



## Healthy and High Performing Workplaces: Understanding Employer and Consumer Viewpoints for Public Policy

EBRI Policy Forum

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December 15, 2011



### Health Reform: Keeping it in the Forefront

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#### The Headlines

- Reform Addressed Access to Coverage
  - NOT Cost or Population Health
- Supreme Court Will Decide the Fate of PPACA in 2012
- Congressional repeal unlikely
- Politics matters, especially in an election year
- Major implications for
  - Employers
  - Employees
  - Providers

#### What's Ahead for Health Reform

##### 2012

- Summary of Benefits Coverage Rules
- W-2 Reporting
- Comparative Effectiveness Fee

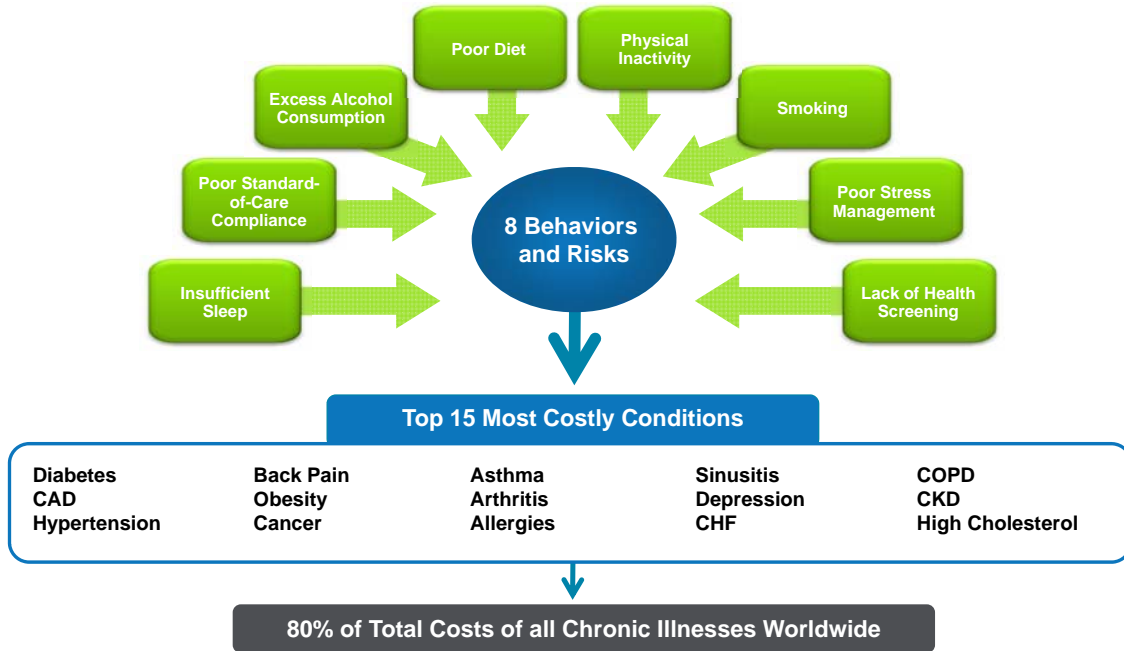
##### 2013

- Increased Medicare tax
- \$2500 FSA limit
- Auto-enrollment notice

##### 2014

- Individual mandate
- Employer free rider penalty
- State exchanges open
- Wellness incentives move to 30% differential

## Two Problems: #1 Unsustainable Rise in Health Care Costs and #2 Worsening Health Risk – A National Problem



Source: 2010 World Economic Forum

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## Addressing These Problems Leads to a Fork in the Road

Down either road, ALL employers must manage the risk of failing to have a workforce that is healthy, present, and high performing

### » Aggressive Health Management

- Heavy emphasis on health risk improvement and cost management
- Sophisticated use of data analytics to drive design, program management, vendor accountability
- Migration from incentives to penalties and “requirement gates” to access better benefits
- Alignment with pay for performance business culture



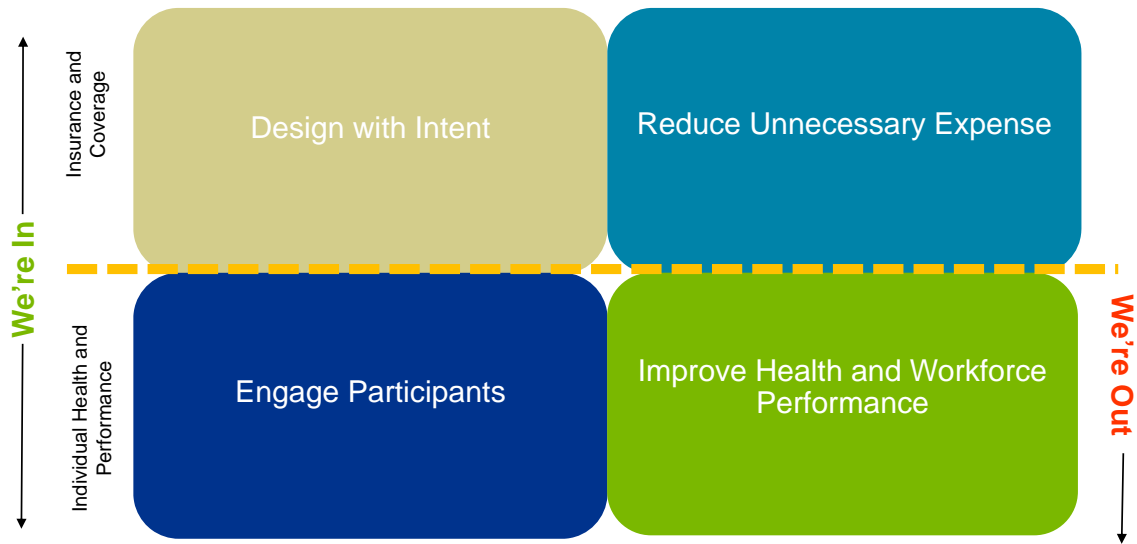
### » Managed Defined Contribution

- Subsidy fixed with company-driven increase
- Coverage via individual market (private or public Exchanges)
- Worksite health shifts to focus on return to work, absence reduction, productivity gains

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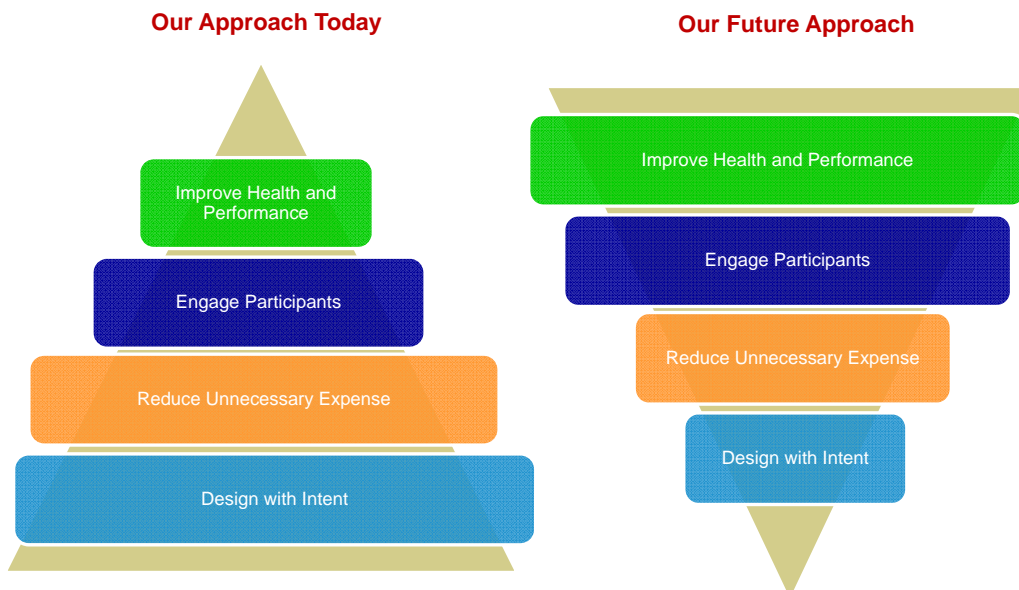
## Strategic Focus Varies by Path



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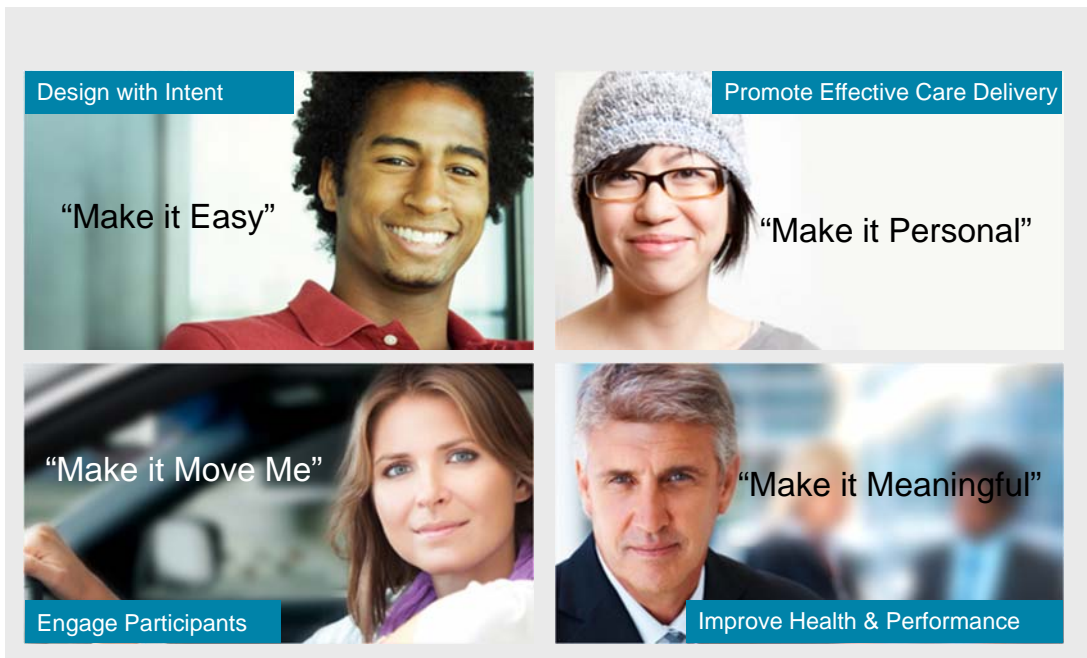
## Paradigm Shift in Perspective



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## Strategic Framework: Balancing Employer Goals and Employee Views



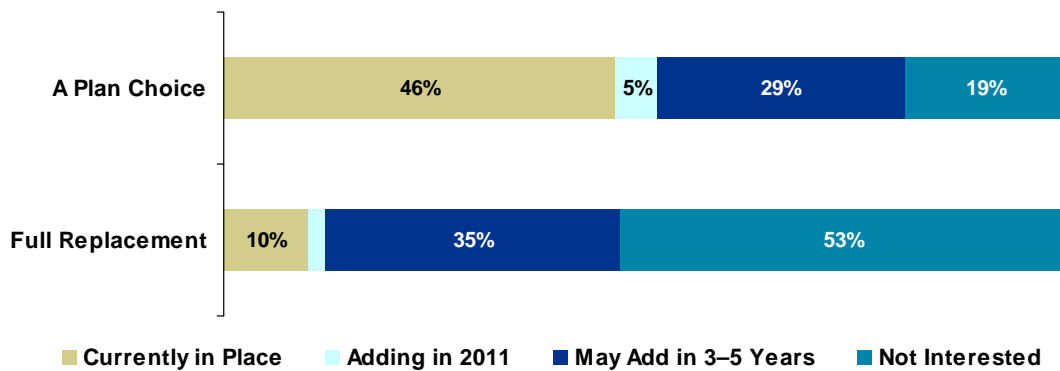
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## Employer Perspective



Offer Consumer-Driven / High Deductible Health Plan As:



Source: Aon Hewitt 2011 Health Care Survey: New Paths. New Approaches.

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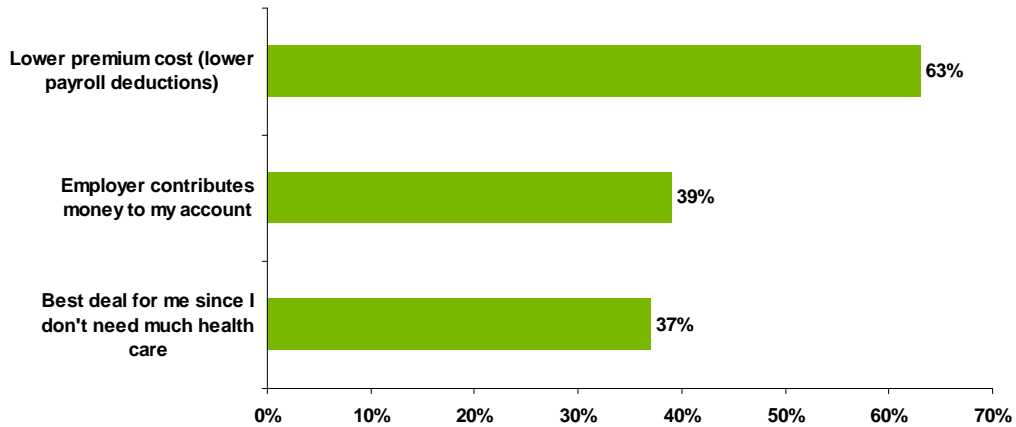


## Consumer Perspective



"I enrolled in a CDHP for the savings I get now, not in the future."

### Main Reasons for Enrolling in CDHP



Source: 2011 Consumer Health Mindset Survey

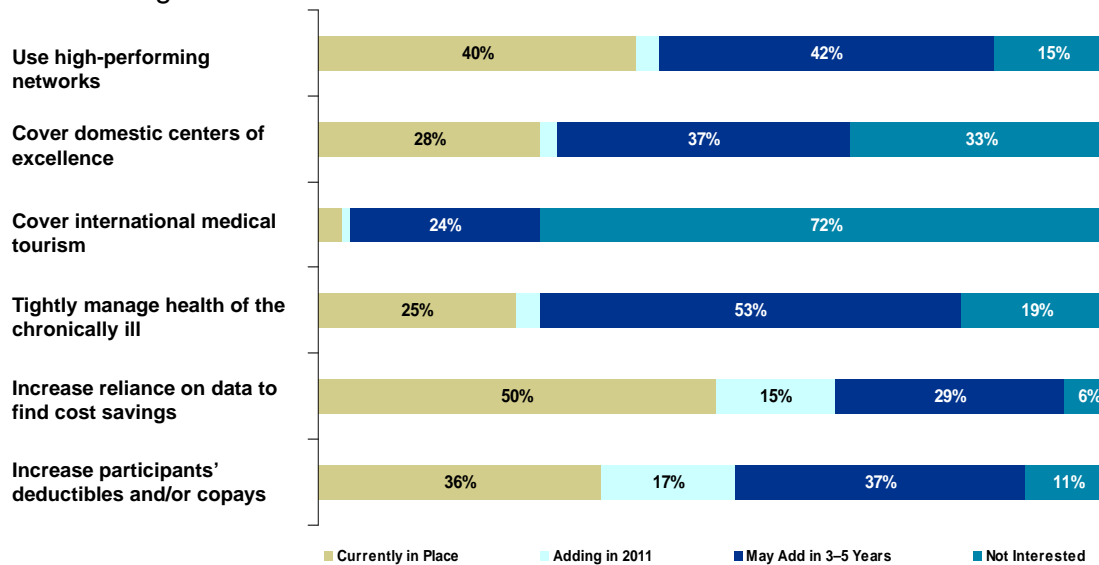
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## Employer Perspective



### Cost Management Activities



Source: Aon Hewitt 2011 Health Care Survey: New Paths. New Approaches.

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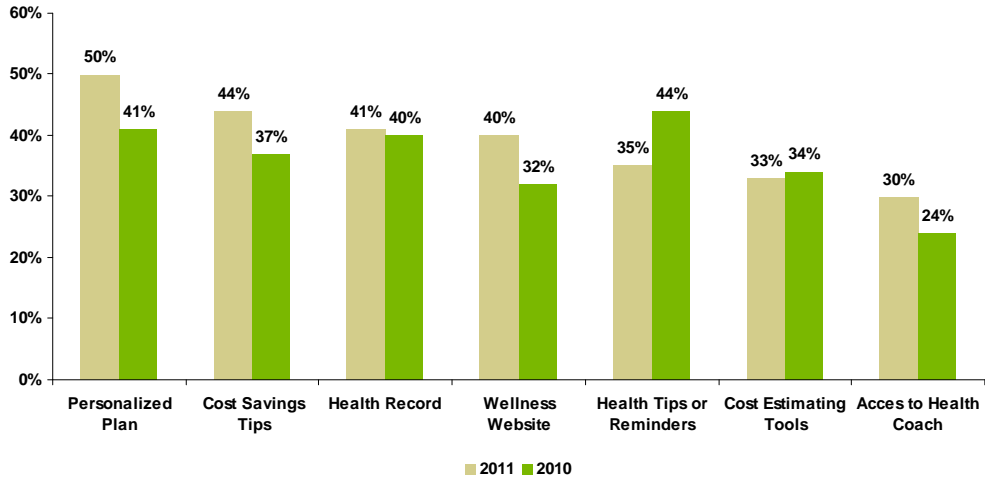


# Consumer Perspective



"I want a personalized health plan that is tailored just for me."

## 2011 Most Preferred Health Tools (Compared to 2010)



Source: 2011 and 2010 Consumer Health Mindset Survey

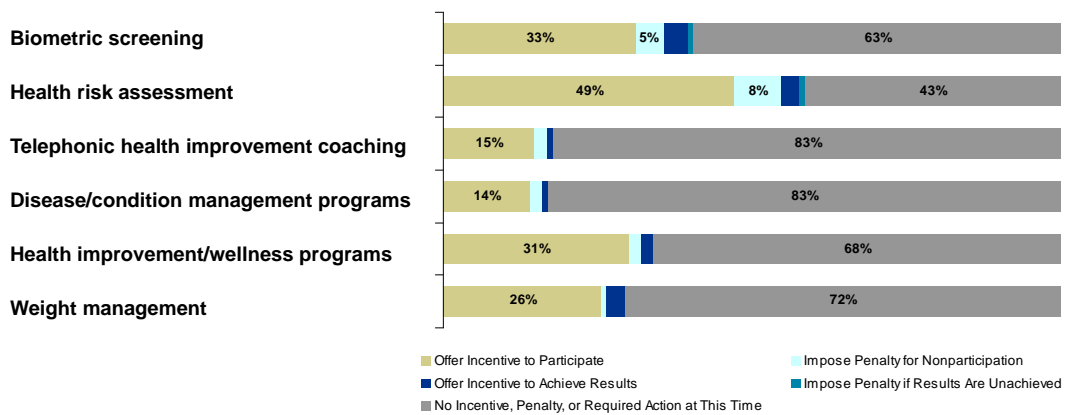
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# Employer Perspective



## Engagement Activities



Source: Aon Hewitt 2011 Health Care Survey: New Paths. New Approaches.

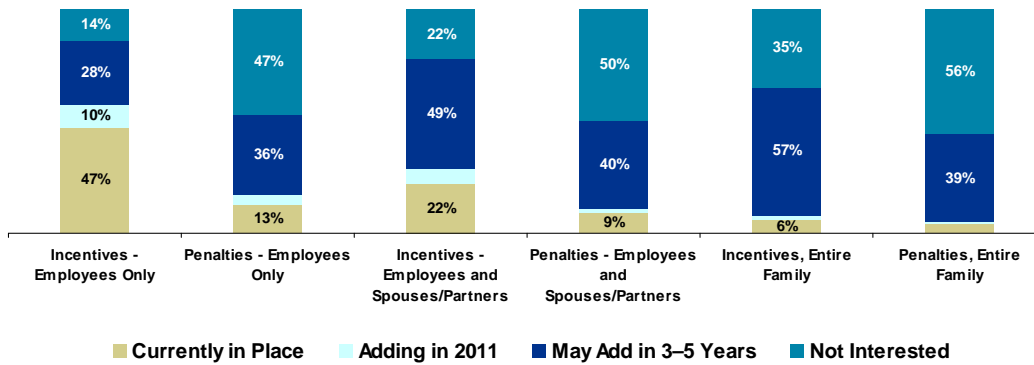
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## Employer Perspective



### Incentive/Penalty Groups Targeted



Source: Aon Hewitt 2011 Health Care Survey: New Paths. New Approaches.

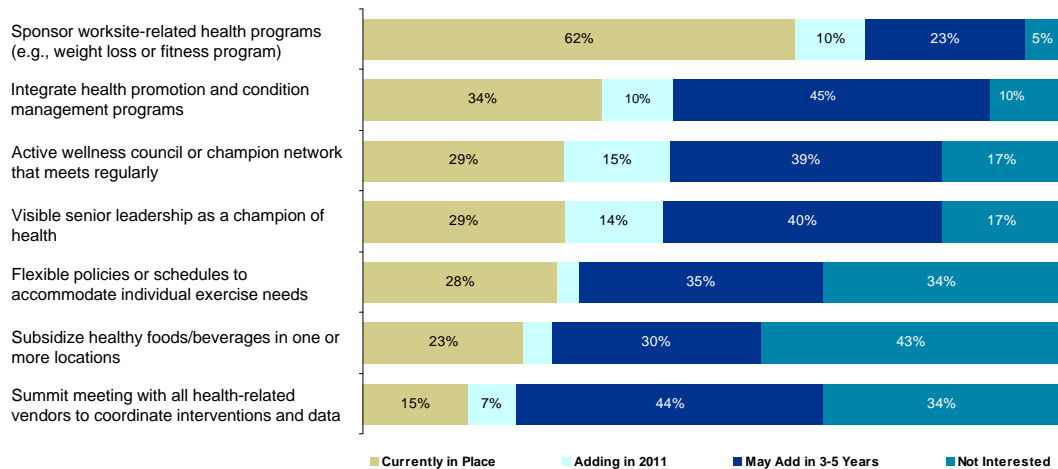
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## Employer Perspective



### Organizational Health and Wellness Trends



Source: Aon Hewitt 2011 Health Care Survey: New Paths. New Approaches.

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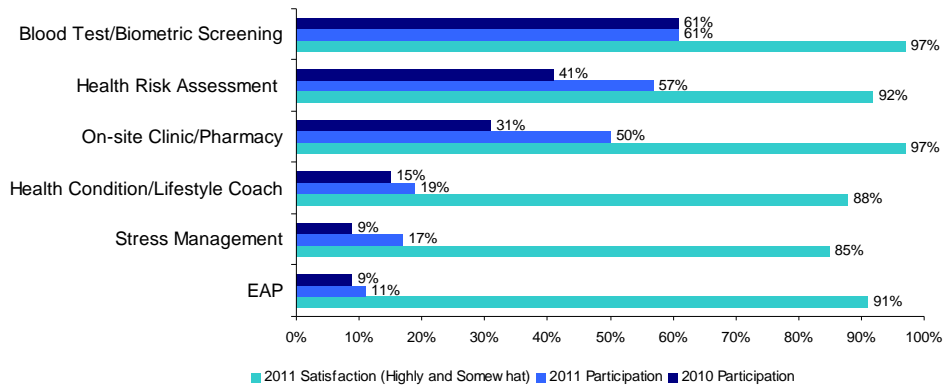


## Consumer Perspective



“My employer offers health programs, but I’m not sure they’re worth my time.”

### Health programs I use the most and least over the past 12-24 months



•Note: Respondents reported which programs their employer offered and they may not reflect the exact programs offered