



5 ways insurers can empower patients

By Daniel Vahab | April 24, 2017

Though the fate of healthcare reform is unclear, stakeholders can agree on one thing: the need to reduce costs. The issue is particularly urgent for insurance companies: According to one major insurer, 50 percent of medical expenses stem from a handful of chronic conditions, including obesity, high blood pressure, high cholesterol, and diabetes.

So as costs spiral – and payment transformation moves slowly – insurers have been experimenting with programs that spur members to take care of their own health. These patient engagement tools and incentives range from small financial rewards to comprehensive wellness coaching systems.

The jury is out on how effective these programs will be in the long run. But many in the industry are committed to trying.

“We’ve had a fair amount of experimentation,” says William Winkenwerder Jr., M.D., MBA, former CEO of Highmark, one of the country’s largest diversified health insurance companies. The goal, he says, is “to get to a place where we have some evidence – good evidence – of the impact.”

Here are some experiments underway from two major insurance providers, along with some potential challenges to making these programs work on a broad scale.

Integrated personal health coaching

Cigna offers one-on-one sessions with integrated personal health coaches – nurses, nutritionists, behavioral health professionals, and certified health educators – for patients managing chronic conditions. Coaches encourage behavior change through customized support and strategies to help clients exercise more, eat and sleep better, quit smoking, lower stress, and lose weight. For instance, patients can learn about mindful meditation to ease stress.

“The success of our coaching and health improvement programs has been crucial in helping to control rising healthcare costs, which in turn has helped keep deductibles and premiums in check,” says Mary Picerno, RN, Cigna’s chief nursing officer and customer health engagement team head.

Gamification

Cigna has also embraced gamification. During its health plan enrollment period, it offers assessments that involve scoring members' personal health information, such as body mass index, cholesterol, and blood pressure. Members can earn rewards after doing select activities and hitting goals. Using gamification, discipline and obligations become rewarding and enjoyable – or at least feel like less work.

“By gamifying this process, completion rates have soared,” Cigna CIO Mark Boxer, M.D., told Insurance Innovation Report. “For a conventional health risk assessment, completion rates are in the 20 percent range; our gamified version delivers completion rates of 90 percent.”

Financial incentives

For many Cigna members, the bottom line of engagement incentives is ... the bottom line. In 2016, the company distributed more than \$154 million in rewards to its customers, who met nearly 2.8 million health goals. Two years earlier, customers racked up \$80 million in rewards for completing 1.5 million goals. More than two-thirds of patients who set a health-related goal met or progressed toward that goal.

What's more, the global health service company, which maintains approximately 85 million customer relationships, found that incentives reduced total medical costs by nearly 10 percent for patients 55 and older with chronic conditions. And overall, for every dollar an employer spends on health improvement programs, the health plan cost savings is \$2.20, according to Cigna data.

“The impact is far more than just incentive dollars – every day our customers tell us how health coaching has helped them improve their lives,” Picerno says. “They tell us they have more energy to play with their children or they're more productive at work. That's the real value, the real return on investment – the ability for people to feel better and lead fuller lives.”

Wearable devices

Financial incentives also play a role in UnitedHealthcare Motion, a program that enables members who work for participating employers to earn up to \$1,500 annually by reaching daily walking milestones. The reward can help cover the expenses of deductibles. UnitedHealthcare Motion provides activity trackers for companies in over 40 states at no additional cost.

“People must have a credible, quality experience that's verifiable with real rewards,” says Craig Hankins, UnitedHealthcare's vice president of digital products. He added that the incentives can be a win-win for both employees and employers, leading to “greater productivity in the workforce; people are healthier and don't miss work as much, and use less healthcare.”

Virtual visits

Another UnitedHealthcare initiative provides a convenient alternative for people to access care outside of an in-person medical facility. The company's non-emergency program “Virtual Visits” gives members 24/7 access to primary care physicians and specialists through a laptop, desktop, smartphone, or tablet.

While not suitable for situations that call for comprehensive physical touch, virtual visits can help patients cope with conditions and situations such as allergies, pink eye, sore throat, flu, colds, rashes, and fevers. The cost of a virtual visit is often less than \$50 – far less than an office visit, according to UnitedHealthcare claims data.

Barriers and concerns

How much employer wellness programs can truly change patient behavior is unclear. Some acknowledged stumbling blocks include patients' reluctance to adopt novel approaches and their resistance to changing habits.

In addition, programs that require patients to share personal health information with third parties, such as app manufacturers, have sparked concerns about privacy and discrimination, says Dania Palanker, assistant research professor at Center on Health Insurance Reforms at Georgetown's Health Policy Institute. She points to a bill pending in the U.S. House of Representatives, which she says could make it easier for employers – using information collected by patient engagement apps – to discriminate against people with disabilities or genetic predispositions.

Palanker also questions how effective some patient engagement programs might be. Wearable devices, for instance, haven't been shown to lower costs “unless the employer is saving money ... by charging employees that don't wear the devices more for insurance,” she says.

Still, in the face of rising costs and healthcare spending, Winkenwerder believes, insurers can't simply stand by.

“We should at least do these things, even if the benefit is marginal or small,” he says. “Because to not do any of it is to give up.”

Daniel Vahab is a writer based in New York.

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