



By Bart Halling
Vice President,
Consumer-Driven
Health and
Emerging Markets

UMR

Taking Consumer-Driven Health Plans to the Next Level

Many employers have pursued consumer-driven health (CDH) plans in the past three or four plan years for a variety of reasons and with a wide range of success. Now, those same employers are wondering what they can do next to bring their CDH plans to the next level. Successful CDH strategies have a long-term horizon and need to include iterative, incremental tactics aimed at engaging and activating participants over time. Here are a few ideas.

Go Back In Time

One of the first steps should be to look back before going forward. Employers need to revisit what originally motivated their organization to launch a consumerism strategy in the first place. Was the initial focus squarely on cost savings? Was it a desire to offer innovative benefits aimed at attracting and retaining great employees? Was it peer pressure within a specific industry segment or geographic marketplace? In many cases amid the strain of a challenging economic environment, companies jumped reactively into CDH plans attempting to satisfy a need to immediately impact their cost trend through plan design. Now in their second or third year, it is an important time to revisit those motivations and set specific goals for the program going forward. Clearly knowing your end game provides the right platform for new tactics.

Search for Truth

Simple cost reduction is just fine as an end game, but true consumerism is a much more far reaching and impactful vision. Cost cutting through plan design is one dimensional. However, supercharging the plan impact by creating an army of smart, savvy consumers looking for ways to be the best stewards of their health care dollars provides many return-on-investment opportunities.

Be Innovative

Some employers are taking a direct approach to create a health and wealth connection by designing a very tangible link between desired behaviors and financial rewards. Although all of us would like to think we are motivated by the intrinsic benefits of being healthier, incentive reward programs can help participants who may be looking for additional motivation to pursue better health status. There is no end to the creative solutions that can be configured using the tools now at the disposal of forward-thinking employers. Today's employer community has shown a growing capacity for launching unique strategies—like value-added and care-targeted benefits programs that allow participants suffering from chronic conditions to earn “benefit dollars” used to offset out-of-pocket expenses for treating specific conditions. Other employers are creating a very tangible linkage between health benefit goals and corporate initiatives to create shared strategies and jargon that team members can quickly grasp and make their own.

Continued Education

Initial CDH rollouts have shown very defined evidence linking success rates directly to consumer education investment levels. To continue developing positive behavior change across an employee base, a creative education campaign needs to extend well beyond the initial effective date of a plan rollout. Many employers front load their CDH plans with education prior to their implementation, but to change behavior long-term, companies need to educate continuously and consistently across a variety of channels and media. Helping team members “do the math” and clearly calculate the tangible dollar benefit for themselves (and their families) is a powerful strategy toward creating engagement and broad understanding of a valued CDH program. Education is key whether you are in year one, two, or five.

Employers who have launched CDH strategies are continually becoming part of a norm across benefit plan sponsors. But most have only seen the very tip of the iceberg as it relates to the potential benefits from engaging and creating savvy health care consumers within their workforce. The next step is there for the taking. What is holding you back?

Bart Halling | barton.halling@umr.com | 952.992.4427

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