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HEALTH ADVOCACY: A NEW RESOURCE FOR EMPLOYERS

by Martin Rosen

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. These companies facilitate employee/patient interactions with health care providers, insurers, and other administrative systems. In helping customers navigate these systems, health advocacy companies can generate considerable medical cost and productivity savings as employees receive quality care and are freed from the worries of dealing with the health care system.

The Need for an Advocate

U.S. employers face a huge challenge in attempting to sponsor quality and affordable health care benefit programs for their employees. With the resurgence of spiraling health care inflation during the past several years, employers have had to endure double-digit year-over-year increases in premiums. Equally troubling are the hidden costs related to lost productivity, redundant health care claim payments, and health care consumers—or their families or employers—who "get lost" in the health care maze.

Governmental entities face additional challenges as pressure is placed on local budgets to reduce costs and balance various priorities. Employee benefit programs have taken a toll on public sector budgets as health care premiums have continued to escalate. Managing these programs also has become increasingly complicated due to additional federal privacy requirements and

cutbacks in human resources staffing. Employers report that their employees complain about challenges in finding the right doctor, hospital, and especially the right specialist as well as navigating the health care system. Getting answers or information to help make important health care decisions often is seen as tedious, time-consuming, and cumbersome. 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. Also, lost productivity, as employees deal with their own and their family's health issues (e.g., eldercare issues, locating appropriate doctors, coordinating appointments and schedules), is costly to employers.

The Value of an Advocate

Health advocacy companies focus on solving problems that often interfere with an employee's ability to obtain health

care services in a timely manner. Services are designed to save both time and money, allowing employees to get the most value from their health care benefits. Health care providers and insurers also benefit since the advocacy company helps to resolve thorny issues in a professional and objective manner.

• Improving Productivity:

A health advocacy program can reduce the time spent by both managers and employees on health-related issues. Because the company's experts know the "ins and outs" of health care, they can resolve issues in a fraction of the time that employers or their employees would have spent. A professional advocacy team knows how to cut through the health care system's red tape quickly and efficiently. They solve problems that typically tie up valuable employer resources, enabling employees to get back to work free of these burdens.

• Finding "Lost" Money:

Health advocacy companies can find savings in several areas, including incorrect billing charges, improved provider negotiations, and better purchasing practices.

• Reducing Medical Claims Costs:

Another area where health advocacy is beginning to show promise is in helping to minimize medical "ping-ponging" when employees or their family members have a medical problem but cannot get the appropriate relief. As they search to find the "best" physician to treat or manage their condition, the result is duplicate laboratory tests, unnecessary diagnostic procedures, and wasted

Examples of Health Advocacy Services

Access to care

- Helping find physicians, hospitals, and other health care providers
- Locating "Centers of Excellence"
- Scheduling appointments
- Helping coordinate medical needs

Health coaching

- Preparing patients for physician visits
- Helping patients better understand their chronic conditions, enabling their active participation in the management of their health

Administrative support

- Assisting with claims and billing issues, fee negotiations, and coverage and benefit issues

medications. Of course, claim costs in these cases grow exponentially. A health advocacy program can help members find the best provider and have their care properly managed. This "do it right the first time" approach saves both medical resources and significant costs.

• Protecting Confidentiality and Limiting Employer Liability:

The strict privacy requirements of federal law (HIPAA) is another reason employers turn to an advocacy service for help. Plan sponsors must take special steps to fully protect employees' health care information. Improper attention to these federal mandates can leave employers vulnerable to financial and legal penalties. An external advocacy service can be a "safe harbor" for employees, freeing the employer's benefits staff from having to

deal with many sensitive issues and highly confidential information.

• Increasing Employee Satisfaction:

Plan sponsors and their employees who have used advocacy services have indicated that they value the services they receive from the company. Furthermore, an advocacy benefit can be used in both the retention and recruitment of employees.

Summary: First-Hand Experience

The Delaware Valley Health Insurance Trust, which covers 30 municipalities and insures approximately 6,100 employees and dependents in four Pennsylvania counties, has used the company Health Advocate for its advocacy services. According to administrator Richard J. Lee, this program "helps

individuals get health care services that they have been unable to obtain on their own." In addition, said Lee, "helping to eliminate many of the hassles associated with today's health care and insurance systems is viewed as especially helpful. Employers are the beneficiaries of reduced administrative and medical costs and increased employee productivity and satisfaction."

As employers and policy makers continue to grapple with the challenging issues of health care—cost, quality, and access—advocacy can be an important and positive piece to this puzzle.

MARTIN ROSEN *is executive vice president and cofounder of Health Advocate, Inc. (www.healthadvocate.com)*