



## An approach to well-being that your members and CFO will love

Three steps to measurably reduce medical costs through well-being solutions

Human Resource (HR) leaders walk a fine line between controlling costs and offering benefits that employees find valuable. Highly sought-after employees consider well-being solutions a standard part of benefit packages. If those programs aren't delivering a measurable return on investment, though, they begin to look like an easy way to trim expenses.

When you assess the value of any program, there are soft metrics and hard metrics — things we know and things we can prove. The primary value proposition of many well-being solutions is built around soft metrics: improving employee productivity and engagement and building a culture of well-being. HR teams may see evidence of improvement, but it can be difficult to quantify from a financial perspective.

One of the reasons clients choose to work with ActiveHealth is our unique ability to help them generate measurable cost savings.

### Here's an example of the results we've achieved together with our clients.

We conducted a two-year case control study, validated by a third party<sup>#</sup>, of our well-being solution, the Lifestyle and Condition Coaching program. Statistically significant results for year two showed:



**\$27.49**

in cost savings per identified member per month<sup>1</sup>



**20%**

reduction in inpatient costs for identified members<sup>1</sup>



**3.6:1**

return on investment<sup>1</sup>

The key to achieving this level of savings with a well-being solution is a special focus on vulnerable, at-risk and difficult-to-engage members.

Many well-being solutions only reach employees who are already engaged in their health. They're quick to engage digitally, connect their devices, join a fitness challenge or take a coaching class on healthy eating. The challenge for those who want to see a hard, measurable return is engaging employees who represent the greatest opportunity for improvement: at-risk, vulnerable and difficult-to-engage members.

At ActiveHealth, our solution isn't passive. We actively seek out people we can help and invite them to engage with us to improve their health. We apply the right interventions with the right people to make the most impact.

## Three steps to achieve measurable cost savings

The following summarizes a three-step process for generating significant and measurable medical savings through a special focus on vulnerable, at-risk and difficult-to-engage members. We recognize the need to serve the entire member population through a diverse and robust digital well-being capability. That said, we view that as “table stakes” for any well-being approach. This paper is focused on helping those who need it most.

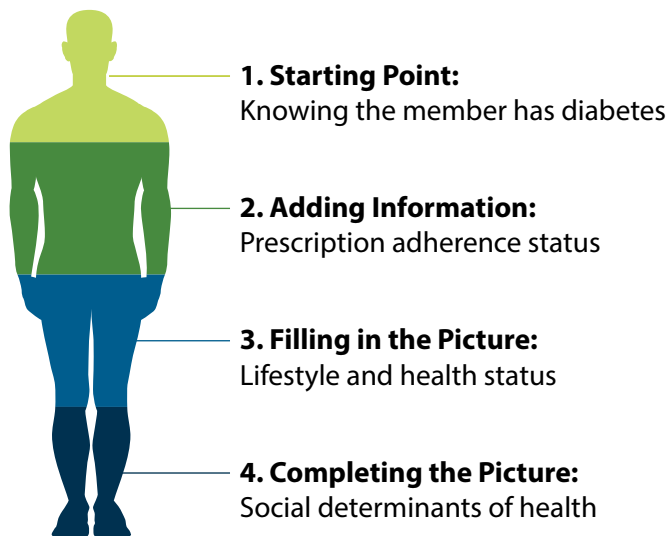
### The steps

#### 1. Identify members with specific, actionable opportunities for improvement.

The keys to success in this step are data and analytics. Any creditable well-being solution can identify high-risk members with chronic conditions. Using self-reported data from health assessments or biometric screenings, it’s not challenging to find people with diabetes or high blood pressure or who need to lose weight. But that information isn’t very useful when it comes to identifying specific actions to improve a member’s health.

The challenge for serving vulnerable members is identifying pieces of data that, when connected, enable a well-being solution to see beyond a person’s primary condition. Knowing that the member has diabetes is a starting point. Adding information that the member isn’t filling prescriptions for insulin or test strips regularly is helpful. Filling in the picture with information that shows no recent HbA1c results, an inactive lifestyle and a series of minor infections lets us know that this member’s diabetes is not well controlled. Completing it with information on social determinants of health — like limited access to health care or healthy food options — is the foundation of a personalized approach that directs coaching, support and interventions that are most likely to work.

#### Personalized Approach



Once you have a rich pool of data, you can begin to identify opportunities to improve health, like encouraging medication adherence, and assess them to find specific areas where care deviates from the latest treatment guidelines, like missing lab results or screenings. Health and health care are ever evolving. Dozens of new medications hit the market every year, and there are hundreds of changes to standards of treatment and care. Given the power of available technology and advances in machine learning, it’s reasonable to expect that your well-being solution uses as its foundation the latest medical standards and guidelines. And it’s imperative to have evidence-based clinical rules that go beyond assessing a member’s risk to highlighting and prioritizing open gaps in care that, if closed, can help prevent progression of their condition.

When armed with the complete data, well-being solutions have the potential to see the whole member, looking beyond the primary condition to identify and personalize achievable steps they can take to help turn the corner toward better health.

This is especially critical for vulnerable members.

#### Marie’s story shows how it works.\*

Marie’s in her mid-50s. She’s overweight and has type 2 diabetes. She’s seeing her primary care doctor, but she’s not checking her blood sugar or filling her prescription regularly. There’s no evidence of a recent HbA1c lab test. Recently, she went to the emergency room with a high fever and back pain. During her evaluation she reported that she’s been having headaches, fatigue, heartburn and nausea that she attributes to stress from work and managing the schedules of two busy teenagers. She was admitted for observation, and further diagnostic work revealed a urinary tract infection, hyperglycemia, the beginnings of an ulcer on her foot and possible gastroparesis — all likely connected to her uncontrolled diabetes. These are key pieces of information that we’ll need to help her improve her health.



## 2. Engage members across multiple channels.

The most challenging aspect of any well-being solution is getting members to take that first step toward engagement. Not every member can or will engage digitally due to limited computer or internet access or privacy concerns. Vulnerable members can be among the least likely to engage through digital channels.

A successful engagement strategy should include both inbound and outbound outreach. Many well-being solutions rely almost exclusively on promotional efforts (e.g., emails, intranet and social media communications) that prompt member action. While these communications are necessary, they aren't sufficient to engage vulnerable members.

Many of these members either don't believe they can benefit from support offered through their employer or aren't making self-care a priority in their lives. In this case it's time to turn to the good old-fashioned telephone and highly trained nurses and coaches. These skilled professionals know how to start conversations that lead to a productive next step.

Though information and evidence-based clinical support tools are the bedrock, these carefully crafted conversations don't focus primarily on educating members and drafting to-do lists. Fundamentally they're more about listening. Diving into a discussion about conditions, care gaps and risk factors can be off-putting, especially for people who are already reluctant to engage. Instead, these initial discussions aim to create a person-to-person connection.

The connection begins with establishing that the coach cares primarily about improving the member's quality of life. Many times these members are so busy with their jobs and caring for others that they're not making time to take care of themselves. Having someone outside their usual support network care about them can rapidly change their perspective and priorities.

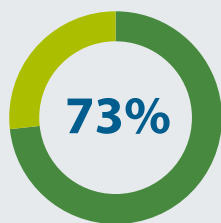
What a trained coach can elicit from these initial touch points is the member's "why" for change. Lasting, long-term change is rooted in intrinsic motivations, and that's what a coach can help the member discover. The member's "why" may be about taking even better care of others. It may be about taking the trip of a lifetime or seeing their grandkids grow up. Regardless, the member's "why" becomes the foundation for motivating lasting change.

## Multichannel promotion for multichannel engagement

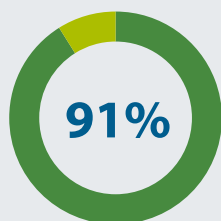
One of our clients said, “Your health should not be your priority. It should be your foundation.” She’s seen that priorities change over time, especially as we move through phases of our lives. If managing our health is a priority, then it’s easy to replace it with something else. But if it’s a part of our foundation, then it’s part of how we cope with changing priorities.

Her company has made well-being part of employee safety, because healthy employees directly affect the health of the organization. They have less absenteeism, they’re more productive at work and they incur lower health care costs.

She says her mission is to make sure that employees know what support is available, how to access it and what difference it can make. With nearly 400 locations and employees ranging in age from Gen Z to boomers, she has to communicate early, often and in a variety of ways. She uses the company intranet, posts to an internal social media channel and gets the message out through onsite coordinators. If there’s a way to reach someone, she’s found it. As a result, her engagement rates are over 73% of identified members and 91% of those at highest risk.



**Identified members**



**Those at highest risk**

## Let's check back in with Marie

Marie has seen the emails from HR about the employee wellness program, but up to this point she’s been too busy to look into it. Let the younger folks with apps and wearables go to the gym and collect the incentives, she thinks. Her recent hospital admission shook her up, though, so when she gets a call from a program nurse, she decides it can’t hurt to talk to him. Instead of jumping into a list of questions about her health, the nurse asks about Marie’s life, learns about her demanding job and her two teenagers. He talks to Marie about her priorities and finds out that her “why” is raising her kids right. She doesn’t want her health issues to get in the way and really would love to have energy. They then discuss how better health is essential to meeting her goals. This opens the door to a candid conversation about what’s getting in the way of Marie’s ability to improve her health.

### 3. Motivate lasting change.

At this point, your well-being solution has found members with specific opportunities for improvement, reached out and successfully engaged them. Coaches have completed the initial assessment, established short- and long-term goals and laid the foundation for trust. What happens next?

Often, what’s blocking a member from engaging in their health has nothing to do with the condition that prompted outreach. Issues of access to health care or the affordability of medicine can be roadblocks, as well as a lack of understanding. The member’s degree of health literacy impacts their ability to make informed decisions about their health, participate actively in their care and navigate the health care system effectively. Nurses and coaches need to understand what’s contributing to the choices the member makes so they can identify the appropriate tools needed to overcome the obstacle.

Helping vulnerable and difficult-to-engage members achieve their health goals is a marathon, not a sprint. You need coaches who are specifically trained to keep the momentum going. It takes hundreds of hours of training and practice to be able to help members at different points on their path to better health. Coaches must be prepared to support:



### Highly motivated members

In the beginning, motivation is usually high, even if confidence is low. For this group, the role of the coach is to help members understand the value of breaking an ambitious, long-term goal into smaller parts without undermining the member's confidence in their ability to achieve it over time. Setting goals that are unrealistic or take too long to attain can be demotivating. Achieving short-term goals helps build confidence, and each win can build on the last toward completion of the longer-term vision. Even with a member who is motivated, it's important to set the expectation that slips are common.



### Members who've hit a plateau

When members are on an upward trajectory and have been enjoying a series of successes, it's frustrating and disappointing to hit a wall. When this happens, the coach goes back to the beginning and reassesses. Why has the member become stuck? There may be new strategies to employ that would renew motivation and confidence. Support must be flexible and fluid, applying the interventions that are appropriate for where the member is at that moment.



### Members who are missing in action

If a member who has been engaging with the coach starts missing appointments, the coach needs to redouble their efforts to reconnect and discover the reason for the change. Slips are common, but members may view them as a sign of weakness or as evidence that they're unable to achieve their larger goal. In this case, the coach can assure them that a slip is only as important as the member allows it to be. The challenge is to reconnect to the "why," recommit to the long-term goal and choose a short-term goal that helps the member get back on track.

Having coaches with extensive training, practice and familiarity with motivational interviewing techniques is critical to success in this step. They must also have the right resources, including a multidisciplinary team, at their disposal and evidence-based clinical support tools to help them understand the next most important steps for each member. Effective coaches know that when members feel a strong sense of ownership of their health goals, sustained engagement follows. They allow members to design and direct their plans for achieving their health goals while keeping issues of clinical importance at the forefront.

### Let's reconnect with Marie

The nurse confirms that headaches, heartburn and fatigue can be connected to stress, but they can also be symptoms of uncontrolled diabetes. They talk about how diabetes can affect various parts of her body that she didn't realize might be involved — like her eyes, feet and skin. From what he can see in the data and what he's hearing her say, the nurse suspects that many of Marie's issues tie back to noncompliance with her medication. The primary goal is to get Marie to check her blood sugar regularly and to fill and take her medication as prescribed. Marie lives in a rural area and it's not convenient to get to her pharmacy. So, they agree that she will fill a prescription in the local pharmacy and then transition to mail order delivery. Marie also wants to manage her stress better going forward. With the help of her nurse, she chooses several stress management strategies. Armed with information and support from a nurse she trusts, Marie feels motivated to improve her health and confident that she can do it.

## Members love it and your CFO will too

As you consider your well-being strategy, ask yourself if your solution includes these three important steps:

### 1 Identify

Are you harnessing data and analytics to focus personalized well-being resources on your most vulnerable and difficult-to-engage members?

### 2 Engage

Do you have a team of highly trained specialists maximizing engagement, making outbound calls to vulnerable members and connecting with them on a personal, rather than purely clinical, level?

### 3 Motivate

Are you keeping members motivated by focusing on specific opportunities to improve health while addressing clinical and non-clinical barriers to success?

The ActiveHealth Lifestyle and Condition Coaching program includes all three steps. This highly configurable well-being solution can be tailored to fit your specific needs and goals. A two-year study validated by a third party has shown that our members can achieve their goals and improve their health outcomes while our clients realize cost savings and a proven return on investment.



**\$27.49** in cost savings per identified member per month<sup>1</sup>



**20%** reduction in inpatient costs for identified members<sup>1</sup>



**3.6:1** return on investment<sup>1</sup>

Let's give one of our members the final word.

"I was very skeptical. The thought of having health-related discussions with a stranger was something I would have never considered. But I am now a great believer in the program."



### About ActiveHealth

ActiveHealth® can measurably improve health outcomes for all members, especially those who are vulnerable and more difficult to engage. Highly personalized experiences help members articulate a vision for their health, identify and close gaps in care and achieve short- and long-term health goals. By engaging and motivating those at greatest risk, we are uniquely able to reduce the cost of care. Our well-being solutions offer digital and live coaching. We cover 10 lifestyle focus areas, such as stress and weight management. And we offer support for 19 chronic conditions, including diabetes, heart disease and chronic kidney disease. Our medical management solutions include care management and utilization management. We work with self-insured employers, state and local governments, health plans and third-party administrators. Our strategic, collaborative approach leads to strong relationships with our clients. The average contract length is over six years, and our Net Promoter Score is 76.7.

Ready to learn more about how we can bring your well-being solution to life? Visit us at **ActiveHealth.com** or email us at **Proposals@activehealth.com**.

## Study design

The study was a non-randomized, intent-to-treat, retrospective cohort study. The study group included commercial members identified for the Lifestyle and Condition Coaching (LCC) program in 2018 and 2019 – 14,077 members for the year 2 analysis. The control group included commercial members who did not have the LCC program but met identification criteria – 37,840 members in the year 2 analysis. The baseline period was 12 months prior to LCC launch, and the study period was 24 months after LCC launch.

- Plan sponsors in the study and control group were matched on plan sponsor characteristics.
  - Member level adjustments were made for age, gender, region, social determinants of health, retrospective risk scores, cost share, high deductible health plan (HDHP) indicator as a proxy for benefit design, cost index, pharmacy coverage and LCC risk stratification.
  - A statistical significance threshold  $p \leq .1$  was applied to the results.
  - Study evaluation included medical cost, utilization, pharmacy cost and resolution of gaps in evidence-based care.
- Statistically significant results for year 1 include:
    - Medical Cost savings of **\$234.64** per high risk identified member, per month<sup>2</sup>
  - Statistically significant results for year 2 include:
    - Medical Cost savings of **\$27.49** per identified member, per month. This includes members at all risk levels.<sup>1</sup>
    -  20% reduction in inpatient costs<sup>1</sup>
    -  24% reduction in acute inpatient admissions<sup>1</sup>

For more information on the study please contact us at [Proposals@ActiveHealth.com](mailto:Proposals@ActiveHealth.com).

## #Third party validation – Validation Institute



Validation Institute is a professional community that advocates for organizations and approaches that deliver better health value - stronger health outcomes at lower cost. They connect, train, and certify health care purchasers, and they validate and connect providers delivering superior results. Founded in 2014, the mission of the organization has consistently been to help provide transparency to buyers of health care.

<sup>1</sup> Lifestyle and Condition Coaching year two follow-up study (October 2020)

<sup>2</sup> 2019 Lifestyle and Condition Coaching outcomes study

\* Marie's story is a fictional example.

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The CareEngine<sup>®</sup> is a proprietary technology platform developed by ActiveHealth Management, Inc. In conjunction with clinicians, the CareEngine continuously analyzes claims and other data against evidence-based best practices and alerts the members and their physicians about possible care gaps and other inconsistencies. Information is not a substitute for diagnosis or treatment by a health care professional.

Because the benefits, programs, services, member incentives, list prices and reimbursement rates vary significantly among health plans, the impact and total savings related to the Lifestyle and Condition Coaching program may vary by plan, and implementation of the program with a particular plan may not result in total cost savings or similar results.