Healthcare Strategy - What will you face in 2017?

February 28th, 2017
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Donna Milavetz MD, MPH, FACP
CEO/ Founder at OnSite Care

Dr. Milavetz is a Board Certified Internist with a Masters in Public Health Administration. She has extensive experience in starting medical practices and in controlling healthcare costs for both employers and employees. She works with Companies as a consultant using her clinical expertise to help define healthcare "hot spots" where corporations can then target health risk reduction.

Dr. Milavetz is deeply concerned about the escalation of healthcare costs in this country and the increasingly poorer health of its citizens. Her goal is to help Corporations improve health outcomes to lower healthcare costs.
Healthcare Strategy
What will you face in 2017?

Alliance for Innovation
February 28, 2017
OnSite Care Agenda

• Why is a healthcare strategy important?
• The drivers of workplace health
• Where to start?
  – Preventive Wellness
  – Alignment
• Case studies
• Conclusion/Questions
What is Known Today

• The cost of healthcare is increasing

• No one’s going to fix it for employers

• Employers are not going to dump their health plan
One Chart Tells The Story!

EXHIBIT C

Average Annual Firm and Worker Premium Contributions and Total Premiums for Covered Workers for Single and Family Coverage, by Plan Type, 2015

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Single</th>
<th>Family</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>HMO</td>
<td>$1,179</td>
<td>$5,447</td>
<td>$11,801</td>
</tr>
<tr>
<td>PPO</td>
<td>$1,145</td>
<td>$5,430*</td>
<td>$13,253</td>
</tr>
<tr>
<td>POS</td>
<td>$1,027</td>
<td>$5,410</td>
<td>$11,503</td>
</tr>
<tr>
<td>HDHP/SO</td>
<td>$868*</td>
<td>$4,699*</td>
<td>$5,567*</td>
</tr>
<tr>
<td>ALL PLANS</td>
<td>$1,071</td>
<td>$4,955</td>
<td>$12,591</td>
</tr>
</tbody>
</table>

* Estimate is statistically different from All Plans estimate by coverage type (p<.05).

### Factors driving health care costs

<table>
<thead>
<tr>
<th>Cost Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>We pay providers in ways that reward doing more, rather than being efficient. (Alignment)</td>
</tr>
<tr>
<td>We’re growing older, sicker and more obese. (Preventive Wellness)</td>
</tr>
<tr>
<td>We want new drugs, technologies, services and procedures. (Alignment)</td>
</tr>
<tr>
<td>We get tax breaks on buying health insurance, and the cost to patients of seeking care is often low. (Alignment)</td>
</tr>
<tr>
<td>We don’t have enough information on medical care cost and quality. (Alignment)</td>
</tr>
<tr>
<td>Hospitals/providers are increasingly gaining market share and are better able to demand higher prices. (Alignment)</td>
</tr>
<tr>
<td>We have medical-legal issues complicate efforts to slow spending.</td>
</tr>
</tbody>
</table>
How DO employers take control and wield more influence?

Preventive Wellness

• Engage people in awareness of their health
• Provide opportunities for people to improve their health
• Incentivize age-appropriate screening

Ultimate goal is to mitigate chronic disease risk
How DO employers take control and wield more influence?

Alignment

• Employee transparency tools
• Demanding raw data sets to understand true costs of care
• Engaging provider(s) to drive volume to high-quality, lowest-cost providers
• Design health plans that drive volume to high-quality, lowest-cost care
Workplace Population Health

Opportunities

“Healthy” adult

Chronic conditions

Complications and exacerbations

Age 30

- Acute Injury
- Infection
- Pregnancy

Age 40

- Lipidemia
- Hypertension

Age 50

- Diabetes
- Cardiac Disease
- Cancer

Retires from workforce

Enters workforce
Prevalence of Incentivized Programs

Source: bswift “Benefits Study: The tech-enabled evolution (not revolution) from paternalism to consumerism”, 2015
Prevalence of Investment in Incentives

Source: bswift. "Benefits Study: The tech-enabled evolution (not revolution) from paternalism to consumerism", 2015
Participation Rates by $ Incentive Amount

Source: bswift "Benefits Study: The tech-enabled evolution (not revolution) from paternalism to consumerism", 2015
Alignment and Transparency

• Data is power! Demand your data!
• The physician is the ultimate driver of where services are provided
  – How to align the provider with employer
• Providing cost data to Employers for goal of health plan design
  – Ex: mammogram costs or knee placement
Workplace Clinic Strategy

- Strategic Planning
- Alignment with Employer
- Comprehensive Online Health Record
- Team Focus
- Outcome Reporting
OnSite Care Clinic vs. Carrier Book of Business Benchmark (% Diff)
(Public Employer)

Patients Seeking Care

2013
2014
2015
2016

Primary Care Visits
Specialist Visits
Urgent Care Visits
ER Visits
Cost (allowed PMPM)
Risk Score
Gaps in Care Count

2013
2014
2015
2016

-50%
-40%
-30%
-20%
-10%
0
10%
20%
30%
40%
50%
60%
70%
Conclusions

• If you don’t have a healthcare strategy, count on increased costs
• Preventive Wellness limits chronic disease and long-term costs
• Provider alignment with an Employer is a powerful tool
• Having access to your data gives you power to truly understand your costs
Please join us on April 20th for City of Mesa’s presentation: Establishing Employee Health Centers and Creating Positive Health Outcomes at the Alliance of Innovation’s Transforming Local Government conference.
Question and Answer Session

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