

## Creating a Culture of Health

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Health Services



## Penrose-St. Francis Health Services Mission Statement

*"We extend the healing ministry of Christ by caring for those who are ill and by nurturing the health of the people in our communities."*





## What approach is optimal for you, the purchaser?

- Use (or build on) what is already available
- Be comprehensive in your approach
- Partner with a local community network
- Integrate offerings with Benefit Design

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## Build on what is already available

- Start with a culture assessment
- Establish goals
- Evaluate resources and partnerships available to you

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## The 2011 Penrose Pilot Associate Plan

- 2,200 employees
- Developed partnership with two large PCP groups
- Strongly encouraged participation in worksite wellness program
- Implemented concept of Patient Centered Medical Home
  - Required employees to choose a PCP
  - Measuring HEDIS criteria
  - \$4.00 per member per month management fee
- Waived employee deductible for services provided by PCP
- Developed PCP support programs (HRA, Disease management programs, coaching)

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## Work-related injuries and illnesses in general medical/surgical hospitals


- Bureau of Labor Statistics reports (2008) show an 82% higher incidence rate for work-related injuries and illnesses for workers in general medical/surgical hospitals (NAICS Code 6221) when compared to all industries combined.
- Over 258,000 OSHA recordable cases of injury and illness were reported in 2008 in these hospitals, and this was the second highest number for all industries reporting more than 100,000 cases.

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## STRIVE For Platinum Health Incentive Program


| LEVEL   | Requirements  |   |
|---|---|---|
| <b>Level 1:</b><br>Participation  | -Complete an Online Health Risk Assessment<br><b>AND</b><br>-Attend the annual health screening   | <b>\$50</b>                                     |
| <b>Level 2:</b><br>Incentive Points awarded for Healthy Biometric Results at the health screening | <b>Four categories measured</b><br>Blood Pressure, Cholesterol Ratio, BMI, Tobacco Free<br><br><b>Platinum Health:</b><br><b>All 4 categories are in the "Healthy" range and 100 points automatically doubles to:</b> | <b>\$10-\$85</b><br><br><b>\$200 or PAL Day</b> |
| <b>Level 3:</b><br>Incentive for participation in follow up programs                              | Those at "moderate" or "at risk" choose to enroll in a specific program.<br>- Enroll in chosen program and complete 3 hours.  | <b>\$50</b>                                     |

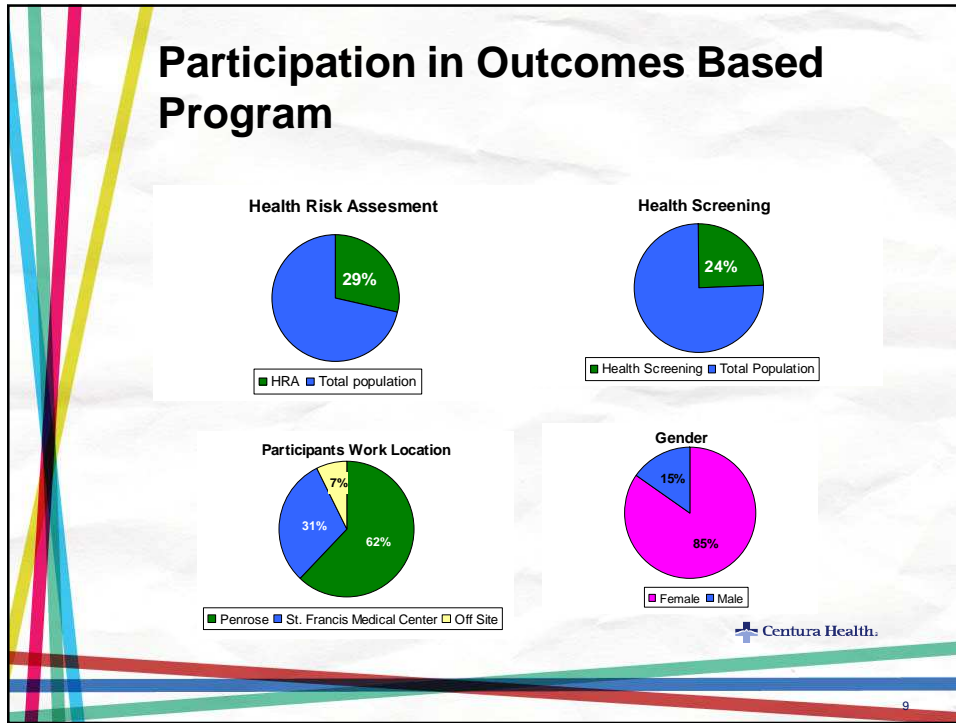


## 2011 Health Screening Participation

- More than 1,000 associates (37%) completed the online Health Risk Assessment and 881 participants attended the STRIVE Health Screenings

| 2011 Health Screening     |           |
|---------------------------|-----------|
| <b>Total Participants</b> | 881       |
| <b>Total Associates</b>   | 833       |
| <b>Total Volunteers</b>   | 5% (48)   |
| <b>Total Platinum</b>     | 31% (259) |






## The association of health risks with workers' compensation costs

[J Occup Environ Med.](#) 2001 Jun;43(6):534-41

“ In a population of Xerox Corporation's long-term employees, 85% of WC costs could be attributed to excess risks (medium- or high-risk) or non-participation. Among those with claims, a savings of \$1238 per person per year was associated with Health Risk Appraisal participation. Addressing WC costs by focusing on employee health status provides an important additional strategy for health promotion programs.



## Prevention Strategies

- Wellness programs
- Development of job descriptions
- Job analysis/worksite evaluation
- Fit for duty programs
- Post-offer, preplacement physical examinations
- Investigation of all work-related injuries
- Drug testing



## Be comprehensive in your approach

- Combined philosophy of Occ. Health with health benefits – no distinction in the eye of the employer
- Partnered with aligned PCP groups
- Developed risk assessment programs
- Developed coaching programs
- Developed disease management programs

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## So...Who is YOUR wellness coach?

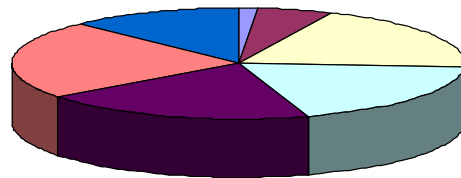


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## 2010 PSF Experience: How is the "pie" currently split?

Admin fee Includes health plan  
"medical management"



- Allied Health
- Primary Care
- ED and Ambulatory Surgery
- Specialist
- Pharmacy
- Hospital Inpatient
- Administrative fee

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## 2010 PSF Employee Medical Plan Experience

|   |                  |
|---|------------------|
| Average Enrolled Associates                           | 1,691            |
| Average Enrolled "Members"                            | 3,495            |
| Average Contract Size                                 | 2.1              |
| Age/Gender Factor                                     | 1.241            |
| Claims per 1,000 members per year                     | 959              |
| <br>  |                  |
| <b>Total Covered Expense PMPM</b>                     | <b>\$379.20</b>  |
| Medical   | \$295.90         |
| Mental Health   | \$0.17           |
| Rx  | \$83.12          |
| <b>Total Expense Per Member, Annualized</b>           | <b>\$4,550</b>   |
| <b>Total Expense Per Employee, per year</b>           | <b>\$9,556</b>   |
| <br>  |                  |
| <b>High Cost Claimants (&gt;\$50K) / 1,000 / year</b> | <b>6.6</b>       |
| <b>Average paid per patient</b>                       | <b>\$139,308</b> |
| <b>% of Total expense</b>                             | <b>32.9%</b>     |

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## Disease Management: Predictive Analysis with Telephonic outreach

|                            | Per<br>employee<br>per month | For 1,000<br>employees<br>per year |
|----------------------------|------------------------------|------------------------------------|
| Congestive Heart Failure   | \$0.90                       | \$10,800                           |
| Hypertension               | \$0.50                       | \$6,000                            |
| Lower Back Pain            | \$0.36                       | \$4,320                            |
| Wellness Coaching          | \$1.25                       | \$15,000                           |
| Polyformulary              | \$0.25                       | \$3,000                            |
| Biometrics                 | \$0.25                       | \$3,000                            |
| Diabetes Management        | \$0.50                       | \$6,000                            |
| Asthma                     | \$0.25                       | \$3,000                            |
| Acid Reflux                | \$0.15                       | \$1,800                            |
| <u>High Risk Maternity</u> | <u>\$0.45</u>                | <u>\$5,400</u>                     |
| <b>Total</b>               | <b>\$4.86</b>                | <b>\$58,320</b>                    |

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## Partner with your local community network

- Purchasers are demanding integrated systems become accountable for cost and quality
- Purchasers are not seeing a return on the investments in health plans

The Patient Protection and Affordable Health Care Act of 2010


- Requires “medical expense ratios” of insurers to be  $\geq 80\%$  (small group) or  $\geq 85\%$  (large group)
  - Makes it desirable for health plans to pay providers to perform these functions as part of the medical expense
- Estimated available funding for these functions, HMO/PPO population:
  - conservatively, \$20 - \$45 per employee per month

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## The Way to the Heart of Your Local Hospital!

IRS Proposed Requirements for Tax Exempt Status (Section 501, now in the Comment Period)




| From                        | To   |
|-----------------------------|--|
| Self Serving                | Community Asset  |
| Directed “Needs Assessment” | Resource Assessment Every 3 Years                        |
| Charity Care                | Community Health Improvement                             |
| Disease Treatment           | Prevention   |
| Hospital Knows All          | Everyone Knows Something                                 |
| Financial Scrutiny          | Scrutiny on Partnerships and Community Needs Assessments |

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## Integrate with benefit options


- Encouraged relationship with PCP through waiving deductible
- Tiered the network
  - Increase coinsurance for visits to ‘non-aligned’ PCPs and specialists
- Communicated intentions to associates
  - Decrease emergency dept. utilization
  - Improve health status, as measured by biometrics and HEDIS scores
  - Decrease specialist utilization

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## 2010 PSF Employee Medical Plan Experience

|  |       |  |
|--|-------|--|
| <b>Inpatient Utilization</b>                             |       |  |
| Admissions / 1,000/year                                  | 55    |  |
| Days / 1,000 / year                                      | 217   |  |
| Length of Stay   | 3.87  |  |
| <b>OP Facility</b>                                       |       |  |
| OP Surgery visits/ 1,000 / year                          | 172   |  |
| Emergency Visits/ 1,000 / year                           | 263   |  |
| <b>Community based physician visits per 1,000 / year</b> |       |  |
| Primary Care   | 1,981 |  |
| Specialist   | 1,335 |  |
| OB/GYN   | 285   |  |
| <b>Inpatient physician consults / 1,000/ year</b>        |       |  |
| Primary Care/Hospitalist                                 | 82    |  |
| Specialist   | 148   |  |
| OB/GYN   | 7     |  |

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Centura Centers for  
Occupational Medicine  
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**CCOM at Audobon**  
Colorado Springs

**CCOM Sisters Grove Pavillion**  
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**CCOM Cripple Creek**  
Cripple Creek

**CCOM Pueblo**  
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**Mercy Center for Occupational Medicine**  
Durango

**CCOM Cañon City**  
Cañon City

**Saint Anthony North - CCOM**  
Westminster

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**Think about this...**

**Our Children May Be the First Generation That Will Not Outlive Their Parents.**



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