

How to Provide Employee Healthcare That Won't Cost You An Arm

One of the most challenging aspects of running a small business comes from managing employee healthcare.

This is crucial because your employee healthcare impacts their outlook to life and job satisfaction which in turn affects their productivity at work.

As much as you understand the importance of health care to your employees, the majority of Healthcare plans are expensive and that extra financial burden is usually not easy to bear.

What if you could have healthcare services that are hugely beneficial to your employees without being cheap and ineffective?

A Study carried out in 2013 showed that this was the dilemma that business owners and employers in the City of Arvada faced. They were looking for ways to significantly improve the health of their employee population while simultaneously retaining competitive benefits. A health care plan that still provided the most value to their employees and didn't leave a proverbial hole in their accounts.

The regular healthcare plans had a few downsides:

- **Fee-for-service reimbursement.** This model generated incentives as a result of performing a high volume of tests and services, regardless of whether those services improve quality or contribute to a broader effort to manage care. This meant that the employer was billed for whatever health procedure was performed irregardless of whether there was an improvement in the health condition of the patient.
- **Fragmentation of care delivery** - employers had to pay for volume of hospital visits rather than for patient outcomes

Paladina Health Satisfies Patient, Doctor and Employer

Paladina Health's model is designed to help employers provide high touch, highly accessible, comprehensive primary care and care coordination. Shawne Cihak, HUB International Vice President and Account Executive said, "It's the only benefit scenario that I can bring to my clients that's win, win. The employer wins because their costs go down and the employees win because they get better care, and their costs go down."

This was executed by using an all-new health care approach that:

- Created a partnership and collaboration between physician and patient to encourage patient engagement – and patient's shared responsibility for care
- Increased access to physicians, including 24/7 phone access and same- or next-day appointments for urgent needs
- Provided unhurried time with a physician whose panel size is an average of 70 percent smaller than a primary care physician in traditional practice
- Coordinated care across the healthcare system through a physician who assists with referrals and interfaces with specialists
- Aligned incentives for physicians who are compensated based on health outcomes, patient engagement and patient satisfaction rather than the amount of services or procedures delivered. This ensured that the physicians were rewarded not just for time spent with the patients but for the actual improvement in health conditions.

Impact of Paladina Health on both Employer & Employee

In changing their health care approach, Paladina Health helped employers impact employee satisfaction, productivity, retention, and better optimize healthcare spending in the long term.

For the employees, it provided a personalised health program that was focused on greater well-being and not just curative measures.

Linda Haley, City of Arvada Director of Human Resources, said "I can't say enough about how this has been paying off for us as an organization and most importantly for those individuals in their health care. Our goal as an organization was to find a way to manage healthcare costs and lower the renewal rates, we've been able to do that in large part due to the fact that we've gone with Paladina [Health]. It's been transformational in the way healthcare is provided to our employees and families, and transformational in the way we can manage our healthcare costs as an employer."

Health improvement and cost reduction were realized in three ways:

1. Redirecting care into a lower cost primary care setting - Rather than just treating patients once they become sick, Paladina Health care teams leverage a population health management approach through proactive care screenings and personalized outreach designed to better manage chronic conditions.

2. Proactively managing preventive care and chronic conditions- They ensured prevention of illness by detecting early warning signs/symptoms, potentially preventing acceleration of these conditions and also increasing employee productivity. It was recorded that City of Arvada employees saved ~1138 hours last year by using Paladina Health compared to a traditional clinic.

3. Coordinating all outside care with high-value, lower-cost providers - Paladina Health physicians actively worked to guide patient care to high-value, lower-cost providers leading to better outcomes and optimized care in the broader healthcare system

The Secret Behind the Success of This New Approach

Employers were able to benefit largely from this initiative because of the highly collaborative partnership and involvement of the City's leadership. They actively supported and encouraged participation in the program by showcasing Paladina Health at organizational meetings, etc.

Paladina Health was able to communicate directly to the City's employees with educational videos and other promotional materials that helped them make a choice and follow through with the new approach.

At the end of the day, the City of Arvada saw an overall lower healthcare utilization, and therefore, lower renewal rates because of the Paladina Health program.

Today, many employers in their efforts to manage healthcare costs focus on changes to benefit plan design; however, those changes don't impact underlying root healthcare cost drivers and may not deliver the kind of services that will guarantee employee satisfaction.

By following the City of Arvada's lead and implementing an innovative solution, like Paladina Health, employers can address lack of access and care inefficiencies in the healthcare system, partnering with healthcare institutions that can drive this initiative to provide health care solutions that their employees and families will thank them for.

Well Life ABQ, like Paladina Health is committed to making a transformative change to the way healthcare is delivered. We offer patient-centric care, by scheduling enough time to actually get to know you and listen. Instead of seeing you as another health statistic we have to account for, we are deeply interested in your health progress and work with you to overcome health

challenges through nutrition, lifestyle, supplements and medicine. Our promise is to help you get well, stay well and live well. Click [here](#) to schedule a call with us.