

Key Questions

- Are you controlling your health costs —or, are they controlling you?
- What part of health costs can be controlled?
- What are the options for better control?
- What are the pitfalls to avoid?

The inseparable arenas of health care, benefits and financial survival are clashing more than ever – in businesses, government, communities and families.

Most employers are experiencing increases in health costs that are intolerable. At annual increases ranging 10-22% or more, the rates of increase for health costs are three or more times higher than other cost of goods. At the same time, higher costs do not always reflect higher quality or better medical outcomes. Quality and results vary widely —by geographic region, hospital, doctor, patient and test or treatment. Yet, advertising, fears, entitlement, stress, obesity, insufficient skills and competencies and other variables are driving up demand.

Conventional strategies have been weakening and have more downsides:

- Discounts with provider networks are eroding
- Cutting benefits alienates an already lean workforce, risking loss of valued employees
- Arbitrary cost-shifting alienates employees and can actually increase long-term costs
- Reducing medical benefits often increases absenteeism and disability costs

But, growing numbers of employers have been succeeding at controlling their health costs without having to reduce benefits. And, the tactics implemented are well-received by the workforce. Employees and their families are actually engaged and empowered as key partners in helping to improve quality, results and costs. Many of these employers are HPN clients.

Since 1983, HPN has been working with employers, employees and their families, helping them to work better together to solve these problems more effectively. The methods and the results benefit employer, employees and their families, with positive successes such as:

- Key services are delivered more efficiently and economically yielding up-front savings
- Employees and families improve their use of health care and benefits
- More problems are detected and treated earlier, reducing severity, recovery and costs
- Employees and families learn to improve the quality of care and medical outcomes
- Employees and families save out-of-pocket expenses through better use of health care
- Reductions in unnecessary emergency room and doctor visits decrease claims-paid by employers
- The above savings mitigate the rate of health cost increases stemming from other uncontrollable cost factors
- Improvements in early detection, treatment, quality of care and medical outcomes decrease the recovery time, absenteeism and related medical and disability costs
- Improvements in prevention decrease illness, injuries, absenteeism and related costs
- The above gains result in improved benefit cost control, productivity and profits

This is what HPN specializes in. We know what works. We've been there in the trenches for over 25 years working with employers and employees of all types. HPN has a strong track record of helping our clients succeed. And, we help leaders avoid strategies that backfire, that are less effective or waste precious time and resources.

Please review our web site hpn.com or call to explore the ways we can work together to add to your results and multiple measures of success in these areas.

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