

MEDIA CONTACT: Cary Conway

cary @ conway communication.com

972-731-9242

MBGH Survey Finds Employers Continue to Address Health Benefit Cost and Workplace Programs in Uncertain Times

CHICAGO – May 11, 2017 – The <u>Midwest Business Group on Health</u> (MBGH), one of the nation's leading non-profit business groups of large, self-insured public and private employers, released the results of its annual national survey of employers gauging their views and plans related to current and future health purchasing strategies.

"While the future of the Affordable Care Act continues to evolve, even in this uncertain environment, employers are moving forward with strategies to reduce unnecessary health care costs, while finding ways to improve the health of their covered populations," said Larry Boress, MBGH President and CEO.

Key survey findings include:

- Despite the potential of change, over 40% of employers still place a high priority on avoiding the 2020 excise tax.
- There's high priority by 73% of employers to increase engagement in their programs, 51% will offer telemedicine services, 55% of employers are committed to create more effective communications and a culture of health (47%), and 43% see managing specialty drugs as their highest priority.
- To reduce costs, employers are primarily focused on offering high deductible health plans (HDHP) (69%), targeting wellness programs (58%) and increasing employee cost share (49%).
- Strategies to optimize providers are expanding, with 75% of employers promoting use of Centers of Excellence, 31% offering smaller, high performance networks and 34% offering onsite health centers.
- HDHPs are now being offered at the same rate as preferred provider organizations (PPO), with health savings accounts (HSA) the dominate plan type offered among HDHPs (65% for HSAs versus 15% for Health Reimbursement Arrangements).
- The employer share of premiums continues to drop, with 50% now offered 75-25 cost sharing.
- Employers continue to try to motivate employees toward healthy behaviors and identifying risk factors by offering incentives for tobacco cessation (61%), completing risk assessments (42%) and participating in biometric screenings (38%).

The survey was conducted online in April-May 2017 and includes responses from MBGH and other business health coalition members from throughout the nation. It offers a directional perspective on the views, perceptions and strategies of employers of the changing health care marketplace.

About the Midwest Business Group on Health

With more than 130 member organizations, the <u>Midwest Business Group on Health</u> is one of the nation's leading non-profit business groups of large, self-insured public and private employers serving as a source for leading health benefit professionals and a catalyst for community initiatives to improve the quality, safety and cost-effectiveness of the health care delivery system. MBGH is a founding member of the National Business Coalition on Health. Follow on Twitter: @MidwestBGH

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