

How to Implement a Large-Scale Preventive Health Care Program

By Kathy Fleming

Kathy Fleming (kfleming@uspreventivemedicine.com) is the vice president of communications for U.S. Preventive Medicine, Jacksonville, Fla., and a key member of the team responsible for implementing Nevada's preventive health care program.

Like most state governments, Nevada faces budget challenges stemming from the economic recession. As part of the effort to address these challenges, the managing board of the Nevada Public Employees' Benefits Program (PEBP) is pursuing strategies to reduce health care costs for public employees. The PEBP management team partnered with U.S. Preventive Medicine to create an integrated prevention benefit program designed to reduce total health care expenses and boost worker productivity by improving the health of the 44,000 PEBP participants.

The Health Care Cost Burden.

The PEBP management team is rightly concerned with the burden high health care costs places on the state's annual budget and on its employees' family budgets. According to a 2009 Kaiser Family Foundation survey, average premiums for family insurance coverage have increased 131 percent since 1999¹ (177 PBD, 9/16/09; 36 BPR 2197, 9/22/09).

In 2009, the health portion of our nation's gross domestic product (GDP) is expected to have increased 1.1 percentage points to 17.3 percent, the largest single-year increase since 1960.²

Poor employee health also impedes productivity. Compared to a healthy person, an employee in poor health is more likely to be absent from work and less productive while on the job. Several studies indicate the costs associated with employee absenteeism and decreased productivity due to poor health is more burdensome than medical and pharmacy claims costs alone.³

The health care cost crisis is largely the result of an escalating health predicament, which is tied to the continued growth of personal health risks leading to chronic illness. In the United States 75 percent of health care costs stem from the same preventable chronic conditions--heart disease, cancer, stroke, chronic obstructive pulmonary disease (bronchitis, emphysema) and diabetes.⁴ Rising health care costs are more connected to increased health care utilization (due to health risks and illness) than the increase in unit price for health care services.⁵

The 'Live Well, Be Well' Solution.

Based on the concept of employee health as a performance driver, Nevada's "Live Well, Be Well" program is designed to relieve the economic pressures of rising health care costs by removing a portion of the manageable health risks and illness burden from the population.

Dr. Dee Edington's landmark article, "Emerging Research: A View From One Research Center," demonstrated that costs follow risks. A high risk for any single health risk factor is tied to higher medical costs. As risks increase or decrease, the changes in costs follow in the same direction. Therefore, an organization that successfully moves a population from a high-risk category to a medium-risk category can expect reduced cost levels. Similarly, an organization that succeeds in maintaining a high percentage of employees in low-risk categories can avoid the cost increases associated with medium- and high-risk categories.⁶ The goal of the Live Well, Be Well program, therefore, is to move people into low-risk, low-cost categories and help them stay there.

Implementation Strategy and Tactics.

To succeed in moving people into lower risk categories, however, the program must achieve a high participation rate. Incentives, communications, and organizational commitment through a sustainable culture of health play important roles in increasing participation. The Live Well, Be Well management team worked with the implementation team from U.S. Preventive Medicine to develop a strategy to address these priorities throughout three distinct program phases-- assessment, intervention, and reward. The program, packaged in a benefit called The Prevention Plan, is available to primary participants enrolled in PEBP's self-funded PPO.

The Prevention Plan is a high-tech, high-touch health improvement program that identifies an individual's top health risks and designs a customized personal prevention plan to reduce those risks. The Prevention Plan comes with a suite of resources and personal support to keep the member engaged over the long term. Plan tools include an online personal health record for medical information storage, with a "learn-act-explore" functionality tied to the member's specific risks."

By selecting an independent provider to administer the program, the State of Nevada can offer an added level of confidence that personal health information will not be shared with the insurance carrier or used to affect their employment status. The program is also accredited by the National Committee for Quality Assurance and URAC, both of which set quality standards and performance measures for a broad range of health care entities. The program also maintains strict compliance with state and local insurance laws as well as national acts such as the Health Insurance Portability and Accountability Act (HIPAA), the Americans with Disabilities Act (ADA), and the Genetic Information Nondiscrimination Act (GINA).

In the assessment phase, members enroll in The Prevention Plan through a personal website, complete a Health Risk Assessment (HRA) and participate in a blood draw and biometric screening. Blood tests are available at many onsite work locations through the state and at community labs. The enrollment period extends for four months to maximize the participation opportunity and to create a sense of urgency. Employees who complete the first phase receive a \$25 gift card and become eligible to continue to the next phase.

During the intervention phase, The Prevention Plan categorizes each Live Well, Be Well member as high, medium, or low risk and creates a customized program for each member based on the information collected in the assessment phase. Members categorized as high or medium risk receive telephonic guidance from RNs, dietitians, personal trainers, and other coaches.

All Prevention Plan members, regardless of their risk category, complete wellness tasks throughout the year. These include completing recommended screenings and online tutorials as well as participating in activity challenges and community activities such as a walk-a-thon. Those who complete these “proactivity” tasks can earn up to 500 points toward their intervention scores, which provides PEBP with a measurable basis for rewarding healthy activities. The intervention phase is open to members for twelve months from the onset of the enrollment period.

Incentive Program.

PEBP is employing a health insurance premium reduction incentive of up to \$360 annually to boost participation rates. Typically, the stronger the culture of health and the greater the communication to employees, as well as the higher the dollar value of an incentive, the higher the participation levels.⁷

In the reward phase of the program, members are categorized into four levels based on the number of points earned during the intervention phase. A premium reduction is awarded based on the level achieved. By reporting only the level, and not the actual score, the member's confidentiality is respected. All members who meet the score requirements are eligible for the premium reduction, regardless of the risk category. The premium reduction lasts for one year, and begins at the start of the second membership year. The table below shows the levels, required scores, and premium reductions.

Members with diabetes who participate in The Prevention Plan's care management program also can use their \$2,500 annual wellness benefit to pay for medical office visits (with no copayment) related to diabetes and routine blood testing services such as hemoglobin A1c. In addition, PEBP provides a 50 percent discount on copayments for diabetes-related medications. Participation includes regular telephone contact with RN Care Managers and maintaining the prevention plan prescribed by the member's physician and care manager.

One year after initiation, the cycle will start again with the assessment phase for all current and new members. The reassessment enables PEBP to receive final reporting (quarterly reports are also provided) to gauge progress, measure participation, and plan activities for the coming year.

Communications.

Effective communications are a critical component of this Live Well, Be Well program. Goals outlined for the communication program included introducing The Prevention Plan to management and participants; educating employees about actions they need to take; informing employees with diabetes about their particular participation requirements; communicating the incentive program; and, finally, achieving 60 percent participation rates.

Communication tactics included a news release and newsletter article to announce the program to Nevada employees and the community at large. The high-touch recruitment strategy combines printed material, e-mails, e-newsletters, webcasts, posters, one-on-one phone calls to help new members navigate the process, and in-person enrollment meetings. To provide important details,

The Prevention Plan staff developed a “quick start” guide to be distributed inside the employee open enrollment packets as well as an employee web page that reinforced the value and benefits of the program while serving as a portal to The Prevention Plan website.

Throughout the program, members receive e-mails and e-newsletters that link to timely health articles, videos, challenges, and features that address timely health issues and keep them focused on their health.

Conclusion.

The Prevention Plan historically yields strong levels of employee participation, personalized prevention recommendations, and health coach advocacy, which should impact the level of individual engagement and results. Reducing health risks is a crucial objective for employers and sponsors such as the Nevada Public Employees' Benefit Program, which seeks to reduce health care costs and improve workplace productivity. Everyone wins when low-risk individuals can be kept in the healthy category and higher-risk individuals can be moved to a lower risk group or their health issues do not get worse. Under such a program, health care costs will be reduced, productivity and employee improved, and a culture of health enhanced.

Prevention Intervention Score Level Achieved	Score Range Reported	Annual Premium Reduction	Monthly Premium Reduction
Level 1	0-125	0	\$0
Level 2	126-250	\$120	\$10
Level 3	251-375	\$240	\$20
Level 4	376-500	\$360	\$30

¹ Kaiser/HRET Survey of Employer Health Benefits: 2009 Annual Survey. Available at: <http://ehbs.kff.org>.

² Truffer, Keehan, Smith, et al. “Health Spending Projections Through 2019: The Recession's Impact Continues.” *Health Affairs*, Feb. 4, 2010.

³ Loepke R., Taitel M., Richling D., et al. “Health and Productivity as a Business Strategy.” *Journal of Occupational and Environmental Medicine* 2007; 49:712-721. Loepke R., Hymel P.A., Lofland J.H. “Health-Related Workplace Productivity Measurement: General and Migraine-Specific Recommendations From the ACOEM Expert Panel.” *Journal of Occupational and Environmental Medicine* 2003; 45:349-359. Loepke R., Hymel P. “Good Health is Good Business.” *Journal of Occupational and Environmental Medicine* 2006; 48:533-537. Edington D.W., Burton W.N. “Health and Productivity.” In: McCunney R.J., ed. *A Practical Approach to Occupational and Environmental Medicine*. Philadelphia, PA: Lippincott; 2003:40-152.

⁴ U.S. Department of Health and Human Services Fact Sheet. Available at: www.hhs.gov.

⁵ Thorpe K.E. “Factors Accounting for the Rise in Health Care Spending in the United States: The Role of Rising Disease Prevalence and Treatment Intensity.” *Public Health* 2006; 120:1002-1007.

⁶ Edington D.W. “Emerging Research: A View From One Research Center.” *Am J Health Promot.* 2001; 15:341-349.

⁷ Taitel, Haufle, Heck, Loeppke, Fetterolf, "Incentives and Other Factors Associated With Employee Participation in Health Risk Assessments." *Journal of Occupational and Environmental Medicine*. Volume 50, Number 8, August 2008.

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