

Monday Check In Summary of Comments June 23, 2014

Email Received June 22, 2014

To: Patricia Checko and Arlene Murphy, Co-Chairs, Consumer Advisory Board

From: Bob Krzys, Consumer Advisory Board member

Re: Issue Brief #5-Employer Engagement

In response to your request that I comment on Issue Brief #5, I offer the following:

Issue Brief #5 touches upon a proposed initiative in the SIM application to engage employers in primary care payment reform and in the accelerated adoption of value-based insurance design. The brief takes the position that employers are important stakeholders in the adoption of value based payment reforms and value based insurance design and details a timeline to increase the uptake of both through an employer led consortium which will provide, among other things, a template for standard VBID designs and a toolkit for employers to use for implementation. The brief also proposes an employer led learning collaborative as the process unfolds.

As someone who was intimately involved in the negotiation of the VBID design of the State Employee Health plan known as the Health Enhancement Program, I would fully support the initiative outlined in Issue Brief #5.

It is, however, important that the effort be decidedly consumer friendly so that the consumer is also fully engaged. Without the education of the consumer as to why certain services are being incented, the desired uptake in consumer engagement will be hampered.

Consequently, the guidance given to employers, both insured and self-insured, should include robust guidance as to understanding how to engage the persons employed. There are many techniques to informing employees and each group is different. Communication must be tailored to the group at issue. Additionally, the employees must have a feedback loop and must be able to suggest improvements to the plans in effect. After all, they are the ones utilizing the services. They must be surveyed to inform all stakeholders of the effect of the program focusing on what is working and what is not.

Also, VBID plans consist of carrots and/or sticks. A careful analysis of these elements is crucial. Behaviorists differ on what drives people to select courses of action but in the area of one's health, it makes little sense to use financially punitive measures to drive reform on either the payment or design front. Positive incentives will be more likely to drive people to certain services and to foment a culture change emphasizing the benefits of good health such as a better lifestyle and less costly premiums. Moreover, there must be a real appeal process for employees who are not compliant with the requirements of any program. When something is judged unfair or punitive, it will not breed an uptake in the goals of the program.

I agree with the Issue Brief's position that the collection of data and the reporting of data is key. A solid approach to value based payment and benefit design reform requires thoughtful analysis of the needs of the particular consumer group involved and a plan that is nuanced to relate to their needs. The establishment of a central place for the accumulation of a business intelligence and for toolkits and learning collaboratives is an initiative that will help spearhead a value, not volume, approach across all

