

# Balancing Workforce Culture & Modern Cost Control Strategies

September 2021



**Gallagher**

Insurance | Risk Management | Consulting



# Your Presenters

## From Gallagher's Ohio Public Sector Team



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Team Lead & Strategic Consultant



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Healthcare Analytics

# A Balancing Act

## Stronger than ever is the need for Balance in Employee Benefit Decisions



### Major Healthcare Trends

- ✓ Stress, Anxiety – Overall Mental Health Concerns
- ✓ High Cost Specialty Drugs
- ✓ New and Emerging Gene/Cell Therapies
- ✓ COVID Vaccine Mandates, Surcharges...
- ✓ Effective Disease and High Cost Claimant Management

### Workforce Concerns

- ✓ How do we get folks back to work?
- ✓ We need to attract good talent
- ✓ We must retain our best talent
- ✓ We need to improve our Culture OR bring our former Culture back

## Of the Healthcare Trends and Workforce Concerns presented, which ONE is of most importance to your organization?

### CHOOSE ONE

1. Stress Anxiety – Overall Mental Health Concerns
2. High Cost Specialty Drugs
3. New and Emerging Gene/Cell Therapies
4. COVID Vaccines Mandates, Surcharges...
5. Effective Disease and High Cost Claimant Management

### CHOOSE ONE

1. How do we get folks back to work?
2. We need to attract good talent
3. We must retain our best talent
4. We need to improve our culture OR bring our former culture back

# Our Approach

**Gallagher**  
Better  Works™



What does better look like for your organization?

-  Compliance Consulting
-  HR & Benefits Technology Consulting
-  Wellbeing & Engagement Consulting
-  Communication Consulting
-  Risk Management
-  Health & Welfare
-  Healthcare Analytics
-  Multinational Benefits & HR
-  Voluntary Benefits
-  Pharmacy Benefit Management
-  Retirement Plan Consulting
-  Executive Benefits
-  Investment & Fiduciary Consulting
-  Individual Life
-  Human Resources & Compensation Consulting
-  Compensation & Rewards
-  Engagement Surveys
-  Executive Compensation
-  Executive Search
-  HR Consulting
-  Physician and app services
-  Research & Insights

# Top Healthcare Cost Management Challenges:

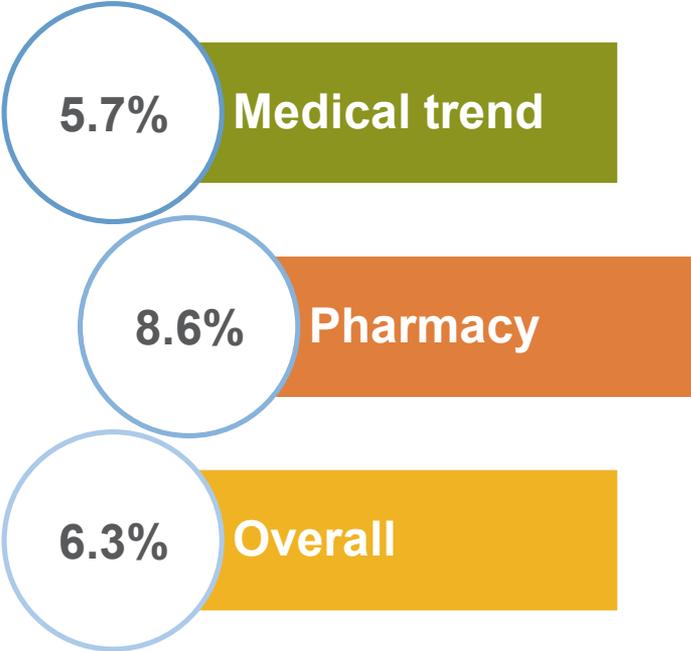
- High cost of medical services
- High cost of specialty drugs
- Unhealthy covered population (employees and dependents)

Benefit strategies, offerings and cost-management tactics remain largely unchanged in 2021.



# Healthcare Cost Trends

Expect moderate cost increases in 2021-2022



Source: Gallagher's Healthcare Analytics – GBS Insider Data Warehouse, July 2021  
Source: Gallagher's 2021 Workforce Trends Report Series: People & Organizational Wellbeing Strategy, June 2021

# Poll Question

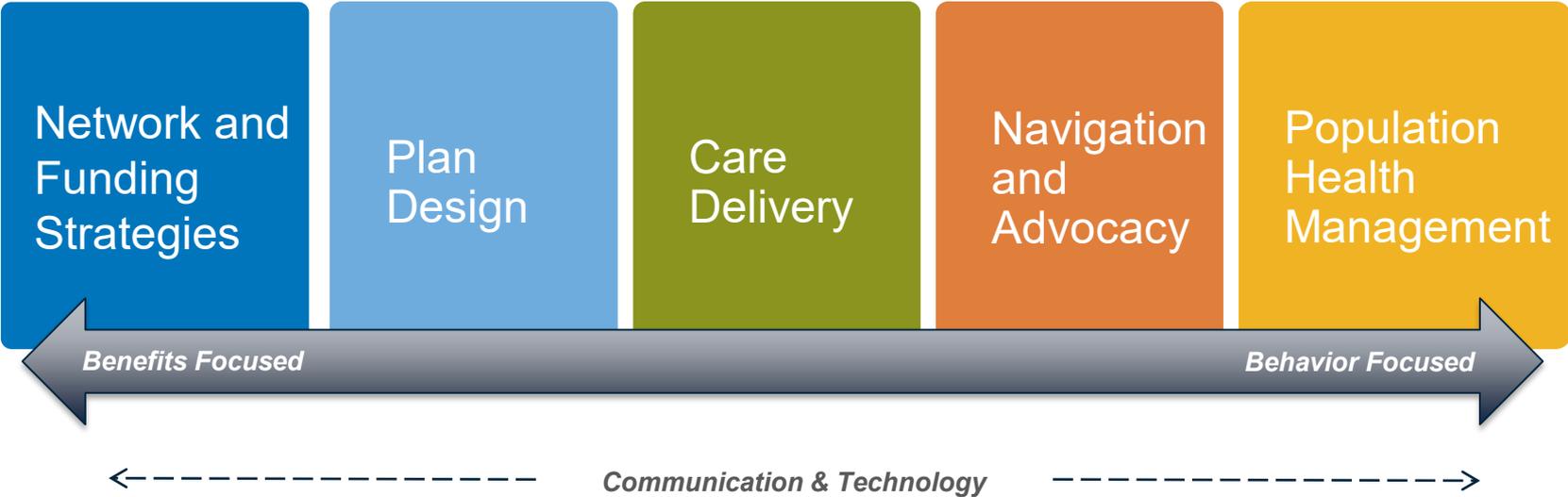
## What was your 2021 medical increase?

### CHOOSE ONE

1. Under 5%
2. 5% - 8%
3. 9% - 15%
4. 16% - 20%
5. Over 20%

# Pillars of Health Plan Cost Containment

## Our Framework



# Poll Question

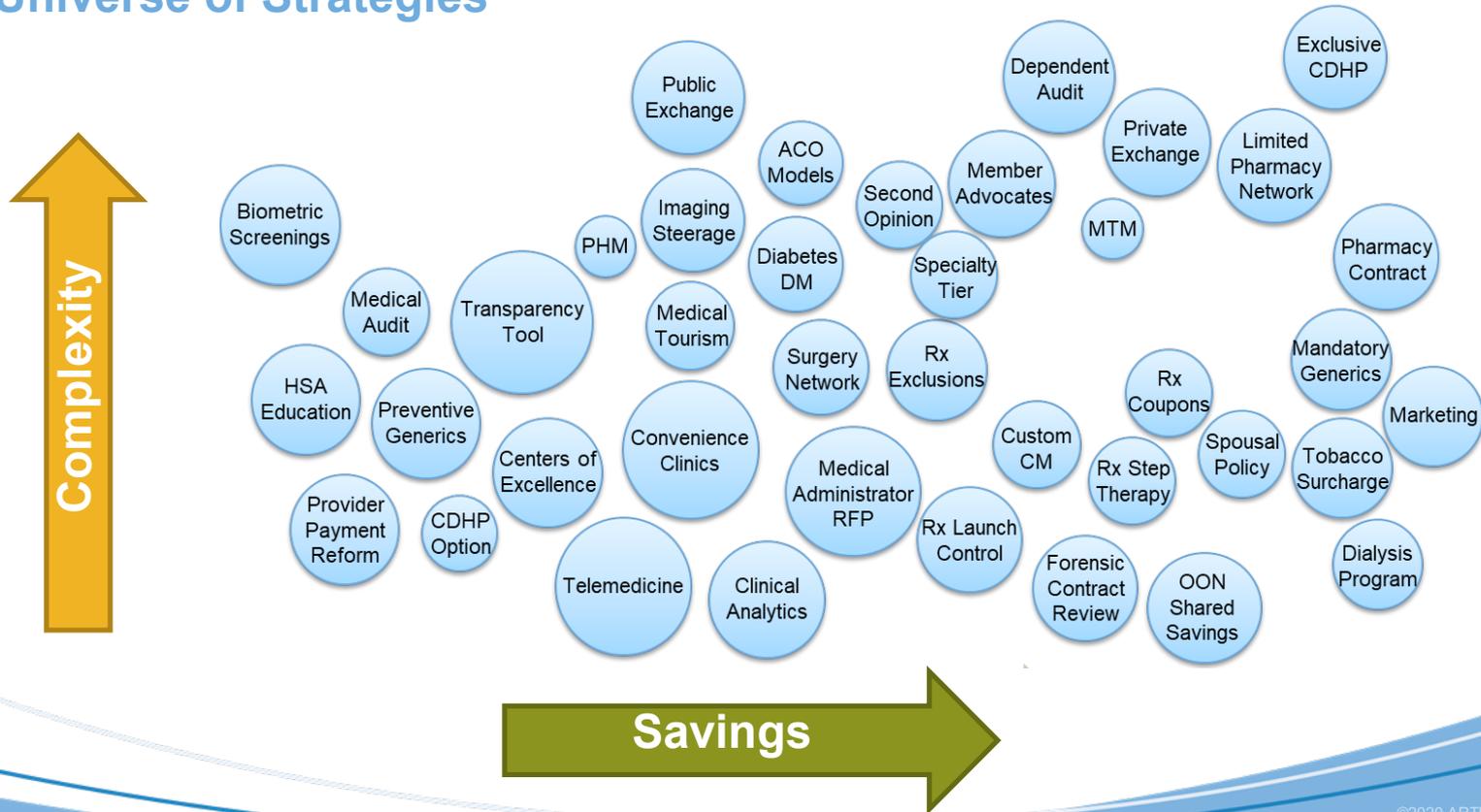
Which of the following will be your primary path for reducing healthcare costs?

**CHOOSE ONE**

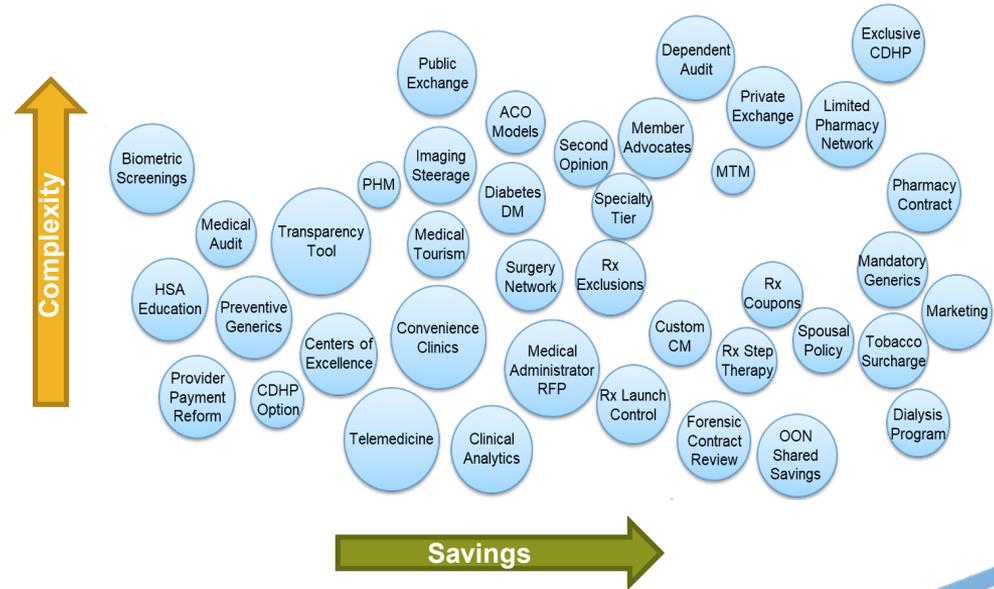
1. Network and/or Funding Strategies
2. Plan Design
3. Care Delivery
4. Navigation and Advocacy
5. Population Health Management

# Health Plan Cost Containment

## A Universe of Strategies



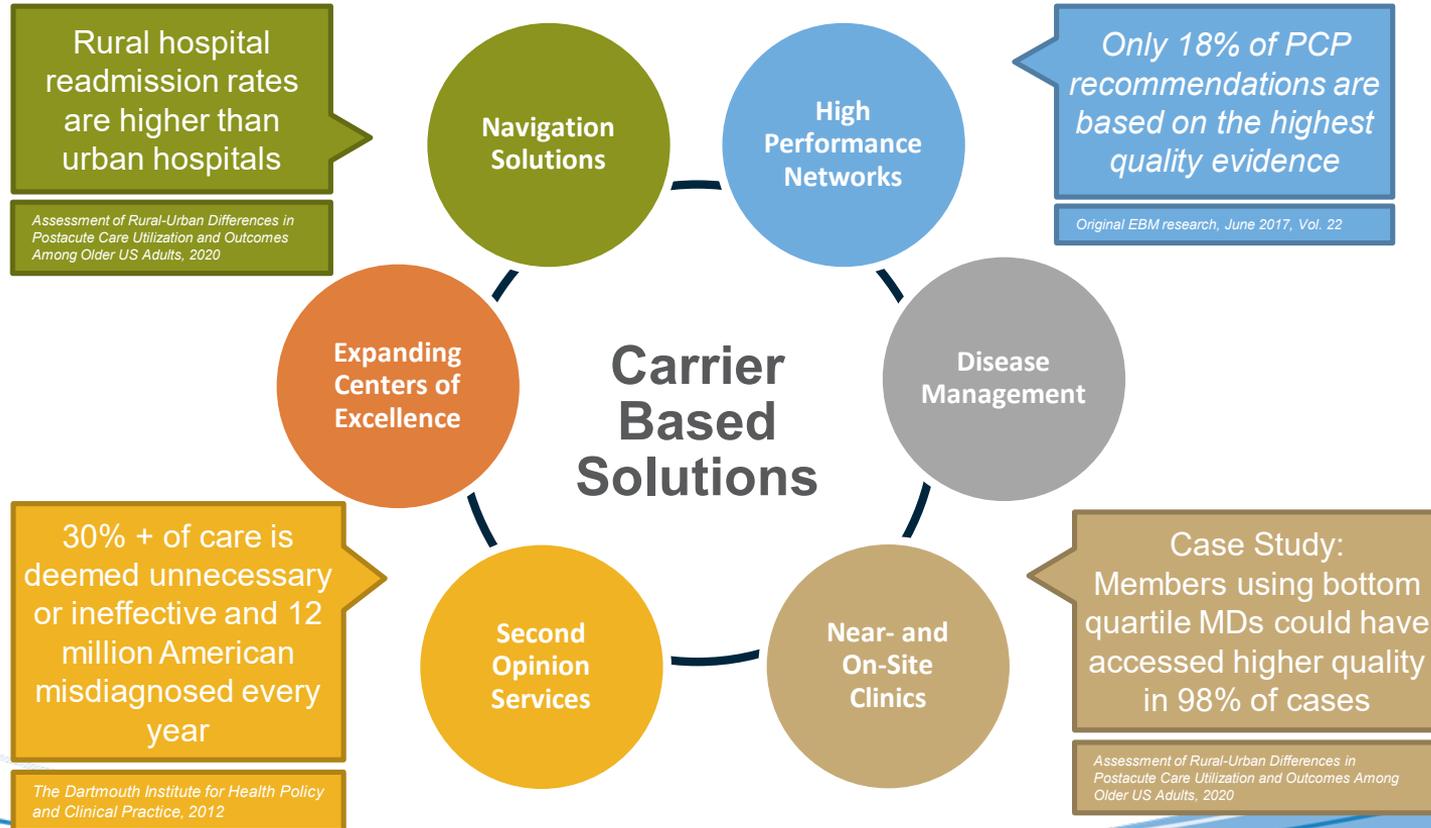
# Creating a Framework for Solution Evaluation



# Health Plan Cost Containment

## Care Delivery

# Spectrum of Quality Care Solutions



# Health Plan Cost Containment

## Population Health Management

# Decrease Demand

## A Framework for Population Health Management



### Assess

Initial strategic review of risk and key drivers of plan costs and utilization

### Develop

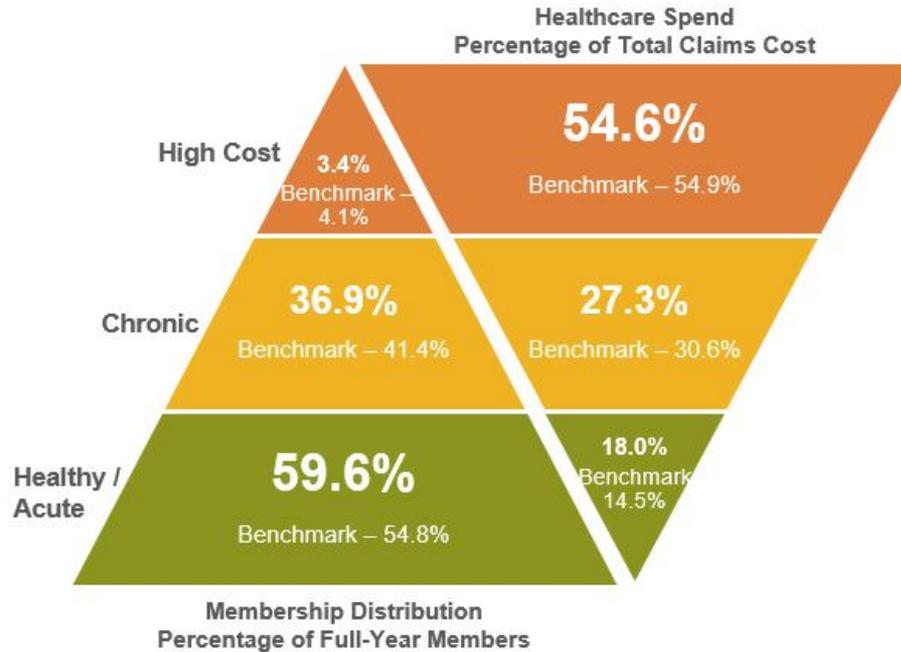
Customized solutions and strategies based on needs, goals and culture

### Measure

Outcomes and Organizational Impact

# Assess

## Stratify Risk to Drive Strategy



All people do not have the same levels of risk; interventions to impact the population will vary:

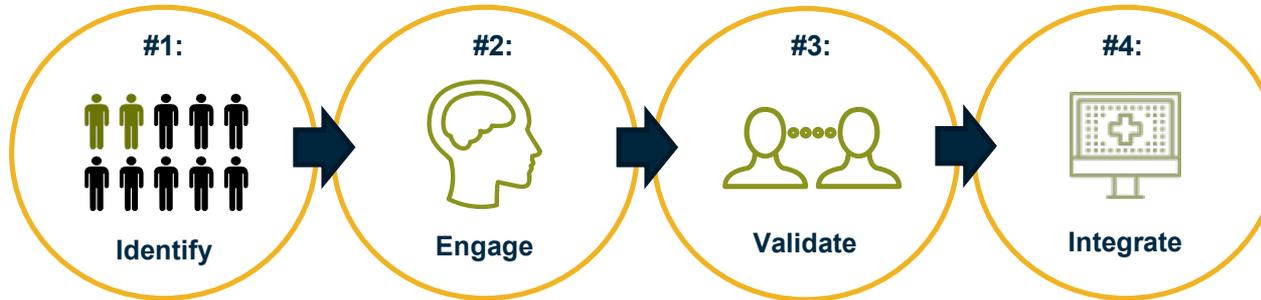
Case Management and Care Navigation initiatives for a small percentage of the population (**High Cost**)

Condition Management initiatives for a larger percent of the population (**Chronic**)

General Wellbeing initiatives for a majority of the population (**Healthy**)

# Develop

## A Framework for Solution Selection & Implementation



- Risk Stratification
- Drivers of high cost claims
- Prevalent chronic conditions
- Gaps in care
- Lack of preventive care engagement
- Impactful benchmarking

- Customized comms. campaigns
- Proactive outreach
- Incentive management
- Multiple modalities of connection:
  - ✓ Telephonic
  - ✓ Text
  - ✓ Platform
  - ✓ App-based
  - ✓ In-Person

- Clinically-validated programs with necessary expertise
- Customize based on employer profile and culture
- Impacting population health and ROI goals

- Connects member back to physician
- Collaborates within benefit ecosystem
- Integrates with medical & Rx claims data feeds

# Poll Question

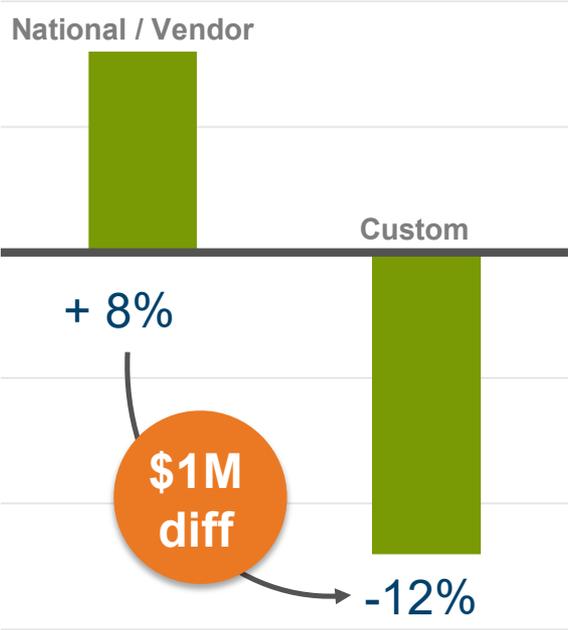
Which of the following would your organization be interested in learning more about?

**CHOOSE ONE**

1. Network and/or Funding Strategies
2. Plan Design
3. Care Delivery
4. Navigation and Advocacy
5. Population Health Management

# Measure

## Quantitative Impact: A Case Study



### Customized benchmarks provide actionable results

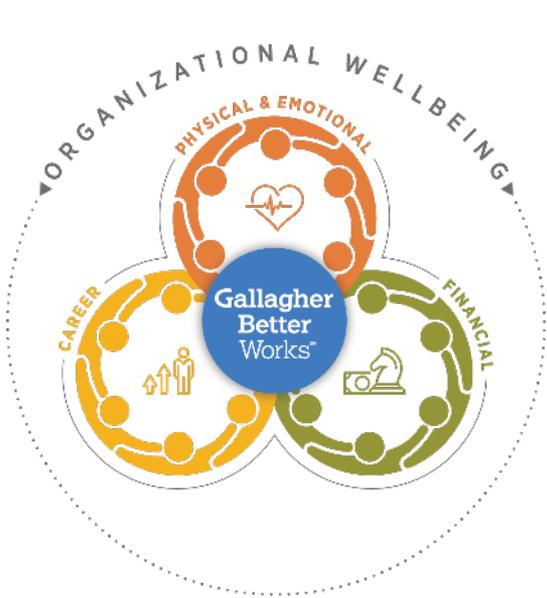
Gallagher's proprietary onsite clinic analytics compared market pricing of services to the cost of the clinic

Using a vendor's national benchmarks to determine market prices resulted in an ROI of 1.08 : 1

Our custom benchmarks resulted in an ROI of 0.88 : 1

# Measure

## Beyond claims costs: What's the impact on culture?



- Drive a Culture of Support
- Increase Employee Engagement
- Improve Employee Safety
- Prevent Burnout
- Retain Key Talent

# Poll Question

Regarding your organization's culture, choose one.

1. Our culture needs an update
2. We need to return to our pre-pandemic culture
3. Our culture was maintained throughout the pandemic
4. We don't have a defined "culture"



# Thank you!

The intent of this webinar is to provide general information on employee benefit issues. It should not be construed as legal advice and, as with any interpretation of law, plan sponsors should seek proper legal advice for application of these rules to their plans.

As states and other governmental authorities lift the restrictions imposed around the Covid-19 pandemic, businesses are starting to prepare for reopening. The decision to reopen is a complex issue. We cannot advise you whether you should or should not reopen your business. If you decide to do so, we have generated this information for your review and consideration. It includes some high-level ideas that you may want to consider as you move through the process of opening your business. This generalized information does not take into account all of the unique and specific issues that may be involved in opening your business. If you have questions about this information or your insurance coverages, please contact your Gallagher representative.

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