

# Curbing Health Care Costs: Practice what you preach

Heartland Health

March 2013

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# Discussion Topics

- The Landscape
- Caregiver Health Plan
- Results



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# The Landscape



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# Heartland is...

- A small integrated delivery system – with BIG ideas
- A 350 bed acute hospital, approximately 250 ADC
- 160+ employed multi-specialty physicians
- 75+ employed APRN's
- A long-term acute care hospital (LTACH)
- Level II tertiary center that can meet most medical needs
- 3,400 caregivers



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# Heartland is...

- Targeted, and close to achieving, top decile performance with the triple aim™ approach of quality, satisfaction and efficiency
- A 2009 Baldrige National Quality Award winner
- Aligned in current developments with Aetna and Cerner



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The term triple aim is a trademark of the Institute for Healthcare Improvement.

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# HEARTLAND HEALTH SERVICE AREA

## Primary Service Area

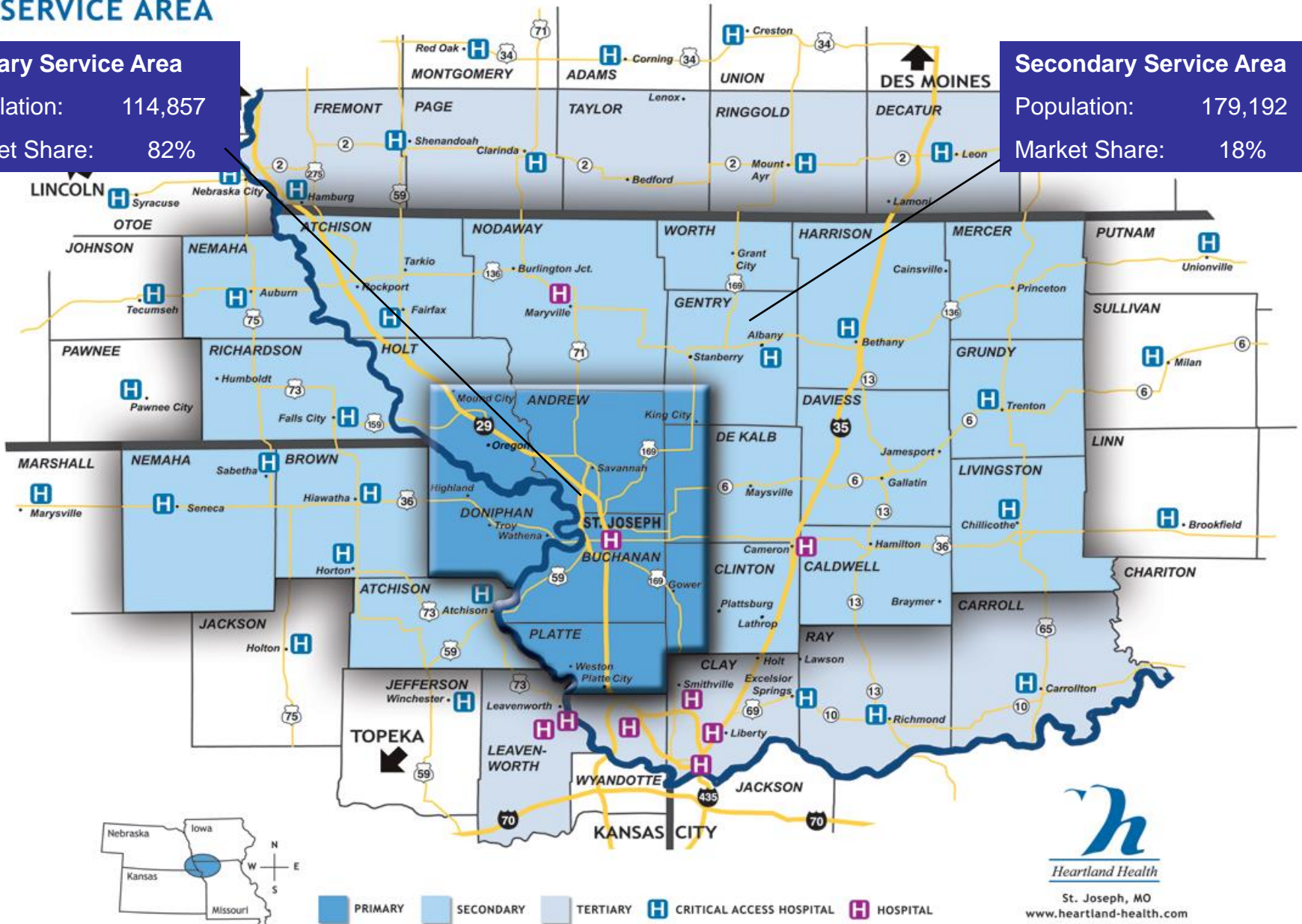
Population: 114,857

Market Share: 82%

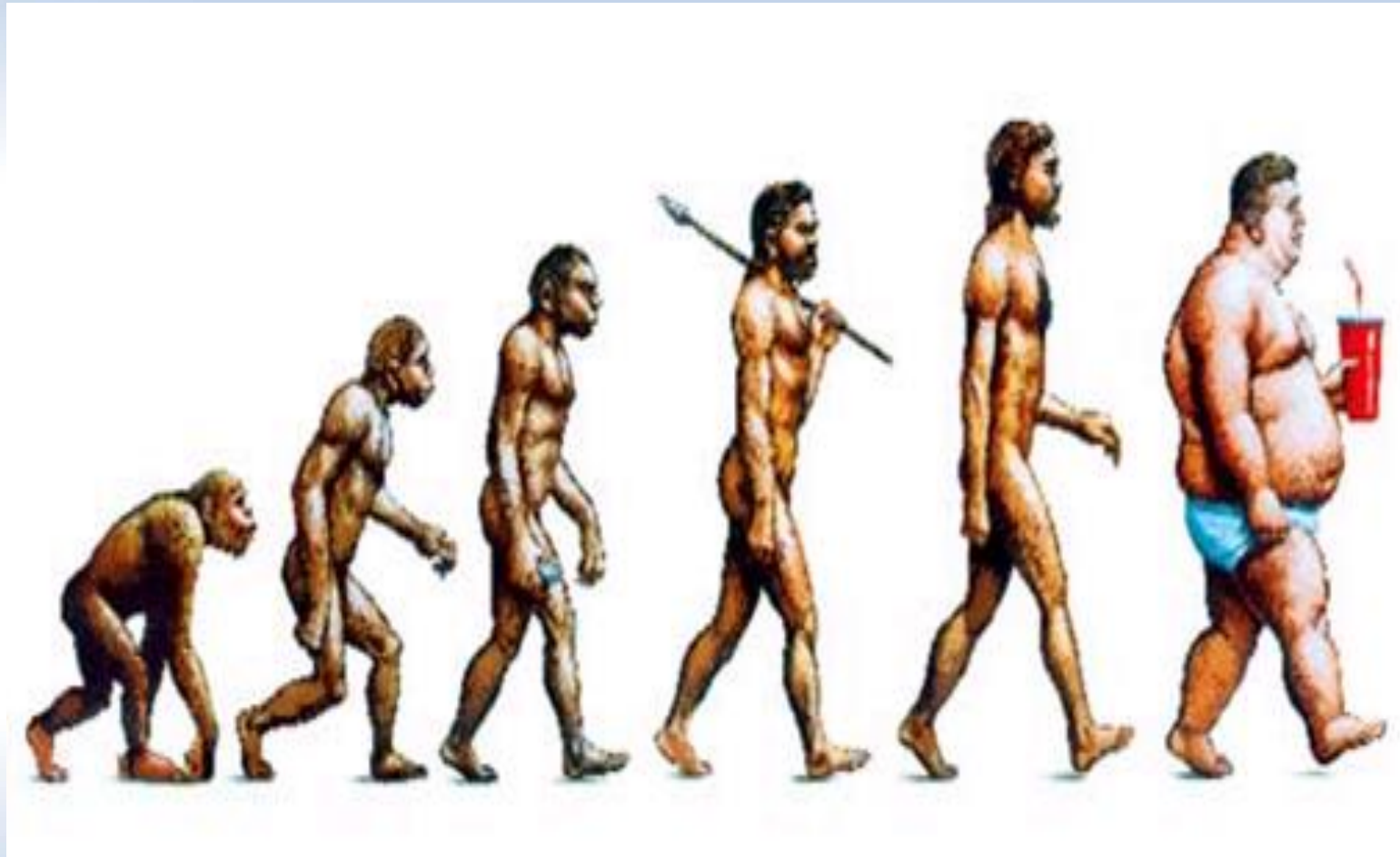
## Secondary Service Area

Population: 179,192

Market Share: 18%



# Our Health Care Dilemma





# Heartland's Health Pyramid

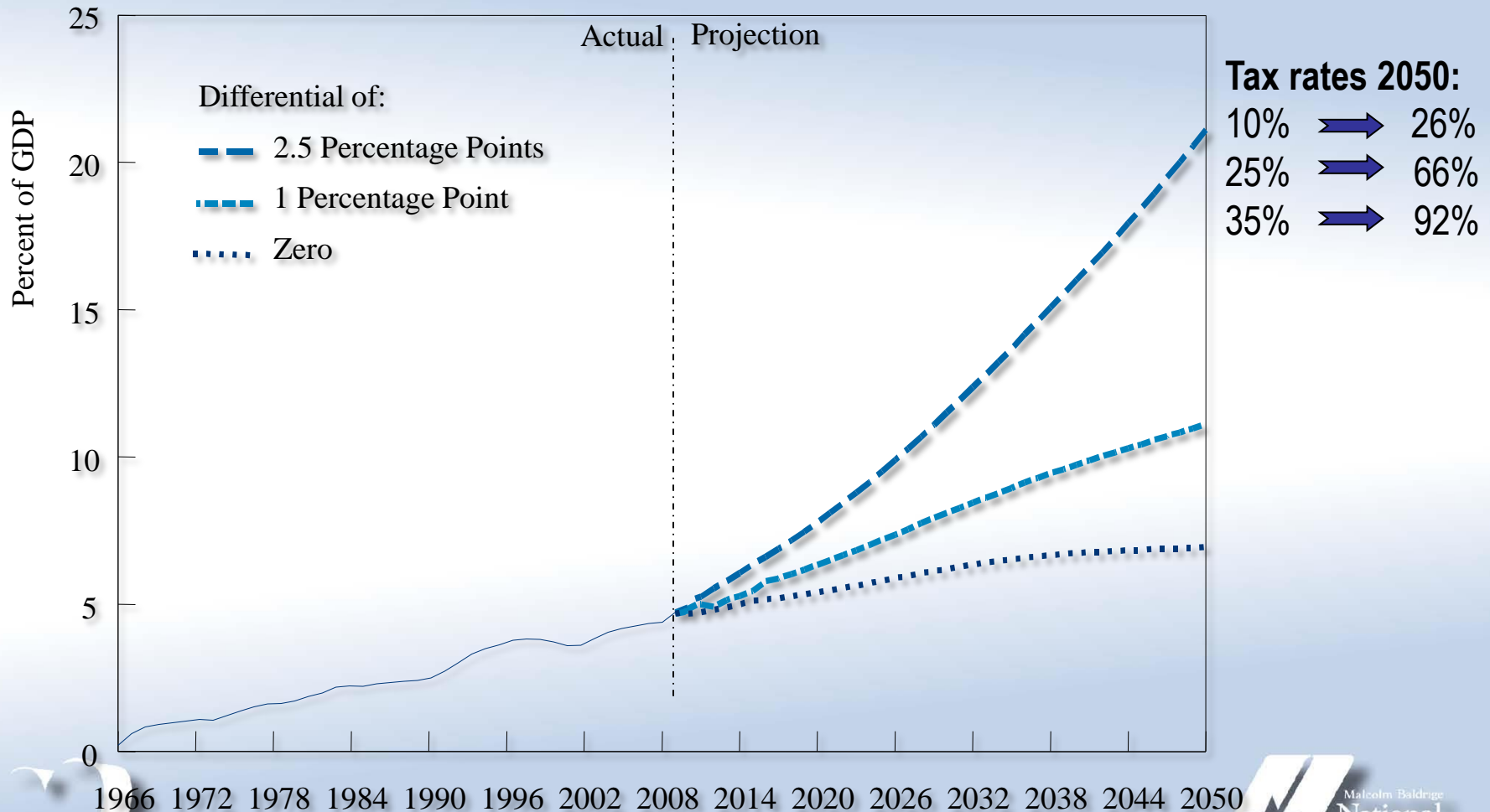
## Vision

To make Heartland Health and our service area the best and safest place in America to receive health care and live a healthy and productive life.



# Bending the Cost Curve

Federal spending for Medicare and Medicaid under assumptions about the Health Cost Growth Differential



Source: Premier 2010

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# Our Baseline

- \$25 million\* annual spend on 2,800 caregivers



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\*Number rounded to closest million dollars

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# Workforce Wellness

- Created in Fall 2000 with the goal to affect the health of the individual's body, mind and spirit.
- Offerings include free annual wellness screenings to caregivers, spouses, dependents, hospital volunteers, medical staff, and board members (including free personal training).
- Screenings include a Health Risk Appraisal, biometrics, and a 1-on-1 visit with a wellness specialist to review risks and set personal health goals

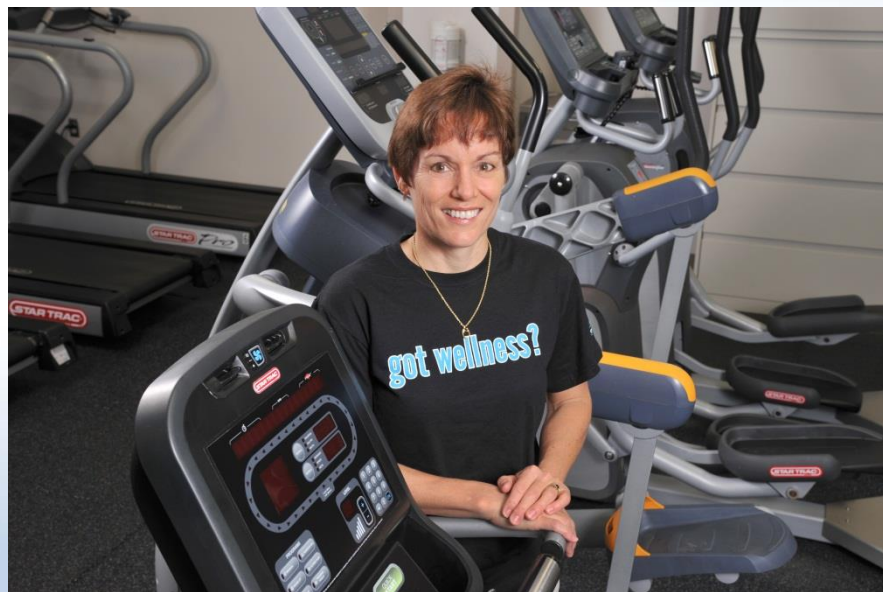


# Workforce Wellness (continued)

- Variety of programs to meet caregiver's health needs: Nutrition, Weight Loss, Stress, Physical Activity, Cooking, Tobacco Cessation and Financial Guidance.
- Wellness Point Incentive Program which rewards participation and healthy behavior change.
- Program includes two full-service fitness centers, including group exercise classes.
- Staff includes 15 wellness caregivers (dietitians & fitness specialists)







2012 Wellness Member of the Month



activity  
nutrition  
wellness



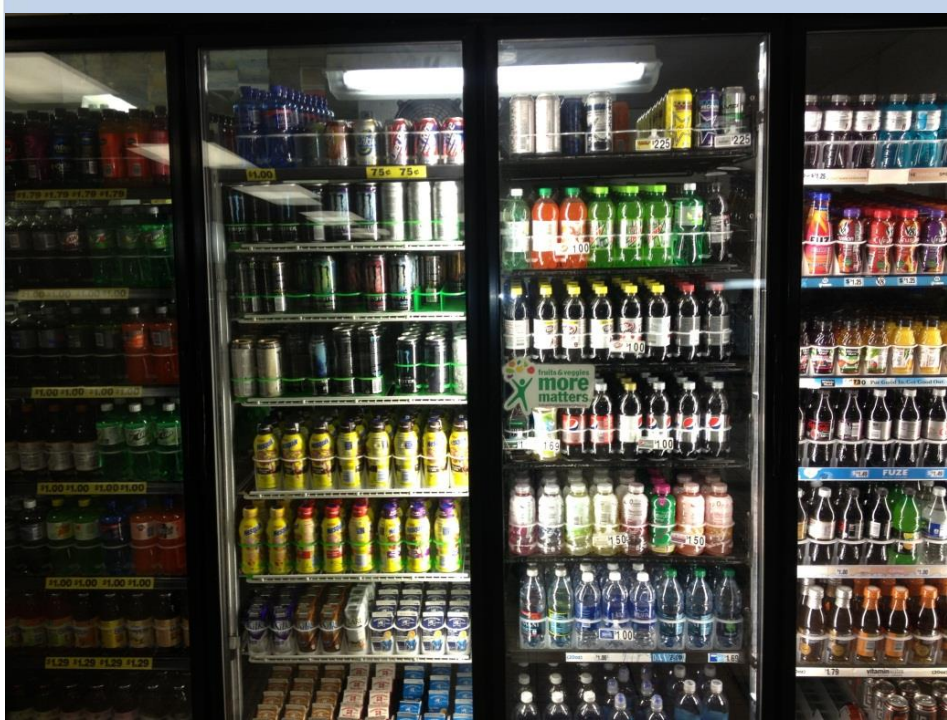
Jami  
Patrick



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# Prior State

Two plans for caregivers to choose from:

- Plan 1 (similar to PPO) (21%)
- Plan 2 (similar to HMO) (79%)

**Wellness Discounts** (100% of HIPAA allowable)

- Non-tobacco discount for caregiver & dependents
- BMI discount based on caregiver



# Guiding Principles

- Align with future of healthcare including first steps (pilot population) to ACO
- Maximize services within Heartland Health and Heartland providers
- Increase consumerism
- Focus incentives on Wellness



# HRA

- Vested after two years in HRA
- HRA contributions made January 1 (Start of Plan Year)
- Unused contributions can be rolled over each year
- After separation of employment, balance falls below \$500, must be used during the calendar year



# Wellness Screenings

- Conducted by current Wellness Staff
- All Caregivers and spouses enrolling must complete a wellness screening
- Grand prize drawings i.e. 10, \$100 gift cards, entered in if screening completed on a timely basis
- Tobacco screening
  - Random screenings completed at Wellness Screening (5%)
  - Newly enrolled spouses
  - Individuals who did not qualify in 2011 can re-test for 2012 plan year



# Wellness - BMI Discount

Announce during annual enrollment that as of January, 2012, BMI discount will be determined by caregiver and spouse.

	Caregiver	Spouse
2011	<33	n/a
2012	<32	<35
2013	<31	<34
2014	<30	<33
2015	<30	<32
2016	<30	<31
2017	<30	<30



# Example - Family

Caregiver Per Pay Period Contributions			
		2012	2012
Plan	Discount	Annual HRA contribution	Full-time
Caregiver only	BOTH: BMI and tobacco-free	\$500.00	\$16.00
	BMI > 32/Tobacco-free	\$400.00	\$34.61
	BMI < 32/Tobacco user	\$400.00	\$34.61
	No discount	\$300.00	\$53.21
Caregiver + 1	BOTH: BMI and tobacco-free	\$1,000.00	\$32.00
	BMI greater than**/tobacco-free	\$900.00	\$50.61
	BMI less than**/tobacco user	\$800.00	\$69.21
	No discount	\$600.00	\$106.44
Family	BOTH: BMI and tobacco-free	\$1,500.00	\$48.00
	BMI greater than**/tobacco-free	\$1,400.00	\$66.61
	BMI less than**/tobacco user	\$1,200.00	\$103.82
	No discount	\$900.00	\$159.65



# 2012

	Tier 1 Heartland Health	Tier 2 In-Aetna Network-	Tier 3 Out of Aetna Network
Deductible	\$1,500/\$3,000	\$1,500/\$3,000	\$3,000/\$6,000
Co-insurance	20%	20%	50%
Out of Pocket Max	\$3,000/ \$6,000	\$3,000/\$6,000	Unlimited
Caregiver Quick Care Clinic	\$0	N/A	N/A
PCP Visit co-pay - Heartland	<b>\$10</b>	\$40	<b>Ded +50% coinsurance</b>
Specialist Visit	\$20	\$20	<b>Ded +50% coinsurance</b>
Inpatient Stay	<b>Ded +15% coinsurance</b>	Ded +25% coinsurance	Ded+50% coinsurance
Out patient	<b>Ded +15% coinsurance</b>	Ded +25% coinsurance	Ded+50% coinsurance
Rx	\$10/\$30/30%		
<b>Health Reimbursement Acct</b>	<b>Applies</b>	<b>Applies</b>	<b>Applies</b>
Flexible Spending Acct	Applies	Applies	Applies

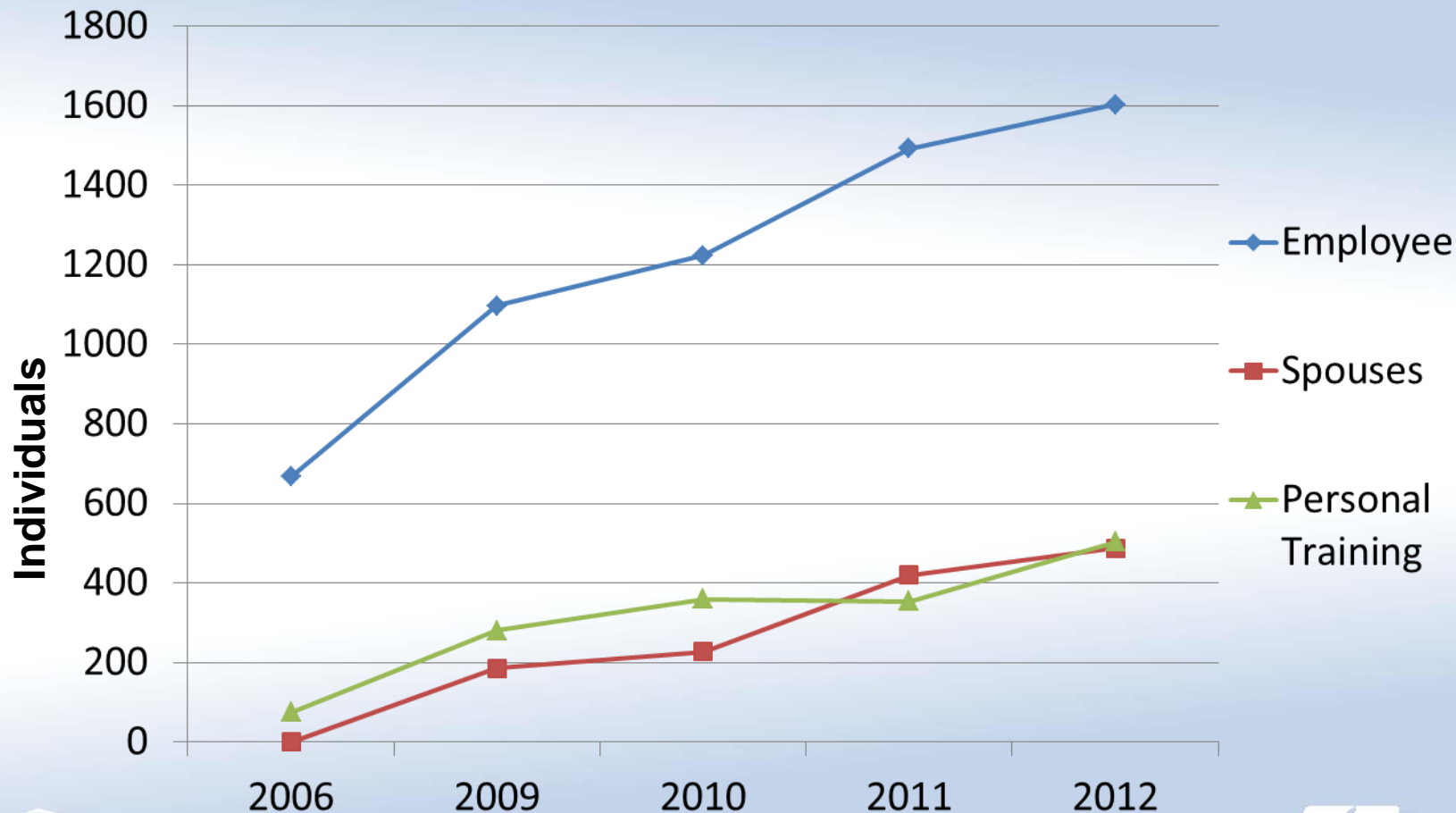


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# Caregiver/Spouse Wellness Center Usage 2012



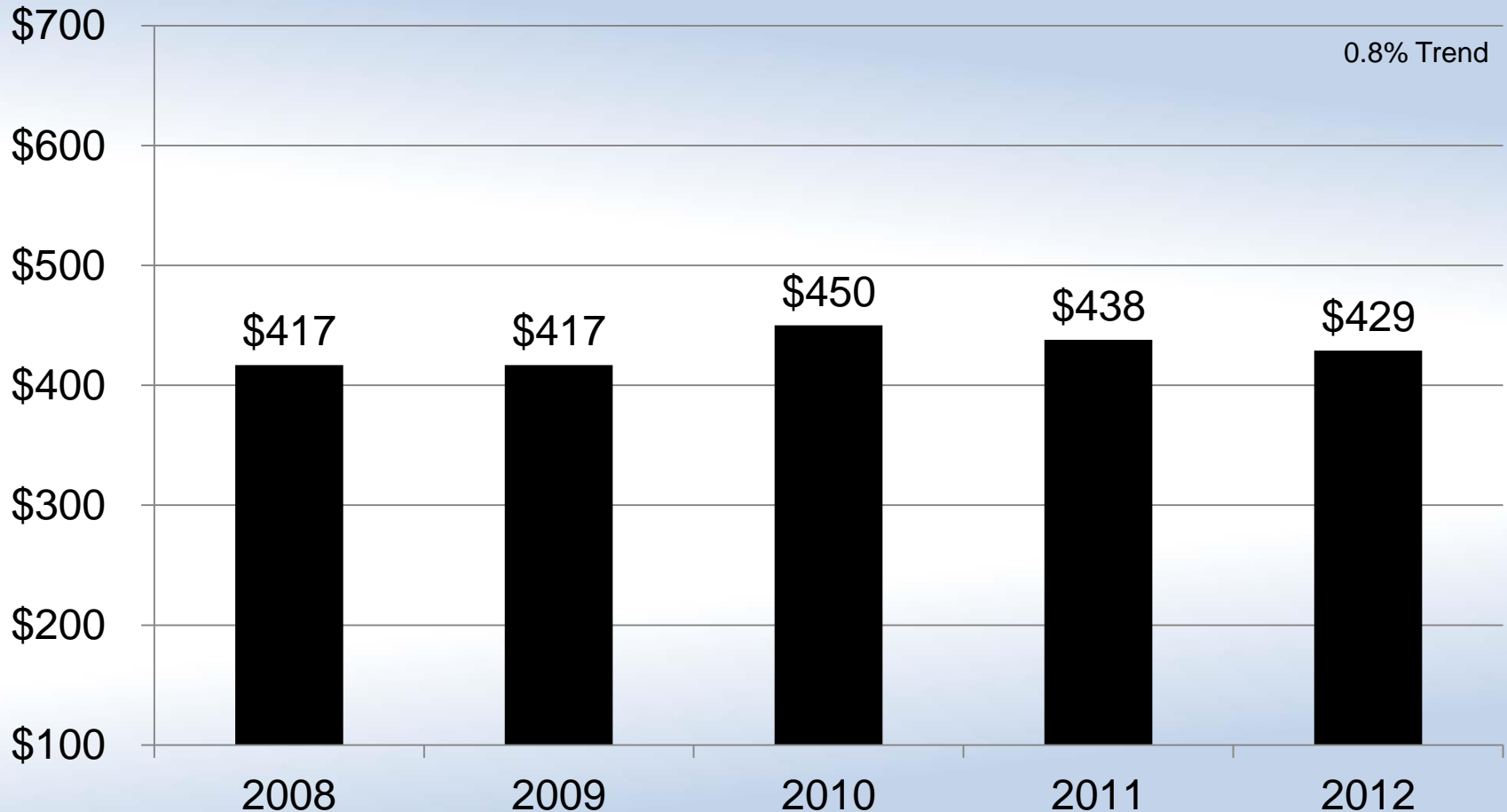
# Average BMI



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# Caregiver Health Plan – Total PMPM Spend



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URGENT CARE

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LIFE CARE



WMTV HD



# Life Connections

Engagement of all resources allow for the right care based caregiver needs

