EMPLOYER HEALTH & HEALTH CARE VALUE

ENCOURAGING REAL SOLUTIONS TO IMPROVING HEALTH, HEALTH CARE QUALITY, AND VALUE.
EMPLOYER CONCERNS
EXHIBIT A

Exhibit A: Average Annual Health Insurance Premiums and Worker Contributions for Family Coverage, 2005–2015

2005

$10,880

$8,167

$2,713

2015

$17,545

$12,591

$4,955

61% Total Premium Increase

83% Worker Contribution Increase

Worker Contribution

Employer Contribution

INCREASES IN PREMIUMS, INFLATION, & EARNINGS

EXHIBIT B

Average Premium Increases for Covered Workers with Family Coverage, 2000-2015

* Premium change is statistically different from previous period shown (p<.05).

PREVALENCE OF OBESITY AND DIABETES

Obesity (BMI ≥30 kg/m²)

- 1994
- 2000
- 2013

Diabetes

- 1994
- 2000
- 2013

WELL BEING INDEX

- Purpose
- Social
- Financial
- Community
- Physical
QUALITY IN THE SYSTEM

UMMC gets F from watchdog group; other hospitals graded

Sarah Fowler, The Clarion-Ledger  4:52 p.m. CST November 9, 2015

One of the state's top hospitals, the University of Mississippi Medical Center, has been issued a failing grade on a national patient safety report card.

Out of the 33 hospitals rated in the state, UMMC was the only hospital to receive an F rating. The Hospital Safety Score is run by the independent, nonprofit hospital watchdog, The Leapfrog Group. The score was issued for the fall 2015 reporting period.

Grades were based on five categories: Safety problems with surgery; Staff follows steps to make surgery easier; Infections and safety problems Right staffing to prevent safety problems; and Hospital Uses Standard Safety Procedures.

The Leapfrog Group relies on hospitals voluntarily filling out surveys. If a hospital declines or there is not enough information provided, The Leapfrog Group pulls data from Centers for Medicare & Medicaid Services.

Mississippi hospital ratings by The Leapfrog Group:

- Baptist Memorial Hospital-Golden Triangle: A
- Singing River Health System: C
- Gilmore Memorial Regional Health Center: C
- Magnolia Regional Health Center: C
- North Mississippi Medical Center-West Point: B
- Rush Foundation Hospital: C
- Anderson Regional Medical Center: C
- North Mississippi Medical Center-Tupelo: B
- Ocean Springs Hospital: C
- OCH Regional Medical Center: D
- Biloxi Regional Medical Center: A
- Baptist Memorial Hospital of Union County: A
- Garden Park Medical Center: C
- Memorial Hospital at Gulfport: C
- South Central Regional Medical Center: D
- Forrest General Hospital: C
- Merit Health Wesley: B
- Baptist Memorial Hospital-North Mississippi: A
- Highland Community Hospital: C
- Baptist Memorial Hospital Desoto: C
- River Oaks Hospital: B
WHAT ARE EMPLOYERS DOING IN MS?
WORKPLACE WELLNESS IN MS

- In 2014, nearly 67% of worksites conducted employee wellness programs or health promotion activities, compared to 58.9% in 2009.

- In 2014, 32.2% of worksites had a formal employee wellness policy, compared to 24.8% in 2009.

- In 2014, 56.9% of worksites offered an annual health risk assessment for employees and/or members of the health plan.
## 2009 – 2014 COMPARISONS

<table>
<thead>
<tr>
<th></th>
<th>2009 (%)</th>
<th>2014 (%)</th>
<th>Improvement (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Integration into the Organization’s Structure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsible Employee</td>
<td>47.6</td>
<td>57.9</td>
<td>17.8↑</td>
</tr>
<tr>
<td>Employee Committee</td>
<td>13.7</td>
<td>17.1</td>
<td>19.9↑</td>
</tr>
<tr>
<td><strong>Supportive policies and environment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Incentives</td>
<td>18.7</td>
<td>32.2</td>
<td>41.9↑</td>
</tr>
<tr>
<td>Subsidize Health Club</td>
<td>23.6</td>
<td>29.4</td>
<td>19.7↑</td>
</tr>
<tr>
<td>Tobacco Use Policy</td>
<td>66.5</td>
<td>68.2</td>
<td>2.5↑</td>
</tr>
<tr>
<td>Worksite Physical Activities</td>
<td>15.7</td>
<td>20.9</td>
<td>24.9↑</td>
</tr>
<tr>
<td><strong>Health Education</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nutrition Education</td>
<td>17.0</td>
<td>18.8</td>
<td>9.6↑</td>
</tr>
<tr>
<td>Smoking Cessation Class</td>
<td>7.6</td>
<td>10.3</td>
<td>26.2↑</td>
</tr>
</tbody>
</table>
## TOP HEALTH PROMOTION ACTIVITIES

<table>
<thead>
<tr>
<th>2009</th>
<th>2014</th>
<th>Most Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Screening for FT</td>
<td>Health Screening for FT</td>
<td>Diabetes Mgmt</td>
</tr>
<tr>
<td>Health Awareness FT</td>
<td>Health Awareness FT</td>
<td>Obesity Program</td>
</tr>
<tr>
<td>Wellness Activities</td>
<td>Wellness Activities</td>
<td>Lifestyle Behavior Change</td>
</tr>
<tr>
<td>Champion</td>
<td>Diabetes Mgmt</td>
<td>Health Awareness PT</td>
</tr>
<tr>
<td>Lifestyle Programs</td>
<td>Champion</td>
<td>Champion</td>
</tr>
<tr>
<td>Lifestyle Behavior Change</td>
<td>Lifestyle Programs</td>
<td>Health Awareness FT</td>
</tr>
<tr>
<td>Health Awareness PT</td>
<td>Obesity Program</td>
<td>Lifestyle Programs</td>
</tr>
<tr>
<td>Obesity Program</td>
<td>Health Awareness PT</td>
<td>Health Screening - FT</td>
</tr>
<tr>
<td>Diabetes Mgmt</td>
<td>Lifestyle Behavior Change</td>
<td>Wellness Activities</td>
</tr>
</tbody>
</table>
KEY FINDINGS & IDEAS

- Trends toward disease management in diabetes and obesity
- Promoting health awareness is still foundational
- Healthy Workplace and Healthy Communities
- Equip champions with tools and resources
- Find different ways to promote positive lifestyle change
- Encourage health consumerism, health literacy, and health care literacy
- Movement back to partnering with the local health care systems
## HEALTHY WORKPLACE STRATEGIES

<table>
<thead>
<tr>
<th>System Change</th>
<th>Policy Changes</th>
<th>Environmental changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Worksite Wellness Initiative</td>
<td>• Tobacco Free Workplace</td>
<td>• Onsite Fitness Centers</td>
</tr>
<tr>
<td>• Leadership Support</td>
<td>• Healthy Food Options</td>
<td>• Healthy Vending Initiatives</td>
</tr>
<tr>
<td>• Organizational Culture that Supports Health and</td>
<td>• Work Time Health Activities</td>
<td>• Lactation Room</td>
</tr>
<tr>
<td>Wellness</td>
<td></td>
<td>• Stairwell Promotion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Walking Trails</td>
</tr>
</tbody>
</table>
HEALTHIEST WORKPLACES

Mississippi Business Journal

Mississippi State Department of Health

MSBGH

MS BGH

MISISSIPPI BUSINESS GROUP ON HEALTH

would like to congratulate all of the winners and finalists for the
2015 Healthiest Workplace Awards

Private Sector Finalists
- Fleet Feet - Small Business Award
- Camelia Home Health
- Morgan White Group
- Ross & Yerger - 2nd Place
- Baker Donelson
- Butler Snow
- Peavey Electronics
- Levi Strauss
- Southern Farm Bureau Life Insurance - 1st Place
- GE Aviation
- Hol-Mac
- St. Dominics
- Trustmark
- MS Baptist Health - 3rd Place
- Community Trust Bank
- BankFirst

Public Sector Finalists
- Fire Academy - Small Employer Award Winner
- MS Dept. of Health District 9X
- MS Dept. of Mental Health - 1st Place
- MS Gaming Commission - 3rd Place
- MS Dept. of Corrections
- MS Dept. of Finance and Administration
- Mississippi State Hospital
- Huddeth Regional Center
- University of Mississippi (Oxford Campus) - 2nd Place
- USDA - ARS

P.O. BOX 2971 | Madison, MS 39130 | 601-540-8699
Please visit our website for membership information www.msbgh.org
AVERAGE ANNUAL COST PER EMPLOYEE

Source: 2012 Mercer Survey of Employer-Sponsored Health Plans
FOLLOWING BEST PRACTICE APPROACHES

HERO Employer Health Management Scorecard
(SFBLI vs National Average)
POPULATION HEALTH MANAGEMENT

Keeping Healthy People Healthy
- Support community events such as the Farm Bureau Watermelon Classic, the SFBLI monthly race team, Warrior Dash and others
- Monthly Lessons at Lunch and Learning Opportunities
- Engagement of family members to build social support at home

At Risk
- Learn by doing sessions for meal planning, grocery shopping, cooking, and recipe modification
- Onsite exercise for at risk including core(ab./low back), beginner cardio class, and basic stretching

Managing Conditions
- Onsite groups to help manage weight, cholesterol, blood pressure, etc.
- Partnerships with high quality providers creating patient center medical homes (Diabetes Care Group, etc.)
- Continuing to build a value-based benefit strategy to boost engagement
• Healthy Places
Tobacco-free campus, onsite wellness clinic, access to healthy foods, and places for physical activity including walking trail and onsite fitness classes

• Healthy Promotions
Website with quality information, newsletter with timely tips and information, digital signage with motivational and supportive messages

• Healthy Programs
Access to programs and coaching or health consumerism, lifestyle improvement, health condition management onsite, online, and in the communities where employees live, work, and play

• Healthy People
Our employees can be seen making smart healthy choices throughout the workday and after and they are including their family members in these healthy choices
HEALTHY WORKPLACE HEALTHY COMMUNITIES

- US – Southeast – State of MS
- Counties, Cities, and Neighborhoods
- Schools, Employers, Faith, Sports, etc.
- Family, Friends, Co-workers
- Self
WHAT IS VALUE-BASED BENEFIT DESIGN?
VBID: CENTRAL OBJECTIVES

Achieve the greatest possible health impact from medical expenditures

Create opportunity to restructure health benefits, and change orientation of health care debate focus from cost to clinical value of services

Minimize the lack of adherence to evidence-based services resulting from across – the-board cost sharing
VBBD GOAL: INCENTIVIZE BETTER HEALTH

Organize benefits for VBBD enrollees, such as:
- Rewards
- Reduced premium share
- Adjusted deductibles and co-pays
- Contributions to fund-based plans, eg HSAs

Healthy employees lead to decreased costs:
Reduced:
- Clinical significant events
- Emergency room visits
- Hospitalizations
- Visits to the doctor
- Morbidity and mortality
ALIGNING INCENTIVES TO:

▪ Appropriate use of high-value services including preventive care

▪ Adherence to treatment regimes

▪ Utilization of high performance providers (doctors, nurse practitioners, pharmacists, hospitals, onsite/retail health clinics who adhere to evidence-based treatment guidelines

▪ The adoption of healthy behaviors
TYPES OF INCENTIVES

Commonly used incentives in value-based benefit programs

▪ Cash or gift cards
▪ Co-payment reduction
▪ Premium reduction
▪ Eligible for Broader benefit plan
▪ Access to benefit
VALUE-BASED BENEFIT DESIGN

INDIVIDUAL HEALTH COMPETENCY

Incentives most often through cash equivalent or premium differential

- Health Risk Assessment
- Biometric testing
- Wellness Programs

CONDITION MANAGEMENT

Incentive most often through copay/coinsurance differential or cash equivalent

- Adherence to evidence based guidelines
- Adherence to chronic medications
- Participation in a disease management program
VALUE-BASED BENEFIT DESIGN

Provider Guidance

Most often incentivized through copayment or co-insurance differential

- Utilization of an onsite-nearsite-retail clinic verses and emergency room
- Care through center of excellence
- Tier one high quality physician
THE EFFECTIVENESS OF VBBD STRATEGIES

TRADITIONAL STRATEGIES

▪ Manage costs in silos
▪ Structure benefits to minimize premiums and claims
▪ Reduce drug costs through higher co-pays

Result:
Shift economic burden to employees, and disincentivize healthy behavior

VALUE-BASED STRATEGIES

▪ View employee health as an overall asset
▪ Structure benefits to support a culture of wellness
▪ Structure co-pays to incentivize health behavior

Result:
Promote healthy behavior to improve health and increase productivity
MISSISSIPPI BUSINESS GROUP ON HEALTH

- A coalition of employers who seek to work collaboratively to improve the health and health care system in Mississippi
- Offers industry-leading learning opportunities for its members
- Encourages and awards employers for applying best practice solutions
- Manages the Mississippi Employer Health Data Set (MSEHDS)
- The state’s most powerful voice for employers in health and health care.
BOARD OF DIRECTORS

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▪ Brandy Huff, Manager, Health & Safety, Levi Strauss & Co.
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▪ Greg Johnson, Senior Account Manager, Pfizer
▪ Victor Sutton, Director, Office of Preventive Health, MSDH
▪ Ed Hagar, HR/Benefits Manager, Ingalls Shipbuilding
▪ Murray L. Harber, Executive Director
WHO WE ARE - EMPLOYERS

Mississippi’s most powerful voice for employers in employee health and health care.
WHO WE ARE - INDUSTRY
OUR FOCUS AREAS

Learning Opportunities
Best Practices
Value-Based Design & Purchasing
Data Registry
LEARNING OPPORTUNITIES

6th Annual Health Care Summit
Healthy Workplace Healthy Communities Conference
Specialty Pharmacy Meeting
Value-Based Benefit Meetings
Wellness Coordinator’s Luncheons
BEST PRACTICES IN MISSISSIPPI

- Mississippi’s Healthiest Workplace Awards are selected each year to both public and private sector companies who show excellence in providing effective employer health and wellness programs to their employees and their families. The selection criteria utilize best practice scorecards to benchmark applicants.

- Mississippi’s Healthy Employer designation will recognize employers who meet a standard of applying the principles of effective health management. These employers can compete for the awards.

- Mississippi’s Workplace Wellness Tax Credit is a bill in its third years which if passed will provide a tax credit to private employers who meet the standards of the healthy employer designation.
VALUE-BASED BENEFITS & SOLUTIONS

- Appropriate use of high-value services including preventive care
- Adherence to treatment regimes
- Utilization of high performing providers
- The adoption of healthy behaviors
MISSISSIPPI EMPLOYER HEALTH DATA SET (MSEHDS)
WHAT WE PROMOTE IN THE MEDIA

Employers Embrace Population Health Management

The trend of moving employees' health care costs to a more accurate measurement of how they are employing the health care costs across the U.S. has been growing over the past ten years. The trend also means that employees have more control over their health care costs, which is why we are seeing so many more employers embracing population health management strategies.

Power of Partnership

Employers are developing new programs to help their employees better manage their health care costs. One of the key elements of this new approach is the development of partnerships between employers and providers. These partnerships help employees better manage their health care costs and improve their overall health outcomes.

Healthy Workplaces, Healthy Communities 2015

May 19th, Jackson Marriott

Healthy Workplaces, Healthy Communities 2015

May 19th, Jackson Marriott

Selecting the Right Partners in Managing Your Employee Wellness and Health Plan

By Billy Sims

I am convinced that if we do not have the "right partners" in the future to help manage their health plan, they will have a choice to make in terms of a Health Care Reform (HCR) plan. Health Care Reform (HCR) plan is not just about "a plan", but about a "partnership". By building a relationship with the right partners, we can better manage the health care costs and improve the overall health of our employees.

HEALTH CARE SUMMIT

The Mississippi Business Group on Health (MSBG) is a not-for-profit organization that brings together employers, health care providers, health care purchasers, and health care researchers to improve the health of Mississippians. MSBG is committed to promoting health care reform and improving the quality of health care in Mississippi.
WHAT THEY ARE SAYING ABOUT US IN THE MEDIA

ALAN TURNER: The benefits of healthy workplaces

As we are all aware, Mississippi ranks at or near the bottom among the states in a number of vital health statistics, including diabetes, obesity, cardiovascular disease and cancer. Although we have excellent health care facilities in our state, it should be noted that great health care alone cannot change our current poor rankings.

The answer can probably best be found in the need to inform and educate our citizens about healthy lifestyles, nutritional values, tobacco abstinence, and other fundamental practices that can help to ensure good health and longer life spans.

A number of groups and associations are working diligently to create awareness of this vital issue, particularly as it relates to workplace health and wellness.

The Mississippi Business Group on Health has partnered with the State of Mississippi and the Mississippi Business Journal to bring you this message.
2016 EDUCATIONAL CALENDAR

- August 16th
  - Brokers and Consultants Luncheon – 11AM-1PM
  - Georgia Blue in Madison
- September 13th
  - Smoking Cessation 9 AM-Noon
  - Homes Community College
- October 25th
  - 7th Annual Health Care Summit
  - Mississippi College 8AM – 3PM
- December 6th
  - MSBGH Annual Meeting 9AM-Noon, Lunch to follow
  - Southern Farm Bureau Life Insurance Company
2016 MEMBERSHIP

EMPLOYERS

- 1-49 Employees $250
- 50-249 $500
- 250-999 $750
- 1000+ $1000

INDUSTRY

- Level I: $1500
  - Base membership with two seats at meetings
- Level II: $2500
  - Base plus access to board members
  - Sponsorship of special meetings
- Level III: $5000+
  - General sponsorship of meetings except the Health Care Summit

Visit www.msbgh.org for more information.