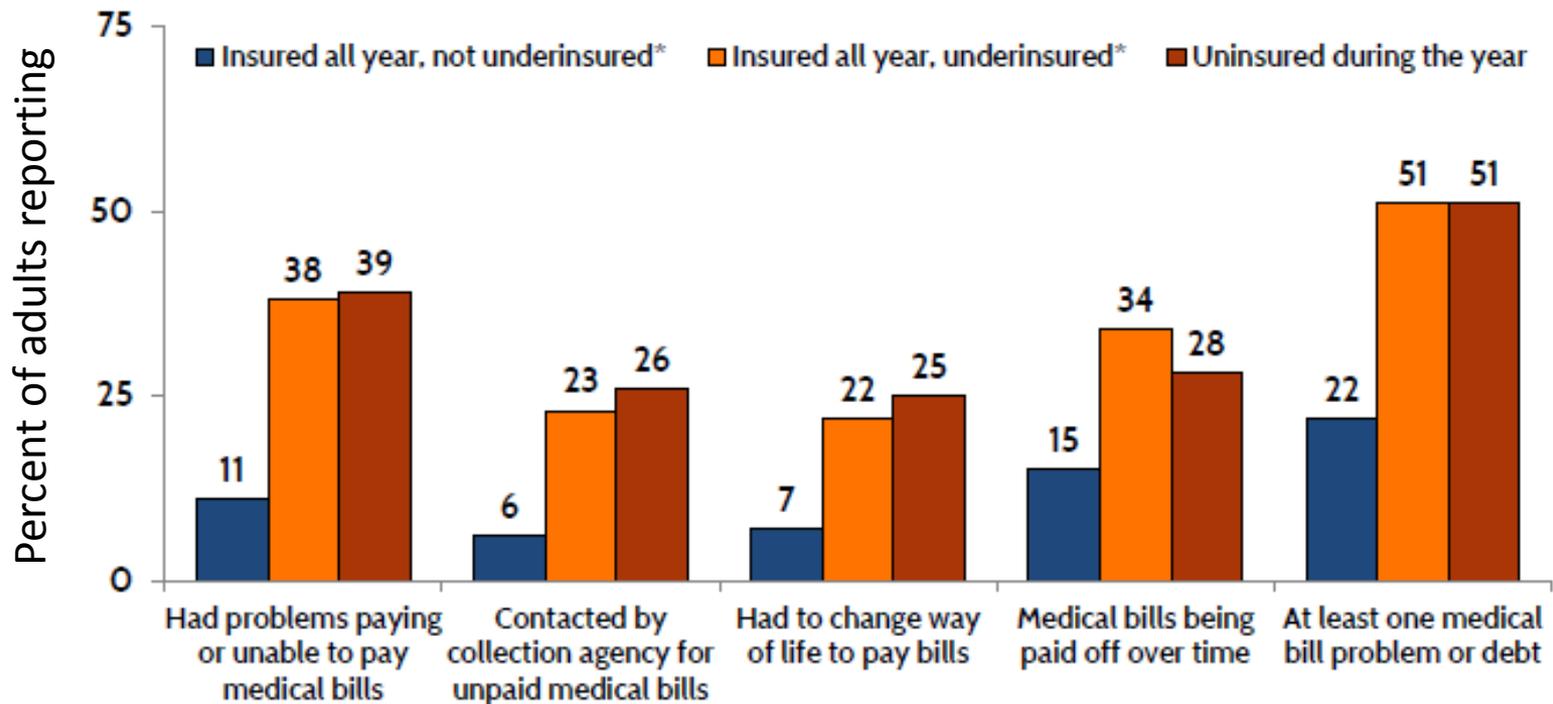
- Highest prevalence of chronic conditions
- Highest prevalence of health risks/unhealthy behaviors
- Greatest proportion of healthcare costs as a percentage of wages

How are we approaching incentives for them?

# HDHP enrollees delay or forego care compared with PPO peers



# Prevalence of medical bill problems among insured adults



\* Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. Source: The Commonwealth Fund Biennial Health Insurance Survey (2014).

# Employers aren't particularly helping with health benefits subsidies...

	Lower-Wage Workers Contribute a Lower Percentage of the Premium than Higher-Wage Workers
<b>FIRM SIZE</b>	
3-24 Workers	<1%*
25-199 Workers	4*
200-999 Workers	8*
1,000-4,999 Workers	18*
5,000 or More Workers	21*
<b>All Small Firms (3-199 Workers)</b>	<b>1%*</b>
<b>All Large Firms (200 or More Workers)</b>	<b>10%*</b>
<b>ALL FIRMS</b>	<b>1%</b>

\* Estimate is statistically different from estimate for all other firms not in the indicated size category ( $p < .05$ ).

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2014.

If employees are struggling to pay for healthcare, how/what are they thinking about wellness incentives?

# Rethinking incentive considerations

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- First-dollar coverage for chronic medications
- Wage-based premium/deductible adjustments
- Better benefit plan for the same premium
- Pre-deductible coverage for chronic care preventive services
- Targeted incentives for high-value chronic condition care
- Consumerism decision support use incentives
- Condition management program engagement incentives

# Company's HR Manager Really Pushing Infinite-Deductible Health Care Plan

NEWS

September 23, 2015

VOL 51 ISSUE 38

News · Business · Workplace · Money · Healthcare



*Schultz touts the infinite-deductible health plan's \$110 monthly premium, which she said is less than a third of the cost of the company's PPO.*

ROCHESTER, NY—During a meeting with new hires Wednesday to discuss employee benefits, Radian Analytics human resources manager Ellen Schultz is said to have strongly pushed the company's infinite-deductible health care option.

According to sources in attendance, Schultz described the low-premium, infinite-deductible plan as the simplest and most convenient choice available to employees, and said it works the

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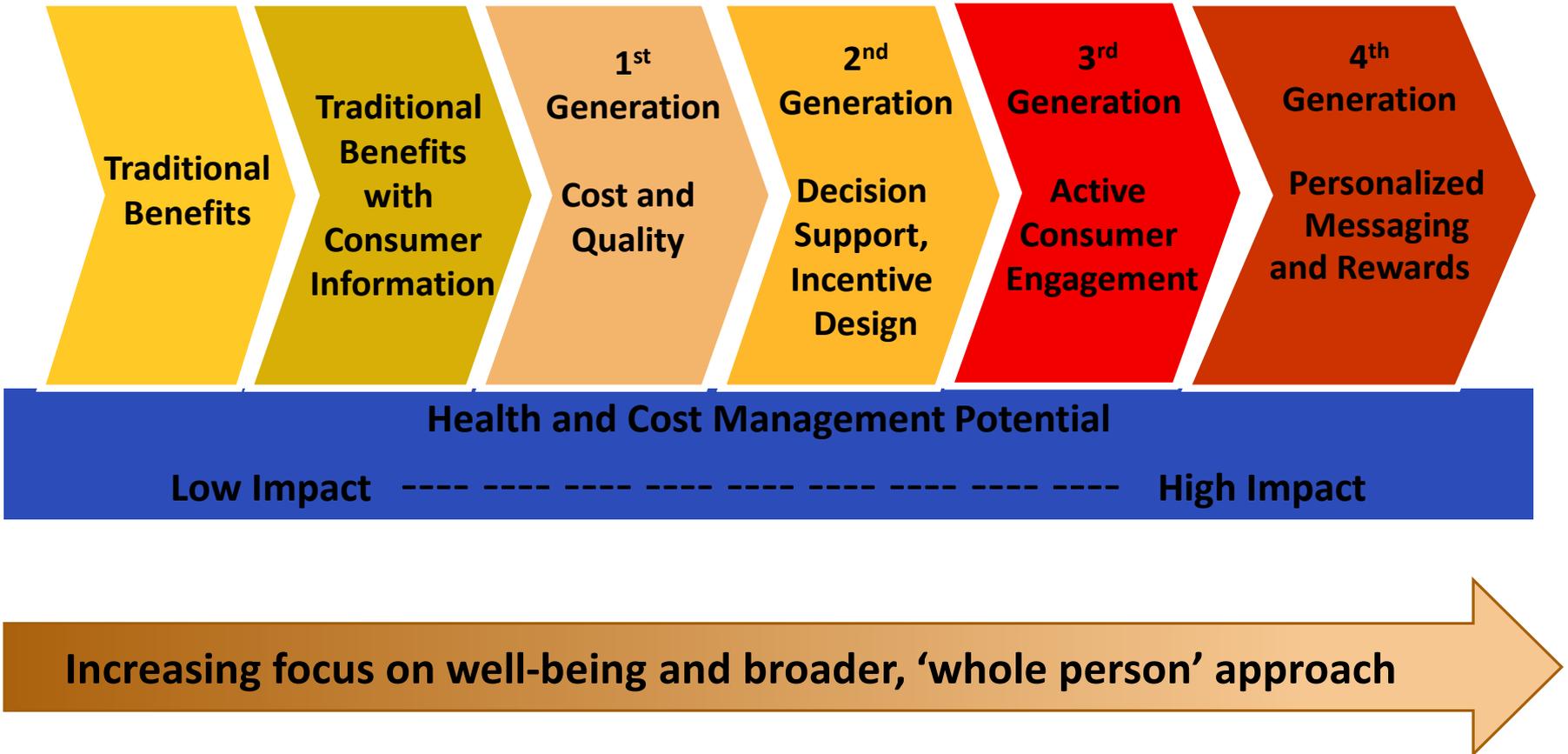
# What can employers do?

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- Address well-being concerns as a first priority
- Evaluate wellness program and healthcare use patterns by wage bands
- Consider targeting healthcare consumerism engagement as a foundational program element
- Assess alignment of work environment, policies and practices with workforce health management goals

# Market evolution of healthcare consumerism

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# Summary

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- Embrace a broader perspective when thinking about healthcare consumerism
- Learn more about your own population's priorities
- Evaluation of health status/healthcare use by population subsets based on demographic attributes may provide valuable insights
- Assess organizational alignment with population health management goals when it comes to incentives and benefit design
- Consider impact of strategy on workforce human capital value for your organization

# Questions?

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