

# Transitioning to a Consumerism Model

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Consumer-driven health plan (CDHP) enrollment continues to climb across the United States as a cost-savings initiative. With the passage of the health care reform legislation comes an even more increased interest among both employers and employees in transitioning to a consumerism model. Reining in health care costs and improving employee health and morale with help from a consumerism model has the potential to be very beneficial for your organization.

## **CDHP Market Findings**

CDHP participants have consistently higher rates of cost-conscious decision making than participants in traditional plans. According to the Employee Benefit Research Institute Consumer Engagement Health Care Survey, CDHP participants are more likely than traditional plan participants to:

- Complete a health assessment
- Utilize various preventive screenings
- Check whether their plan would cover care
- Ask for a generic drug instead of a brand name drug
- Participate in an employer-sponsored health promotion program
- Talk to their physician about prescription options and costs
- Talk to their physician about treatment options and costs
- Develop a budget to manage health care expenses
- Check price before receiving care
- Check quality rating of doctor/hospital
- Use an online cost tracking tool provided by their health plan

Despite these findings, none of this is possible without your employees selecting the CDHP in the first place. And this can be challenging when first transitioning to a consumerism model. There is typically some fear and confusion associated with CDHPs. Expect questions such as:

- How do I make contributions and withdrawals from the account?
- What are the financial incentives for me if I enroll in the CDHP?
- What do I do when I go to the doctor's office?
- How do I find lower cost alternatives?

Educating your employees on not only what the CDHP includes and why it can be so beneficial, but also how to actually use it once enrolled is the first step. Make it easy for your employees to find answers to their questions, select the CDHP and enroll in the savings account associated with your plan.

Bottom line – the higher the employee adoption, the more cost savings for both your organization and the employee. Delta Benefits offers solutions for transitioning to a consumerism model and adopting a CDHP at your organization. Contact us at (585) 218-9007.

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