



# Offering employers a more complete financial picture starts with a total cost of care approach



Jessica Paik, CEO of National Accounts for UnitedHealthcare Employer & Individual, on the effectiveness of a total cost of care approach.

I've been here nearly 20 years, and I still get excited every day about our work of facilitating quality, cost-effective coverage to our National Accounts clients. We serve 9.3M medical members across nearly 500 clients,<sup>1</sup> and they trust us to bring forward solutions that meet their needs. In this challenging economic landscape, which is exacerbated by a competitive labor market and rising health care costs, this means providing our clients with solutions that work to contain costs without sacrificing quality. For us, finding solutions for containing costs starts with a total cost of care approach.

And news gets around: We're seeing more opportunities this year than in previous years, likely as a result of the pressures employers are facing. We're proud and humbled that employers, brokers and consultants are turning to us as a trusted carrier for delivering quality, cost-effective coverage. And because we are committed to those relationships, we are committed to our total cost of care approach and the value it can bring.

## Our total cost of care approach

Our total cost of care approach has proven effective at managing costs — especially during times like these.<sup>2</sup> For instance, many cost analyses look at unit costs, but we understand that unit costs are really just the tip of the iceberg when it comes to an employer's health care trend.

Understanding the factors that influence costs like payment integrity, clinical programs, site of care redirection and utilization are critical to giving employers, brokers and consultants a more complete financial picture. My colleague, Joe Clark, senior vice president of broker, consultant and channel development, breaks down our approach in [this video](#).

## Our array of levers aimed at reducing costs

Taking that holistic view also gives UnitedHealthcare different levers, including network and plan design, clinical strategies and employee engagement programs, which can be used to help employers meet the moment with effective cost management.

For instance, UnitedHealthcare network designs focus on providers and systems that deliver proven quality and cost efficiency, which can also have an impact on an employer's bottom line.<sup>3</sup> Integrated clinical and care management strategies can work to reduce costs by supporting employees along their health care journey and guiding them to the right care, in the right place, at the right cost. And because employee engagement is essential to seeing the best possible health outcomes at optimal costs, UnitedHealthcare has a variety of solutions aimed at helping employers boost employee engagement in their health journeys.

## Our validation that “total cost of care” works

We get it: When UnitedHealthcare says that this total cost of care approach really works, that only goes so far. In recognizing that, we've engaged [third-party firms](#) to validate our methodologies for savings and how we compare relative to the market. In 3 different studies, conducted by Wakely Consulting Group, ZS Associates and Santa Barbara Actuaries, UnitedHealthcare was found to reduce employers' total cost of care ~10% better than the industry average across key programs.

[Learn more about the results of these studies.](#)

**Learn more**

Contact your broker, consultant or UnitedHealthcare representative

<sup>1</sup> UnitedHealthcare Employer & Individual Internal Town Hall, March 2022.

<sup>2</sup> Studies show UnitedHealthcare beats competition on total cost of care using best-practice methodologies. UnitedHealthcare, 2023. Available: <https://www.uhc.com/broker-consultant/news-strategies/resources/studies-show-uhc-beats-competition-on-total-cost-of-care-using-best-practice-methodologies>.

<sup>3</sup> Savings estimates as of Nov. 2021 UnitedHealthcare Network (Par) Commercial Claims analysis for 172 markets. Figures are based on BoB results and represent the national average expected cost differential between Premium Care Physicians and non-Premium Care Physicians for entire episodes of care. Actual savings achieved will vary by customer depending on geographic availability and customer-specific service mix. All figures and estimated savings represent historical performance and are not a guarantee of future savings.

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