

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



- 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?



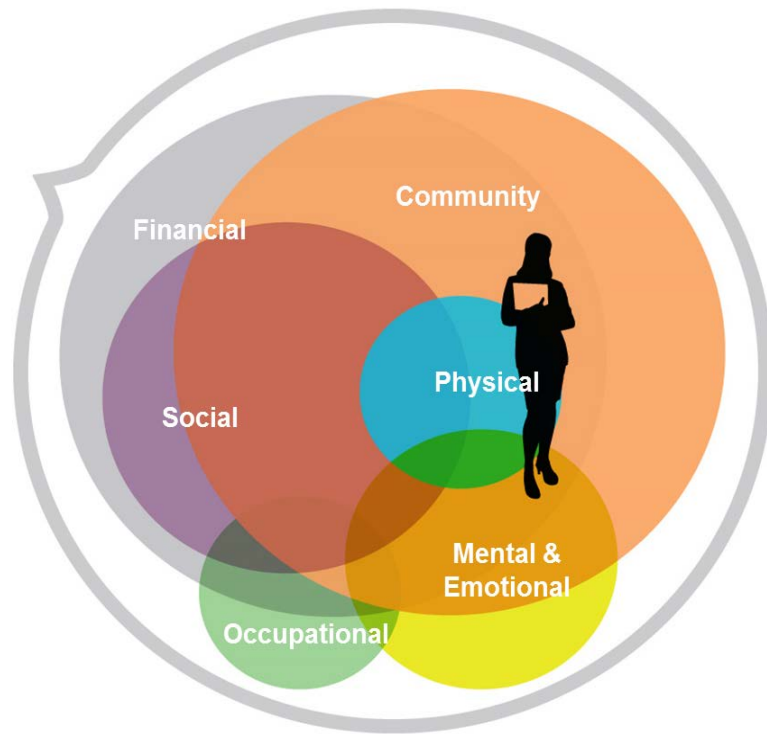
Perhaps they should!

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

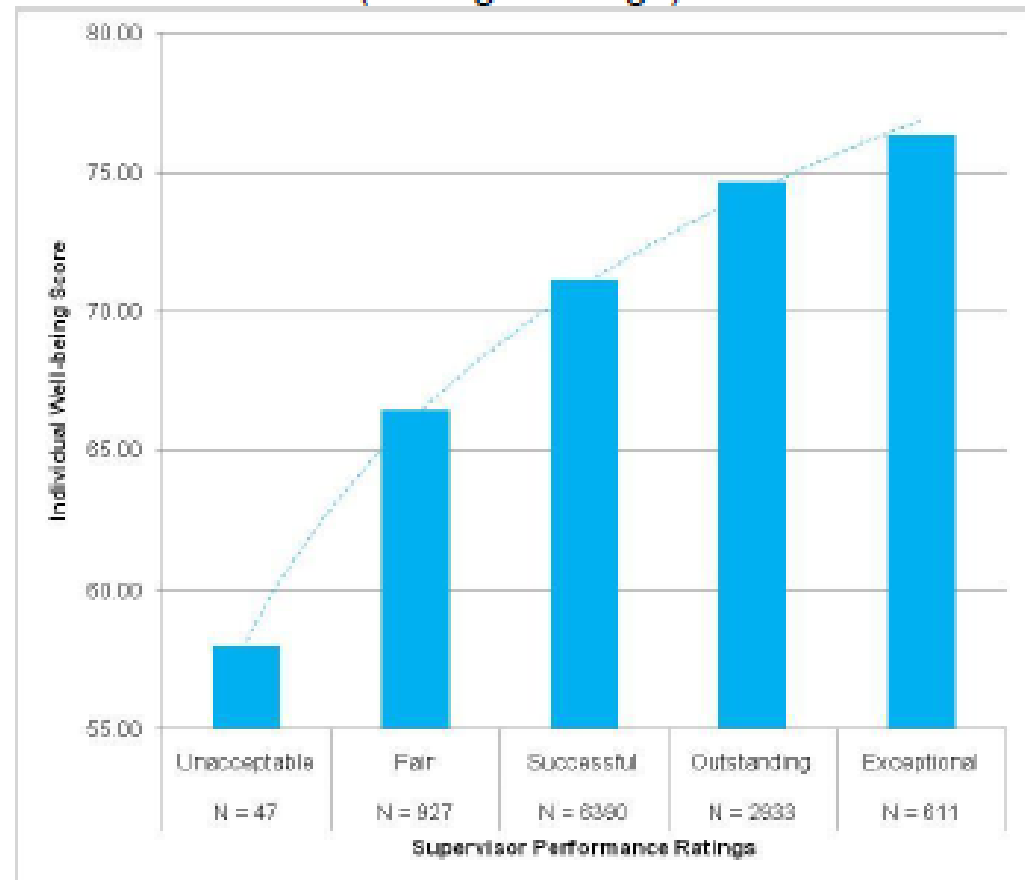
- World Health Organization,
June, 1948

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"> ▪ Have 41% less absenteeism
Involved in accident resulting in Workers Compensation claim	1.4%	0.5%	<ul style="list-style-type: none"> ▪ Are 65% less likely to be involved in workplace accident
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"> ▪ Are 81% less likely to move when the job market improves

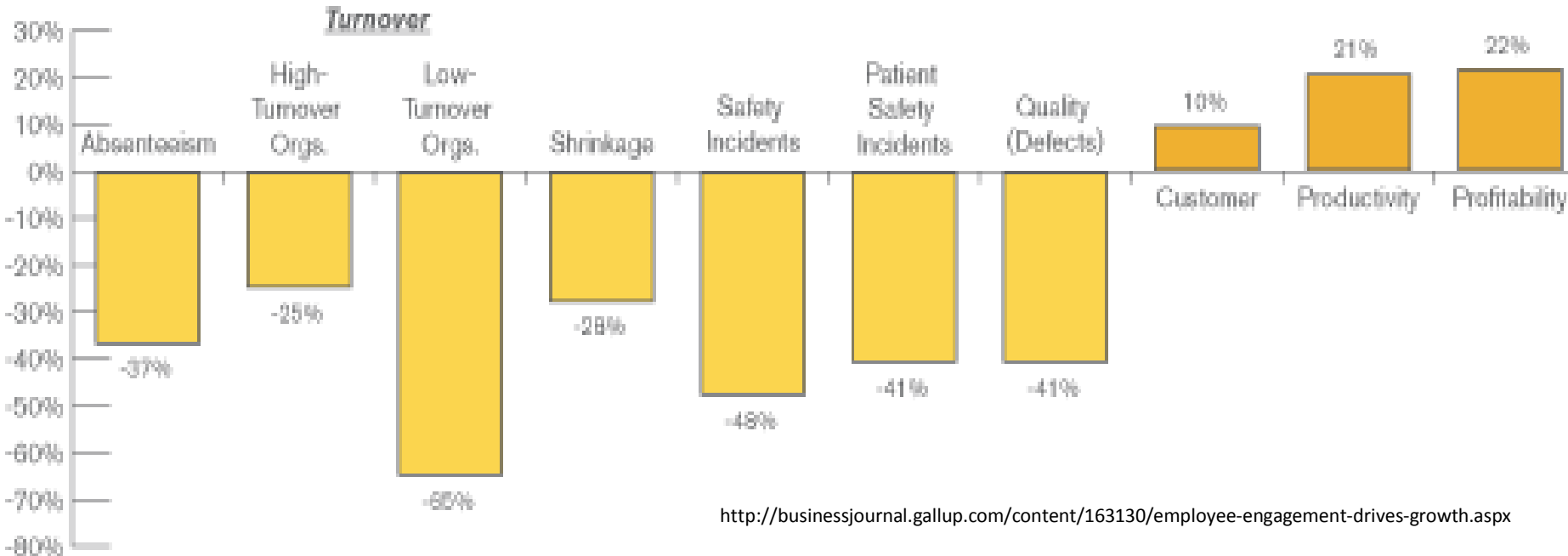
Well-being is central to employee engagement

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%).

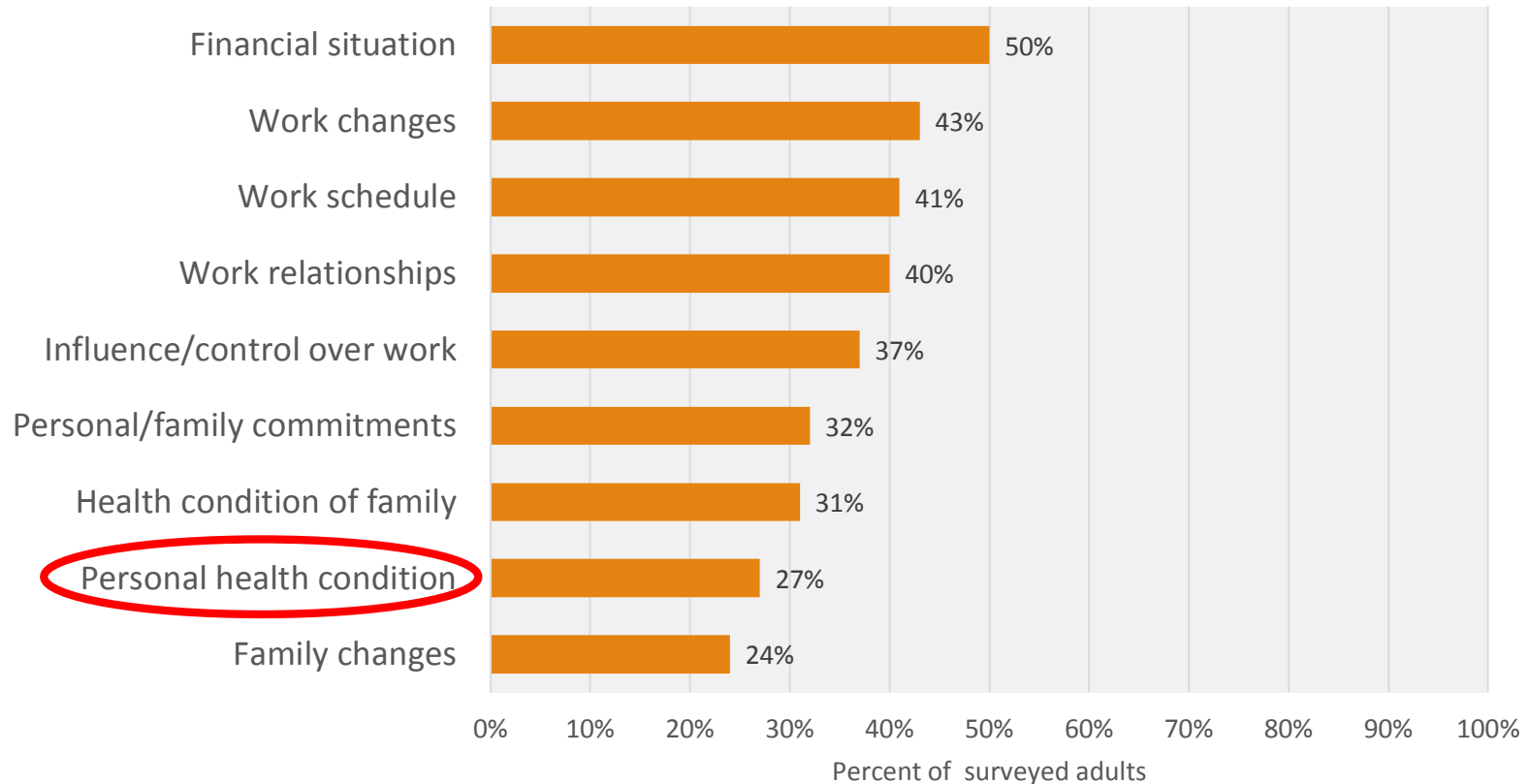


<http://businessjournal.gallup.com/content/163130/employee-engagement-drives-growth.aspx>

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

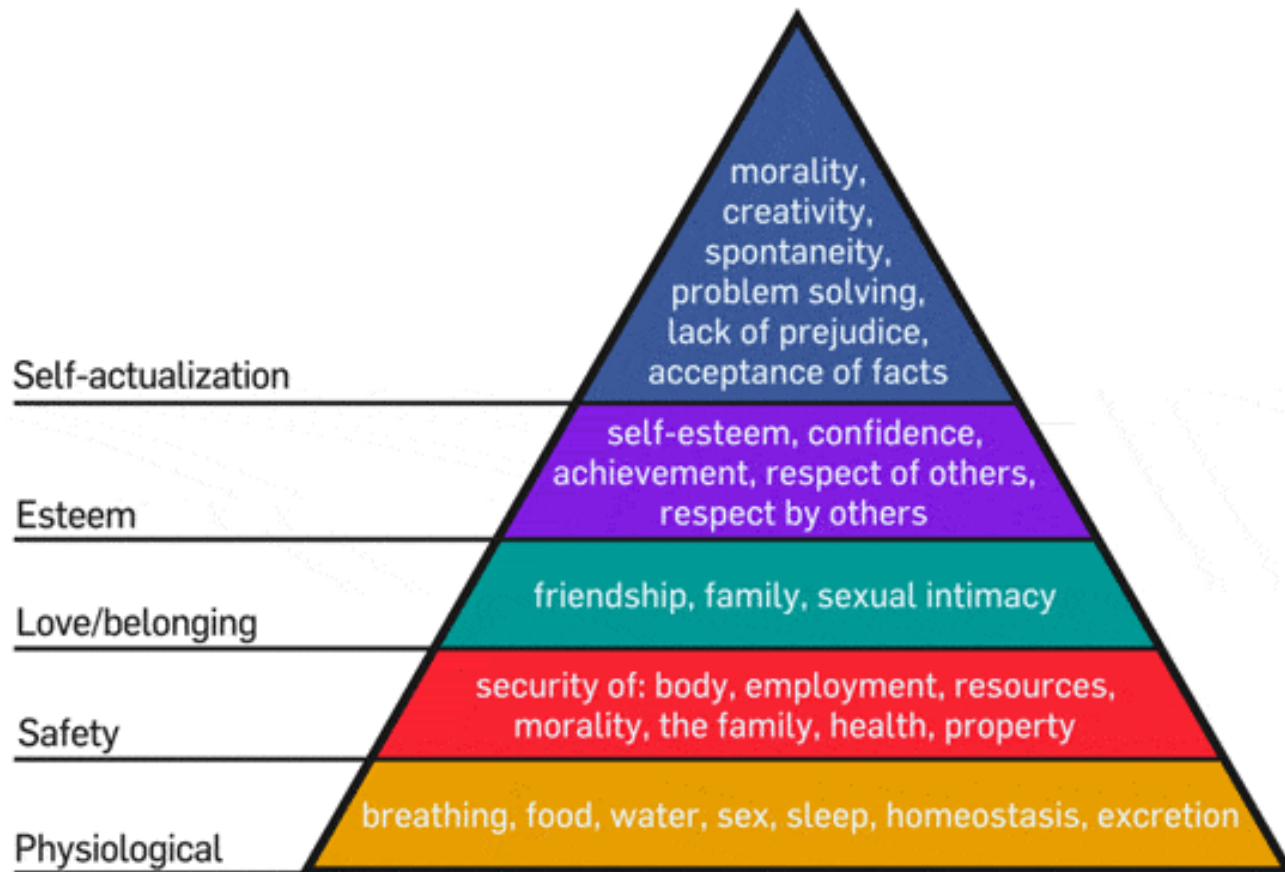
MARK TWAIN

Factors that stress people most intensely

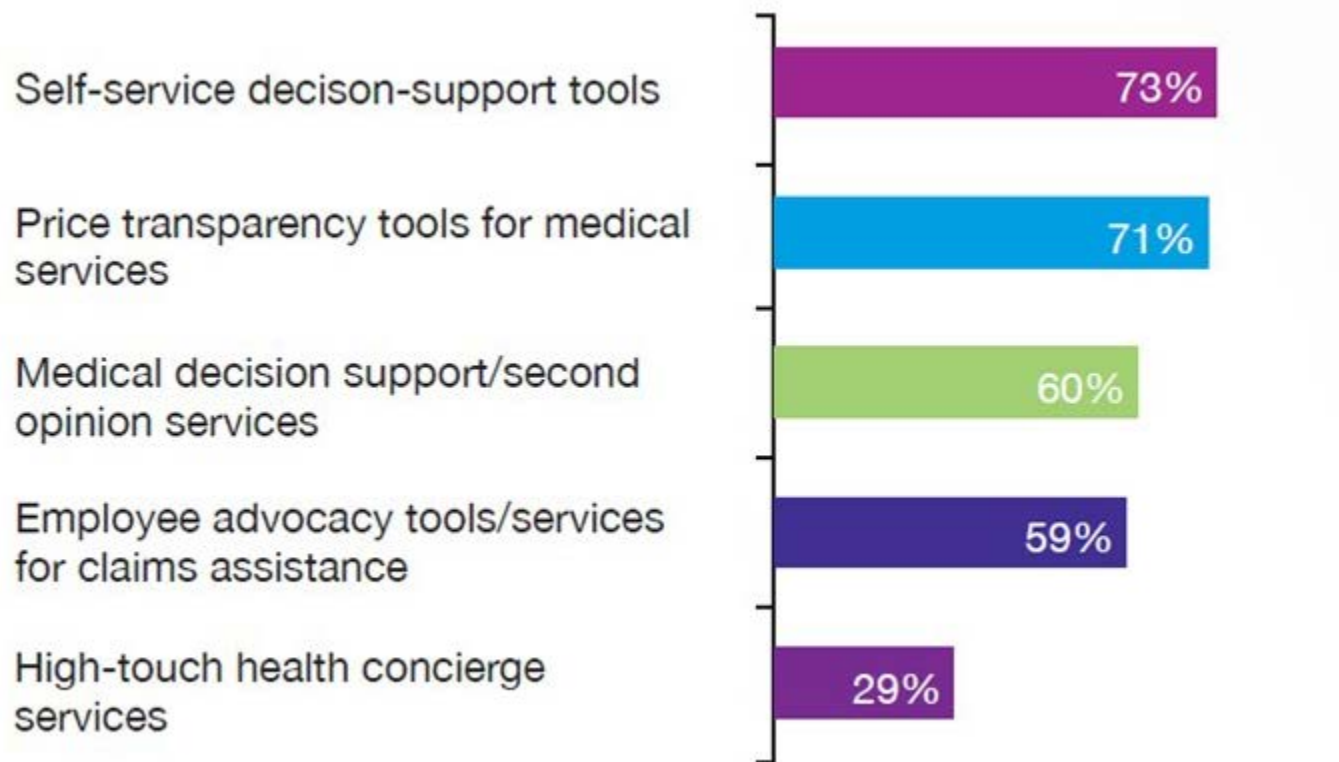


What does this mean for prioritization of personal health issues?

Maslow's hierarchy of needs



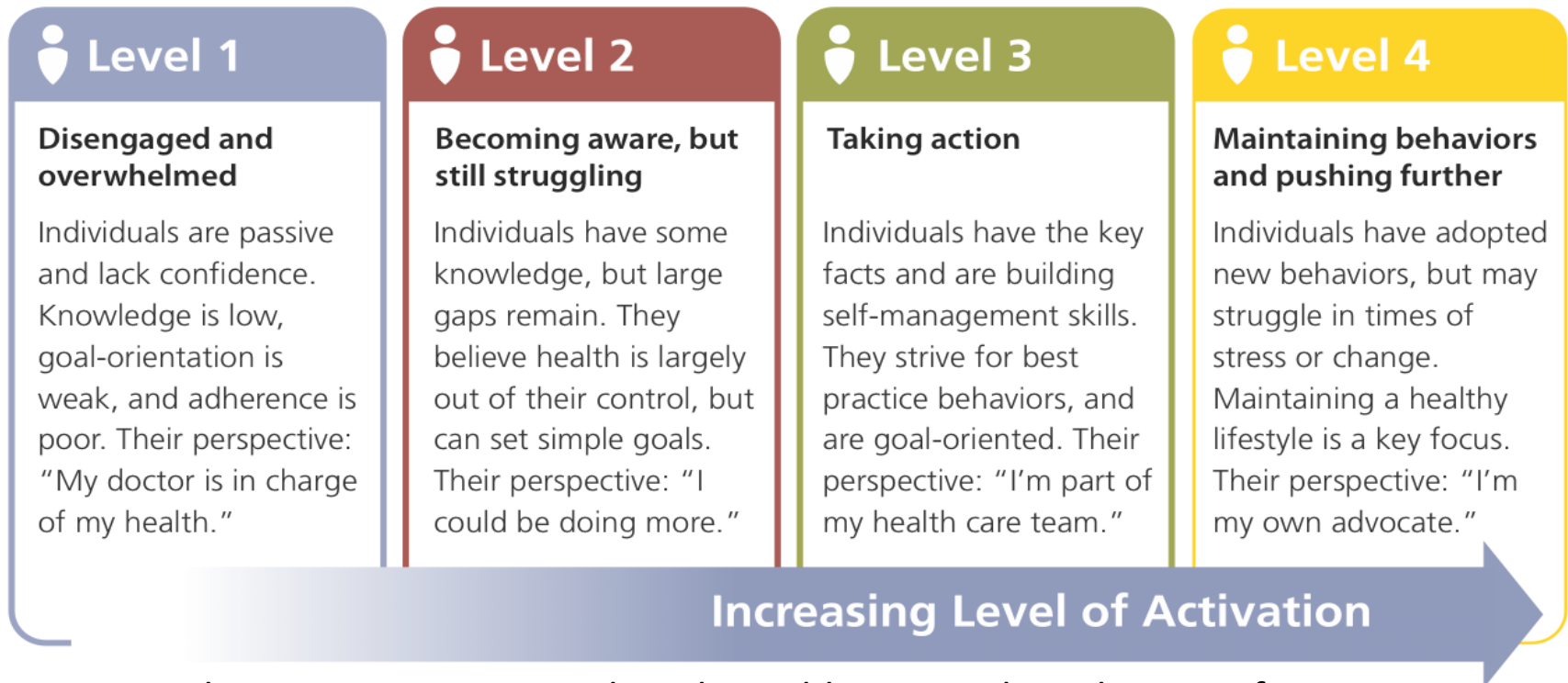
Employer use of consumerism tools - 2016



Consumerism: Key observations

- 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)

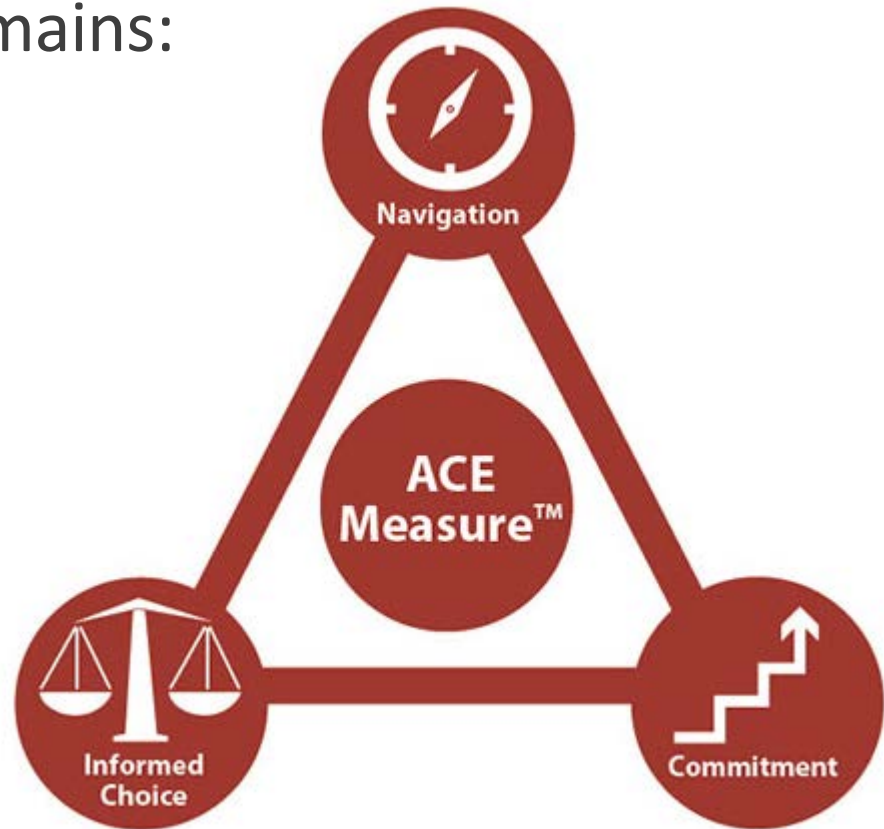


- More than 200 peer-reviewed studies addressing a broad range of topics
- Increased engagement associated with better consumerism behaviors as well as better health outcomes

Consumerism engagement tool: Altarum Consumer Engagement (ACE)

Three engagement domains:

- Commitment
- Informed Choice
- Navigation



Socioeconomic status impacts healthcare consumerism

Differences in:

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

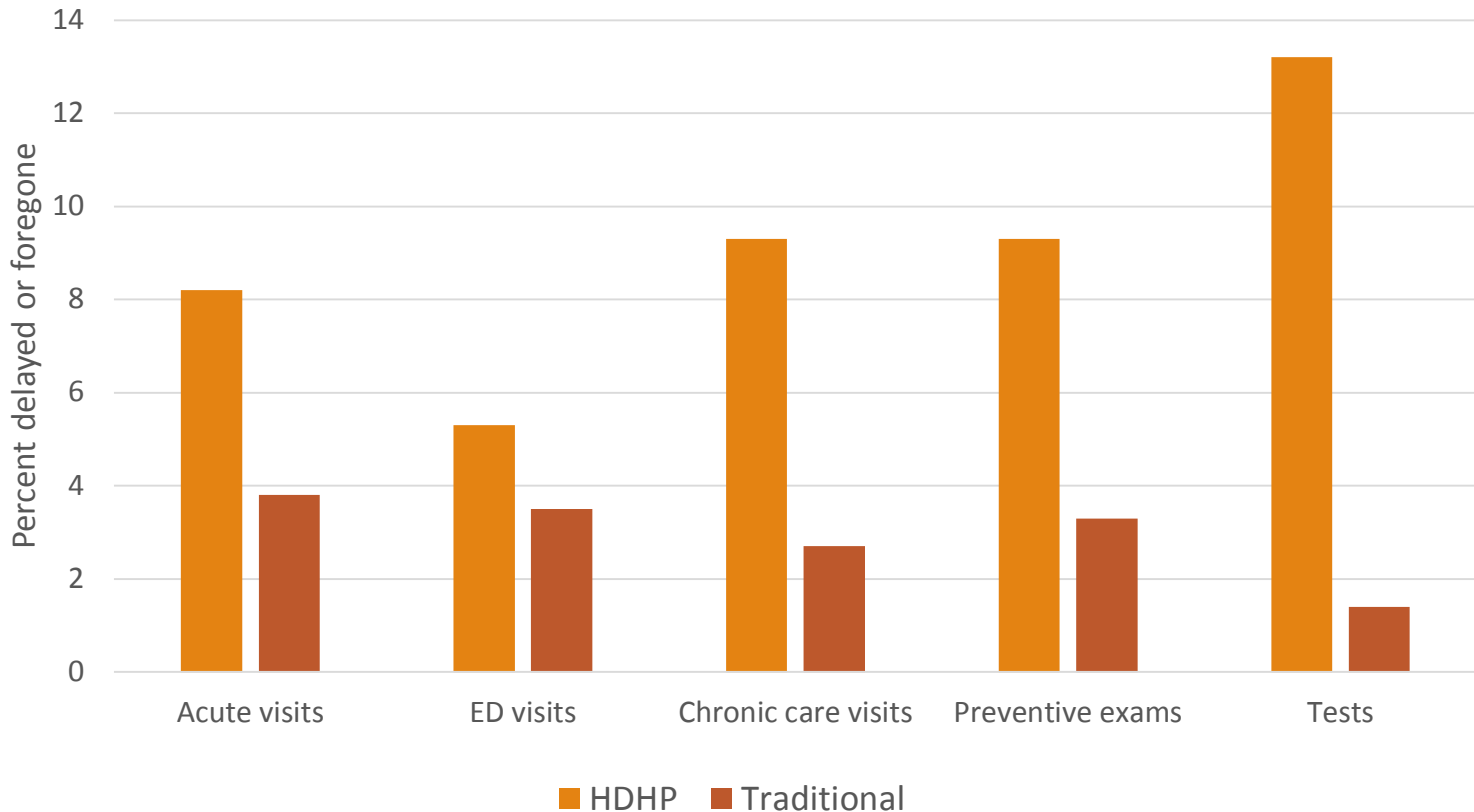
Who are the least healthy in the workforce?

Lowest paid workers

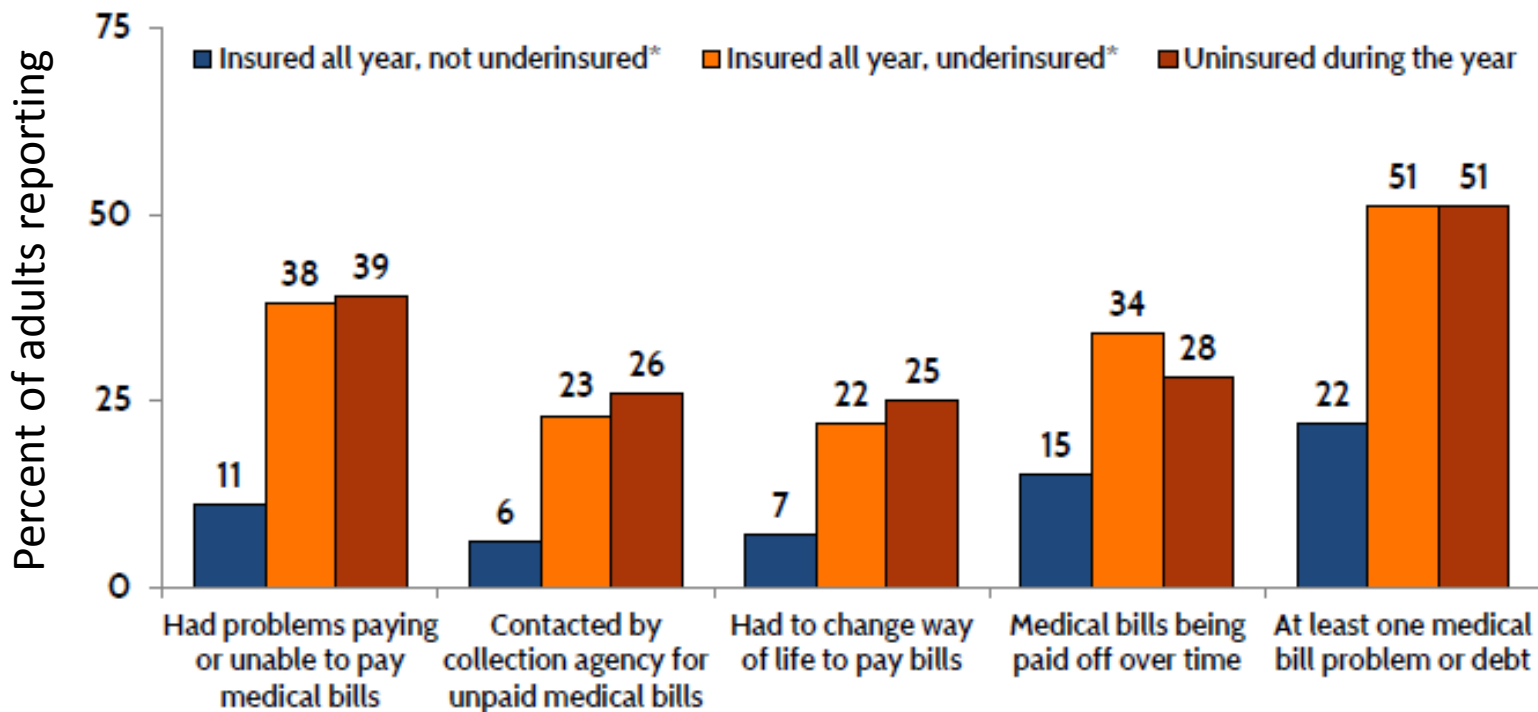
- Highest prevalence of chronic conditions
- Highest prevalence of health risks/unhealthy behaviors
- Greatest proportion of healthcare costs as a percentage of wages

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
FIRM SIZE	
3-24 Workers	<1%*
25-199 Workers	4*
200-999 Workers	8*
1,000-4,999 Workers	18*
5,000 or More Workers	21*
All Small Firms (3-199 Workers)	1%*
All Large Firms (200 or More Workers)	10%*
ALL FIRMS	1%

* 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

- 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

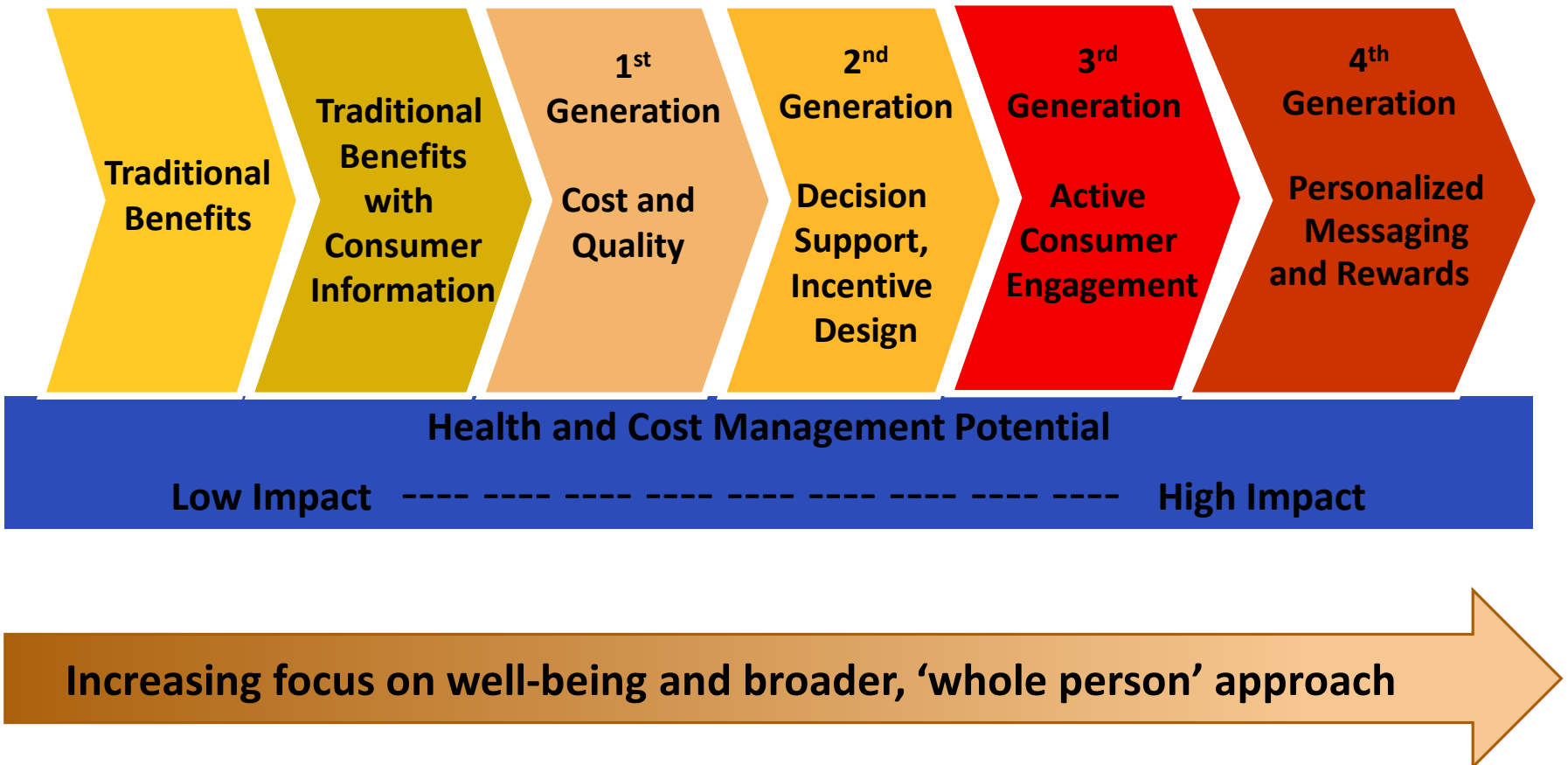
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What can employers do?

- 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



Summary

- 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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