Power to the Patient
Alegent HealthCare

Purpose
To focus on reducing annual increases in health care costs by increasing employees’ engagement in their health care decision-making

Target Population
Alegent’s 8,500 employees

Goals
• Provide 100 percent free preventive health care (based on guidelines from the U.S. Preventive Services Task Force, the American Cancer Society, the Advisory Committee on Immunization Practices and the American Academy of Pediatrics)
• Allow employees to choose how they want to spend their health care dollars: by enrolling in either a Health Reimbursement Account or Health Savings Account (HSA)
• Provide employees incentives for Healthy Lifestyle changes
• Offer free health coaching
• Encourage enrollment in the programs by offering $20 per pay-period premium subsidies to employees with base salary of $14.42 an hour or less

Years in Operation
2006 – present

Results
• As a result of employees’ changing their spending patterns and engaging in healthier behaviors, Alegent Health returned $700,000 in savings to employees during 2006. Each eligible employee received a $100 rebate for improving his or her health.
• Number of employees enrolling in HSA or Health Reimbursement Account plans has risen from 79 percent in 2006 to 88 percent in 2007.
• Generic prescription use is up among employees in the Health Reimbursement Account and HSA plans.
• Incentives help employees reach healthy life goals (e.g., 42 percent of employees participated in an electronic health checkup program; high utilization of personal health coaches among those who could benefit).

Funding
Alegent HealthCare funds the new initiatives through savings accrued by the new programs.
Key Partners

Health care systems participating in Power to the Patient include: Aurora Health Care, Milwaukee, Wis.; Elliot Health System, Manchester, N.H.; Martin Memorial Health Systems, Stuart, Fla.; Mercy Medical Center, Cedar Rapids, Iowa; North Shore LIJ Health System, New York, N.Y.; Provena Health System, Joliet, Ill.; Sisters of Mercy Health System, St. Louis, Mo.; St. John’s Health System, Springfield, Ill.; Via Christi Health System, Wichita, Kan.

What Works and Why

Alegent’s success is due, in part, to communicating frequently about the new plan. For example, focus groups were conducted to help with plan design, and more than 57 employee information sessions were held when the new plans were being introduced. Additionally, Alegent Health hosted benefit fairs and provided opportunities for family members to learn more about the plans, especially how to access preventive care.

Participation in Alegent’s plans was promoted by executive leadership, who supported the development of the infrastructure necessary to make the plans successful, such as making available health coaches, e-checkups, Web-based information and online tools, and comprehensive disease management programs.

Structure and Operations

Basic new benefit plan types include two health reimbursement accounts, two health savings accounts, and a preferred provider arrangement. In addition to paying for preventive care, Alegent Health also provides a contribution for employees, based on their coverage elections. Eligible prescription drugs are covered under all of the plans.

In each of the plan options, Alegent Health determined it would cover 100 percent of costs for preventive care, ranging from annual checkups and routine childhood immunizations to mammograms and prostate specific antigen (PSA) tests. While nationally, 2.8 percent of health care dollars were being spent on preventive care, Alegent Health spent 7 percent.

Barriers to Success

- The program experienced a lack of enrollment among people who could benefit from the new disease management and wellness programs offered through the new health plan.
- Additionally, the company underestimated the overall number of employees who would be interested in the program.

For More Information

Additional information is available online: http://powertothepatient.alegent.com