



On the ground with East region CEO

# An effective strategy is key to containing rising health care costs



Greg Reidy, CEO of the East region for UnitedHealthcare Employer & Individual, shares how UnitedHealthcare is helping employers contain costs.

Across the country, health care costs continue to escalate at unsustainable rates. And employers in the East region, where I have the privilege of serving, are responding to these rising health care costs in different ways. Some employers are considering adjusting their benefits or shifting costs to employees through higher out-of-pocket maximums and premiums.

But in many ways, these short-term strategies could have unintended impacts. Employees might delay or forgo care, which may lead to higher costs for the employer and poor health outcomes for the employee. A less robust health plan may also influence an employee's decision to stay with a certain employer or whether to look for a new job — with a different benefits package — elsewhere.

That's why I feel strongly about the importance of taking a strategic approach to cost management.

## Leveraging a variety of plan and network designs

At UnitedHealthcare, we can leverage a variety of plan and network designs to meet the cost needs of employers — and our markets have done a great job of trying different plans and networks. Here are a few examples where we're seeing momentum in the East region:

**Surest**, a UnitedHealthcare company, is gaining traction in Pennsylvania, Georgia and Tennessee, which feature:

- No deductibles or coinsurance
- Access to the broad UnitedHealthcare Choice Plus network
- The ability to check costs and compare options for providers, treatments and drugs before making an appointment
- The opportunity to make more informed health care choices

Across the East region, we're seeing increasing adoption of **UnitedHealthcare Level Funded plans**, which feature:

- Stop-loss insurance to mitigate risk
- A potential for a surplus refund<sup>1</sup>
- A third-party claims administrative agreement

In the South and throughout the Gulf states, **tiered networks** are finding a foothold. These are characterized by:

- A broad range of provider choices
- An acknowledgment of the importance of the patient-provider relationship
- The ability to make more informed choices (by making it advantageous for employers to choose providers associated with better results and lower costs)<sup>2</sup>

## Leaning into effective clinical strategies

In the East region, we're increasingly realizing how critical clinical strategies are to reducing employer costs. At UnitedHealthcare, we work with Optum — our sister company — to help employees see more value from their benefits package. For instance, by using data and insights, we can proactively identify employees at risk for certain conditions and help point employees toward the right care, in the right place, at the right cost. Even just encouraging the use of cost-effective sites of care — for example, ambulatory surgery centers versus hospital settings — has the potential to lower costs for employers and can also promote better health outcomes for employees.

## Boosting employee engagement element

Getting employees engaged in their own health is another way employers in the East region are helping manage their health care costs over the long-term. At UnitedHealthcare, we help employers get their workforce engaged through programs like UnitedHealthcare Rewards, which incentivizes healthy behaviors that may lead to better health outcomes. Not only does this program increase employee engagement, it can also benefit the employer through less absenteeism and higher productivity.<sup>3</sup>

**Learn more**

Contact your broker, consultant or UnitedHealthcare representative

<sup>1</sup> Average savings for UnitedHealthcare Fully Insured groups migrating to All Savers for CY2020 and CY 2021.

<sup>2</sup> Employer strategies to reduce health costs and improve quality through network configuration. Peterson Center on Healthcare and Kaiser Family Foundation, Sept. 25, 2019.

<sup>3</sup> Increase Productivity. Centers for Disease Control and Prevention. <https://www.cdc.gov/workplacehealthpromotion/model/control-costs/benefits/productivity.html>

**Surest:** Insurance coverage for fully insured plans is provided by All Savers Insurance Company (for FL, GA, OH, UT and VA) or by UnitedHealthcare Insurance Company (for AZ, AR, MI, MN, MO, OK, PA, SC and TN). These policies have exclusions, limitations, and terms under which the policy may be continued in force or discontinued. For costs and complete details of the coverage, contact either your broker or the company. Administrative services for insurance products underwritten by All Savers Insurance Company and UnitedHealthcare Insurance Company, and for self-funded plans, are provided by Bind Benefits, Inc. d/b/a Surest, its affiliate United HealthCare Services, Inc., or by Bind Benefits, Inc. d/b/a Surest Administrators Services, in CA. Stop loss insurance for level-funded plans is underwritten by United Healthcare Insurance Company.

**UnitedHealthcare Level Funded:** Administrative services provided by United HealthCare Services, Inc. or their affiliates, and UnitedHealthcare Service LLC in NY. Stop-loss insurance is underwritten by UnitedHealthcare Insurance Company or their affiliates, including UnitedHealthcare Life Insurance Company in NJ, and UnitedHealthcare Insurance Company of New York in NY.

**UnitedHealthcare Fully Insured and Self-funded:** Insurance coverage provided by or through UnitedHealthcare Insurance Company or its affiliates. Administrative services provided by United HealthCare Services, Inc. or their affiliates.

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