



ENHANCED PRIMARY CARE REDUCES COST AMONG ENGAGED EMPLOYEES

Community-based Hospital Lowers Employee Health Care Cost with Enhanced Primary Care Model

THE PROBLEM

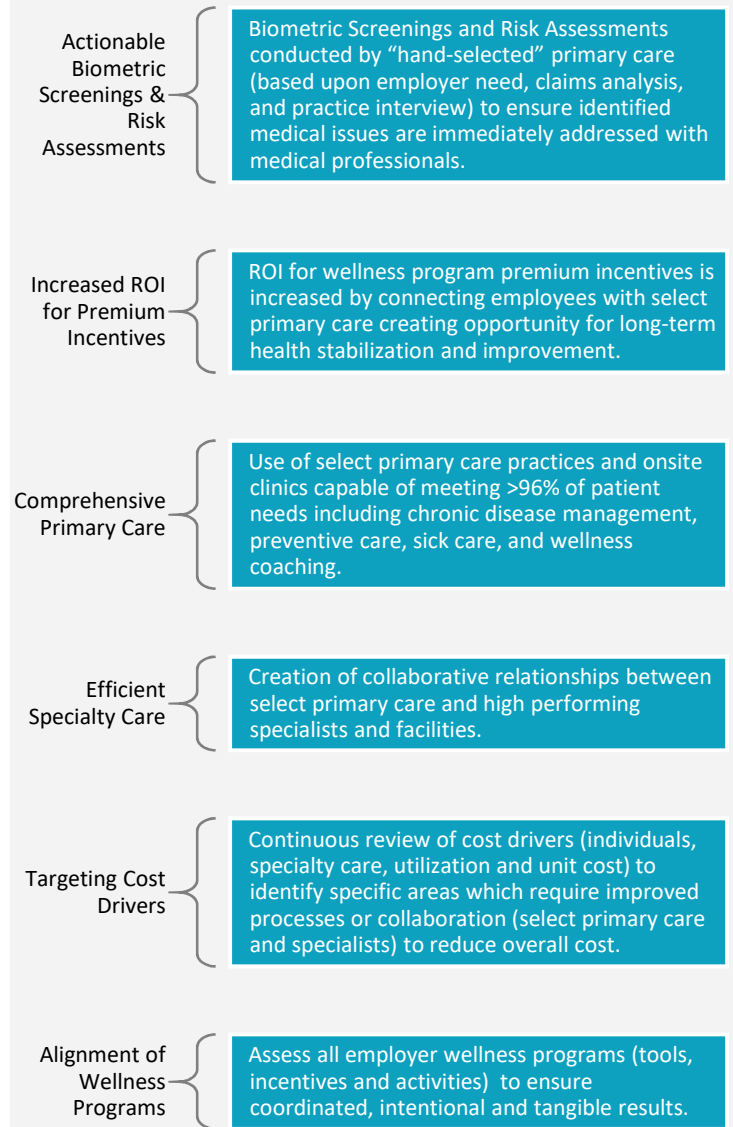
A regional hospital in the mid-west found themselves with two unique dilemmas: First, as a healthcare provider, they were searching for cutting edge business models which expanded market capture and increased revenue while still serving as a trusted healthcare partner in their community. Second, as a self-insured employer, they desired to reduce their overall healthcare spend, reduce leakage and improve employee access to quality care. The hospital leadership recognized that whatever they implemented they must test and prove the process with their own employee population. Employer Advantage’s turnkey solution for creating an Enhanced Primary Care Program was a perfect match for both of the hospital’s key challenges.

IMPLEMENTATION

The following key components of Employer Advantage’s Enhanced Primary Care Program were implemented:

1. Comprehensive healthcare data study was conducted to identify current and expected spend, Primary Care usage, population health risk scores as well as any improvement opportunities.
2. Enhanced Primary Care business model which:
 - a. Established fees for enhancing Primary Care for Cooperation.
 - b. Offered legally approved premium incentives for program enrollment by employees and their spouses.
 - c. Created an environment which rewarded collaboration with Primary Care and other ancillary hospital services like Medication Therapy Management, Nutrition Counseling and Behavioral Health.
 - d. Conducted open enrollment style meetings for employees to facilitate enrollment in the program.
 - e. Established reporting metrics for measurement of program success.
 - f. Facilitated change within the hospital system promoting collaboration between primary care specialists and hospital services.

HOW DO WE DO IT?





RESULTS



Overall Cost 17% ↓

Spend among Enrolled Members compared to Non-Enrolled



Hospital 15% ↓

Spend among Enrolled Members vs. 10% decrease among Non-Enrolled



Medication 8% ↓

Spend among Enrolled Members vs. 21% increase among Non-Enrolled

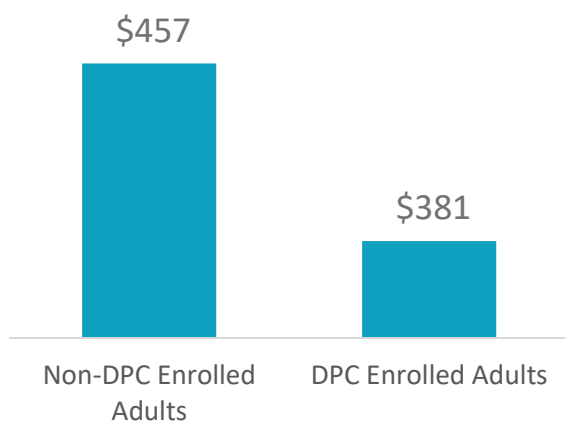


Facility 1% ↑

Spend among Enrolled Members vs. 17% increase among Non-Enrolled

PMPM Spend

264 Enrolled Members vs. 729 Non-Enrolled



1. Approximately 25% of the adult population enrolled in the Enhanced Primary Care Program.
2. Cost of the enrolled population was 17% lower than the non-enrolled population, while costs for participants enrolled for more than 1 year were 37% less than the non-enrolled population; thereby demonstrating longer enrollment created greater savings.
3. Results in the highest three areas of healthcare cost:
 - a. Inpatient Hospital cost decreased by 15% in the enrolled population driven by a 33% decrease in frequency of use. The non-enrolled population decreased by 10% in the same time period.
 - b. Medication cost decreased by 8% in the enrolled population compared to an increase of 21% in the non-enrolled. The decrease in the enrolled population was driven by a 12% decrease in the average unit cost of medications.
 - c. Facility cost increased by 1% in the enrolled population compared to an increase of 17% in the non-enrolled. The less increase in the enrolled population was driven by a 24% drop in frequency of use.
4. Risk scores for the enrolled were 23% lower than the non-enrolled population while those enrolled for more than one year were 38% lower than the non-enrolled population.