

Health Advocacy Programs Help Employers and Employees Navigate Health Care and Insurance Systems

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The irony of our health care and insurance systems is that despite the enormous costs employers and consumers pay for these services – estimated at more than one trillion dollars this year alone – many people are still unhappy with the services they receive. Equally disconcerting is that there are a host of additional hidden costs in the form of lost productivity and redundant health care claim payments. Needless to say, the toll taken on health care consumers – and their families and employers – who get lost in the health care maze is also enormous.

In today's environment, it is often difficult to develop a meaningful relationship with physicians, particularly specialists. Nearly uniformly, consumers, complain that the personal doctor-patient relationships of the past have given way to a system of “assembly-line medicine” and “cookie-cutter care.” Moreover, navigating the confusing healthcare system, with its emphasis on specialty care and the application of incredibly sophisticated technology, is difficult. Getting answers or information to help make important health care decisions has become tedious, time-consuming, and cumbersome.

Despite becoming prohibitively expensive, many health insurance programs are not only difficult to deal with, they have also cut back on basic covered benefits, shifting more and more of the cost burden to consumers or their employers. Viewed from the vantage point of health plan users, the health insurance industry is seen as bureaucratic and unresponsive to customer needs. Carriers are perceived as providing poor and impersonalized service levels. Worse yet, the

industry is viewed as a barrier to obtaining basic, even lifesaving, health care procedures.

With time-constrained schedules, people want to be able to make decisions without the delays and hassles often encountered in today's health care system. Lost productivity, as employees deal with their own and their family's health issues (i.e., elder care issues, locating appropriate doctors, coordinating appointments and schedules), is also costly to employers.

It is clear that removing access barriers to care and improving consumer experiences is needed for a host of important reasons. Chief among these is improving clinical outcomes and reducing costs.

A FOCUS ON HEALTH ADVOCACY

The concept of health advocacy is certainly not new, especially within the context

of community-based programs. However, a newer and more comprehensive form has emerged, focused on helping employ-

ers and consumers by solving problems that often interfere with the ability to obtain health care services in a timely manner. The premise of such services is to save these parties both time and money, allowing them to get the most value from their health care benefits. For example, one such program assigns a personal health advocate, an experience registered nurse backed up by a staff of physicians, to each client or member.

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Health Benefits

Generally, these newer types of health advocacy services are offered to employees as an employer-paid benefit. Employers are offered a flexible array of attractive services designed to help both them and their employees navigate the health care and insurance systems. Sometimes, employers also choose to use a health advocate company as an extension of their own administrative staff. In this case, the company's human resource department will outsource to the health advocacy company a range of issues to handle. Typically, this is done either because HR does not have the in-house expertise to handle the problem, or because the health advocacy company has the staff that can complete the assignment in a more efficient and cost-effective manner.

It is important to note that the health advocacy companies do not provide health insurance or medical care, nor do they recommend treatment. Their programs are not a substitute for traditional health insurance. Rather, they provide an important complement to basic coverage by providing a range of services that smoothly facilitate the member's interactions with health care providers and health insurance companies.

The importance and value of health advocacy is that it eliminates many of the hassles associated with today's health care and insurance systems. Employers are the beneficiaries of reduced administrative and medical costs and increased employee productivity and satisfaction. Employees also

benefit by having vexing problems solved and getting timely attention to their health care needs.

FINANCIAL SAVINGS FOR EMPLOYERS

Healthcare inflation has reemerged during the past several years. As a result of this trend, employers and their employees are again experiencing double-digit health insurance premium cost increases year after year. In addition to effectively solving problems and assisting client needs, health advocacy is also playing an important role in helping to counteract these increases. Here are several examples of how health advocacy achieves financial savings through a range of interventions:

- **Productivity savings.** Since health advocacy often frees either HR staff or employees from having to deal with the matter at hand, this category of savings is fairly significant. Expert health advocacy services spend a fraction – about a fifth or less – of the time that the organization's staff or its employees spend trying to resolve similar issues.

- **Finding lost money.** Health advocacy has begun to play a major role in finding significant savings, including incorrect billing charges, improved provider negotiations, and better purchasing practices. In a recent representative case, an insurance carrier left on of our members to pay a balance of almost \$25,000 in physician and hospital charges following review of his claim. We intervened on behalf of our member and were

able to eliminate virtually the entire balance following discussions and negotiations with the medical providers involved.

- **Reduced medical claims costs.** Health advocacy is helping to minimize “medical ping-ponging” where there is a pattern of multiple medical claims. In this scenario, employees or their family members have a medical problem, but cannot get the appropriate relief. They search to find the best physician to treat or manage the condition. The result, as they go from doctor to doctor, is duplicate laboratory tests, unnecessary diagnostic procedures, and wasted medications. Of course, claims costs in these cases grow exponentially.

Some health advocacy programs are designed to provide immediate intervention to help get members to the “best in class” provider and have their care properly managed. This “do it right the first time” approach saves both precious medical resources and significant costs.

Health Advocacy services are emerging as an important vehicle to assist employers and employees with problems they encounter when accessing health care and insurance services. They often help individuals get medical services that they have been unable to obtain on their own, lowering costs for both employers and employees along the way.