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President's Message by Tom Croyle



It was a busy spring as the following pictures and articles will attest.

LVBCH employers are deeply invested in the health and well-being of their employees and their families. As a telling example of this commitment, fifteen LVBCH employers were recognized at our 2016 Annual Conference for their wellness efforts.

According to recent surveys, employers are planning to make "moderate to significant changes" in their health plan designs and strategies over the next few years in an effort to hold down ever increasing cost. While employers will continue modifying benefits packages by cost-shifting, many employers' planned design changes will focus on creating – and maintaining – a healthier population of employees.

Experience tells us that roughly 80% of the people drive 20% of the cost and 20% of the people drive 80% of the cost. With conditions like diabetes and obesity rampant, we face some serious challenges. However, if we work to help move some people from less healthy to healthy there are tremendous opportunities to improve people's health and reduce costs.

We cannot improve what we don't measure. Everyone wants more reliable information on the quality and cost of care. Consumers need it to make informed medical decisions to guide their choice of doctors and health plans. Employers need assurance that they are getting their money's worth. Also, doctors and hospitals need it to deliver more efficient, patient-centered care. "If we work to help move some people from less healthy to healthy there are tremendous opportunities to improve people's health and reduce costs."

Over the summer, LVBCH employers will be expanding their

healthcare analytics capabilities through our partnership with Geneia to help determine whether new models of care delivery are really delivering value and improving health outcomes. LVBCH employers and associates recognize the need to change our focus from cost to value and spend our healthcare dollars in ways that promote better outcomes and emphasize health and prevention.

Have a safe and healthy summer.

2016 Annual Conference

LVBCH hosted 211 people at its 36th Annual Conference, "Healthcare in Transition: Strategies to Increase Healthcare Value" at DeSales University on May 5th. We were honored to have U.S. Congressman Charlie **Dent** attend the event and address our members. New this year, the Coalition introduced a new program to recognize member companies for their commitment to best practices in worksite health and wellness: the LVBCH Wellness Spotlight Award. This year's award program focused on employers' efforts to help employees manage their weight.

"We applaud these employers on their encouragement and support of their employees' efforts to manage their weight, and consequently reduce their risk of serious diseases and health conditions," says Tom Croyle, LVBCH President. "By providing access to nutritious food and encouraging physical activity, employers demonstrate their genuine concern for their employees' health and welfare." Award recipients were:

- **Andesa Services**
- B. Braun Medical Inc.
- City of Bethlehem
- **Computer Aid**
- Cravola
- Essroc Cement Corp
- Follett Corporation
- Lancaster-Lebanon IU13

- Lehigh University
- Lehigh Valley Health Network
- Members 1st Federal Credit Union
- **Schlouch Incorporated**
- St. Luke's University Health Network
 - Victaulic
- Volvo Group / Mack Trucks



2016 LVBCH Wellness Spotlight Award Recipients



Click these links to see Additional Photos from the event as well as the slide presentations from the event:

- 2016: The Health Care Political & Market Landscape by Robert Laszewski, Health Policy & Strategy Associate
- 2016 LVBCH Wellness Spotlight Awards by Carol Michaels & Amanda Greene, Benefit Corporate Wellness
- Miracle Medications: Can we afford the cure? by Steve Miller, MD, Express Scripts

Washington Insider Updates Coalition Members on Health Care Political and Market Landscape





Gaining control over the rising costs of the American Health system will take a multi-dimensional strategy that includes promoting better lifestyle choices, managing utilization of services and lowering prices, said Washington insider *Robert Laszewski, President, Health Policy and Strategy Associates*.

"We're on autopilot to reach spending levels that we can't afford," he said, referring to the increase in the growth of healthcare as a percentage of the gross domestic product (GDP). Gaining control will require a renaissance. Laszewski was the first speaker of LVBCH's Annual Conference on May 5th at DeSales University.

Providing an update on "*The Health Care Political and Market Landscape*," he began by crediting the Affordable Care Act (ACA) with decreasing the percentage of uninsured Americans – dropping from 14.6% in 2008 to 11.9% in 2015. Meanwhile, however, insurance companies offering plans on the exchange have reported huge losses. UnitedHealth Care, for example, estimates \$1 billion in losses over 2015 and 2016.

"The biggest thing that makes Obamacare unaffordable is that it has only 40% of the risk pool and it is only the sick people who are signing up," he said. The percentage of eligible individuals enrolled in the exchange plans declines as income increases.

Also, when compared with the off-exchange market, the exchange has a significantly higher prevalence of individuals with common chronic conditions, such as congestive heart failure and diabetes.

While the ACA insurance exchanges have been problematic for insurance companies, the Medicare Advantage Program is growing and driving insurer profits. As of February 1, Medical Advantage enrollment stood at 18.2 million, a net gain of 926,000 since last year. A third of the 55 million eligible are now enrolled in a Medicare Advantage plan.

Meanwhile, premiums for employer plans have increased over 60% between 2005 and 2015. And, the average worker contribution has increased 83%. Other trends include the merger of insurance companies. Laszewski cautioned against the consolidation of insurance companies saying they discourage competitors from entering the health insurance market and result in higher costs.

However, the major driver of healthcare costs continues to be price with hospital stays in the United States exceeding those of other countries. For example, the U.S. cost is about \$16,000 compared to about \$4,000 in Germany. Similarly, the average cost of a routine physician office visit in the United States is higher.





Miracle Medications: Can We Afford the Cure?

Medical and pharmaceutical research has resulted in seemingly miraculous new treatments for diseases, including cancer, Alzheimer's and Hepatitis C. But, many of these medications carry hefty price tags, leaving payers, including employers, with the challenge of paying for them.

Steve Miller, MD, Senior Vice President & Chief Medical Officer Express Scripts, and a leading advocate for fair drug pricing, presented, "Miracle Medications: Can We Afford the Cure?" at LVBCH's Annual Conference. Dr. Miller said the pharmacy is the most widely used benefit of the \$3 trillion healthcare bucket, accounting for 18.6%. With 7,000 potential drugs being developed, the expansion of pricey specialty medications threatens to drive costs to unsustainable levels.

"We have never seen such high prices on medications that are used by so many," he said. "These things will make your life and your family lives better." Their potential costs are staggering. Meanwhile, pharmaceutical

companies are charging prices that far exceed their manufacturing costs, which result in astounding profits. He suggested one way to address this is to encourage the development of bio-similar drugs.

For example, the cost of a highly effective 12-week course of Sovaldi to treat Hepatitis C is \$84,000, even though the manufacturing cost is only \$150. To make the treatment more affordable, Express Scripts switched from Sovaldi to an equally effective biosimilar drug, Viekira Pak[™], manufactured by AbbVie. "The switch to Viekira resulted in \$1 billion in saving for our book of business in 2015," he said.

Also, drug companies need to stop charging significantly higher prices in the United States. With a population of 323 million – 4.38% of the world's population – the U.S. accounts for 33% of the world drug spend and 50-70% of pharmaceutical profits. A 12-week cycle of Sovaldi, for example, costs \$57,000 in Germany and \$900 in India and Egypt.

Concurrently, the federal government must boost funding for National Institutes of Health research, provide better funding of the Federal Drug Administration, give breakthrough status to second and third drugs in the market, adjust malpractice laws and bring cost – in addition to quality – into the care equation.

And the Raffle Winners Are...

Thanks to the generous donation of our sponsors and vendors, several gifts were raffled off to our guests:

- American Cancer Society Gift Basket: Carynna Quarry of Computer Aid
- Capital BlueCross 6 Club Seats to the Iron Pigs game: Maria Cherichella of PPL Corp
- Capital BlueCross 4 Hershey Park Tickets: Esther Frankett of Crayola
- Capital BlueCross Wellness Basket: Myrna Rivera of B. Braun Medical Inc.
- Cigna Fitbit Flex: Lisa Bogert of Schlouch Inc.
- Corporate Synergies Two \$100 Visa Gift Cards Paul Chuckalovcak of Essroc and Sherri Penchishen, City of Bethlehem
- Express Scripts IPod Shuffle: Marge Hopkins of the Allentown Parking Authority
- Express Scripts Portable Charging Station Zoom Energy Bar: Kim Drey of Lehigh University
- First Niagara Benefits \$100 Gift Card: Toni Lee Febbo of Lehigh University
- Highmark 4 Field level tickets for Iron Pigs game: Tara Sperandio of Talen Energy
- NVA \$50 Visa Gift Card: Terry Beidelman of the County of Northampton
- Populytics \$100 Amazon Gift Card: Amanda Vroom of Essroc
- Populytics \$50 Amazon Gift Card: Sheila Rulli of Kids Peace
- St. Luke's University Health Network Fitbit Charge: Elizabeth Garcia of Moravian College
- United Concordia Dental Gift Basket: Cathy Martucci of Kids Peace

Effective Use of Healthcare Information Can Cut Costs, Improve Costs

Imagine a man with a heart condition sitting in the stands at Fenway Park boisterously rooting on his beloved Red Sox. Unaccompanied by friends or family, he suddenly grabs his chest and soon passes out. While a bystander begins CPR, sensors woven into the man's clothing alert the man's cardiologist and provide information on his heart activity. Immediately, the doctor shares needed information with the EMS team at the stadium. By the time the man arrives in the hospital, the ER physician has a real-time read-out of the man's heart activity, has conferred with his cardiologist and has reviewed the patient's medical history. The doctor is ready to provide the most appropriate treatment.

During his presentation, "The Aim of Big Data: Turning Action, Insights and Meaning into Value," Mark A Caron, CHCIO, FACHE, Chief Executive Officer, Geneia, said information regarding medical history, test results, hospitalizations and ER visits is already collected and stored digitally and sensors woven into clothing might soon be a reality. Health provider, payer and consumer information can be used to deliver care in a more cost-effective manner, provided we can develop ways to better access, filter and deliver it in a timely and meaningful way.

"Everything we touch leaves a digital trail," he said. "We're sitting on a huge amount of data that needs a modernized, compartmentalized approach to take structured and unstructured information and build models that drive knowledge, prescriptions and insight into what we should be doing."

Better use of healthcare information can help the United States improve efficiency. Currently ranked 37th in healthcare efficiency among the 191 World Health Organization members, the U.S. spends more than \$3 trillion in healthcare expenditures and that number is growing.

Since 2004, insurance premiums have risen 69% with the cost of family coverage now averaging \$16,830. Employers, who have shouldered a large portion of that cost, are demanding something be done to curb the rate of increase. Using data to understand what drives these costs is essential.

LVBCH has partnered with Geneia to provide employer members with the kind of robust data and analytics that has previously only been available to physicians, hospitals and health plans, said LVBCH President Tom Croyle.

"For the first time, our employers will have real-time data on hospital admissions, medications and benefit usage all in one platform. Most importantly, the information is presented in a way that existing staff, rather than analytics experts, will be able to use the data to meet quality and cost goals."

Geneia integrates data from health care providers, insurers and employers with consumer data. Then, it makes it available in an easy-to-use platform so employee health and benefit staff can design programs to optimize employee health in the most cost-efficient manner.



Seneia

LVBCH/Geneia Enters Phase II

The LVBCH/Geneia partnership to provide LVBCH employers with an advanced health care analytics tool reached a major milestone in April when the system went live for the six LVBCH employers who volunteered to participate in phase 1 of the project.

The six companies were B. Braun Medical, City of Allentown, East Penn Mfg., kgb, Lehigh University, and Volvo/ Mack.

Phase 2 is projected to begin shortly with PPL, FL Smidth, Talen and Essroc volunteering to participate. Meanwhile, Geneia is working with Express Scripts to load prescription drug data into the system.

True Cost of Care Should Include Travel and Wait Time

Salaries, supplies and equipment are major considerations when calculating the cost of care. But, *Will Millhiser, PhD, Associate Professor of Management at the Zicklin School of Business, Baruch College*, says another important cost rarely measured is the value of the time patients spend traveling to and waiting for appointments. Dr. Millhiser was the keynote speaker of the May 17th Healthcare Systems Engineering Symposium, cosponsored by Lehigh University and LVBCH.



Studies have shown that only 20% of the total time a

patient invests in a doctor's visit is spent with the clinician. A Harvard Medical School study estimates that the typical visit to a doctor consumes 121 minutes of the patient's time — 37 minutes in travel, 64 minutes waiting for care or filling out forms, and only 20 minutes face to face with the physician. Based on the average sum a person could earn if working during that time, the researchers figured it costs patients \$43 in lost time for each medical visit — more than the average out-of-pocket cost for the care itself, which is about \$32.

The study estimated Americans spend 1.1 billion hours per year obtaining care for themselves or others — time the researchers valued at \$52 billion. "This is equal to the entire adult population employed in Dallas," Dr. Millhiser said. Plus, the situation is even worse for blacks, Hispanics, and unemployed people, who spend 25-28% longer seeking health care, mostly because of longer waiting times in the clinic.

To reduce this expense, Dr. Millhiser recommends improving efficiency in physician clinical settings; optimizing scheduling of physician, lab and imaging appointments; promoting alternative care sites, such as workplaces, schools and retail areas; and establishing alternative care sites, such as work, retail and school locations and promoting telemedicine.



Pictured (L-R) at the top are Ana-Iulia Alexandrescu (Lehigh University), Tom Croyle (LVBCH), Dr. Tamás Terlaky (Lehigh University) and keynote speaker Will Millhiser, PhD.

The symposium also included a panel discussion. The second row of photos (L-R) include panel moderator **Tom Huntzinger** (Emerson, Reid & Co.) followed by panelists: **Mike Johnson** (Bayada Home Health), **Amy Nyberg** (Coordinated Health), **Lauren Vela** (Pacific Business Group on Health) and **Anne Baum** (Capital BlueCross).

Click the following links to <u>Get More Information</u> and see <u>Additional Photos</u> from the event.

Majority of Hospitals Fail to Meet Maternity Quality Standards





<u>The Leapfrog Group</u>, in partnership with <u>Castlight Health</u>, has released <u>four reports on hospital performance</u> based on the results of the 2015 Leapfrog Hospital Survey.

The focus of the third report, *Maternity Care* explores the wide variation in hospital performance on key metrics like early elective deliveries, C-sections, and high-risk births. All mothers want to give their babies a healthy start. But far too many hospitals are falling short of national quality metrics for things like early elective deliveries, C-sections, and high-risk births. That makes choosing the right birth hospital that much more important.

In Leapfrog's report with Castlight Health, they found significant variation in performance on maternity care metrics, with the majority of hospitals failing to meet their quality standards. While hospitals have made incredible progress on reducing the rate of early elective deliveries, nearly two-thirds of hospitals had rates higher than 23.9% for NTSV C-sections. This puts both mother and baby at risk.

Additional key findings include:

- At the majority of hospitals (68%), the episiotomy rate was too high
- Many hospitals don't have adequate experience with high-risk deliveries
- Variation in C-section rates is dramatic, ranging from a low of 10% to as high as 54% in one east coast city. Early deliveries continue to decline across the U.S. the nationwide average rate is 2.8% down from 17% in 2010.

Click the links below to read the four reports that Leapfrog released this year on hospital performance:

- Health Care-Associated Infections
- Preventing Medication Errors in Hospitals
- Maternity Care
- Never Events
- ICU Physician Staffing Coming in July 2016

Worth Repeating

Leapfrog Grades Hospitals on Safety

In April, Leapfrog published its *Spring 2016 Hospital Safety Scores*. Assigning A, B, C, D, and F letter grades, the Score provides the most complete picture of avoidable hospital errors, accidents and infections that kill or harm tens of thousands of patients every year. In PA, grades were assigned to 132 hospitals with 33 (25%) receiving an A, the highest letter grade, meaning those hospitals are safer than others in the U.S. To check your local hospital's safety score, click the image to the right or visit http://www.hospitalsafetyscore.org/



Choosing Wisely® Material Available

Informed patients make smarter healthcare choices

LVBCH has partnered with **Consumer Reports** to educate employers and their employees about the dangers and issues associated with the overuse of health care services. Through the **Choosing Wisely®** campaign, employers encourage their employees to get involved in their health care and have informed conversations with their physicians.

Click on the factsheet to the left – "**Test for Lyme disease: When you need them–and when you don't**" – to see an example of the type of information that employers can send to their employees and their families.

To access more than 100 other FREE guides (including videos) to getting better, safer, more cost-effective care, visit: <u>http://consumerhealthchoices.org /lvbch</u>.



Tests for Lyme disease When you need them—and when you don't

yme disease is usually caused by a bite from a deer tick. The disease can cause joint pain, aching muscles, and a tire feeling. There are two blood tests for Lyme disease, but usually you do not need them. Here's why: You do not usually need tests to show that you

have Lyme disease. In most cases, there's a clear sign of Lyme disease a nainless, spreading rash that often grows to look





Pictured above: LVBCH Annual Conference attendees hold up their Choosing Wisely "5-Questons" wallet cards.

Coalition Happenings

Capital BlueCross Hosts LVBCH Client Meeting



Pictured Top: *Vicki Doule*, Sr. Director Group Sales, Major Market for CBC. Bottom (L-R): *Duane Frymoyer*, Business Consultant, Analytics & Reporting; *Sonia Finnegan*, Senior Account Executive, Major Market; *Bridget Lynn*, Senior Medical Value Consultant, Medical Value Initiatives; *Chris DiMaio*, Clinical Product Consultant, Medical Value Initiatives and *Nicole Lind*sey, Manager Health Education and Wellness

Capital BlueCross (CBC) conducted a quarterly LVBCH employer client meeting on May 19th at the Capital Blue retail store in Saucon Valley. **Duane Frymoyer** told employer groups in attendance about the Coalition's aggregate data trends as well as how their specific utilization and benefits compare to their peers in the Coalition.

Capital BLUE 💩

Both *Chris DeMaio* and *Bridget Lynn* discussed clinical trends and HEDIS results, including action plans for targeted improvement. *Nicole Lyndsey* reviewed updated wellness resources and employers in attendance shared best practices around Capital BlueCross resources.

We encourage all LVBCH/CBC employers to attend these valuable meetings in the future.

Guest Articles

LVBCH Joins American Cancer Society to Promote Screening



LVBCH is proud to join with the *American Cancer Society*® in promoting the importance of cancer screening and early detection as we work together to create a world free from the pain and suffering of the disease.

Screening increases the chances of detecting certain cancers early, when they are most likely to be curable. Help your employees learn what <u>screening tests</u> the American Cancer Society recommends and when they should have them. Following the recommendations for cancer screening from the American Cancer Society is an important complement to healthy behaviors that reduce the risk of developing and dying from the disease.

For more information on how the American Cancer Society can help you, your family, and your co-workers learn more about screening and early detection of cancer, visit <u>www.cancer.org</u> or call 1-800-227-2345. Together with the American Cancer Society, your company can help improve your employees' health and wellbeing, help improve your organization's bottom line, and help prevent cancer. For more information on some FREE resources available to your company, contact Dee Mathis via email at <u>dee.mathis@cancer.org</u>.

Have Fun in the Sun but Protect Yourself



Summer is here and your employees are enjoying the sunshine and outside activities. Take a minute to share this True or False quiz to see how much you know about sun safety.

- Skin cancer is a largely preventable disease, but it can be deadly.
- Skin cancer continues to be the most common type of cancer in the US, with more than 2 million people being diagnosed with 3.5 million cases of non-melanoma skin cancer each year. That's more than breast, colon, lung and prostate cancers combined!
- Despite the risks, tanning remains popular among college students. 59% of college students have reported using a tanning bed in their lifetime.
- When detected early, most skin cancers can be treated successfully even melanoma, the most serious type of skin cancer.

If you said they all are true, you get an A+.

Sun safety is important to everyone's health. Skin cancer is by far the most common type of cancer. If you know what to look for, you can spot warning signs of skin cancer early. Finding it early, when it's small and has not spread, makes skin cancer much easier to treat. To learn more go to <u>www.cancer.org/skincancer</u>.

Help Employees get a Grip on Emotional Eating

Do you reach for ice cream when you're upset? It's not unusual. It's estimated that 40% of people increase their caloric intake in response to stress* or other emotional triggers. Called emotional eating, this can lead to making unhealthy food choices, unwanted pounds, and development of obesity and other diseases.



Corporate Wellness

Because people spend many waking hours at work, employers can influence healthy behavior. The following create an atmosphere that supports emotional wellbeing, which may reduce the temptation to emotionally eat:

Help make lunchtime pleasant. Allow employees time and space for a relaxed lunch. Try not to schedule meetings at lunchtime, and provide a space so they don't have to eat at their desks.

Encourage use of Employee Assistance Programs (EAPs). Spread the word if your company offers a program that provides employee counseling to assist with personal life issues.

Increase positive communication. Congratulate employees when they do a good job, treat them with respect, and communicate often with positive messages. This helps reduce stress, fear, and anxiety.

Get to know your employees. The more you know about the people who work for you, the more you can personalize your communications and ensure they feel appreciated. Effective control of emotional eating involves both cognitive and behavioral solutions.

Contact: wellness@benefitcorporatewellness.com

* Minerva Endocrinol. 2013 Sep; 38(3): 255–267. Stress and Eating Behaviors





UNITED CONCORDIA® DENTAL

Don't Wait to Floss!

Most people wait to floss until the next dentist visit comes around. Don't wait until the last minute because it might be too late! You may think that your toothbrush can reach every spot in your mouth but that's not the case. Those hard to reach places that your toothbrush can't get to, can be reached by flossing. While flossing, you can remove plaque from your teeth that you never knew you had!

Make sure to use the right kind of floss. There are many different kinds of floss depending on how sensitive your gums may be including: waxed, un-waxed, thick or comfort floss. Use the right kind and you can make flossing a quick and easy routine.

Here are a few fun tips on how to floss properly:

- 1. Tear off about 18 inches and wind it around each of the middle fingers of your right and left hands.
- 2. Hold the floss right between your thumbs and forefingers.
- 3. Make sure you guide the floss in between your teeth; never snap the floss into your gums.
- 4. When the floss reaches your gum, slide it into the space between your gum and tooth.
- Make sure you hold the floss tightly against your tooth. Do this in between each tooth including the back side of the last tooth.

If you need more tips or have questions about flossing visit your dentist.

It isn't just your teeth and gums! Maintaining oral health can keep you healthier in many other ways! Visit <u>http://www.UnitedConcordia.com</u> for more tips for a healthier mouth.

Upcoming Events

LVBCH is Sponsoring 13 American Cancer Society "Relay for Life" Events in Lehigh, Northampton & Berks Counties



Participation is EASY, simply click one of the links below to get more information: <u>Relay for Life Event Dates, Times & Locations</u> <u>Sign Up / Volunteer</u> <u>Get More Information</u> <u>Donate</u>

October 22, 2016 -- American Cancer Society Walk "Making Strides Against Breast Cancer - Lehigh Valley"



Date: Saturday, 10/22/16 Time: 8:30 am - Noon Registration begins at 8:30. Walk begins at 10:00 am Location: Downtown Bethlehem - Main and West Lehigh Streets, Bethlehem, PA 18018 <u>Map it</u> Invitations will be sent in August 2016. LVBCH Team Name: LVBCH Walkers Click links to <u>Get More Information</u>, <u>Register</u> and <u>Donate</u>

May 4, 2017 -- LVBCH 37th Annual Conference



Location: DeSales University, University Center Building, 2755 Station Ave, Center Valley, PA 18034

60 West Broad St. • Suite 105 • Bethlehem, PA 18018 • P: 610-317-0130

AFFILIATED MEMBERS:



THELEAPFROGGROUP