



The latest analytic tools are bringing hospitals, providers, employers and employees closer in pursuit of common goals—lowering costs and making changes that improve community health.

# Analytics Transforming Population Health Management

Useful tools can easily track and trend which incentives are most effective

By Robert P. Chamberlain

**W**hen it comes to population health management, it's easy to spot the organizations that are serious and those that are just going through the motions. Unfortunately, some employers are still in the latter category—holding the occasional “health fair” where peppy representatives from HR hand out water bottles and T-shirts—rarely producing meaningful lifestyle changes (and certainly nothing that's measurable).

These companies do not understand the essential role it plays in improving the health in our communities. Healthcare systems need to see the commercial market as a top audience for population health strategies.

## THE ACA

The Affordable Care Act supports the enhancement of individual health by creating an envi-

ronment for employers to incent participation in education, early detection, prevention and health-enhancement initiatives. The law mandates that all health insurance plans cover a number of screening and preventative services. It also further defines participatory and health-contingent employer-sponsored health initiatives and increases the amount employers are allowed to spend on incentives.

There are analytic tools that are sophisticated enough to support the portions of the ACA that support workplace health initiatives and do the real work of population health management—fostering greater engagement between hospitals, area physicians, employers and their employees (especially high-risk individuals). In the past, “engagement” has been too vaguely defined. These new analytic tools offer incentives that make all parties actually want to work →

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closely together.

### ENGAGEMENT, INCENTIVES

Let us begin with employers, who are spending an astounding 72 cents out of every healthcare dollar on the treatment of preventable conditions. Most employers have too much on their plates to determine which of their employees are most at risk due to smoking, obesity or diabetes. And employers are uncertain about how to encourage lifestyle changes—how to find the hot buttons that will finally get overweight Jerry out of the cubicle and into the gym.

That's where analytic tools administered by health systems are making a big difference. They can analyze Jerry's long-range health goal (to be healthy enough to enjoy retirement in Florida in his 70s) and pinpoint the obstacles that might make that impossible. There are basically just three evidence-based options for Jerry: behavior modification (weight management, exercise, proper nutrition, etc.), resolving emotional issues (like stress, depression, or sleep problems) and participating in CDC-recommended screenings and exams. It is important to monitor all three categories simultaneously, since a change in medication can sometimes inadvertently make depression worse—and visiting the gym is only a partial solution without regularly scheduled screenings. Analytic tools can help physicians and lifestyle coaches gently remind Jerry that the goal is to enjoy Ft. Lauderdale in 20 years.

If that is not enough to motivate Jerry, analytic tools can determine which financial incentive is most likely to spur action. Some employees prefer getting a cash bonus for making lifestyle changes, while others prefer a reduced health insurance premium. Analytic tools can easily track and trend which incentives (or combination) are the most effective, by employer, region, and so on.

### CASE IN POINT

The following is an example of how today's population health analytic tools bring all the key stakeholders together:

The healthcare system reaches out to area employers with the good news that there are now tools for managing and lowering their healthcare costs. The healthcare system works closely with each employer to design a program that includes data collection, employee education, aggregate risk analysis, strategy development and results tracking. Part of strategy development may include creating coaching protocols and employee incentives that really work to improve health.

In turn, motivated employees visit not just the gym, but their primary care physicians. If they do not have a primary care physi-

cian, that need can be identified and a physician from the healthcare system may be assigned to them, which turns patient engagement into referrals and revenue for physician alignment strategies.

There are obviously a lot of "moving parts" in population health management, which is why the newest analytic tools offer the granularity and reporting needed to:

- Risk-stratify within a population group to identify and target high-risk individuals
- Seamlessly integrate biometric data, emotional history and behavior modification goals by individual
- Turn Health Risk Assessment (HRA) data into more than 1 million unique reports to meet the varying needs of hospitals, physicians, employers, and employees
- Track and fine-tune incentives that work best for each individual (premium reduction, Health Savings Account contribution, cash payout, etc.)
- Monitor claims by member to determine the financial impact of each person's health choices
- Easily monitor groups (such as all diabetics in a company) to see what incentives work best
- Manage clinical/coaching interactions to identify trends and make improvements, which is especially important as coaching is central to behavior change. Coaching supports healthcare systems' move toward clinical integration in the preemptive care of patients as systems move toward a value-based reimbursement model.
- Implement overrides (for instance, resumption of smoking cancels incentive payouts)

Here's an example of how evidence-based analytic tools are making a real-world difference:

A manufacturer in Charlotte, NC, has 1,200 employees and a self-funded health insurance plan. The company created an incentive program involving four key measurements. If employees are able to document progress in blood pressure, cholesterol level, glucose management and tobacco use, they earn either a \$1,250 bonus or a 20% reduction in their health insurance premium. The company has chosen to reward progress, not perfection. Participants don't have to achieve the BMI of a professional athlete, just keep making steady progress.

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