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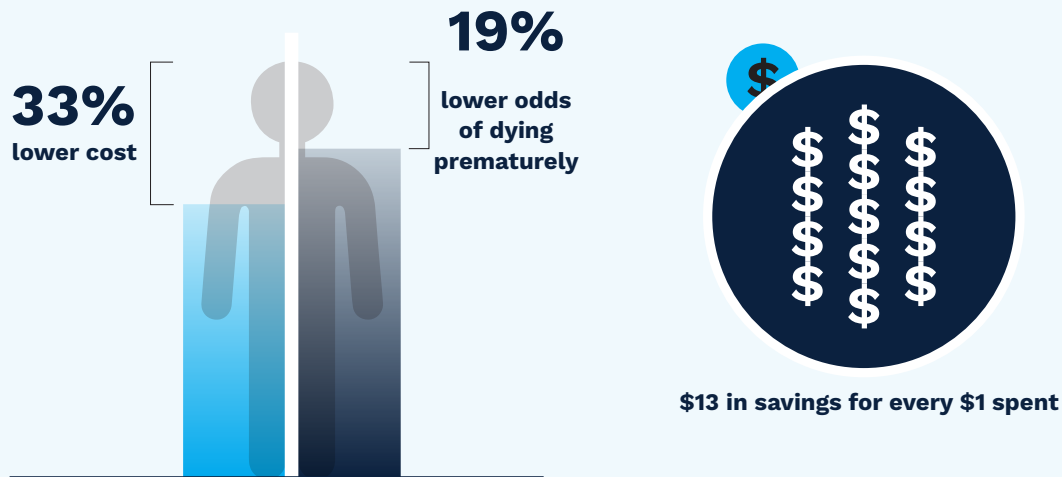
Better Employee Health, Increased Productivity and Lower Costs

Why Employers Need a Strategy to Strengthen Primary Care

Prioritizing Primary Care: A Strategy for Improved Health Outcomes and Cost Efficiency

Researchers have long recognized that our health care system's entrenched bias toward treating illness — as opposed to preventing it — leads to expensive, specialist interventions instead of primary care, and both undermines health and fuels out-of-control costs.

The data is compelling: Adults who regularly see a primary care physician have 33% [lower](#) health care costs and reduced odds of dying prematurely than those who see only a specialist. Every \$1 increase in primary care spending produces \$13 in [savings](#).



Reduced Absenteeism, Improved Productivity

For employers, ensuring their employees have access to robust primary care is essential for lowering total cost-of-care as well as reducing absenteeism and presenteeism. The latter refers to employees who are unwell but continue to work at less-than-optimal levels. Taken together, absenteeism and presenteeism [cost employers](#) nearly \$3,000 per-employee per-year in lost productivity and added expenses.

Access to preventative and primary care — or a lack thereof — also plays an important role in employee retention. Companies with effective [wellness programs](#) are considerably less likely to lose employees choosing to leave and work elsewhere. At the same time, the majority of workers say their level of satisfaction with [health care benefits](#) plays a major role in deciding whether to stay at a job or move on.



Chronic Underinvestment in Primary Care

Despite these benefits, realizing primary care's potential has been severely constrained by chronic underinvestment, underutilization and a lack of integration with other elements of the care continuum. The numbers are telling: [One-fourth](#) of all adults and nearly half of adults under 30 don't have a primary care doctor. Yet, research shows that patients who are not connected to a primary care doctor have medical costs that are nearly [30% higher](#) – roughly \$3,300 more per patient each year – than those who are.

Reversing these trends and prioritizing primary care creates the foundation for more cost-effective, quality-driven health care for employers and the country alike.

Advanced Primary Care's Role in Plan Sponsor Fiduciary Obligations

Implementing effective, high-quality employee health benefits built on a foundation of strong primary care can substantially reduce corporate exposure to potential Department of Labor penalties. It can also help mitigate the risk of class-action lawsuits brought on behalf of employees over inordinately expensive, low-quality health benefits.

What's more, the new transparency requirements mandated by the Consolidated Appropriations Act (CAA) will at last give employers access to health care cost data they've never before been able to see. The CAA also reinforces self-insured plan sponsors' responsibilities as fiduciaries when it comes to health benefits.

Now self-insured employers must be able to demonstrate that the health care services they buy for employees are cost-effective, high-quality and meet strengthened mental health parity and pharmacy benefit disclosure requirements under the law.

The exposure is real: Most employers currently lack adequate controls in their existing service agreements and have historically tolerated unreasonably high fees and prices. At the same time, employers have come to rely on financially conflicted intermediaries for benefit design and purchasing advice, which is why the country's most innovative employers are increasingly looking to work directly with providers to provide the kind of care they know will keep their employees healthy.

Scaling Advanced Primary Care for Employers Nationwide

In response, the Purchaser Business Group on Health is building on its years of groundbreaking work to define and promote advanced primary care to improve health, well-being, prevention and early intervention. Building on years of experience as an operating partner of among the country's most successful [centers of excellence program](#), our work takes it to its next evolution to create a breakthrough solution that employers can use to ensure employees have simple, reliable access to high-quality and high-value primary and specialty care. A new turnkey solution, the PBGH System of Excellence, encompasses regional capabilities and is designed to supplement and strengthen employers' existing health plan offerings.

The PBGH System of Excellence delivers a simplified mechanism for contracting with vetted, high-performing primary care practices using the PBGH Advanced Primary Care Shared Standards, developed by and for employers, to identify and vet the best-performing providers in specific metropolitan regions for both primary and specialty care. Cost-of-care, qualifications, outcomes, patient experience and other variables are examples of attributes evaluated through PBGH's pioneering quality measurement program to ensure providers meet or exceed standards, and employees are provided with a simple referral mechanism through a VIP access card that triggers benefit incentives and gathers data to encourage use and improve the patient experience. Patient engagement experts help guide employees to help streamline access and to bolster adherence to medications, treatment and disease management.

Equally important is a near-real-time reporting and monitoring platform to help large employers execute their health benefit fiduciary duties under the Consolidated Appropriations Act (CAA). Being able to demonstrate value in health care purchasing will afford protection against potential penalties and class-action lawsuits brought on employees' behalf.

This approach is also designed to make the lives of hard-pressed primary care physicians easier with standardized quality and value metrics to reduce administrative burden and incentivize reimbursement to support the provision of quality, cost-effective care. This helps to reduce provider burnout by affording

A Path to Better Employee Health

Advanced primary care offers a proven path to higher-quality, lower-cost health care. Patients benefit from simpler access, greater care continuity, more informed decision-making and better prevention and outcomes. Employers gain from reduced absenteeism, enhanced productivity, better benefit oversight and lower health care spending. And clinicians enjoy greater flexibility in treatment recommendations, along with reduced administrative hassles and improved financial incentives.