4 Ways to Help Employees Save on Healthcare

Here’s what we’ve found: amongst small employers, there are two camps. One camp doesn’t provide health insurance and employees buy expensive plans on their own – or take the risk and go without – and ask when the employer will offer insurance. The other camp provides health insurance and employees are consistently frustrated with less coverage, skyrocketing premiums and out-of-pocket costs.

This dilemma falls under the category of “you’re damned if you do and damned if you don’t.” Either way, you have a recruiting and retention issue on your hands.

Since 2000, healthcare spending has increased 179% from $1.4 to $3.5 trillion. In 2018, average employee spending was $12,378 per year in premiums and out-of-pocket costs for a family of four. You probably aren’t able to increase pay to fund that.

Whether you provide health insurance for your employees or not, the stats above impact how employees experience healthcare, so we’re offering up 4 money-saving tips you can apply now and into the future…

1. Help them stay healthy

Says easy, does hard, right? Yes, but it’s SO true and it’s the #1 way to keep healthcare costs down! It is well-documented that obesity and lack of physical activity are the two biggest health risk factors in America today. And there are as many stats out there as calories in a Big Mac, but here’s one stat that sums it up pretty nicely: obese people spend almost $1,500 more each year on health care which is about 41% more than an average-weight person. So, to recap: weight down + activity up = costs down.

What does that have to do with you as an employer? Considering your employees spend 36% of their waking hours with YOU, there are many ways you can promote good health:

• Healthy food options in the break room – or when you provide meals
• Offer an exercise program before or after work
• Provide a lunch and learn focused on how to eat healthy
• Give them a Doctors Online service that provides email access to dieters, nutritionists, fitness trainers and physicians. It’s amazing the advice you can get from a back and forth email conversation with an expert rather than a Google search!

REAL LIFE STORY: “The Doctors Online service lets me email a specialist on any topic. Just in the past month I have asked the eDietician about the Paleo diet. I have talked with the ePsych about trouble sleeping. I asked the eDoc for advice on a bug bite on my leg, and even sent a photo to help his diagnosis. I got answers from a reliable source and didn't have to do my own research online.” Kendall from Texas

2. Help them access low-cost, high-quality care

One of the reasons Americans are bad healthcare consumers is because we never know how much something is going to cost until AFTER it’s done. Like anything, there are widely varying costs depending on where you buy. Consider popcorn: $6 for a bag at the theatre, $3 at a convenience store, $.50 for a name brand and $.20 for a store brand at the grocery store. It’s 30 times more expensive to buy theatre popcorn than a grocery store brand.

Here’s a medical example: there are different ways to visit with a doctor for common maladies – below are typical costs from lowest to highest…

<table>
<thead>
<tr>
<th>Cost</th>
<th>Service Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10-$12/month</td>
<td>Telehealth consultation</td>
</tr>
<tr>
<td>$100</td>
<td>Visit with a local doctor</td>
</tr>
<tr>
<td>$165</td>
<td>Urgent Care Center</td>
</tr>
<tr>
<td>$1,200</td>
<td>Emergency Room visit</td>
</tr>
</tbody>
</table>
Growing out-of-pocket costs and reduced access to care drive billions of impersonal online searches that often end with a “...it could be cancer” statement. We’ve all Googled some symptom and wished we hadn’t! In the end, this drives people to unnecessary (and expensive) doctor visits. As an employer, you can provide no-cost access to personal doctor visits via phone, video and email – for a few dollars a month.

A **Telehealth** service enables your employees to **talk** to a U.S.-based, board-certified doctor 24/7 by phone or online video to get a diagnosis, treatment options and prescription, if medically necessary. This includes medical issues like colds, flu, bronchitis, sinus/ear infections, UTIs, pink eye, rashes, etc. Your employees can save time and money by avoiding crowded waiting rooms. A Doctors Online service is the email version of Telehealth. It’s ideal for guidance on medical questions, second opinions, and triage on specialist issues. Employees can even upload test results and pictures for a more personalized and accurate interaction.

**REAL LIFE STORY:** “It was flu season and our son came down with symptoms we figured were probably the flu. It was about 5 PM and our family doctor wouldn’t be able to get him in for a day or two. I called an urgent care center and it was a 7 hour wait…not only would my son have been miserable, but they told us that even if we waited, he wouldn’t get a prescription until the next morning. I used my Telehealth service and within an hour and a half, he’d had the first dose of medicine and was already feeling better.”

### 3. Help them navigate “the system”

As Americans, we know HOW to be smart consumers, but we don’t apply our normal buying rules to healthcare. And why should we when there are so many reasons not to? First, it’s a complicated system that’s hard for even “insiders” to understand. Second, pricing is shrouded in secrecy. If you don’t believe me, try calling a provider to get costs before a procedure. Finally, the end user (that’s us) isn’t paying for the service - instead “insurance is paying for it,” so why do I need to worry about the costs?

But now insurance isn’t “paying for it” because less is covered, yet your employees are still left to handle the expense and the complexity. For a few dollars a month, you can provide each employee with a personal health Advocate. This is a trained professional who helps navigate the healthcare and insurance system. Whether your employees have insurance or not, an Advocate can step in to help them get the best bang for their buck.

It’s similar to other advisors we have in life: a financial planner who helps with investments or a contractor who advises on our remodel needs. An Advocate is there to help find lower cost options, find quality providers, review medical bills for accuracy, negotiate medical bills on their behalf, help with insurance coverage questions, schedule major procedures, find lower cost prescription options, and more.

**REAL LIFE STORY:** “I’ve been working with the Advocacy service to get my insurance company to move a large charge from the out-of-network amount to the correct in-network fee. After 7 months, I received a $3,583 check yesterday. The amount of time I had to invest was limited after I supplied the access and information the Advocate needed. She communicated and kept me informed on the status throughout - although it took 7 months, she was successful with limited effort on my part.”

### 4. Help them save on other healthcare expenses

These days, medical plans aren’t covering **prescriptions** like they used to, so employees are left to pay more out-of-pocket. And with the cost of medical plans increasing, there are less funds available for **dental, vision**, chiropractic – and other healthcare needs.

But, you can provide a suite of **savings networks** to lower costs for other healthcare needs…

- A. that are expensive and only partially covered by insurance
- B. that aren’t covered by insurance
- C. when employees don’t have insurance at all

These programs are independent from insurance and most times, the insurance price will be less expensive, but sometimes a savings network might deliver a cheaper price. Whether you have insurance or not, it’s always good to check.
REAL LIFE STORY: “My son was sick and needed a couple of prescriptions. I looked them up and found I could save over $70 on one of the prescriptions just by driving 5 minutes away to a local grocery store. A difference in price of $24 and $93…I was so thankful I could quickly use the app to research what my options were in my area.”

The competition for talent is heating up and looks to remain that way going forward. As an employer, you have to stand out against the competition – not only to compete for top talent, but to keep your valued employees.

If you’re in the camp of employers who provide health insurance, these services can balance growing out-of-pocket costs for your employees. If you’re in the camp of employers who don’t provide health insurance, these services are a great way to avoid having to tell prospective employees, “We don’t provide any benefits.” Instead, investigate the value you can provide for 7 cents per hour and be an “employer of choice.”

David K. Young Consulting and National Pest Management Association continually search for ways to bring large employer resources to small businesses. Reach out to our partners at David K. Young Consulting about how you can provide a set of these services for less than the cost of a monthly lunch for your employees.