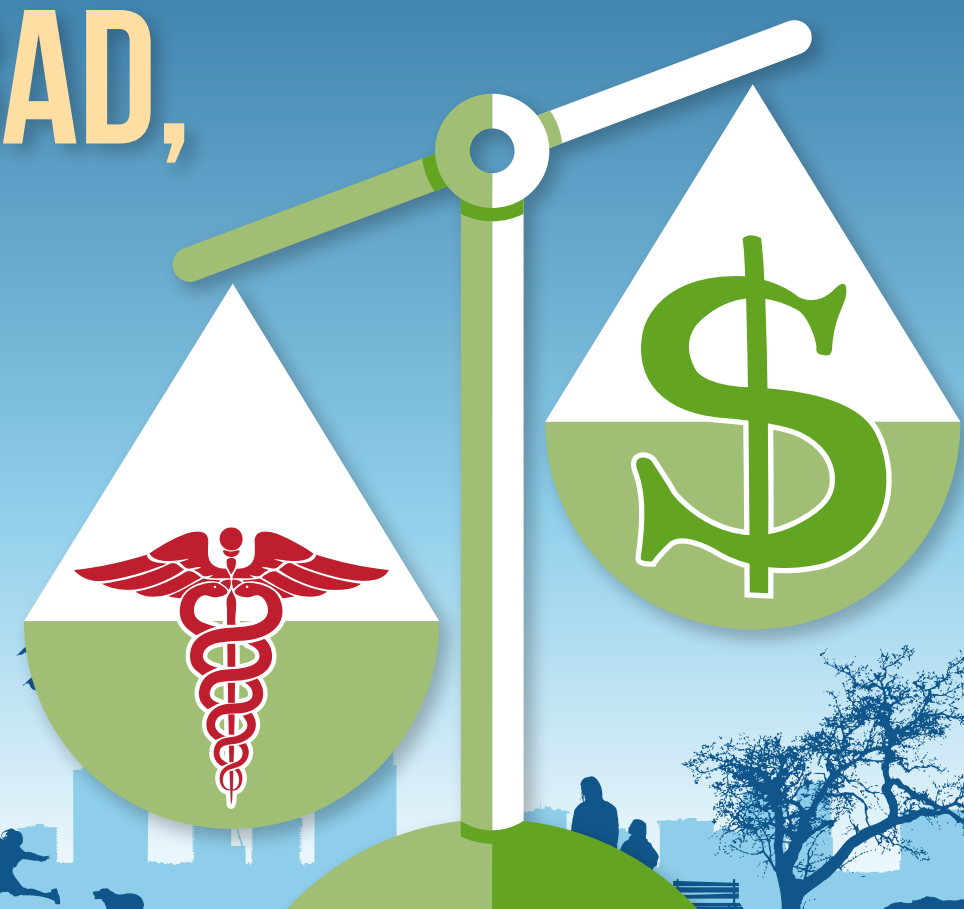


HEALTH CARE COST CONTROL

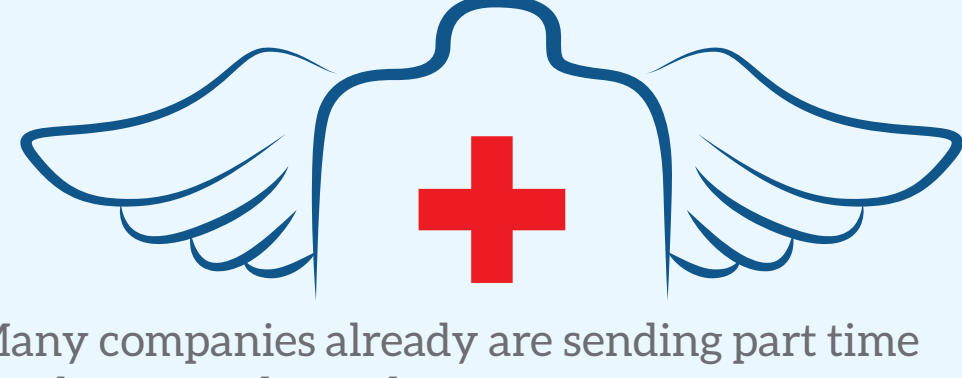
THE GOOD, THE BAD, AND THE UGLY



Employers use many strategies to control the cost of health care. Here are the best and the worst strategies and what the research says about them.

Use this information to control health care costs at your worksite.

STOP OFFERING A HEALTH BENEFIT



- Many companies already are sending part time employees to the exchanges.
- Most companies want to provide health care, but it may be cheaper to send all employees to the exchanges.
- Whether you offer health benefits or not, the cost will continue to go up.

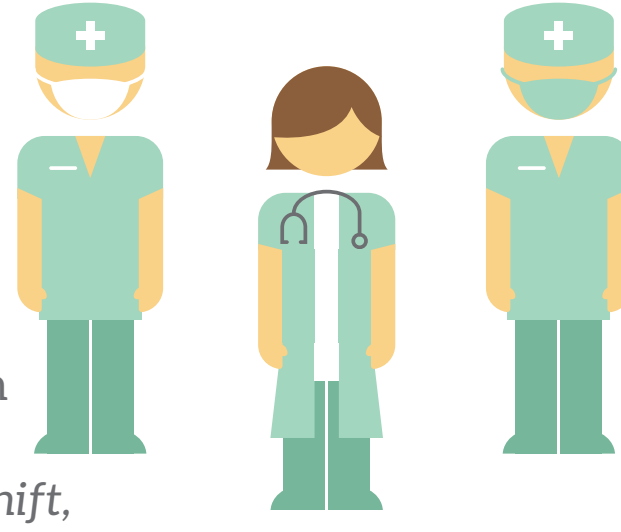


\$13,700

the cost of medical care per person per year in the U.S.¹

COST SHIFT

- Charge more for employees with dependents or spouses.
- Make employees pay a larger portion of the cost.
- The more you cost shift, the more you hurt employee morale.



Let healthy employees and wellness program participants pay less

CHANGE CARRIERS

Negotiate better rates

This Strategy helps but it doesn't solve the cost problem



SELF INSURE

Employers maintain a fund to cover possible medical costs losses rather than by purchasing an insurance policy



PERCENTAGE OF EMPLOYERS WITH SELF INSURED HEALTH CARE PLANS¹:

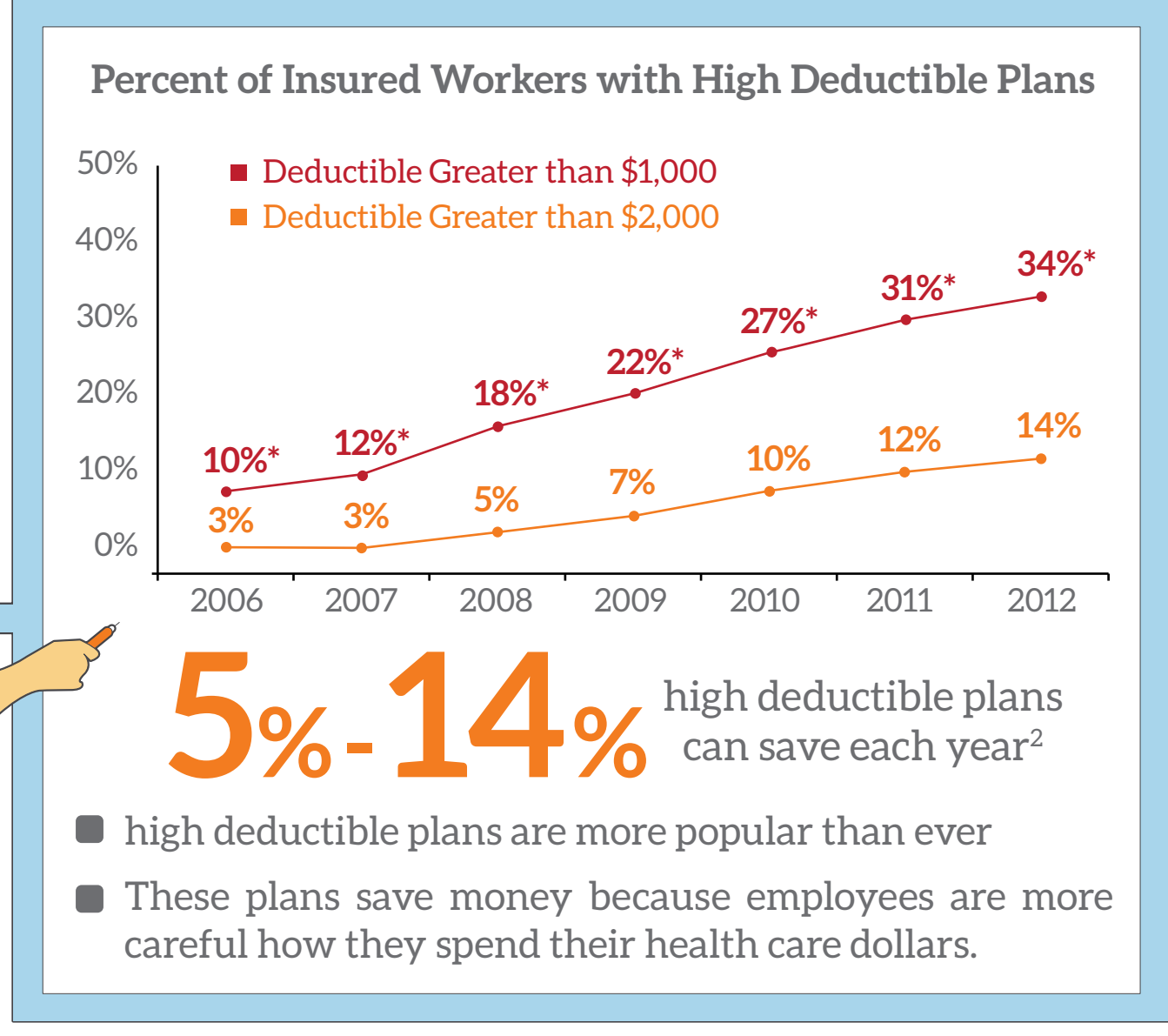


4% - 7%

how much self funding can save per year¹

HIGH DEDUCTIBLE PLANS

- A high-deductible health plan (HDHP) is a health insurance plan with lower premiums and higher deductibles than a traditional health plan.



5% - 14% high deductible plans can save each year²

- high deductible plans are more popular than ever
- These plans save money because employees are more careful how they spend their health care dollars.

ONSITE CLINICS

Small health care clinics at the worksite

Employees like onsite clinics. They may help improve employee productivity. Published studies have failed to show that onsite clinics actually save money.³



DISEASE MANAGEMENT (DM)



Strategies to manage the chronic conditions of high-risk, high-cost patients.

The research says⁴:



- DM can improve patient care
- May improve health outcomes
- DM doesn't appear to save money

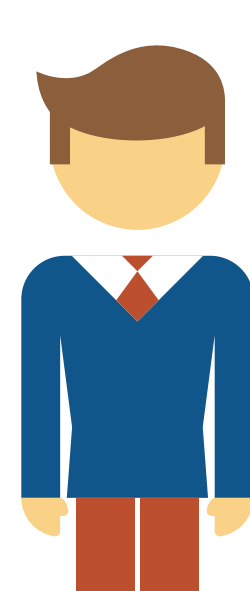


Use wellness programs to keep the well, well. Then they won't need DM and you'll save money

The 80/20 Principle:

20% of employees are responsible for 80% of health care costs

59% the percent of high cost employees that will be new, next year



WORKSITE WELLNESS PROGRAMS



The research says wellness programs⁵

- Save health care costs
- Improve employee health
- Prevent expensive chronic diseases
- Reduce absenteeism
- Improve employee morale

Bend The Medical Cost Trend
-what happens when worksites implement effective wellness programs

\$3.58

the amount saved for every dollar spent on employee wellness⁵

WellSteps

www.WellSteps.com

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