

## **Value Driven Health Care in Action: A four-Pronged Approach to Meet Consumer Transparency, Quality and Access Demands**

PATRICIA DONOVAN: This is Patricia Donovan for the Healthcare Intelligence Network. Today I'm speaking with Sue Lewis, Senior Vice President of Health and Productivity Solutions at IncentOne. Sue is presenting at HIN's audio conference, on "Value Driven Health Care in Action: A four-Pronged Approach to Meet Consumer Transparency, Quality and Access Demands". Thanks for joining me today Sue.

SUE LEWIS, SENIOR VICE PRESIDENT OF HEALTH AND PRODUCTIVITY SOLUTIONS AT INCENTONE: Thank you.

PATRICIA DONOVAN: To being with employee and member incentives for healthy behaviors and lifestyles are extremely common today. But how many health plans reward members for making value driven health care choices, such as seeking care from a quality based network of providers? Are you finding that in your experience?

SUE LEWIS: We call this rewarding members for being savvy medical consumers and shoppers. And from what we've seen and what the data is starting to show is that many health plans, through the initiatives of trying to identify quality providers are in fact starting to explore how to align incentives with the members purchasing and selection process of things, such as preferred physicians. So yes, this is a trend that we are seeing is growing and we expect again many of the large national players as well as some active regional health plans to start exploring and offering incentives in this area.

PATRICIA DONOVAN: Sue, if I could just follow up on that, what would a typical incentive be in a case like that?

SUE LEWIS: If a health plan has good data that actually identifies good physicians with a nice track record, specific to

outcomes in quality and within their network of providers they actually would like to have individual select certain subset of physicians with those better outcomes in quality. They might provide an individual with a financial incentive, literally, cash should those individuals choose a certain preferred network or high performance network over physicians or other providers and services who may not fall into that category.

PATRICIA DONOVAN: I see. Thank you Sue. What have you found to be the most effective communication strategies for getting the word out on these incentives to a particular population? Do you find that companies are using health fairs and things like wellness champions? Are these valuable in spreading the word?

SUE LEWIS: They are very valuable and we encourage employers and health plans to use as many different possible ways to get the message out to their employee populations as well as their member population. So leveraging mechanisms such as a corporate Intranet written materials, employee meetings and certainly these onsite mechanisms such as health fairs are very important. And it is very valuable to have a champion or an advocate at the worksites to really promote and steer people towards participation in programs.

PATRICIA DONOVAN: Thank you Sue. We're hearing more about companies extending incentives to dependants and even to retirees, what are you finding to be some of the challenges that companies face when they think about doing this?

SUE LEWIS: The biggest challenge with extending incentives to these particular groups is the tax implication of the incentives where typically in the case of the dependants the employee is taxed for both, his or her own award as well as those that are issued to a spouse for example. And with regards to the retirees we face the same issues. Employers who have implemented consumer directed health benefit plans really have the best options when

it comes to offering incentives to these particular groups with regards to allowing for tax free funding into health reimbursement accounts or health savings accounts.

PATRICIA DONOVAN: I see. Thank you Sue. Those are all the questions that I have today. I want to thank you for being with us. And we're looking forward to hearing more from you during the audio conference.