


VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED




**Value-Based Plan Design:
Tools Employers Need**

Gary B. Kushner, SPHR, CBP
Kushner & Company
HR Strategy and
Employee Benefit Consultants and Administrators
(269) 342-1700
gkushner@kushnerco.com
<http://www.kushnerco.com>
© Kushner & Company 2011

**KUSHNER
& COMPANY**
HR AND BENEFIT EXPERTS

VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED

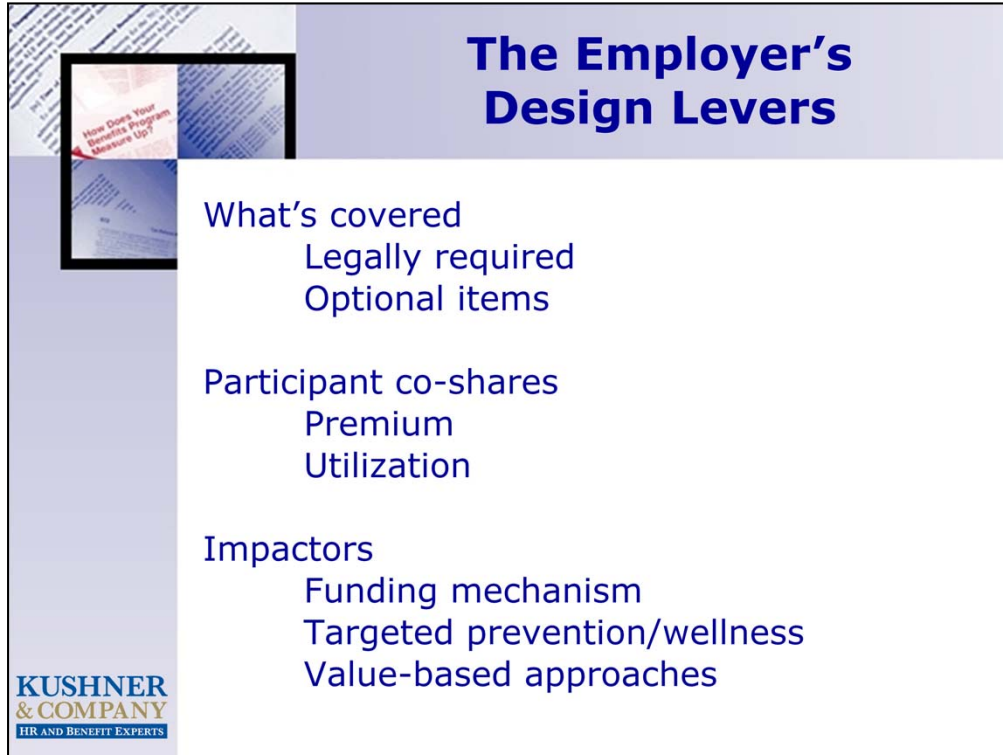


Outline

- The "levers"
- The data
- The next questions
- The step into targeted prevention/wellness and VBPD
- Strategic considerations
- Implementation strategies

**KUSHNER
& COMPANY**
HR AND BENEFIT EXPERTS

VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED



The Employer's Design Levers

- What's covered
 - Legally required
 - Optional items
- Participant co-shares
 - Premium
 - Utilization
- Impactors
 - Funding mechanism
 - Targeted prevention/wellness
 - Value-based approaches

KUSHNER & COMPANY
HR AND BENEFIT EXPERTS

Other levers not ordinarily controllable by the employer:

- Provider availability (primary/specialist)
- Provider monopolies
- Provider practice patterns (over-/under-utilization)
- Provider data-sharing
- EHR/EMR adoption/utilization rates
- Local healthcare pricing differentials
- Insurance carrier options
- Insurance carrier data-sharing
- Federal/state/local legal requirements

VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED

Your Tools

DATA!

**KUSHNER
& COMPANY**
HR AND BENEFIT EXPERTS

VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED

Data Needed

- Group demographics
- Utilization (current and historic)
 - Medical claims
 - Rx claims
 - STD/LTD claims
 - WC claims
- Absenteeism/Presenteeism/
Productivity
- Benchmarks

Linked!


KUSHNER & COMPANY
HR AND BENEFIT EXPERTS

The slide features a light blue header with the title 'Data Needed'. Below the header is a white box containing a list of data categories. A red bracket groups 'Medical claims', 'Rx claims', 'STD/LTD claims', and 'WC claims' under the label 'Linked!'. In the bottom left corner, there is a logo for 'KUSHNER & COMPANY HR AND BENEFIT EXPERTS'. The background of the slide includes a faint image of a document with the text 'How Does Your Benefits Program Measure Up?' and a red arrow pointing to the right.

Medical claims includes both those that are incurred as well as those that aren't (*e.g.* timely H1AC)

Also, literature searches of medical and medical technology studies

VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED



The Next Questions

Data mining

- What are you paying for?
- Is it preventable or not?
- What aren't you paying for?
- Where are the barriers?
- How does it compare?

**KUSHNER
& COMPANY**
HR AND BENEFIT EXPERTS

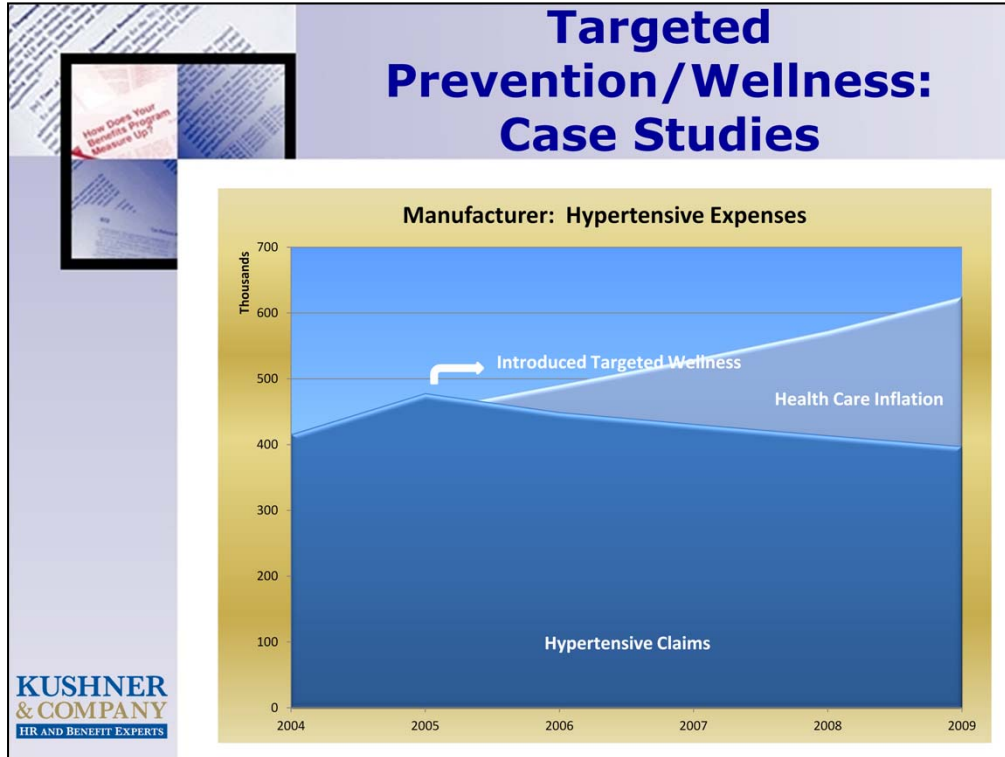
VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED

**Targeted Prevention,
Wellness and VBPD**

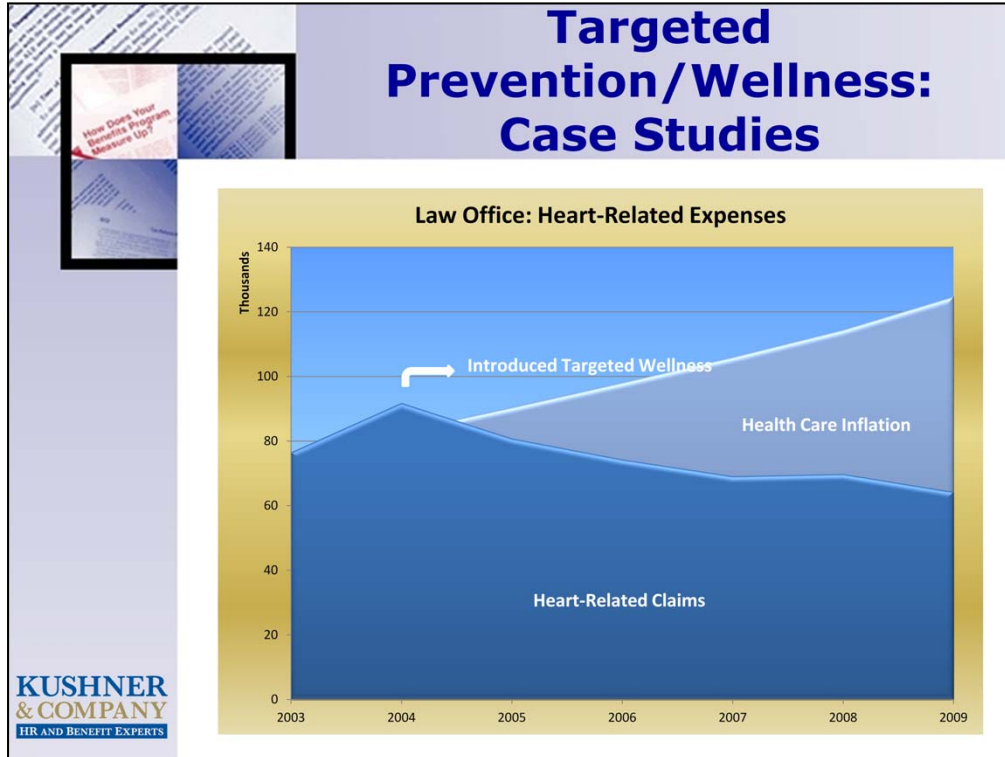


**KUSHNER
& COMPANY**
HR AND BENEFIT EXPERTS

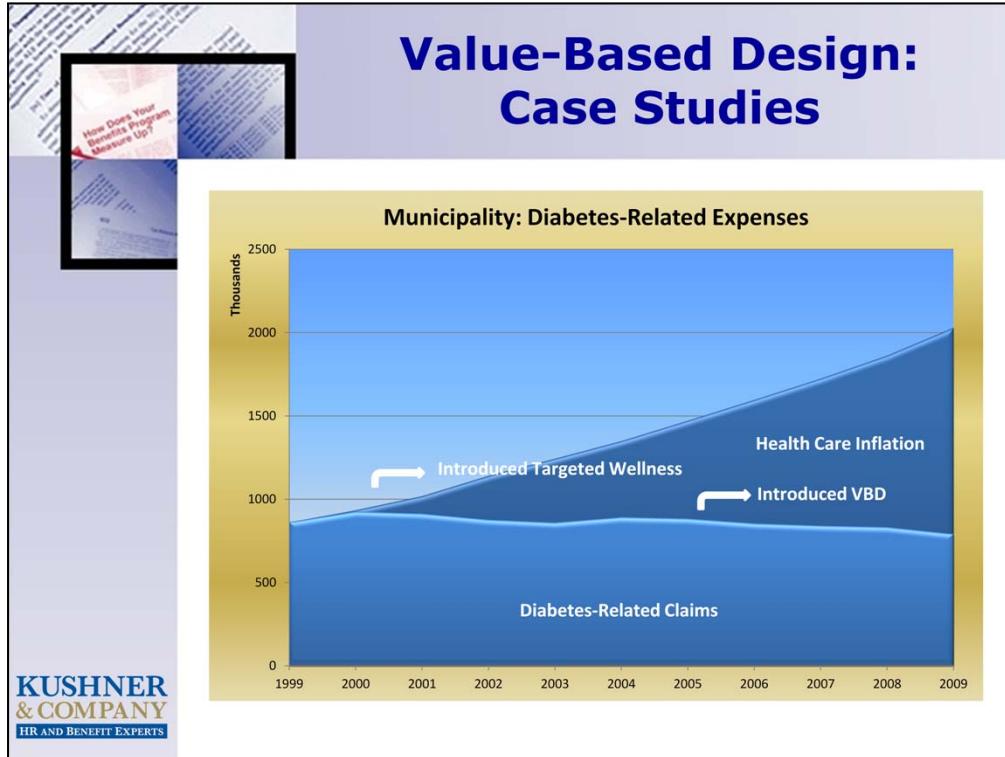
VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED



VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED



VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED



VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED

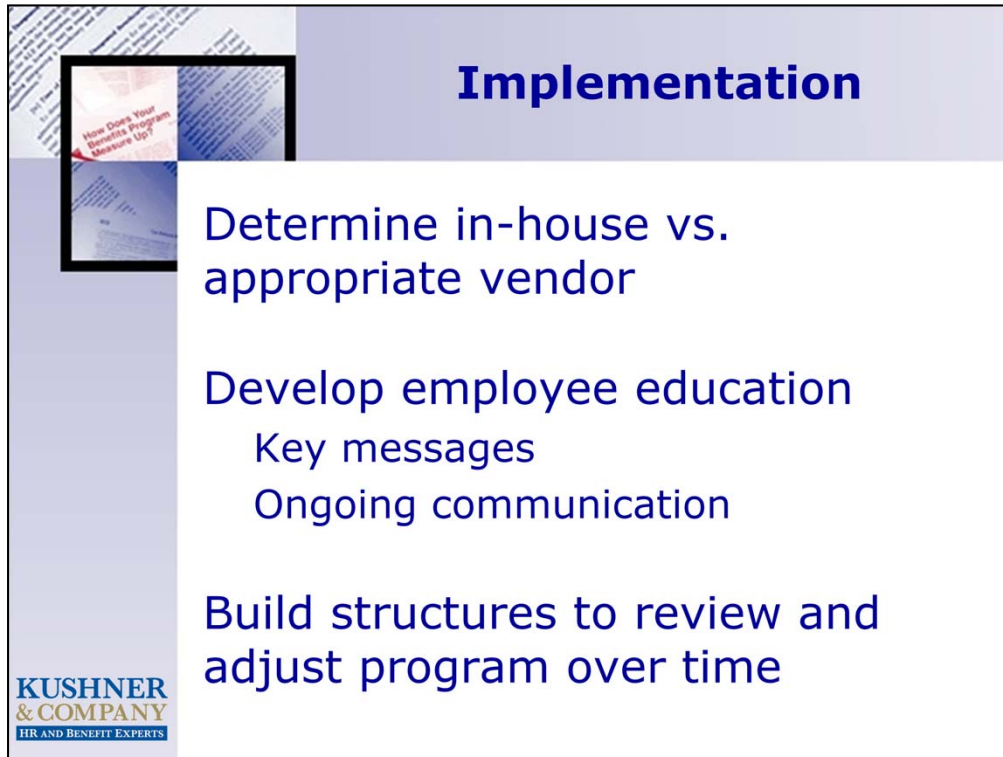


Strategic Considerations

- Experience vs community rated
- Employee retention metrics
- ROI vs altruism
- Organizational commitment
 - Short-term vs long-term
 - Culture changes
 - Resources to monitor changing science
- Employer-run vs employee-driven

**KUSHNER
& COMPANY**
HR AND BENEFIT EXPERTS

VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED



Implementation

- Determine in-house vs. appropriate vendor
- Develop employee education
 - Key messages
 - Ongoing communication
- Build structures to review and adjust program over time

**KUSHNER
& COMPANY**
HR AND BENEFIT EXPERTS

VALUE-BASED PLAN DESIGN: TOOLS EMPLOYERS NEED

Questions?

How Does Your Benefits Program Measure Up?

**KUSHNER
& COMPANY**
HR AND BENEFIT EXPERTS