

POPULATION HEALTH: BETTER OUTCOMES DRIVEN BY DATA

BY KRISTINE KLEPPER

When it comes to health, no two people are the same. Each of us has a unique set of health concerns and priorities based on family history, upbringing, personal habits, medical knowledge, environmental factors and a host of other influences. Likewise, it's no surprise that within any population of employees and dependents there are a wide range of individuals with unique health concerns. Some suffer from chronic conditions, others need treatment for an acute illness. Some are relatively healthy, while others have complex medical needs.

The practice of population health works to identify medical trends and issues within a group of participants and implement strategies to lower costs and improve health outcomes. With population health, plan elements like benefits structure, clinical resources, claims processing and wellness initiatives are all tools that can be utilized to improve the overall health of the population.

For organizations and plan administrators, population health has significant potential to streamline costs and improve employee wellbeing and satisfaction. In fact, 61 percent of employers surveyed in Deloitte's Global Human Capital Trends report¹ said employee wellbeing programs improve productivity and bottom-line business results.

Evolving population health strategies can be used drive a healthier workforce and balance sheet.

BETTER OUTCOMES ...

Technology is connecting plan participants and providers in powerful new ways. Here's just one example.

Patients with diabetes can be given continuous glucose monitoring devices that track blood sugar levels at all times. If the device detects a dangerous reading, it immediately alerts a designated healthcare provider. A nurse can then call the patient right away to make sure there's no medical emergency and alert the patient to the adverse reading.

In addition to being automated, new technologies have two significant benefits for plan sponsors, participants and providers.

¹<https://www2.deloitte.com/insights/us/en/focus/human-capital-trends/2018/employee-well-being-programs.html>

1 IMMEDIATE ACTION.

A healthcare professional is alerted instantly and then has a personal interaction with the patient. This drives better health outcomes – and in some cases can save an individual's life.

2 DIRECT CONNECTION.

Employees can be mistrustful of their employers and insurance companies when it comes to personal health information and privacy is often a concern. Technology enables a direct line between patient and provider in a private, tailored interaction.

These glucometers are just one example of how wearable devices are changing ways employers can support better connections between patient and provider. As a result, employees receive more timely, personal health interventions with less opportunity to hide behind plan bureaucracy and anonymity in realizing better health outcomes.

... DRIVEN BY DATA

Rapidly evolving technology and data analysis tools are creating better opportunities for care, but administrators and providers need actionable data to determine where to focus their efforts. In addition to new sources of data like wearables and other internet-connected devices, there is plenty of actionable information in more traditional forms of data, including:

- Insurance claims
- Employee surveys
- Health risk assessments
- Pharmacy data

A smart analysis of data from these sources can reveal gaps in care for a specific population with the most potential for return. Plan sponsors should focus on finding the right balance of employer-led initiatives, carrier tools and healthcare provider resources with the right metrics to measure impact.

ONE METRIC IS KING – EMPLOYEE BUY-IN

At the end of the day, population health data and resources only matter if they're creating healthier individuals. Getting participants to better manage chronic conditions, make smarter eating choices and get more exercise takes employee education and buy-in. No matter how sound the population health strategy is, it won't work if employees don't participate.

The gold standard for securing that buy-in remains financial incentives through lower payroll deductions for health plan coverage. Offering a tangible discount for making smart, proactive health decisions motivates employees to take those actions.

When implementing any workplace health initiative, it's typically best to start small. See what resonates with your specific population and build on what's effective. Potential initiatives to explore include:

- Published patient testimonials
- Encouraging contests and competitions
- Health fairs and awareness events
- Group goals and program updates



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ACHIEVING A HEALTHY RETURN ON INVESTMENT (ROI)

Employers understand the value of managing and improving population health. Yet quantifying a direct ROI can be a challenge. In many cases, you're attempting to measure what didn't happen through negative health outcomes that were prevented. It's no easy task.

A KPMG study² points to ROI between three and four years into the program. But to truly gauge the success of population health efforts, a broader perspective is needed.

More and more employers are recognizing the impact population health can have on participant health and the bottom line. On average, annual healthcare premiums will increase by five percent this year, according to the Kaiser Family Foundation. Using population health to identify better ways to tackle participant health can lead to direct healthcare savings and offset the consistent uptick in medical plan costs.

These savings are often amplified across the organization. Research suggests health-related productivity costs are greater than direct health costs at a rate of more than two to one³. At the same time, a healthy company culture and better benefits can improve retention and recruitment – a particular concern in the competitive labor market facing many industries.

POPULATION HEALTH CREATES HEALTHY POPULATIONS

Just as a rising tide lifts all ships, productive population health efforts have a positive impact on society that's part of a meaningful ROI. Better utilization of the system helps to bend the healthcare cost curve, fostering healthier lifelong habits for employees and dependents. Advances in population health technology create a real potential for organizations with a dedicated approach to understanding the health issues and opportunities specific to their participants.

²<https://www2.deloitte.com/insights/us/en/focus/human-capital-trends/2018/employee-well-being-programs.html>

³<https://insights.ovid.com/crossref?an=00043764-200904000-00004>

To discuss your population health opportunities at your organization:

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