

## Managing Change

### CDHPs Show Positive Impact on Consumer Health Behavior

**C**ONSUMER-DRIVEN Health Plans (CDHPs) provide solid and measurable examples of how healthcare spending and consumer behavior can be positively advanced—without adverse effects on health outcomes—when consumers are given the necessary support, according to a UnitedHealth Group (UHG) three-year study.



The new data reinforce the results of earlier Definity and UnitedHealth Group studies which have consistently shown that

CDHP enrollees have higher usage of preventive care services and a lower tendency to pursue discretionary acute care services, such as hospital admissions or emergency room visits. "While not yet conclusive, these findings support what we've seen anecdotally for the past several years: when consumers are given more information and responsibility for their healthcare, they will make efforts to assume more control over decision-making about the care they need in order to pursue the optimum courses of treatment. This in turn can help positively impact their healthcare outcomes and related costs," says Mike Tarino, Definity Health CEO, a UHG company.

While CDHPs are still in their early stages, consumers with Health Savings Accounts (HSAs) *(Continued on page 2)*

## Focusing on Prevention

### More Employers Embrace Disease, Health Management Programs



U.S. SURGEON General Richard Carmona sees the country continuing in a tailspin of diminishing health and growing healthcare costs unless the focus is shifted to prevention. The United States spends roughly 16 percent of its gross national product on healthcare, but "most everything we spend our money on is preventable," says Carmona.

To that end, a recent Mercer/Marsh survey found that health management is now widely regarded as one of the most promising cost-management strategies available to employers, and most have incorporated it in some fashion into their health benefit programs. Their primary objectives: to control rising healthcare costs, promote greater employee responsibility for health, reduce incidental sick leave and disability absence rates, improve overall employee productivity, and reduce occupational injuries.

Employers embracing health management are also looking for ways to deal with health conditions stemming from lifestyle and psychosocial factors such as obesity, diabetes, lower back pain, anxiety, depression, and risky behaviors. Of these, depression/anxiety is *(Continued on page 2)*

## Differentiators Link Dental, General Health



**NEW RESEARCH** suggests that improving the health of a worker's gums and teeth could reduce the cost of caring for the rest of the worker's body. "Every day, we uncover more information about dental treatment patterns and the connections between oral and overall health," says Dr. Jed Jacobson, Delta Dental senior vice president. Various medical conditions often show up in the mouth. Pregnancy gingivitis, for example, can lead to periodontal disease, a condition tied to adverse pregnancy outcomes and premature births.

With the rising emphasis on disease management in health plans, many in dentistry are pondering how to integrate dental and medical care. The result is that the dental plan market is suddenly alive with choices: tying disease management programs to dental care plans; creating evidence-based plan designs (plans based on individuals' needs); utilizing discount dental services; shifting to dollar-based plans (offer consumers set amount of reimbursement for any care chosen during a year vs. procedure-based plans); and sharing clinical data for both dental and medical claims, for example. ■

## Managing Change . . .

(Continued from page 1)

are contributing to their accounts and accumulating money for future healthcare expenses at higher rates than had been previously anticipated if their employer offers to contribute funding to their HSA, according to the UHG study.



Similar findings from a recent Aon/ISCEBS (International Society of Certified Employee Benefit Specialists) study also show that more employers are contributing to their employees' HSAs: 62% contribute either a flat dollar amount or match employee contributions.

The study also notes that the consumer-driven approach is gaining believers among employers, with a higher percentage of employers introducing HSAs or HRAs for long-term change rather than merely short-term cost reductions. However, HSAs are now the clear favorite over HRAs for employers offering a CDHP or planning to offer one in the future.

Thus, employers appear to be endorsing the belief that consumers hold the key to long-term change in healthcare delivery and cost control. "By improving the health and well-being of individuals, we create a more productive workforce," says H. Edward Hanway, CIGNA chairman and CEO. "By supporting a more productive workforce, we contribute to a more competitive business community. By improving business competitiveness, we create a stronger economy. And by strengthening the economy, we build a stronger nation." ■

## Focusing on Prevention . . . (Continued from page 1)

the category of disability that employers are most likely to say is increasing in terms of frequency of diagnosis or associated costs. "By addressing the entire health continuum, health management seeks to keep healthy people healthy, to reduce lifestyle-related health risks that contribute to future costs, absences, and work-related injuries, and to help those affected improve their health and better manage their condition," notes Sue Willette, Mercer's health and productivity management leader.

Research finds that \$0.71 of every medical dollar that an employer pays is lifestyle driven and therefore preventable, according to Douglas Short, Benicorp CEO. According to the National Business Group on Health's assessment of more than 120 studies on the effectiveness of employer-sponsored health promotion studies, they cite benefit-to-cost ratios of \$3.48 in reduced healthcare costs; \$5.82 in lower absentee costs per program dollar invested; and ROIs of at least \$3 to \$8 per dollar invested within five years of program implementation.



When asked about strategies for the next five years, relatively few employers say cost-shifting will play an important role. According to Hewitt, the current focus will continue on consumerism and programs designed to improve employee health, including disease management. ■

## . . . . . Bulletin Briefs . . . . .

### ◆ *SHRM: Benefit Offerings Stay Stable*

According to a recent Society for Human Resource Management (SHRM) survey, the biggest increases in employee benefit offerings include well-baby programs, prenatal programs, and chiropractic insurance. Additionally, more employers are providing emergency child care, onsite vaccinations, weight-loss programs, gym membership subsidies, individual investment advice, general financial education, onsite parking, and casual dress days.

The largest downward slides occurred in the number of employers offering telecommuting part-time, credit unions, scholarships for workers' family members, paid-time off plans, and contraceptive coverage.

Other benefits, including defined contribution retirement plans, life insurance, flextime, compressed workweeks, paid family leave, and smoking-cessation programs, held steady this year.

Meanwhile, the top strategies for healthcare cost-containment were mail-order prescription programs; cost-sharing with premiums, copays and coinsurance; and employee assistance programs. ■

## Voluntary Products to Complement Your Core Package

Find out how Gemini Group can help you implement a voluntary benefits package that will complement your company's core benefits.

Three of the most important objectives for an employer in managing personnel issues are:

- Attracting and retaining loyal workers
- Providing employees choice and security in their benefits package
- Managing the organizations dollars

Voluntary benefits have proven to be important offerings that address each of the three objectives. Selecting the right benefits, communicating them properly and administering them efficiently is the Gemini advantage.

Gemini is licensed with over 20 of the largest voluntary companies in the country thus allowing us to pick the carrier and product to fit your company's needs. We seek to achieve the right balance that ultimately helps your organization better manage costs and attract and retain loyal workers. ■

## Do you have part-time or non-eligible employees not covered on your group health plan? Gemini Group, Inc. can help!

Recent changes to Colorado insurance law have made it easier to get these workers health insurance coverage. Gemini Group, Inc. can show you how to best use these changes to your advantage.

**Benefits at no cost to the employer-** Under the new guidelines, a company can now help workers obtain affordable individual health insurance coverage at no cost to the employer.

**Helps eliminate COBRA problems-** An employer can now help terminated employees obtain an option to COBRA that usually will cost less and move them off the group plan.

**Cover dependants no longer eligible for a group health plan-** When a dependant graduates or reaches an age where they are no longer eligible for a group plan, an employer can help by contacting Gemini Group, Inc. to get them covered on an individual health plan. It's easy to apply for individual health coverage at [www.geminigrp.com](http://www.geminigrp.com).

Call Gemini Group, Inc. at (303) 757-1234 to find out how our team of consultants can help find exciting new solutions to all your benefit needs. ■

The HRinsider SM bulletin is brought to you each month courtesy of **Gemini Group Inc.**, a UBA member.

For more information, contact us at [info@geminigrp.com](mailto:info@geminigrp.com)

Or visit our website:  
<http://www.geminigrp.com>

