

MIHS Benefits Strategy Opportunities

Concept → Reality

Vision

Goals

Strategy

Criteria

Success

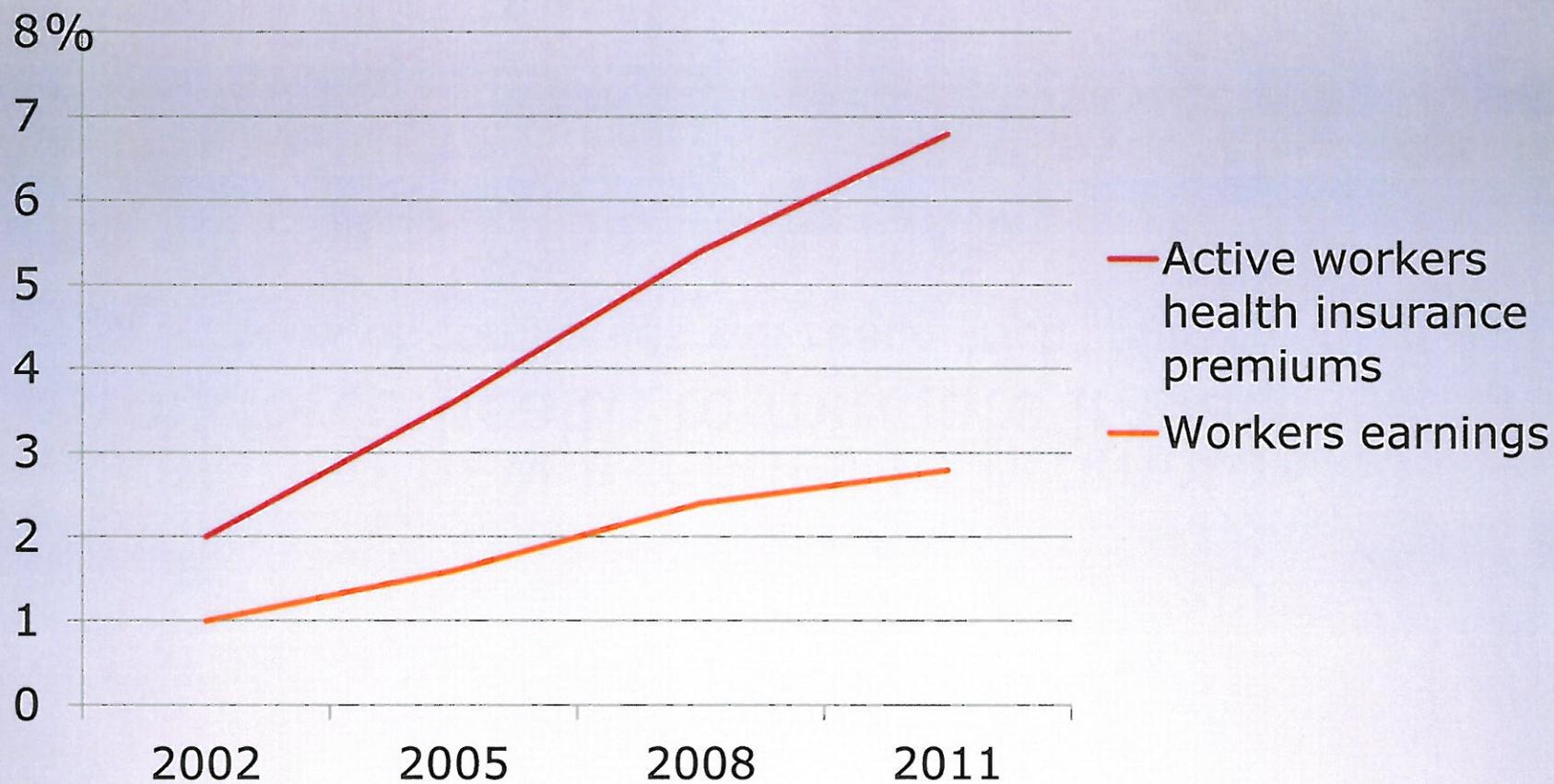
Monitoring

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Presentation Topics

- Increase employee health:
 - Customized health care and wellness for new ways to engage employees to mitigate rising health care costs
- Changing employer approach:
 - Customized health care and wellness for workforce
 - Data-driven policy and program decisions
- Goal – New Paradigm:
 - New and effective ways to increase employee health, productivity, and longevity.
 - Harmonize workforce health and satisfaction accompanied by cost savings.

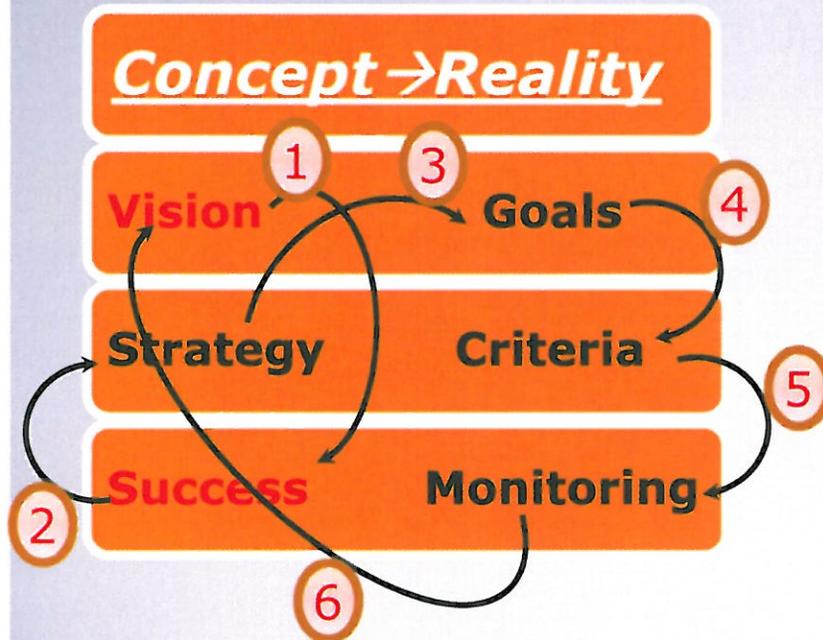


Widening affordability gap for employee health coverage

Emerging Trends

- Companies anticipating rising health costs
 - Health Exchange Programs – 2014
 - Excise Tax - 2018
- Exploring new avenues to promote workforce health to mitigate impact
 - 60% of companies will reach “rich” plan by 2018

Backcasting vs. Forecasting



Strategies

- \$ incentives for:
 - Completing a Health Risk Appraisal and/or Biometric Screen
 - Active Engagement at the WORKPLACE
- Data Mining to Drive Network and Benefit Changes
- Provide Information on preference-sensitive care
- Apply Behavioral Economic Principles (Why) to engage employees in wellness programs

The bottom line...

- Biggest cost-driving challenge:
 - Motivating workforce to take responsibility for their health
- Employers that focus on their:
 - Health care vendors are more likely to succeed in motivating employees by designing custom health and wellness programs
 - Data mining in real-time are more likely to make targeted policy and program decisions

Maricopa Benefits

- Procurement tactics should be the same throughout...
 - Do not tie up resources unnecessarily
 - Keep plans simple
 - Unbundle plans
 - Increases vendor accountability
 - Increases client control
 - Greater transparency in pricing/charges
- Actively Engage Employees with Customization...
 - Expand employee incentives for lifestyle coaching, biometric screenings, program completion etc.
 - Encourage vendors to evaluate service usage (best practice coaching, evidence-based treatments & emerging technologies)
 - Mine data to isolate cost-drivers and make plan and benefit changes (tiering of networks)

Large-scale, Small-scale

- Employees - Motivating workforce to participate in their health can reduce health costs and increase workplace productivity and ingenuity
- Vendors - When you know what to measure, you can measure it. When you know what works, you can work it
 - Activity indicators
 - % of eligible population involved in specific activities
 - Outcome indicators
 - Pay for Results
- Internal - DATA DATA DATA DATA

The future plan...

- Without paradigm shift, things will only get harder...
 - Employee confidence for controlling health care costs is at all time low
- Improved Benefits programs must focus on ...
 - Vendors - customize and focus on quality of care (re-admission rates, ambulatory care sensitive conditions)
 - Employees - Apply behavioral economic principles to engage Employees
 - Internal - Use DATA to drive policy decisions

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