

The background of the slide features a dark red, almost black, field with several large, detailed 3D renderings of COVID-19 virus particles. These particles are spherical and covered in numerous small, protruding spikes, characteristic of the coronavirus structure. The lighting creates a sense of depth and texture on the virus surfaces. A diagonal blue band cuts across the top right, containing the title text.

COVID-19: Large Employers' Response to the Crisis

April 2020



PBGH
PACIFIC BUSINESS
GROUP ON HEALTH

Survey Overview: PBGH Member COVID-19 Survey

The Pacific Business Group on Health (PBGH) surveyed its members regarding the ongoing COVID-19 health crisis and its impact on their business. The survey results presented in this report reflect the responses from 21 large employers providing health benefits to roughly **four million employees and their dependents**.

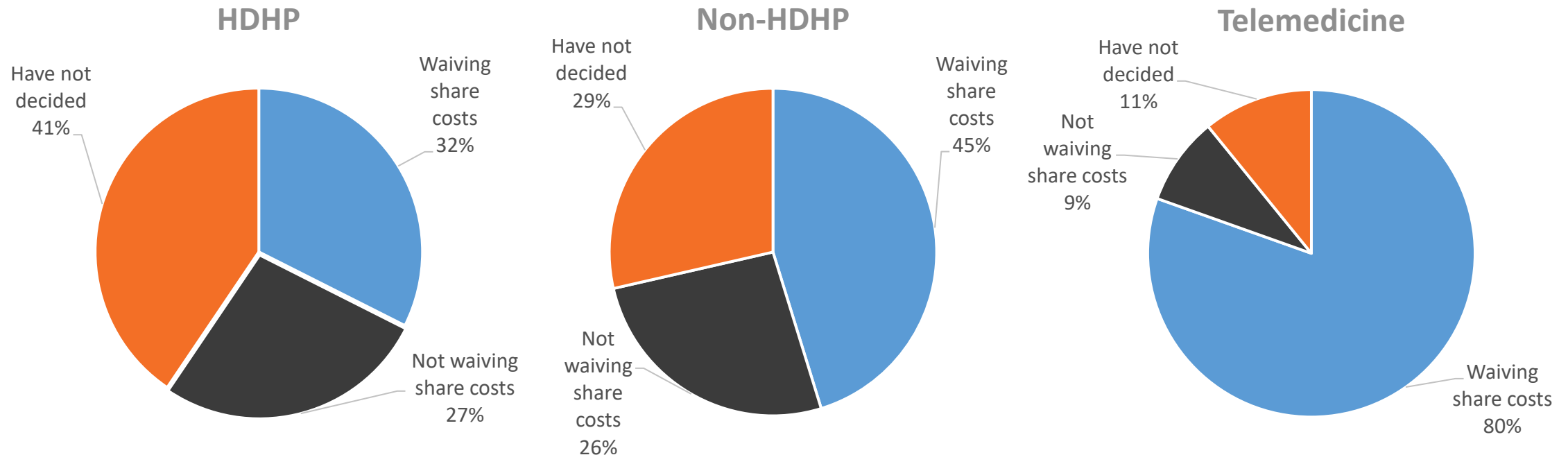
The report highlights how large employers are responding to the COVID-19 crisis in terms of policy coverage for both medical and mental health care; access to care via telemedicine; testing and access to clinics; prescription coverage; and strategies, cost impacts (including paid time off) and concerns related to dealing with the COVID-19 crisis.

Highlights:

- **Testing via all methods is being covered in full:** 100% of employers are paying for telemedicine screening for testing with no cost-sharing. In-person testing with no cost-sharing is required by federal policy of all health plans.
- **Employers take a mixed approach to waiving costs for medical treatment:** 45% of the non-high deductible plans offered by employer respondents are waiving cost-sharing for COVID-19 treatment; 32% of high-deductible plans are waiving cost-share, while 80% of treatment via telemedicine are covered in full.
- **Mental health services also see mixed approach to coverage:** 61% of respondents are covering the cost of mental health visits via telemedicine at 100% compared to 20% doing the same for office visits.
- **Prescription drug access is being prioritized:** 72% of employers say they've altered their policies to ensure employees and their dependents have access to needed medications.
- **Ultimate impact of COVID-19 on costs unknown:** 50% of employers say they need more time to determine the likely cost of the virus on costs and premiums. 30% anticipate increases of 5-15%.

Coverage for COVID-19-Related Care: Medical Services by Plan Type

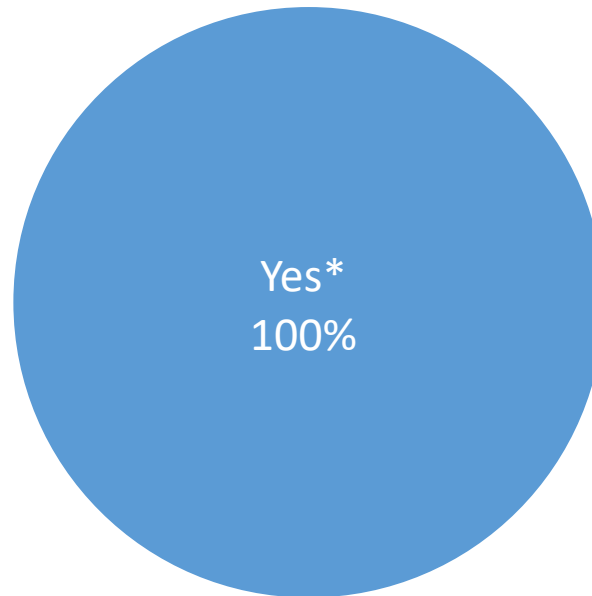
Are you covering all costs for COVID-19 treatments?



Employers offer multiple plan options to employees. These percentages reflect the total number of each plan type offered among surveyed companies: a total of 37 high-deductible health plans; 42 non-high deductible plans; and 46 telehealth options.

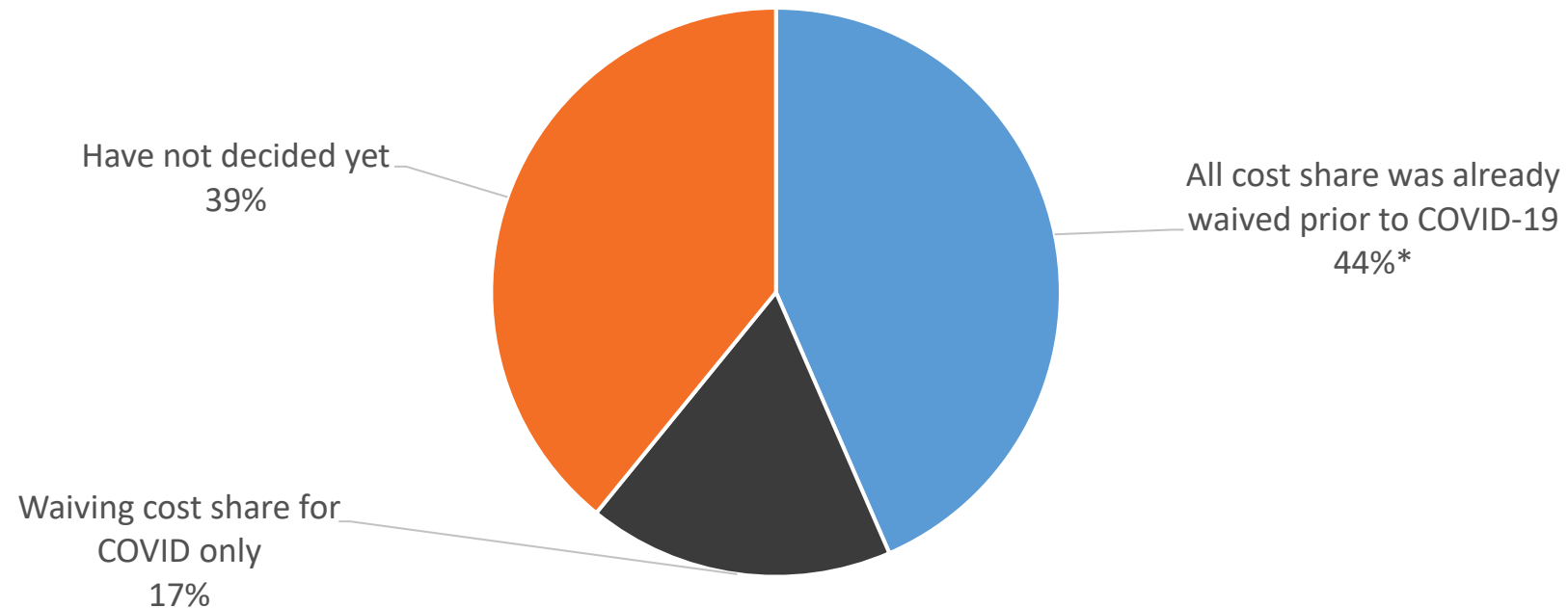
Note: Respondents were not asked about coverage for testing given federal regulations requiring all health plans, including those offered by employers, to cover COVID-19 testing costs in full.

Are you covering all costs for COVID-19 testing via telemedicine?



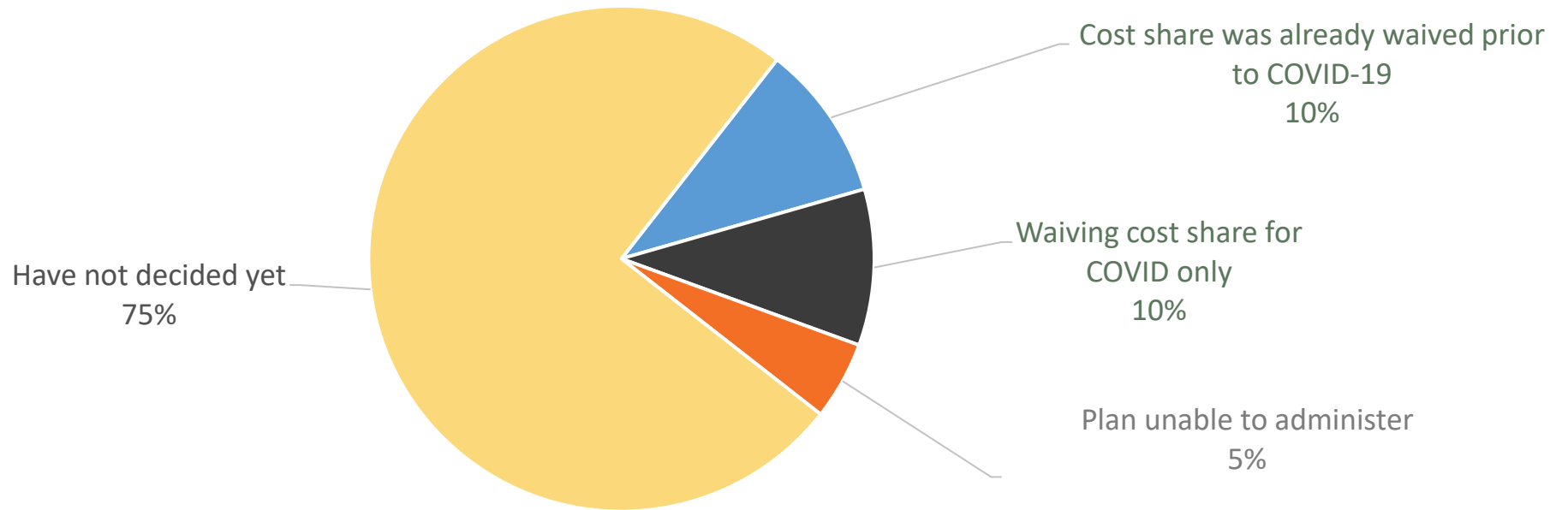
*Telemedicine visits for testing involve screening by a clinician to determine appropriateness of referring patients for a COVID-19 test.

Are you covering all costs for mental health services delivered via telemedicine?

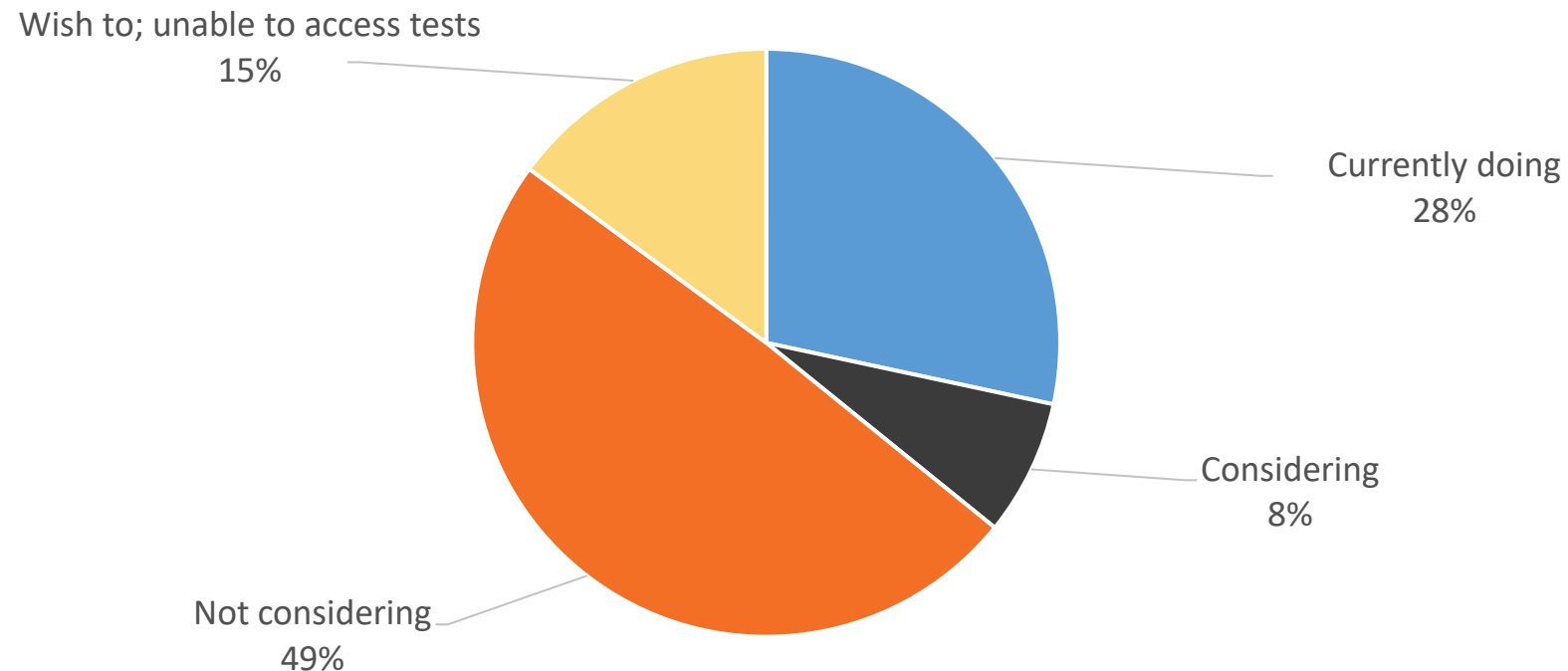


* Employers responding to COVID-19: Some employers report waiving all cost sharing in response to the COVID-19 crisis.

Are you covering all costs for mental health office visits?



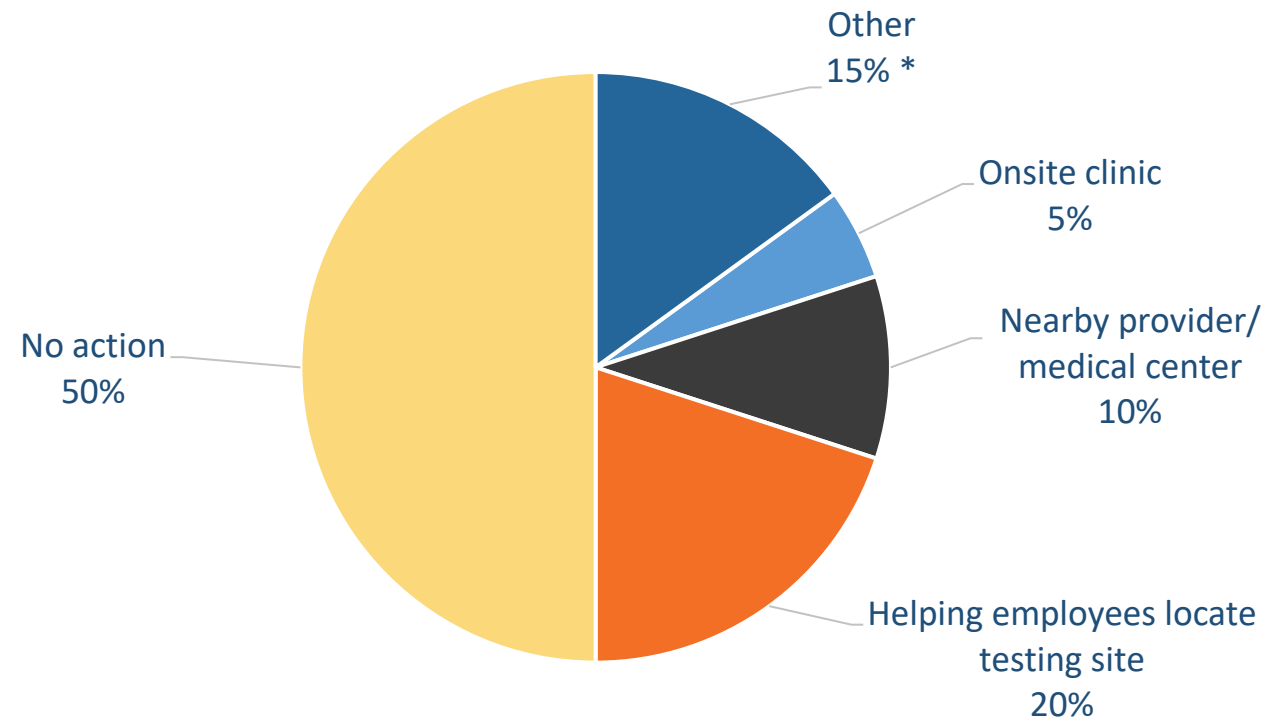
Are you providing testing of COVID-19 in onsite/near site clinics?



67% of respondents offer an onsite or near site clinic. Those with onsite or near site labs are taking various approaches to making testing services available to their employees, including purchasing tests from a vendor; offering lab services through regional medical centers at designated locations; and establishing a 'fast pass' setup with local hospitals to expedite appointments for testing.

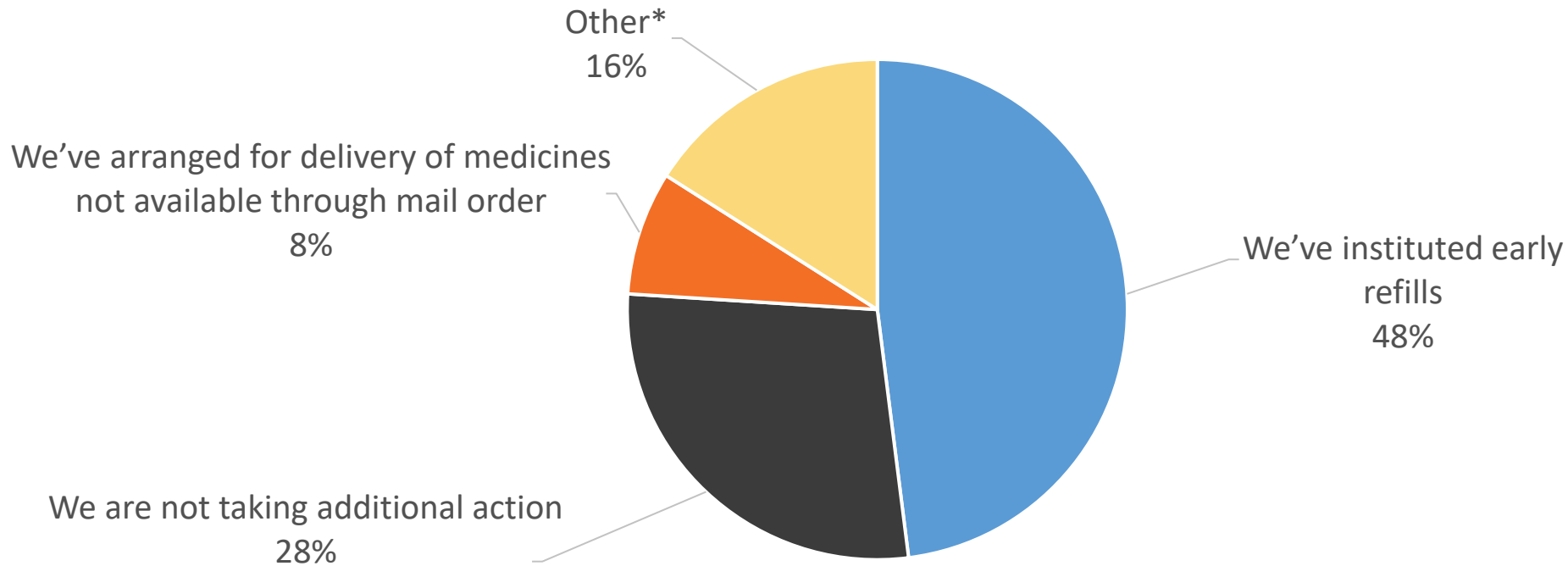
Expanding Access to COVID-19 Testing

Have you taken additional action to secure access to COVID-19 testing for employees and their dependents?



* Employers are identifying additional resources for testing: Some employers report that they are exploring new avenues to make sure testing is available to their employees.

Have you taken action to ensure employees and their dependents have access to regularly needed prescription drugs?

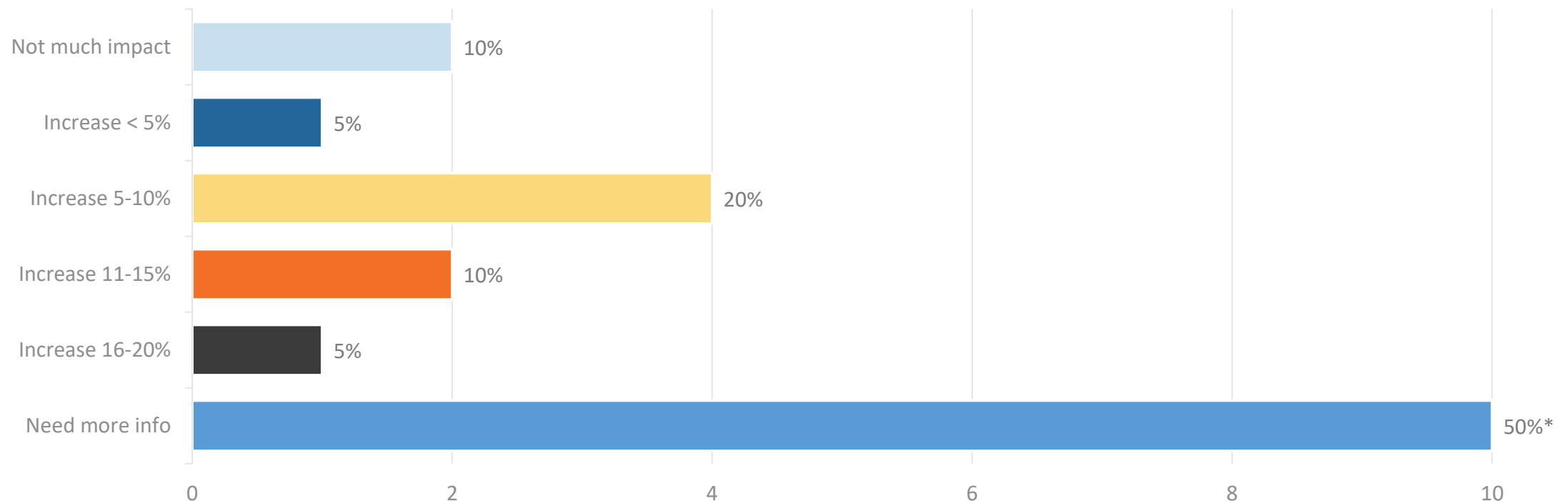


***Employers are using new tactics to ensure prescription drug access:** Among employer respondents intervening to ensure their employees have access to prescription drugs during this crisis, some report allowing their pharmacy benefit managers (PBMs) to waive both early refill requirements and to make delivery free of charge to patients. PBMs are also being asked to prompt employees to switch to their mail-order service. Others report taking active measures to prevent dangerous stockpiling of medications.

Impact of COVID-19 on Health Care Costs

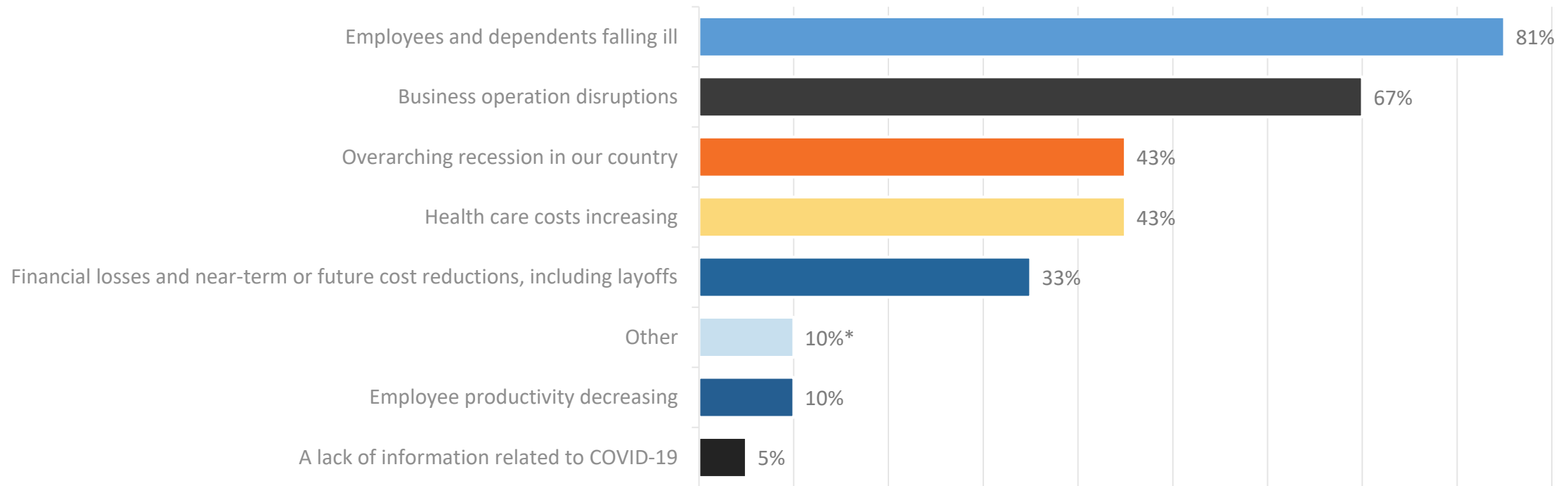
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What impact do you anticipate the added expense of COVID-19 testing/treatment will have on health care costs for your company?



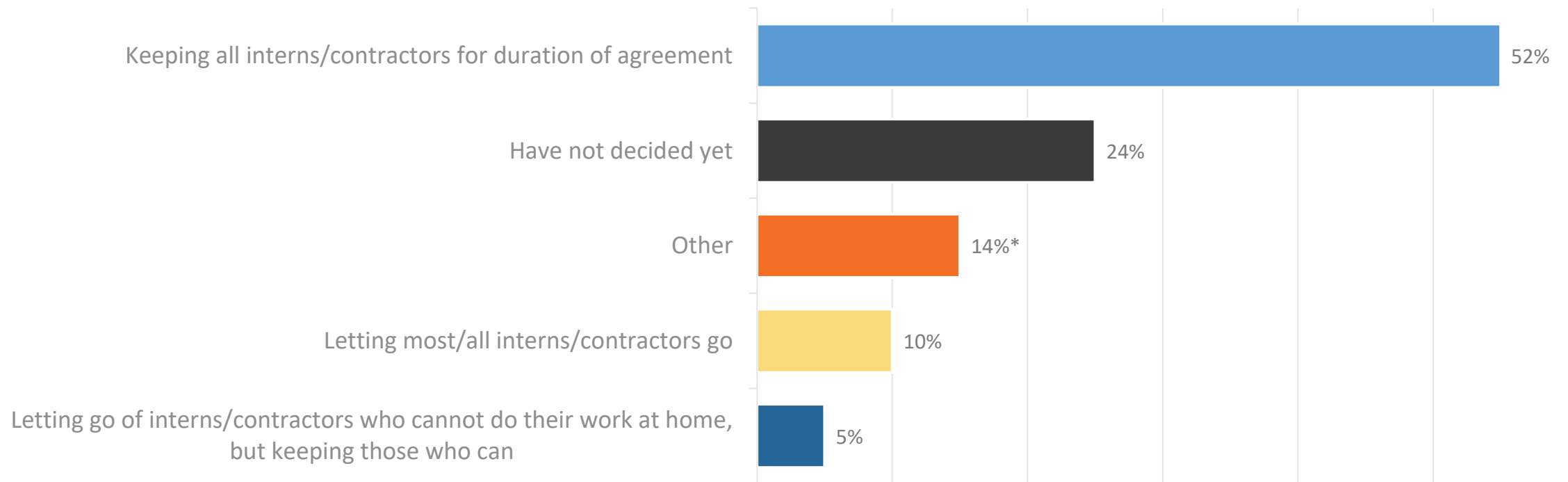
***Employers need more time to determine the impact of COVID-19 on costs/premiums:** Employer respondents say they will need several more weeks to better understand what their pandemic-related costs will be, balanced against the postponement of routine health services.

What are your top three concerns related to COVID-19?



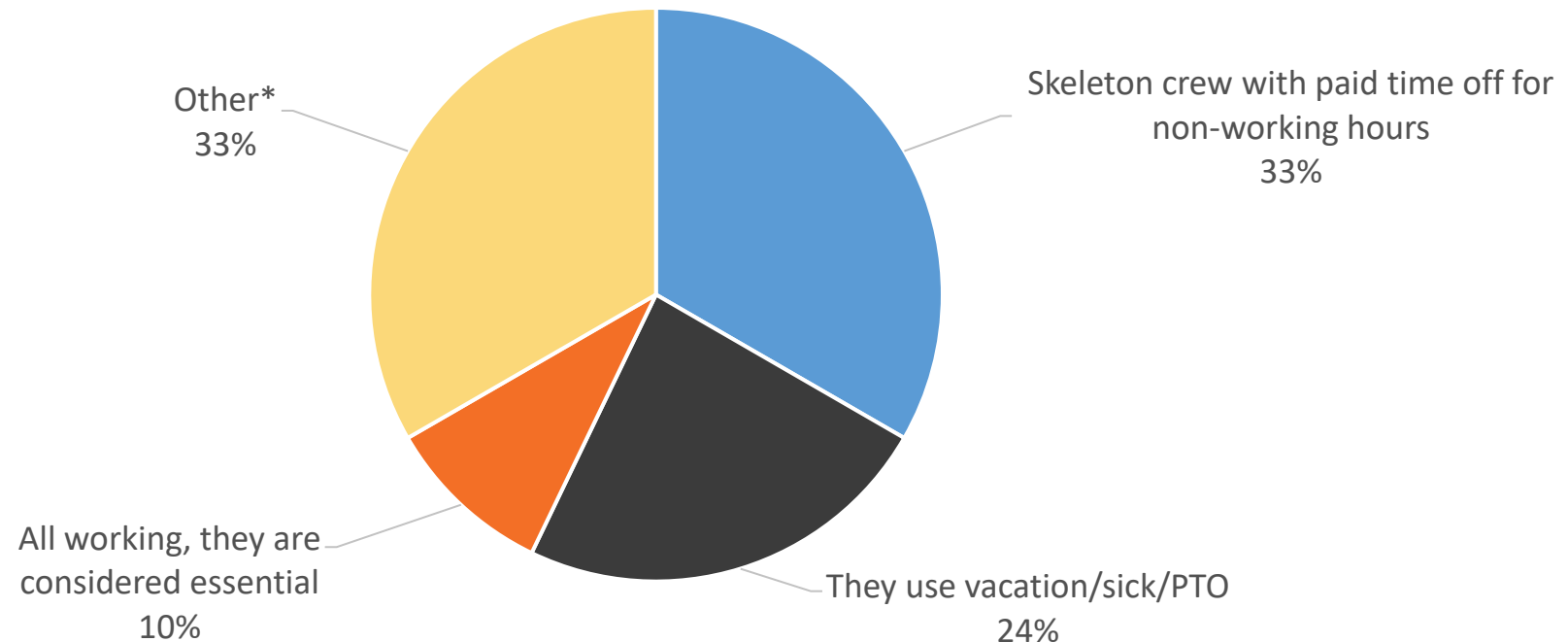
* **Passed-through costs are a concern:** Employers say they are worried about the potential impact of insurers passing along COVID-related costs to them and their employees. Some indicated concern about the potential for a humanitarian crisis due to the country’s lack of preparedness for the pandemic and whether there is sufficient access to essential workers.

What is your policy regarding COVID time-off pay for interns/contractors?



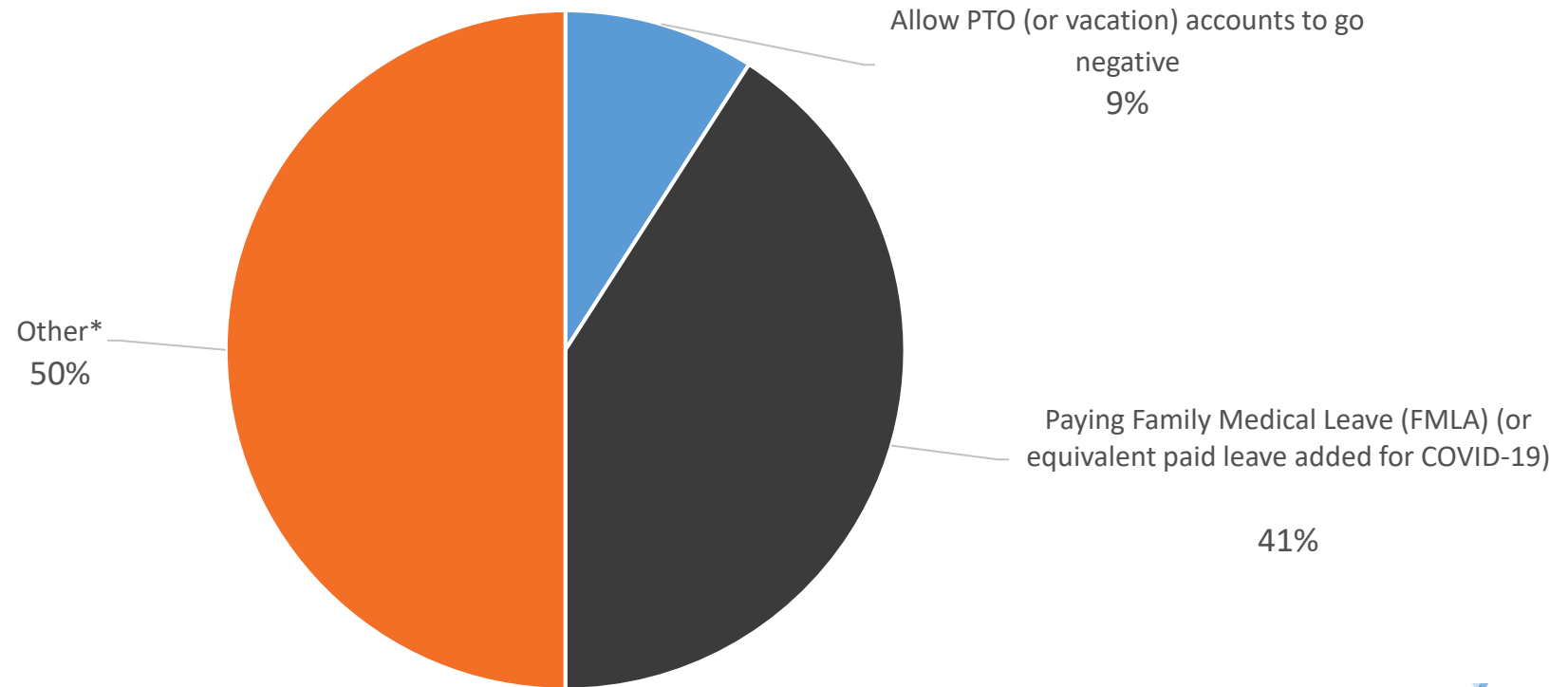
***Work at-home arrangements are flexible:** Some large employers are encouraging on-going discussions between employees and their managers to establish work-at-home arrangements among as much of their workforce as possible. Special arrangements are also being made to compensate employees mandated not to come to work but who are unable to work from home.

What is your policy regarding time off pay for healthy people unable to work from home?



***One-third are implementing a variety of paid time off policies:** Some employers report providing temporary emergency paid sick leave for essential onsite employees, while others are applying benefits for paid time off, including non-routine “time-off” pay if an employee’s inability to work onsite is due to a government order.

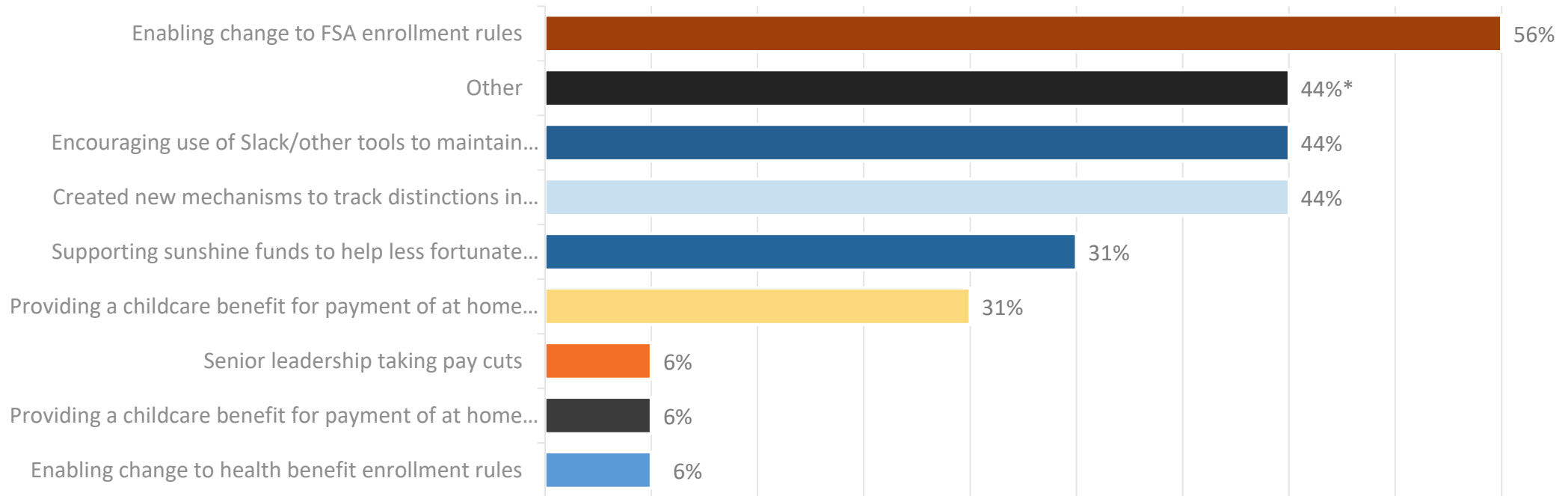
What is your policy regarding time off pay for people afflicted with COVID-19 or caring for afflicted family?



* Employers are developing new and/or temporary solutions: More than half of employer respondents say they're paying employees who need to care for a family member afflicted with COVID-19 via a host of methods, including temporary/emergency pay and establishing special leave policies for impacted employees.

Other Benefits and Process Changes

Are you deploying any other benefits or process changes?
(Check all that apply)



* **Employers are testing new benefits to support employees:** Companies are creating opportunities for connection via Zoom parties or virtual coffee breaks, maintaining company-wide fitness challenges, offering financial/retirement counseling and implementing pay cuts for senior leadership.



PBGH's member organizations -- private employers and public agencies -- are the most powerful voice for consumers and patients in the U.S.

PBGH has a long history of developing, incubating and launching successful operational programs on behalf of and in partnership with large employers. Our initiatives are designed to test innovative health care methods and scale successful approaches that lower health care costs and increase quality across the U.S.

PBGH harnesses the clout and concentrated power of our member organizations to deliver impressive results rarely seen in the health care market, including reductions in the cost of health insurance premiums and unnecessary surgeries. Our mission and our work are clear and uncompromising. We are a purchaser-only coalition influencing the health care market in the service of employers and their employees.

Since its inception, PBGH has made some of the most notable improvements to U.S. health care, including launching the first public website displaying health plan, hospital and medical group quality and patient experience data, influencing the drafting of the Affordable Care Act to emphasize federal value purchasing and accountability, representing purchasers in the Meaningful Use Health IT roll-out, and implementing the Intensive Outpatient Care Program (IOCP) for Americans with serious chronic illness in five states.