

Health Engagement Program

Board of Trustees

February 2010



INDIANA UNIVERSITY

UNIVERSITY HUMAN RESOURCE SERVICES

Health Engagement Program

Incentives for healthy outcomes -- employees *and* spouses/domestic partners covered by IU's employee medical plans

Objectives:

- **Improve the health of covered individuals**
- **Reduce the growth rate of healthcare expenditures**
- **Ensure the delivery of efficacious healthcare services**

Health Care Costs

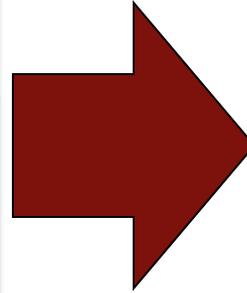


Other factors: demographics, type of provider, region, etc.

Health Care Costs

Price Per Unit “Fees”

- PPO contracts
- PBM contracts
- Exclusive provider contracts

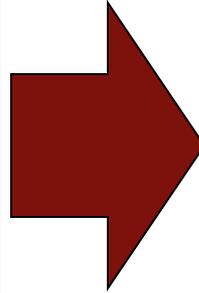


- **Anthem PPO networks in Indiana and BCBS PPO networks across US and overseas**
 - *Hospitals, physicians, labs, imaging, etc.*
- **NextRx/Express Scripts PBM**
 - *Retail pharmacies*
 - *Mail order pharmacy*
 - *Specialty drugs*

Health Care Costs

of Units “Utilization”

- Pre-authorizations
- Rx limits
- Disease management
- Wellness
- Preventive



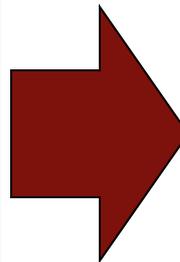
- Medical and Rx pre-authorizations
- Rx: 30-day/90-day limits
- Wellness services
- Case management
- Disease management
- Flu immunizations
- 24-hour nurse line
- Tobacco cessation
- EAP (Employee Assistance Program)
- Health Risk Assessment

IU's Health Engagement Program

Incentives for Healthy Outcomes Employees and Spouses/Domestic Partners

of Units "Utilization"

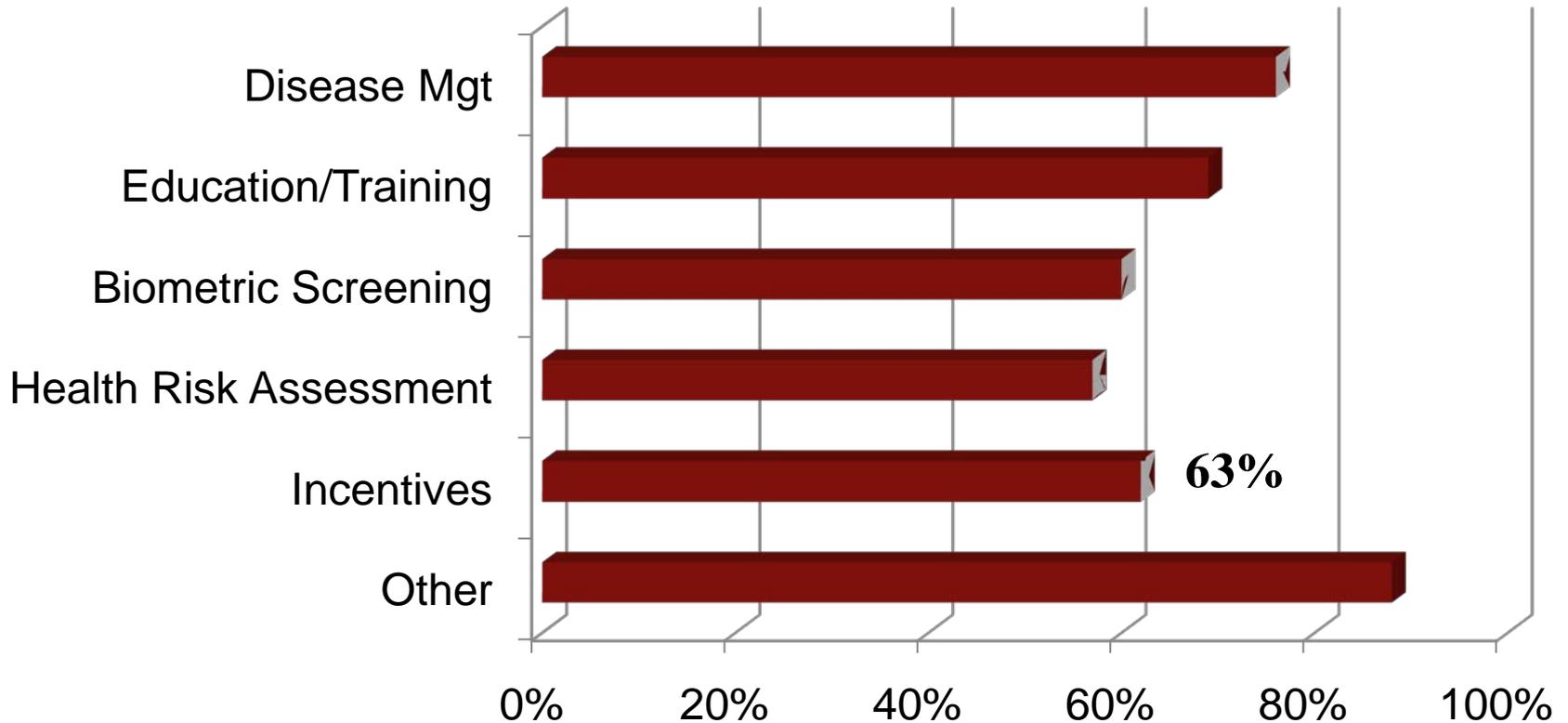
- Pre-authorizations
- Rx limits
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- Wellness
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- Medical and Rx pre-authorizations
- Rx: 30-day/90-day supply limits
- Wellness services
- Case management
- Disease management
- Flu immunizations
- 24-hour nurse line
- Tobacco cessation
- EAP (Employee Assistance Program)
- Health Risk Assessment
- HDHP (High Deductible Plan)

Programs to “Manage” Healthcare Utilization

2009 Survey: 1,200 + Large U.S. Companies

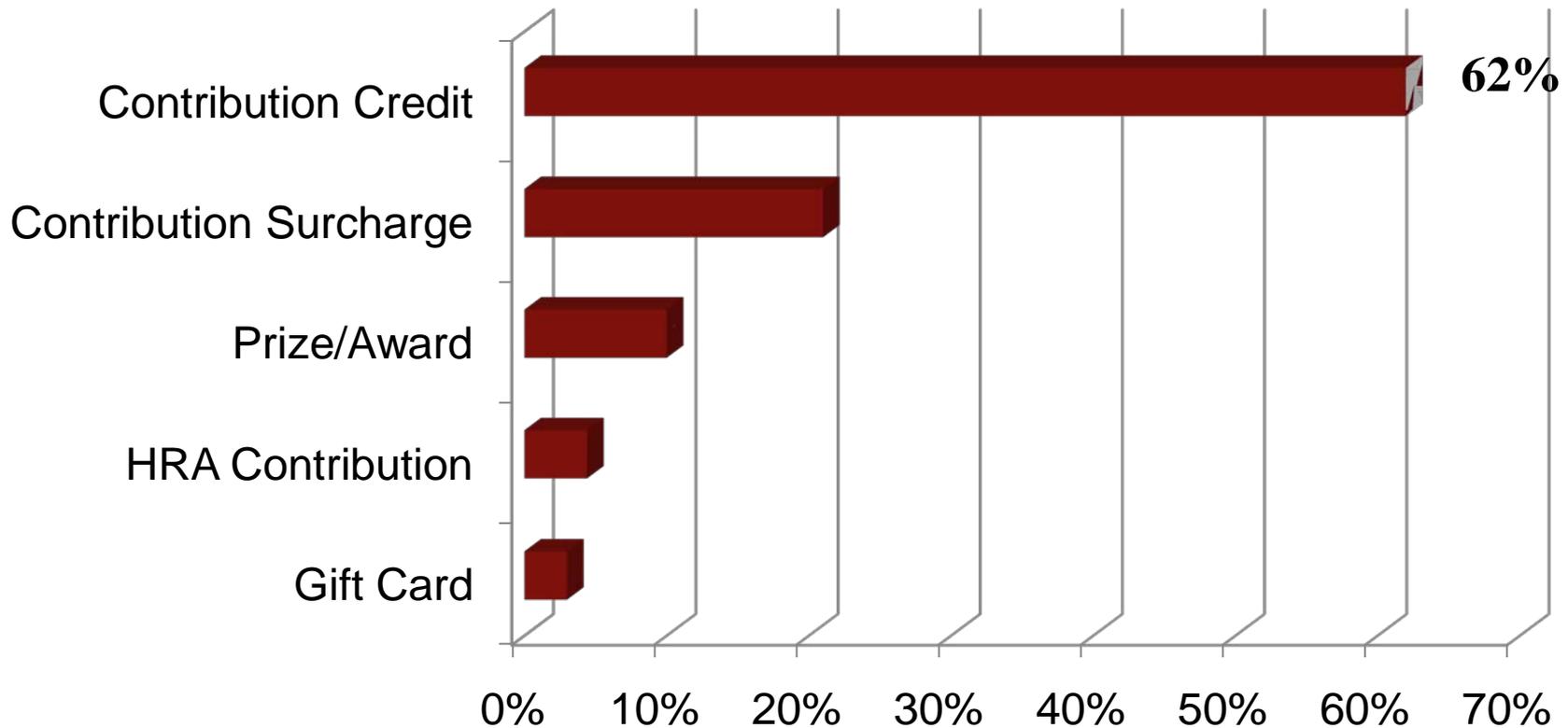


Other: flu vaccinations, tobacco cessation, nurse hot line, stress management, and wellness visits

Hewitt Associates: Benefits Spec Select , US 2009

Incentive Strategies - 2010

For Large Employers Leveraging Such Strategies



Hewitt Associates, Feb. 2010

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Incentives for Healthy Outcomes Employees and Spouses/Domestic Partners

Phase 1
Jan. 2011

- **Increase in employee payroll contributions**
- **Credits for health assessments and non-use of tobacco**

Phase 2
Jan. 2012

- **Increase in employee payroll contributions**
- **Credits for health status outcomes**

Phase 3
Jan. 2013

- **Increase in employee payroll contributions**
- **Credits for compliance with physician directions**

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Incentives for Healthy Outcomes Employees and Spouses/Domestic Partners

Phase 1
Jan. 2011

- Increase in employee payroll contributions
- Credits for health assessments and non-use of tobacco

- Complete Health Risk Assessment (web based)
- Complete Biometric Assessment
 - Basic blood screen
 - Blood pressure
 - Body Mass Index (BMI)
- Verifiable Non-use of Tobacco

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Incentives for Healthy Outcomes Employees and Spouses/Domestic Partners

Phase 2
Jan. 2012

- Increase in employee payroll contributions
- Credits for health status outcomes

- Blood pressure
- Cholesterol level
- Glucose level
- Body Mass Index (BMI) target

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Incentives for Healthy Outcomes Employees and Spouses/Domestic Partners

Phase 3
Jan. 2013

- Increase in employee payroll contributions
- Credits for compliance with physician directions

- Treatment plans
- Disease management directions
- Prescription drug and medication regimen

Partial List of Prominent Employers With Similar Incentive Strategies for 2011

Safeway

Meijer

Owens Corning

Florida Power & Light

Ohio State University

Verison

McKesson

CIGNA

Hewitt Associates

Other:

Clarian

St. Francis

Under Consideration:

University of Michigan

Hewitt Associates, Feb. 2010

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