Health Advocacy: Saving Time and Money for Employers and Employees

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America will spend about $1.5 trillion this year on health care costs. By 2011, these expenditures are expected to almost double to nearly $3 trillion. There is little question that this ominous trend requires more effective solutions to counteract the reemergence of health care inflation.

Despite the enormous costs employers, consumers, and government pay for these services, we still have large numbers of people who are unhappy with the service they receive. Equally disturbing is the fact that there are a host of additional hidden costs in the form of lost productivity and redundant health care claim payments that further exacerbate this problem.

Almost 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 health care system, with its emphasis on specialty care and the application of incredibly sophisticated technology, is especially difficult for seniors. Getting 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 but have also cut back on basic covered benefits, shifting more and more of the cost burden to consumers and employers.

With time-constrained schedules, people want to make decisions without the delays and hassles so often encountered in today’s health care system. Lost productivity, as employees deal with their families’ health issues, is also costly to our nation’s employees.

Removing barriers to care and improving consumer experiences are needed for a host of important reasons. Chief among these is improving clinical outcomes and reducing costs.

A Focus on Health Advocacy

Health advocacy has recently emerged as an important facilitator to help both employers and consumers better navigate health care and insurance. Through personalized medical and administrative support, this comprehensive service has also contributed to reducing health care costs and enhancing the consumer’s health care experience. It is aimed at helping employers and consumers solve problems that often interfere with their ability to obtain health care services in a timely manner. Health advocacy serves as a bridge between the employer, consumer, insurer, and provider. It is showing great promise in maximizing the value of many different types of health benefit programs.

Employers Are Turning to Health Advocacy Experts

Employers looking for ways to reduce medical costs and get a better return for their benefit expenditures have begun to embrace health advocacy as a fully paid employee benefit. Plan sponsors are offered a flexible array of attractive services designed to help both the employer and their employees navigate the “ins-and-outs” of the health care and insurance systems.

Typical programs assign a personal health advocate, usually an experienced registered nurse backed up by a staff of physicians, to each enrolled member. A portfolio of advocacy and support services and products is designed to assist employers and consumers as well as provide access to an array of value-added services.

Employers may choose to use health advocacy as an adjunct to their own benefits staff by outsourcing a range of issues to the health advocacy company. Generally, this is done either because the employer’s human resources staff does not have expertise to handle the problem or because the health advocacy company has the staff that can fulfill the assignment in a more efficient and cost-effective manner.

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.

Health advocacy helps employers and their employees eliminate 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 benefit by having vexing problems solved and getting timely attention to their health care needs.

Health Advocacy Provides Savings to Employers

Health advocacy also plays an important role in generating financial savings. Here are several examples of how health advocacy helps employers:

• **Productivity Savings.** Health advocacy often frees the human resources staff or the employees from having to deal with the matter at hand, and the savings is fairly significant. Expert health advocacy services spend a fraction—about a fifth or less—of the time that an organization’s staff spends trying to solve similar issues.

• **Finding “Lost” Money.** In a recent representative case, an insurance carrier initially left one of our members to pay a balance of almost $25,000 in physician and hospital charges. After being asked by a client to review this case, our staff of experts discovered that the original billing was incorrect. Our intervention resulted in the member not owing any additional payments beyond their insurance deductible. The insurance company also realized a reduction in the member’s interactions with health care services.

• **Reduced Medical Claims Cost.** Health advocacy plays an important role in helping minimize “medical ping-ponging,” where multiple medical claims cause individuals in need of care to get lost in the health care maze. In this scenario, the employee or a family member has a medical problem and searches to find the “best” physician. The result as they go from doctor to doctor is duplicate laboratory tests, unnecessary diagnostic procedures, and wasted medications. Some health advocacy programs are designed to provide immediate intervention to help get members the best-in-class provider and have their care properly managed. This approach saves both precious medical resources and significant costs.

• **HIPAA Liability Savings.** Federal HIPAA legislation places significant additional responsibilities on large and small employers alike to protect the privacy and confidentiality of their employees’ health care information. Plan sponsors who do not meet these mandates are subject to significant fines and additional legal liability. Some health advocacy programs help relieve employers of these burdens. Employees are directed to speak directly with a trained personal health advocate who obtains authorization from the employee to work on his or her behalf. All conversations and collected information are securely protected according to HIPAA privacy guidelines.

A Wide World of Opportunities

Health advocacy provides assistance resolving problems that employees encounter when they access health care and insurance services they have been unable to obtain on their own. These services also help lower costs for both employers and employees.

Health advocacy services take on even greater importance for consumer-driven health programs given the obvious need to support the central role the consumer is being asked to play. In this context, health advocacy helps ensure that employees and their families are properly supported when accessing health care services.

Health advocacy is showing great promise in helping solve the challenging issues that confront employers and their employees. It is a positive force in our nation’s quest for more cost-effective health benefit programs.

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