

Health Insurance

CONTROLLING SKYROCKETING HEALTH INSURANCE COSTS

Recent ACA-related actions of the federal government have already impacted, and will continue to negatively impact, the employer-provided health insurance market. Given recent developments in value-based insurance design, consumer-directed health plans, and wellness plans, employers have a unique opportunity to reduce their health insurance costs starting right now, and as a result, also reduce the cost foundation on which future annual price increases are based.

Employers can reduce the costs of their health care programs...

Innovative programs that employers should consider adding to benefit offerings include value-based insurance design, consumer-directed health plans, high-deductible health plans, and more!

Did You Know?

The year-on-year health care premium increase for 2018 is expected to be 5%. And for 2019, most analysts predict a 6% or greater increase year-over-year.

Calculating ROI

ROI Assumptions

Annual employer contribution to traditional PPO plan: **\$13,971**

Annual employer contribution to HDHP/SO plan: **\$13,143**

Per employee per month cost of an LMS: **\$4.50**

Number of benefits eligible ee's: **300**

Innovative health plan alternatives will only help an employer reduce costs when employee's adopt them. Employers have a unique opportunity to impact employee adoption of these cost-savings programs when using learning management software to effectively educate their employees on their value.

To calculate the ROI of implementing an LMS to manage the education and adoption of consumer-driven health plans and wellness plans, use the assumptions (in sidebar) based on the Kaiser Family Foundation's 2017 Employer Health Benefits Survey:

The annual savings in total employer premiums for each employee electing the HDHP/SO option instead of the traditional PPO plan, will be \$828.00. The LMS is projected to cost \$16,200 first-year (300 ee's times \$4.50 x 12). Therefore the break-even point in most conservative evaluation of this ROI model is crossed when only 21 of benefits-eligible employees elect the HDHP instead of PPO, - an increase in HDHP enrollment of only 7%.



How Ascentis Can Help

LEARNING MANAGEMENT

Once an organization adds new healthcare options that can reduce employer costs, a learning management solution (LMS) should be leveraged to ensure that employees fully understand the cost-saving plan options available to them to increase adoption rates. Additionally, an LMS can go further in educating employees on wellness in general, which also aids in reducing healthcare costs overall, and the employer claims experience specifically.

While the ROI calculation shows how easy it can be to pay for an LMS with very modestly increased adoption of consumer-directed health plans and wellness programs, choosing Ascentis Learning Management will not limit employers to just managing and delivering training around healthcare benefits consumerism. In addition, employers can also manage training around:

- Managerial skills development
- Leadership
- Safety
- Compliance of various kinds
- Software skills
- Anti-sexual harassment and employee behavior policies, including state-specific
- Industry-specific periodic certification-related training, like Blood-Born
- Pathogen Exposures in Healthcare, or Foreign Corrupt Practices Act compliance in Financial Services
- Any other type of training the organization wants to administer



But perhaps the best part of this approach is the ROI model: a very modest increase in consumer-directed health plan adoption - as little as 5-10% - can more than pay for a new LMS and content. The long-term benefits of an LMS helps employers achieve many other employee training and development goals across an entire organization.