

Closing Keynote



HealthNEXT

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HealthNext,
Co-Founder and CEO

Ray Fabius Co-Founder of HealthNEXT
Closing Keynote – Putting Today's Session Together

HBCH CONFERENCE | 2022

STRATEGIES TO REDUCE TOTAL COST OF CARE

In Search Of The Holy Grail

In Person | December 8, 2022

**STRATEGIES
TO REDUCE TOTAL
COST OF CARE**

In Search Of The Holy Grail



Agenda

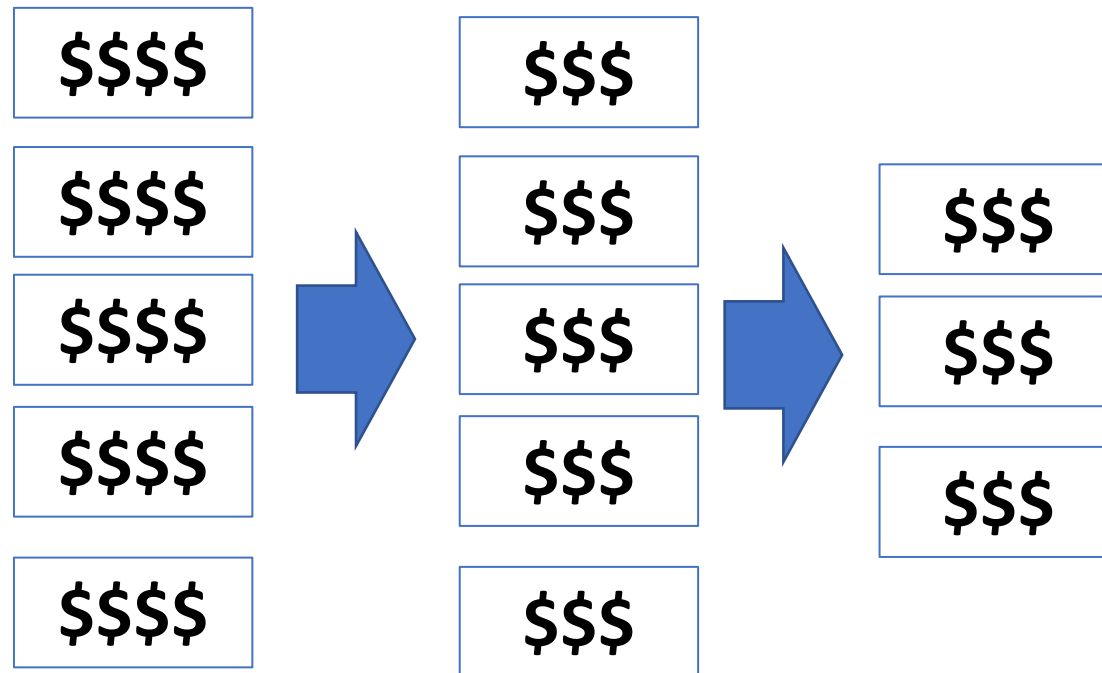
Summarize Today's Conference With a View to the Future

- Two approaches to cost control – cost and use
- The importance of population health and wellbeing
- A focus on mental health
- Best practice enterprises are delivering a critical mass of programs and services to transform their culture
- Why this is good business?
- Why this is good for all of us



Two Key Ways to Reduce Healthcare Costs

Reduced Cost per Treatment / Create Less Need for Treatment



*Best Practice Enterprises Focus Equally on
Both Strategic Categories*

Control Unit Cost

Legislative Policies

Transparency

Cancer Care

Condition Management

Complex Case Management

Pharmacy Management

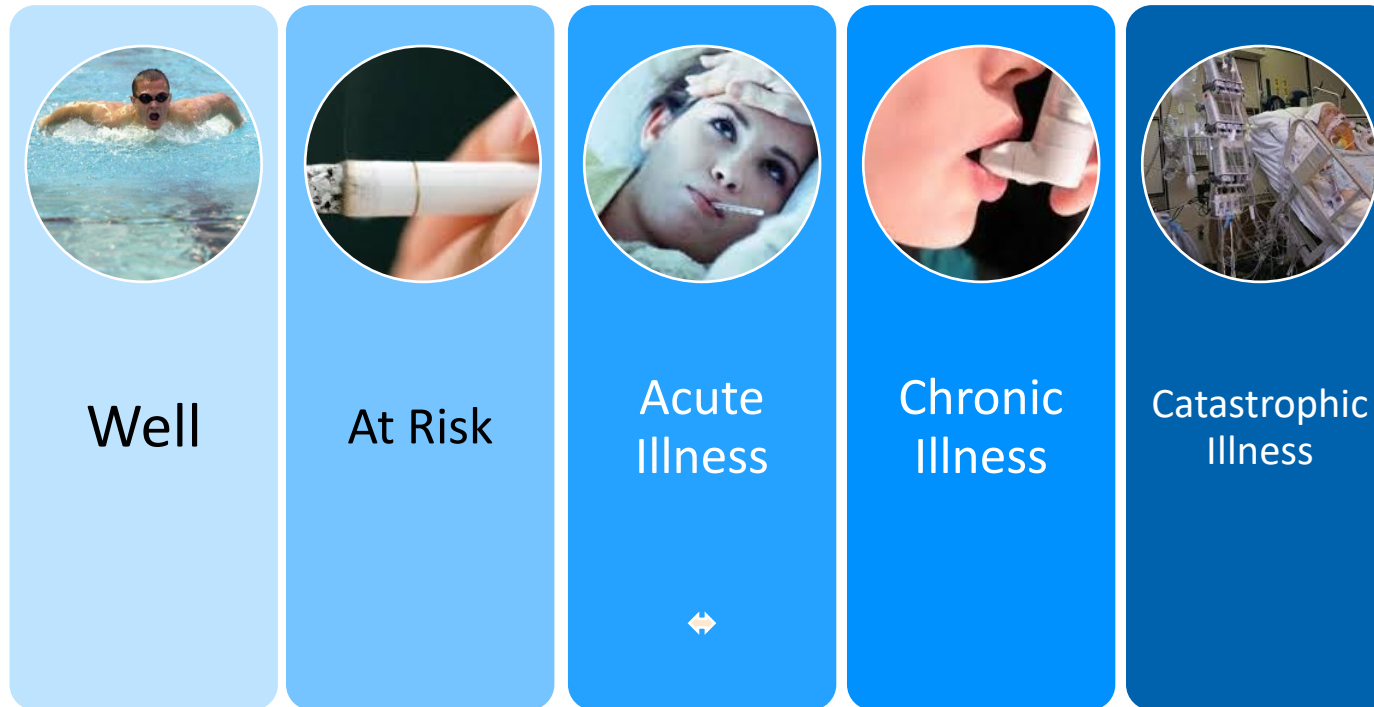
Reducing Demand

Advanced Primary Care

Organizational Culture

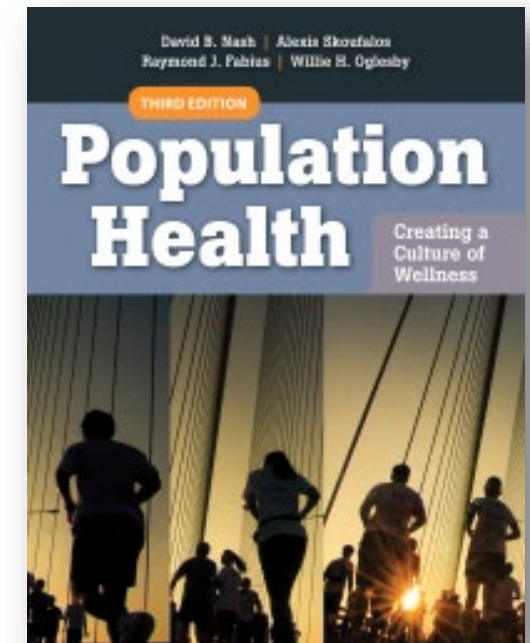
To Do Both You Have to Manage Across the Continuum

Supporting People Where They Are



← Moving the Population Toward Wellness

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*Leading Textbook
in the Field*

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Keeping Well Employees Well

Not Just the Absence of Illness

WHO Definition of Health

Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity

Components of Wellness

Social

Physical

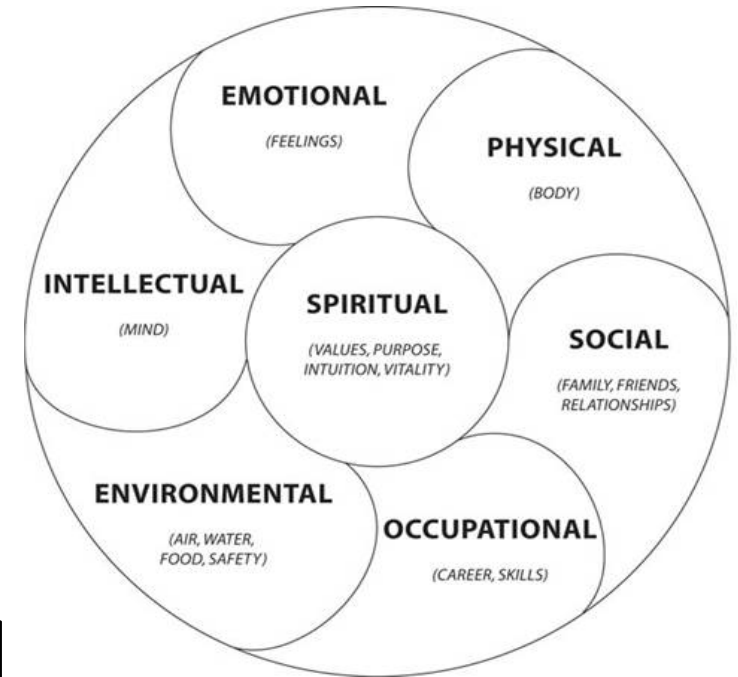
Emotional

Career

Intellectual

Environmental

Spiritual



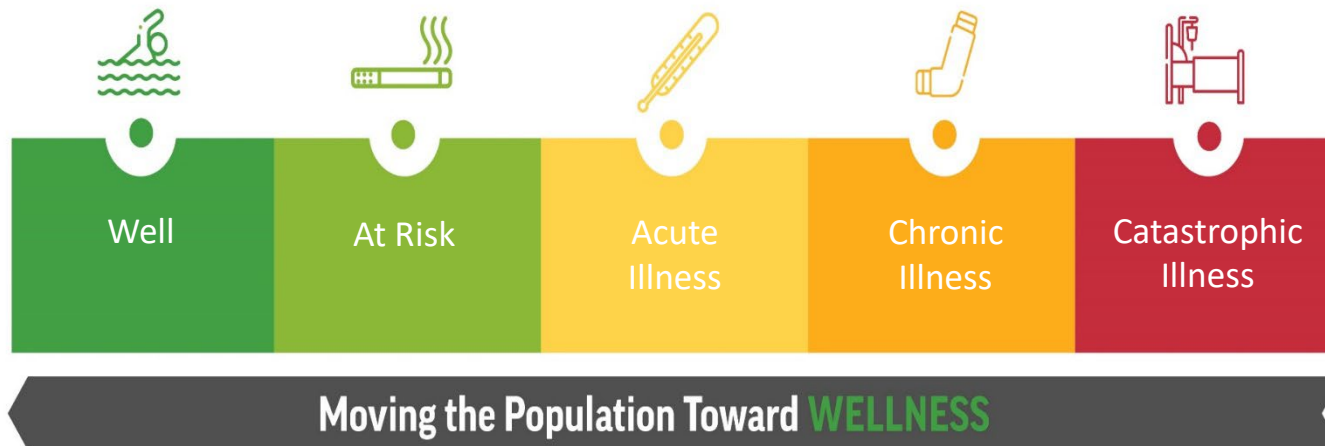
Source: <http://www.undstudenthealth.com>

Swenson, John A., M.D.

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An Important Focus on Mental Health

- Keeping healthy people well = Resiliency
- Move people to lower risk categories = Stress
- Access to care & social support for acute illness = Struggling
- Managing chronic conditions to mitigate potential complications = Treated
- Provide care management for those with complex issues = In Crisis



Thriving "I got this."	Surviving "Something isn't right."	Struggling "I can't keep this up."	In Crisis "I can't survive this."
<p>← ○ ——— ○ ——— ○ ——— ○ →</p> <p>Calm and steady with minor mood fluctuations</p> <p>Able to take things in stride</p> <p>Consistent performance</p> <p>Able to take feedback and to adjust to changes of plans</p> <p>Able to focus</p> <p>Able to communicate effectively</p> <p>Normal sleep patterns and appetite</p>	<p>Nervousness, sadness, increased mood fluctuations</p> <p>Inconsistent performance</p> <p>More easily overwhelmed or irritated</p> <p>Increased need for control and difficulty adjusting to changes</p> <p>Trouble sleeping or eating</p> <p>Activities and relationships you used to enjoy seem less interesting or even stressful</p> <p>Muscle tension, low energy, headaches</p>	<p>Persistent fear, panic, anxiety, anger, pervasive sadness, hopelessness</p> <p>Exhaustion</p> <p>Poor performance and difficulty making decisions or concentrating</p> <p>Avoiding interaction with coworkers, family, and friends</p> <p>Fatigue, aches and pains</p> <p>Restless, disturbed sleep</p> <p>Self-medicating with substances, food, or other numbing activities</p>	<p>Disabling distress and loss of function</p> <p>Panic attacks</p> <p>Nightmares or flashbacks</p> <p>Unable to fall or stay asleep</p> <p>Intrusive thoughts</p> <p>Thoughts of self-harm or suicide</p> <p>Easily enraged or aggressive</p> <p>Careless mistakes an inability to focus</p> <p>Feeling numb, lost, or out of control</p> <p>Withdrawal from relationships</p> <p>Dependence on substances, food, or other numbing activities to cope</p>

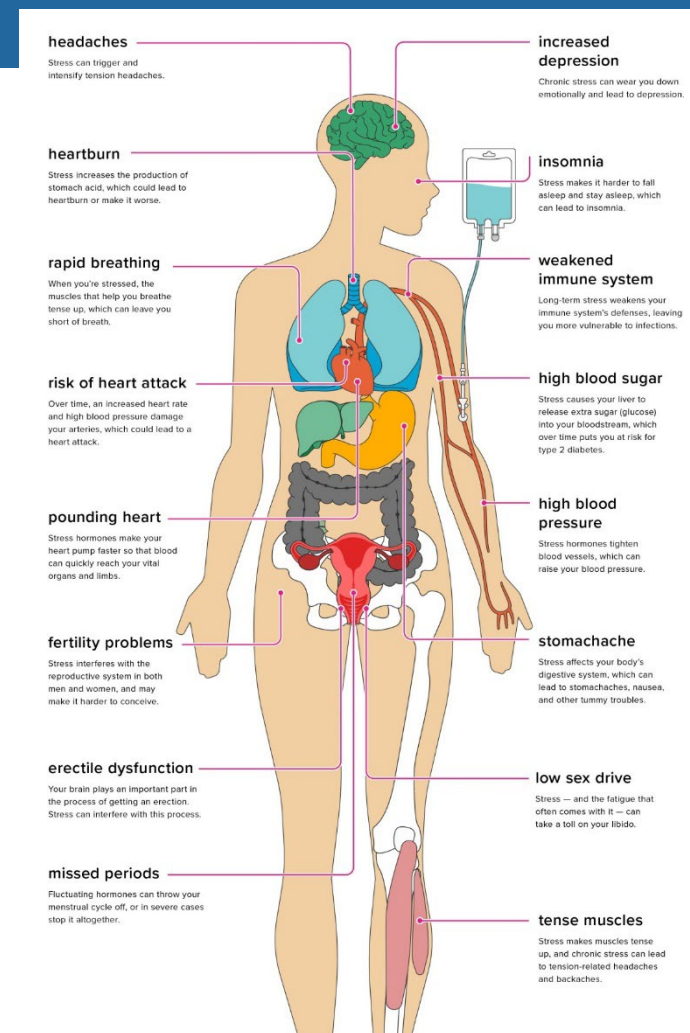
Adapted from: Watson, P., Gist, R., Taylor, V., Evlander, E., Leto, F., Martin, R., Vaught, D., Nash, W.P., Westphal, R., & Litz, B. (2013). Stress First Aid for Firefighters and Emergency Services Personnel. National Fallen Firefighters Foundation.

The Physical Impact of Stress & Mental Illness

No Separation Between the Mind & the Body

- Raises blood pressure
- Raises blood sugar
- Reduces immunity
- Reduces cognition
- Interferes with memory
- Promotes addictions
- Diminishes one's income
- Disrupts families and marriages

- **Headaches**
- Heartburn
- **Heart Attacks**
- Infertility
- Stomachaches
- **Depression**
- **Anxiety**
- Insomnia



Today's Topics Are Across the Continuum

Supporting People Where They Are



Well



At Risk



Acute Illness



Chronic Illness



Catastrophic Illness

Legislative Policies & Transparency

Advanced Primary Care

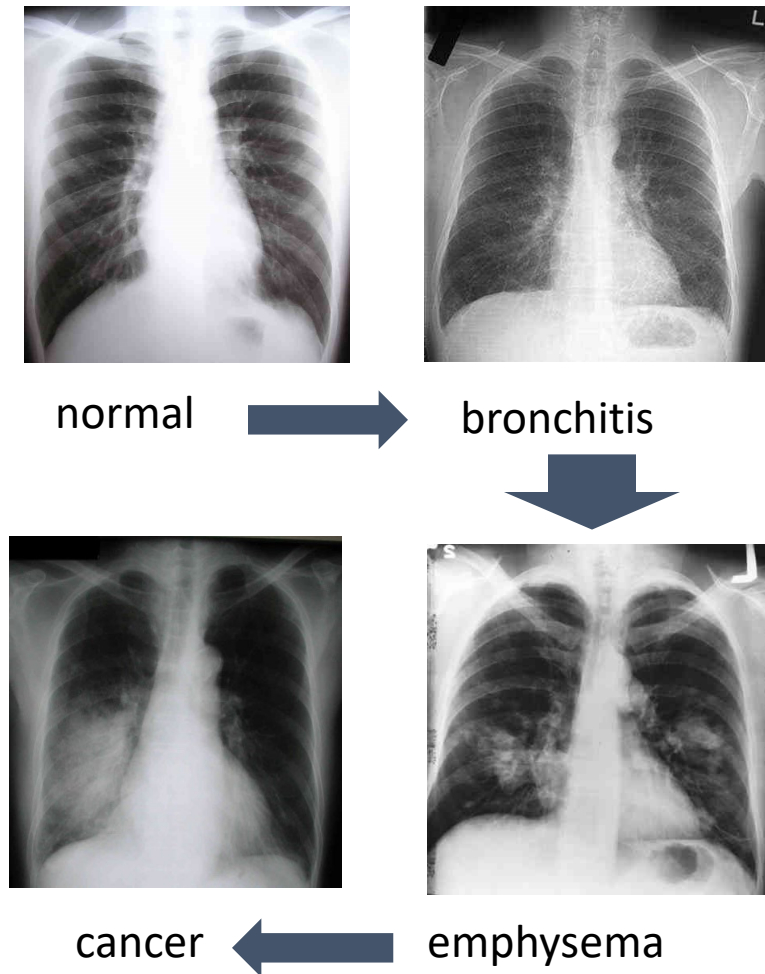
Cancer Care

Condition Management / Complex Case Management

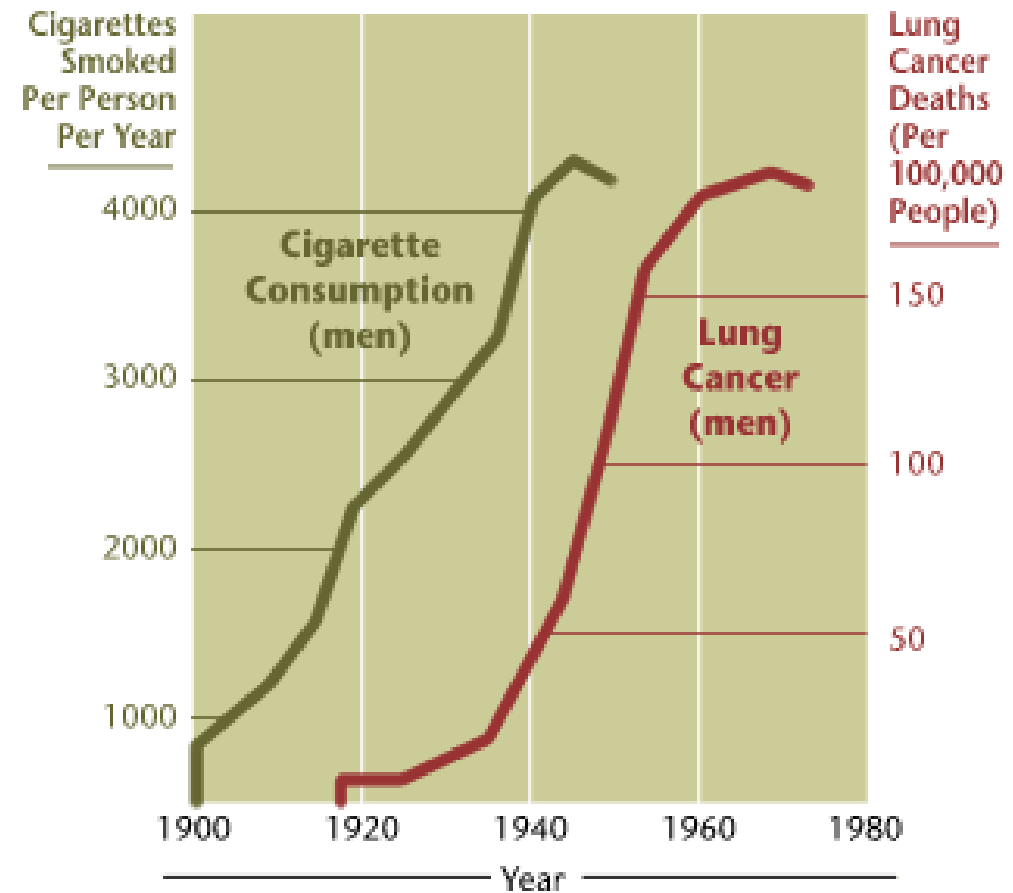
Organizational Culture

Pharmacy Management

INSIDIOUS PROGRESSION OF DISEASE: SMOKING & ACUTE ILLNESS LEADS TO CHRONIC & CATASTROPHIC ILLNESS



20-Year Lag Time Between Smoking and Lung Cancer



Culture Eats Strategy For Breakfast

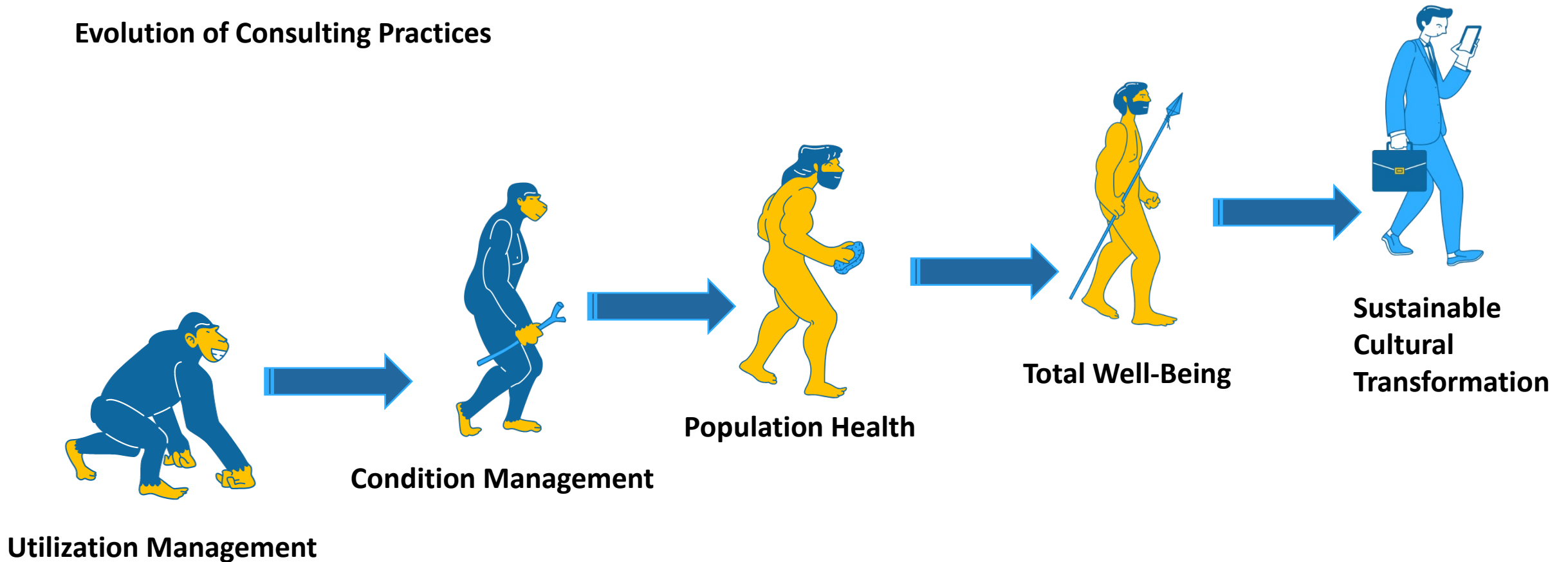
Best Practice Requires a Critical Mass of Programs

- **Legislative policy** / community health / social determinants of health
- **Transparency** can produce better competition & better shoppers – active consumers
- **Advanced primary care** can reduce demand and improve results through coordination
- **Condition management, complex case management and cancer care** can produce rapid returns
- **Pharmacy management** can reduce unit costs and future demand through medication adherence and MTM
- **Organizational culture** can make the healthy choice the easy choice and create a sustainable reduction in the need or demand for healthcare treatments and services



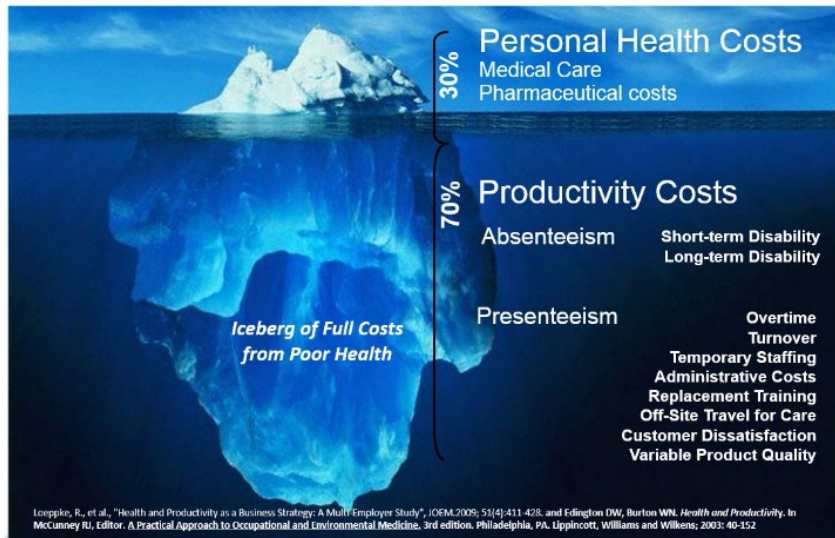
The Pathway to Sustainable Healthcare Cost Control

Evolution of Consulting Practices

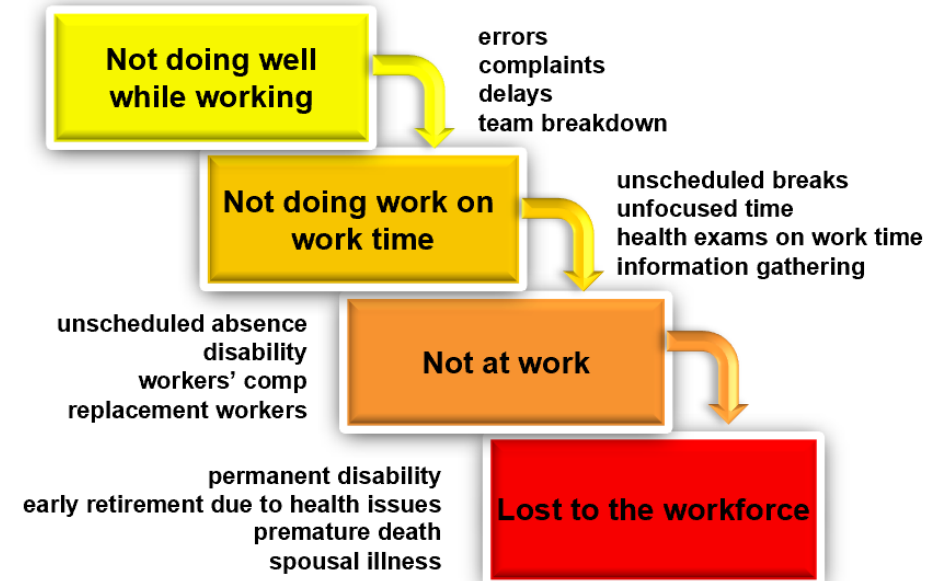


Impact of Health & Wellbeing

Continuum Of Employee Performance Outcomes due to Poor Health & Wellbeing



**For Every Dollar Spent on Health Care
There Are \$2-3 Lost in Productivity**



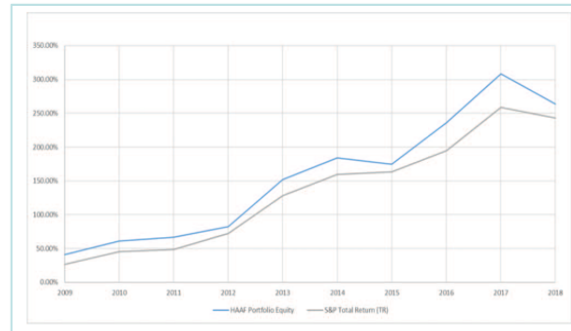
HR Mission = A Workforce with the Skill, the Will and is Not Ill

Benchmark Culture of Health Companies Outperform on the Stock Market



Companies That Promote a Culture of Health Safety and Wellbeing Outperform in the Marketplace

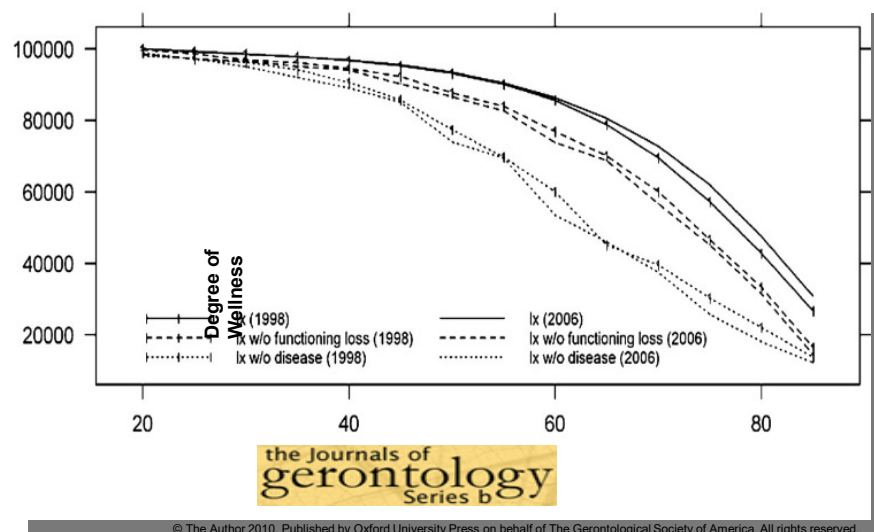
Objective: The objective of this research is to test the hypothesis that companies distinguished by their commitment to their workforce's health, safety, and well-being outperform in the marketplace. **Methods:** To test this, we analyzed the real-world stock market performance of an investment fund of publicly traded companies selected on evidence demonstrating their pursuit of a culture of health, safety, and well-being. **Results:** This fund outperformed the market by 2% per year, with a weighted return on equity of 264% compared with the S&P 500 return of 243% over a 10-year period. **Conclusions:** Employers, fund managers, and fund investors would be well served by including strategies that assess a company's commitment to the health, safety, and well-being of their workforce when evaluating investments in their enterprise and portfolios.



Culture of Health Portfolio outperformed the stock market by 20% over ten years

A Portfolio of companies that distinguish themselves by building cultures of health, safety and wellbeing appreciated 20% better than the S&P 500 during a ten year span 2009 - 2018

THE ULTIMATE GIFT OF HEALTH: *Compression Of Morbidity*



Crimmins E M , Beltrán-Sánchez H J Gerontol B Psychol Sci Soc Sci 2011;66B:75-86



***The Goal Should Be Sudden
Death in Overtime***

**The longer you stay healthy and vital,
the shorter your period of morbidity before life ends.**