

## **Late-Breaking Health Care News**

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In this era of health care reform, employers have four primary directions they can take with their health care benefits.

1. Exit completely (provide some compensation so employees can find coverage on their own in the open marketplace.
2. Move toward Corporate/Private Exchanges. (still 'in the game' but offering only subsidy and some communications about "how" to shop in the exchange environment.)
3. Continue to make plan design and program changes on an annual, iterative basis to affect trend.
4. Redefine the employer and employee responsibility on health care programs by assuming "this is our money as your employer....we will reset expectations and rules to govern how you and we will use our benefits going forward." A House Money/House Makes the Rules" philosophy

For employers interested in continuing to sponsor and fund their own health care benefits, there are scores of innovations and emerging solutions that have the potential for better outcomes and lower costs to the employer and employee.

We'll look at real life examples of these today.

1. Two innovative approaches to developing a virtual Medical Home construct to help people navigate the health care system with more sanity and better outcomes.
2. Two different, but very unique corporate health improvement Client Case Studies with very different approaches to employee engagement and the use of behavioral economic principles. With quantified results.

The late breaking news is this.....

"There are some very innovative solutions being implemented in the US employer world today that are working, creating results, and engaging employees.

These may work for you or some elements may help you as you work with your own challenges."

Questions?

# Late Breaking Health Care News

- ISCEBS Employee Benefits Symposium
- August 2012

Presenter: David Fortosis, SVP, Health Strategy, Aon Hewitt

## In...Or Out?

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- “95% of 135 large employers (>5,000 employees) will continue to offer medical benefits programs in spite of recent health care reform validation”<sup>1</sup>
- “6% of 1,803 large employers will consider state exchanges once they are a viable option”<sup>2</sup>

<sup>1</sup> 2012 Benfield Survey of Large Employers

<sup>2</sup> Aon Hewitt 2012 Health Care Employers Survey

## Thoughts About Being “In”?

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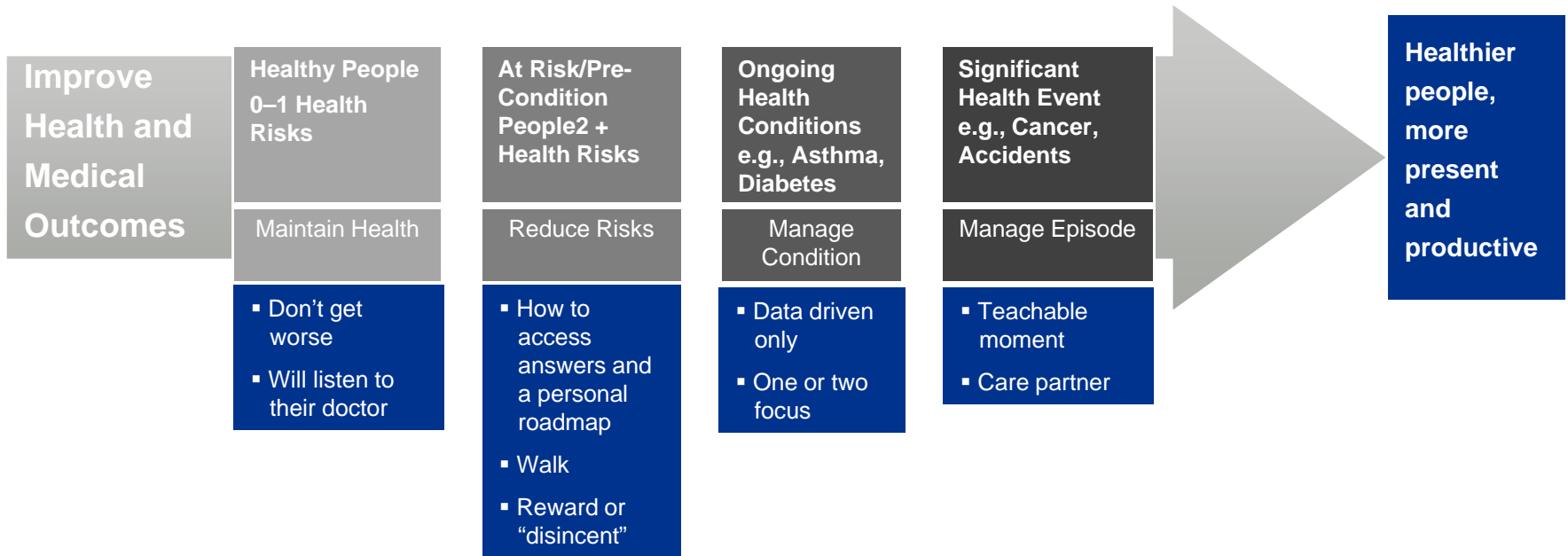
- Employers are uncomfortable giving up control, losing influence, and setting employees adrift
- Medical benefits are still a most valued benefit and part of attraction/retention
- Something must change for these same employers to afford the luxury of plan sponsorship
  - Cost shifting has little future
  - CDHPs will likely be a sole option
  - Wellness, with “teeth”, will become prevalent
  - Eliminating unnecessary costs will occupy us for years

# House Money, House Rules

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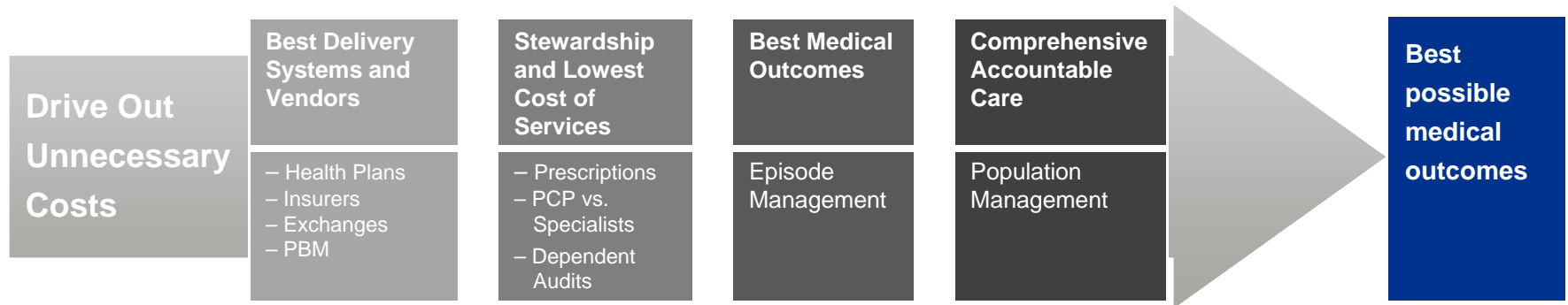


# House Money, House Rules

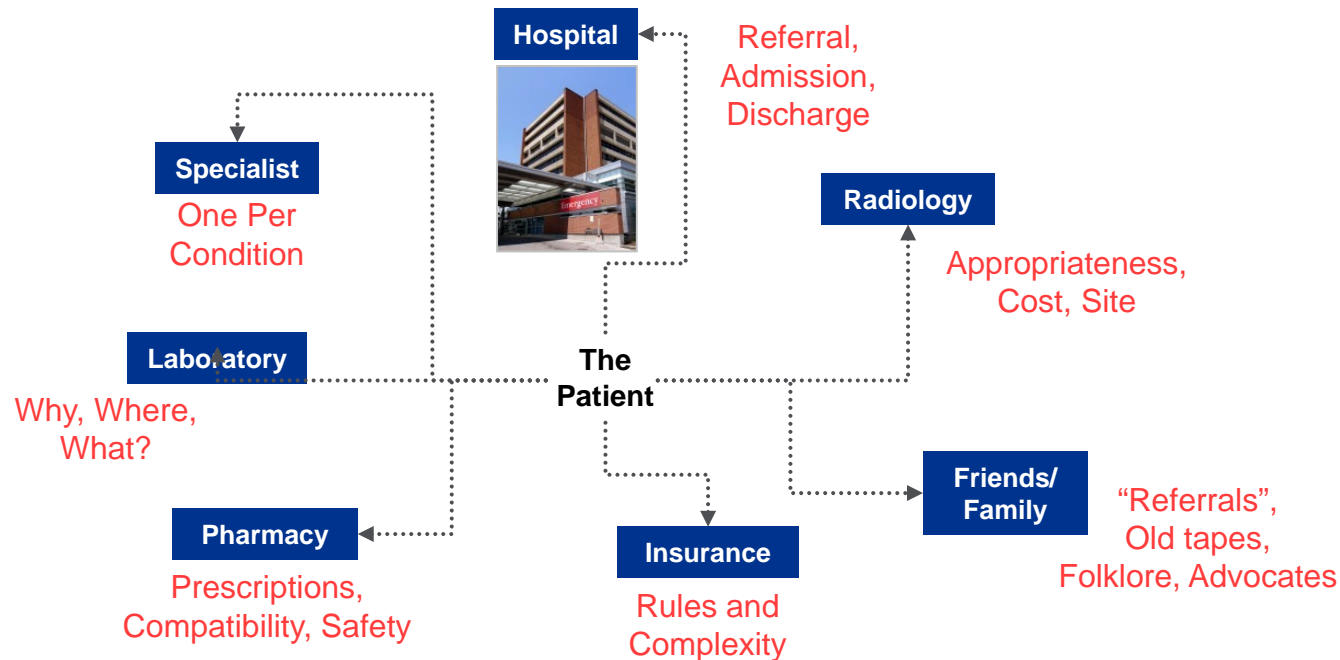


# House Money, House Rules

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# One Problem: Surviving and Thriving in the System



- “50% of American adults have a chronic illness”<sup>1</sup>
- “A person with a chronic illness will enter the health care system more than 7 times a year”<sup>1</sup>
- “Simply eliminating ‘avoidable care complications’ would reduce health care costs by 20%”<sup>2</sup>
- “One in six U.S. hospitals have high rates of blood infections from large vein catheters”<sup>3</sup>
- “A 2012 study of seven Chicago hospitals showed extreme variation in Patient Safety, Complication Rates, and Mortality”<sup>4</sup>

<sup>1</sup> Robert Wood Johnson Foundation, 'Portrait of the Chronically Ill in America'

<sup>2</sup> "Health Care Will Not Reform Itself", Halvorson, G., pg 10. 2009

<sup>3</sup> NPR, Jordan Rau Article, 2-9-2012

<sup>4</sup> 2012, Imagine Health Study



## Patient-Centered Medical Home

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### Principles:

- All medical history, Rx scripts, medical providers, and health risk/biometrics maintained for each person
  - Electronic and accessible
- Full medical exam on regular schedule (typically annually)
- Recurring contact (calls, appointments, reminders, monitoring) for anyone with chronic illness
- Active coordination when any member enters hospital
- PCP is primary medical “hub” but day-to-day execution by staff
- 24/7 access to response staff

## How Avado, Quad Med, And Others Make This A Reality:

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- Personalized patient portal—secure/accessible
  - My Health Account
- Electronic medical record
  - My Health Account
- All forms archived
- Health Content
- Personal reminders
- On-line scheduling<sup>1</sup>

<sup>1</sup> Annual physical—99215 CPT Code = 40 minutes...not 15!

## Another Problem: Making Health Happen

### KONE, Inc.: Doing It Right

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- Global elevator and escalator company
- 77 branch offices in Americas
- Strong culture, low turnover
- Average age 42, 60% male, 40% female

## Background

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- Strong leadership team
- Health Improvement: An Investment
- Promises to Senior Management:
  - Financially prudent
  - Health risk orientation
  - Confidentiality protected
  - Meaningful incentives
  - Variety of health management activities
  - Strong physical activity element
  - Behavior economics principles
  - Energetic, fun competitive

## Their Program

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- “Home-grown” health improvement program
- Five core partners (exercise, data warehouse, clinicians, web developer, biometric testing/coaching)
- Launched in U.S., Mexico and Canada
- Spend 1% of health care budget on wellness program

## Key Features

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- “Internet site
- My Health Account
- > 25 lottery entry possibilities
- Incentives are meaningful: free vacation days, free healthcare, shopping sprees, resort vacations
- Eight coaching courses aligned with population risks

# Elevate Your Health—Home Page



## Why Elevate Your Health?

Vance Tang-Executive Vice President



Your health impacts all areas of your life, and is an integral part of you which should be protected,

maintained and improved. Good health allows you to enjoy a vital life at home and at work.

[Read Full Article >](#)

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**Get More Health Information**

## Three Steps to Good Health



BE AWARE



BE RESPONSIBLE



BE ACTIVE

### FREE Biometric Health Screening

The first step to improving your health is to understand your current health situation. KONE is providing biometric health screenings at no cost to you at your worksite or a local lab. These tests will help identify your risk for heart disease, infection, kidney and liver disorders, anemia, bone, blood and muscle disease (including certain types of cancer) and other health issues such as diabetes or high cholesterol.



[Read More >](#)

## Top News



### Family Medical History...Identifying Your Health Risks

5/2/2011 3:20:03 PM

I was raised in a stereotypical Italian family. I'm the youngest of 5 children, have dozens of cousins, and typically have to rent a park or reception hall for our family reunions. I get a lot of my identity from my family...the way I look, my sense of humor, and respect for the perfect lasagna.

[Read Full Article >](#)

## Wellness Regions Participation

[Screenings](#)
[Walking](#)



**Screenings:** Participation is the number of employees covered by KONE's medical plan who had a health screening divided by the total number of employees covered by KONE's medical plan in the Region.

## My Health Account

Your good health is the goal of **Elevate Your Health**. Your health risk score reflects your current health condition. Your **Elevate Your Health** participation and changes to win prizes are

# Elevate Your Health—My Health Account



## My IHI Score

**25** 2010 IHI Score

**-3** 2011 IHI Score

This score is a composite of five controllable lifestyle risk factors that help determine your health – glucose, LDL cholesterol, triglycerides, blood pressure and tobacco use.

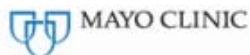
## My Personal Health Report

Download 2010 PDF »

Download Current PDF »

## Get More Health Information

The Mayo Clinic can help answer your questions about a disease, symptoms, drugs, tests or procedures.



[Visit the Mayo Clinic knowledge base »](#)



## MY HEALTH ACCOUNT



### About Your Account

The table below displays the potential number of entries you can earn for the prize drawings this year. The right-hand column displays the actual prize drawing entries you have earned so far in 2011.

**THE TABLE BELOW IS UPDATED EVERY THREE TO FOUR WEEKS.** Prior to each prize drawing, you should ensure that your activities are validated.

These prize drawing entries are valid for the calendar year. Each January 1 your prize drawing entries will return to zero and you begin earning entries for the new year.

### 1 Be Aware

Be Aware Steps To Take	Entries You Can Earn	Your Prize Drawing Entries
Complete your health screening	2	2
Do not use tobacco	3	3
Discuss any urgent health risks identified in your Personal Health Report when a medical professional calls	2	0

[Click here to go to the Be Aware page »](#)

### 2 Be Responsible


Be Responsible Steps To Take	Entries You Can Earn	Your Prize Drawing Entries
Complete a QuickCheck six months after your initial health screening	1	0
Enroll and complete a HealthFocus course with a personal health coach	3 per course	3
Fax Annual Check-Up Verification form to data warehouse after your annual physical exam	2	2



# Be Active—Exercise Tracker

HELLO  
David Fortosis

**My Goals**



Change

Walk 0 steps and 0 aerobic steps each day.  
Change

Go from 190lbs to 0lbs.  
Change

[View / Edit Profile](#)

**Top Walkers**

Top walkers, by step average, from Jan 24th to Jan 30th:

1. mkohlo  
Avg. Steps: 54393
2. Mr. Mason  
Avg. Steps: 29994
3. cadaniel  
Avg. Steps: 27155
4. mkojup  
Avg. Steps: 22782
5. tjdusek  
Avg. Steps: 16632
6. Mario  
Avg. Steps: 14308
7. jimbailey  
Avg. Steps: 13788
8. Steveshep

**My Step Status**

**KONE EYH (2012)**  
Daily average: 159      Average required to meet goal: 6,880

4,933 steps so far      1,995,067 steps to go



0      800,000      1,200,000      1,500,000      2,000,000

January 1st      November 15th

Previous Challenges

Note: Hover over green question mark to see token legend.

**My Dashboard**      Print-Friendly

Daily    Weekly (last 7 days)    Month-to-date    Lifetime-to-date

**January 31st, 2012**

Summary	Activity	Nutrition/Calorie	Body Snapshot
Total Steps	0	0.0%	[Today's step target is 0 steps]
Total Aerobic Steps	0	0.0%	[Today's aerobic step target is 0 steps]
Total Number Of Minutes of Aerobic Steps	0		
Distance Walked	0.00 miles	0.0%	[Today's Distance target is 0 miles]
Total Calories Burned By Walking	0		
Calories Burned by Other Activities	0		
Total Calories Burned	1822.8 kcal		
Total Calories Consumed	0.0 kcal		
Calories Burned			Calories Consumed

**KONE Exercise Tracker**

MONTH	TOTAL STEPS	SELF-REPORTED EXERCISE DAYS
January	4,933	16

KONE will credit the activity with the highest level reached. Self reported exercise days and pedometer step credits cannot be combined.

Enter Workouts

2012-01-31    Go

Select a date in the calendar to list the 5 days prior for recording. Check the box to make a note of your activity. You may also include a brief note about the activity, for your personal reference. Then, hit submit to save your KONE self reported workouts.

DATE	NOTES
January 27th	<input type="checkbox"/>
January 28th	<input checked="" type="checkbox"/>
January 29th	<input checked="" type="checkbox"/>
January 30th	<input checked="" type="checkbox"/>
January 31st	<input type="checkbox"/>

I give my word that I have exercised briskly for a minimum of 40 minutes on all days marked with a checkbox.

The 40 minutes does not include warm up time or cool down time. The activity can be any physical exercise where the heart rate is accelerated to a level recommended and approved by your physician.

Submit

## Some Metrics: Third Year Ending Now

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- Year One: Post-test 26 employees were referred immediately to their physician
- 92% of employees participated in biometric test (2010, 2011, 2012)
- 1/3 KONE employees actively use the pedometer and record > 8,000 steps/day (all years)
- 23% employees walked > 1,000,000 steps in 2010
- 33% employees walked > 1,000,000 steps in 2011 (2012 available in November).
- The percentage of employees in the high risk (score > 26) group dropped 61% between 2010 and 2011
- The percentage of tobacco users dropped 15% between 2010 and 2011