

# Consumer Driven Healthcare

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## Company serves as consumer advocate

### **Now, you have a friend in the insurance business**

A new consumer advocacy firm is meeting with early success in marketing a service that it says enhances employee productivity by taking some of the worry out of health insurance and medical treatment concerns.

Health Advocate, Inc., of West Conshohocken, PA, was founded in fall 2001 by former Aetna U.S. Healthcare executives and began enrolling clients in January 2002. Today, the company has 65 corporate and association clients who have more than 160,000 employees and members.

The company's founders believe the average consumer sometimes needs help dealing with the health care system – not just on insurance benefits issues, but also for clinical issues – says Arthur N. Leibowitz, MD, a Health Advocate co-founder, executive vice president and chief medical officer. He previously was chief medical officer for Aetna U.S. Healthcare.

Leibowitz got the idea for the company by watching patients seek out friends and family in the health care industry for help with insurance matters. "But what does the average consumer do if they have no access to someone in the industry?" Leibowitz asks. It became clear to the founders there was a need for an advocacy service – and they hit upon the idea of marketing the service as an employer-paid benefit that would complement health plan resources.

#### **Advocacy in consumer-driven environments**

The service fits well with the trend toward consumer-driven health plans in which employees have more financial and decision making responsibility, Leibowitz says.

"We think consumers need help in dealing with a myriad of issues," he says. "Much of the rationale for

consumer-driven health care is cost. It is not necessarily being driven because the consumer is ready to do this. The role we play is ideally the one that individual physicians would play, but many doctors can't do it because they do not have the time, or the reimbursement system does not encourage it."

The service is marketed to employers as a service to employees. The company typically charges employers about \$3 per employee per month for advocacy and assistance, Leibowitz says. Health Advocate says that by facilitating members' interactions with insurers and providers, clients save time and money typically lost when employees spend work time on health-related issues. The service covers employees and their families, including children of any age, parents, and in-laws.

Members with a problem can telephone a call center staffed around the clock seven days a week by nurses and staff with insurance expertise, he says. About 50% of the calls are clinical questions, Leibowitz says, most involving ensuring that members get treatment or dealing with chronic disease and mental health issues. Another 40% are questions about claims, grievances and appeals, he says, and the remainder involve helping members find community resources such as home health care, meals on wheels, or adult day care.

"We make the calls and the employee goes back to work," Leibowitz says. "To employers, our largest selling point is productivity gain."

#### **Productivity gains**

One of Health Advocate's early clients, Deb Shops, Inc., Philadelphia, a publicly held retail chain that sells junior women's apparel, says they've seen examples of how productivity can improve.

Earlier this year, the father of an employee had to enter the hospital for a surgical procedure, explains Stanley Uhr, vice president and corporate counsel for Deb Shops. It was important for the man to return home as soon as possible because he was the primary caregiver for his wife, who had a serious medical problem. However, he needed to take an intravenous antibiotic and was told that the insurance plan would not cover the cost unless he remained in the hospital for an additional week.

Health Advocate got involved and was able to arrange for coverage for home health care for the man's intravenous antibiotics. "Within hours, the father was on his way home," Uhr says. "I know that we got productivity there."

## National Health Law Program launches consumer advocacy site

*The National Health Law Program (NHeLP), in Los Angeles, has launched HealthCareCoach.com, a website that serves as an online advocate for consumers with questions and problems involving clinical and insurance issues.*

*HealthCareCoach.com (www.healthcarecoach.com) is dedicated to helping consumers get the most out of their health care, according to National Health Law Program communications director Brendan McTaggart. The site has hundreds of articles with information about keeping health care costs down, coping with emergencies, dealing with denied claims, and what people can do when they lose coverage. Visitors will also find links to related sites and can voice opinions on health care issues.*

*An "Action Center" has information aimed at helping consumer understanding their rights, cut through administrative red tape, and find legal advice and counsel.*

*The National Health Law Program is a nonprofit legal organization. The website is supported by The Pew Charitable Trusts, Open Society Institute, Jewish Healthcare Foundation, The Commonwealth Fund, and the California HealthCare Foundation.*

**Editor's Note:** For more information about NHeLP visit [www.healthlaw.org](http://www.healthlaw.org).

"I think it is a great benefit," he adds. "It is something that can help employees and help you. We took it because the price was reasonable. It was a nice thing to have because it gives us and our employees comfort. They help you find a doctor who fits your need, fits your insurance program, and that you can get in to see. They are able to cut the red tape. Working out billing problems is unbelievably valuable. What an employee would spend days doing, Health Advocate's people can do in minutes and hours."

Other clients include unions, school districts, hospitals, and Philadelphia-area and national companies such as Subaru of North America, Westinghouse, Magellan Health Services, and Advanta. The company also has partnerships with regional and national distributors and brokers.

## Personal experience

One of the newest clients is the Chamber of Commerce of Southern New Jersey, which in September began offering Health Advocate services to 2,000 member companies with an estimated 325,000 employees in seven counties near Philadelphia. A personal experience involving the Chamber's president is partly responsible for the service offering.

Every day for nearly two months last year, Debra DiLorenzo, president of the Chamber of Commerce of Southern New Jersey in Voorhees, NJ, suffered from excruciating headaches.

She visited nine different physicians, but none of their suggestions relieved the pain. Ultimately, she contacted Health Advocate, which was able to arrange an expedited appointment at a specialized headache clinic at Thomas Jefferson University Hospital in Philadelphia. The problem was diagnosed as a strained nerve and DiLorenzo was able to get relief from the pain for the first time in 54 days, she says.

The fact that Health Advocate was able to convince the clinic to find a way to see DiLorenzo rather than putting her on the waiting list for several months "really showed me their clout," she says. DiLorenzo thinks employers will find that productivity enhancements offset the cost.

"When an employee or somebody in the employee's family is diagnosed with an illness, or has a parent or other member of their family ill, let's face it, their mind

is taken off what they're paid to do," she says. "The employee has to make phone calls, explain the problem, get feedback, make appointments. It is daunting. They don't know where to start and it can cause the employee and management worry."

Elizabeth McKenty, a librarian at the Free Library of Philadelphia, says she had her share of worry about a surgical procedure that could correct her congenital heart defect. After reviewing medical journals, her choice was a transcatheter closure. It is a relatively new but approved procedure that she says has less risk, quicker recovery time and lower cost – about one-fifth lower – than the alternative, open heart surgery. But her regional Blue Cross plan said the procedure was experimental and denied coverage, she says.

After losing her first appeal, she heard that her union, District Council 47 of the American Federation of State, County and Municipal Employees (AFSCME) in Philadelphia, was providing a new service to help

members with health benefit problems. Health Advocate assisted McKenty at her second appeal in February. The plan ultimately overturned their denial. McKenty had surgery in March and has returned to work.

"Before Health Advocate became involved, I had been working on this for months, she says. "It was good to have them there. I think Blue Cross took it more seriously. Health Advocate spoke the jargon. It did have an impact."

***Editor's Note:*** For more information about Health Advocate, contact the company toll free at (866) 695-8622 or at Health Advocate Inc., 1020 Matsonford Road, West Conshohocken, PA 19428.