

Pulse of the Purchaser Survey

Healthcare Strategy & Beyond

September 2020 Results

Pulse of the Purchaser Overview

The National Alliance of Healthcare Purchaser Coalitions (National Alliance) conducted a survey of employers and other private purchaser of healthcare with its members to gain insights on benefit strategies and reform.

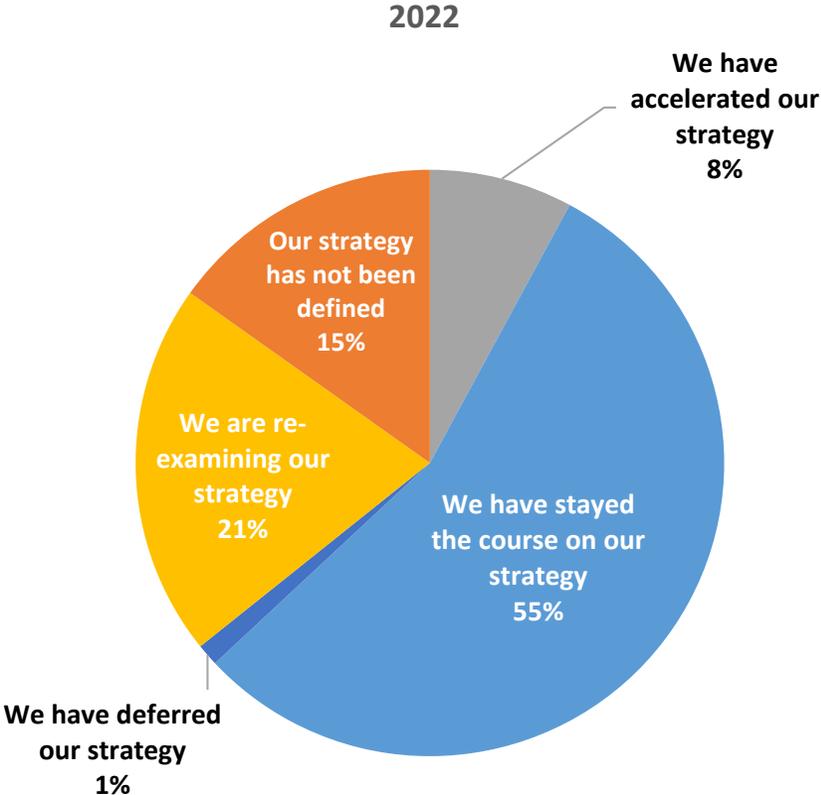
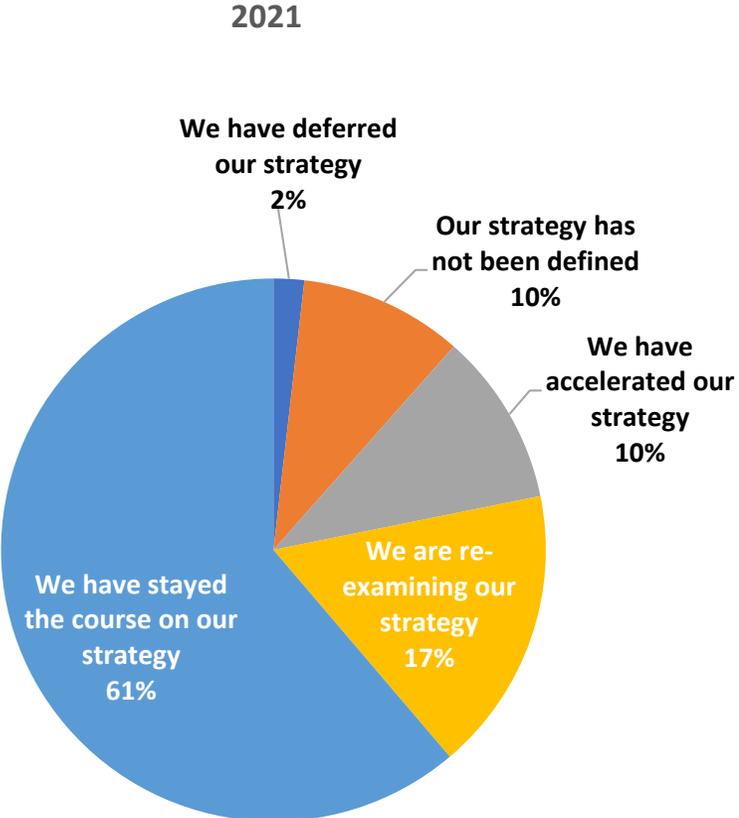
The online survey was conducted in August and September 2020 and reflects the responses of 165 employers from across the country.

Key findings:

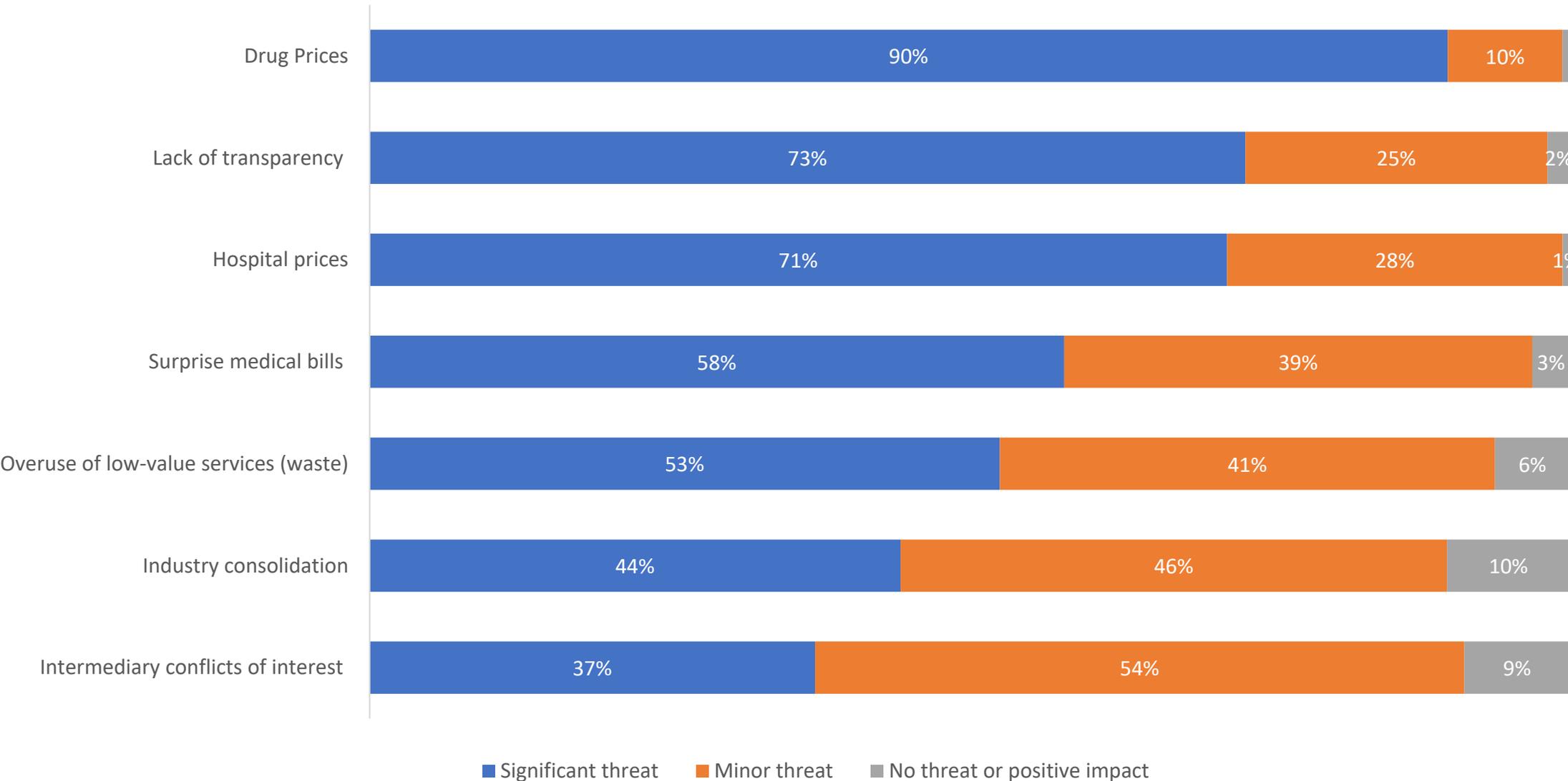
- Faced with record disruption in healthcare services and the economic downturn, employers are staying the course or accelerating (71% for 2021 and 63% for 2022) their health benefit strategies.
- Employers are open to a myriad of potential reforms with the majority indicating drug price regulation (94%), hospital price transparency (90%), surprise billing regulation (81%) and hospital rate regulation (79%) to be very or somewhat helpful.
- Employers indicated a Medicare public option (50%) could be very or somewhat helpful, while 21% felt it could be very or somewhat harmful. When asked about Medicare for All, 46% of employers indicated that would be very or somewhat harmful.
- Caregiving benefits such as leave (30%) and protected time to support employee caregiving needs (28%) have tripled since the start of the COVID-19 pandemic.
- Drug prices (90%), lack of transparency (73%), hospital prices (71%), surprise medical bills (58%), and overuse of low-value services/waste (53%) are greatest threats to affordability of employer-provided health coverage for employees and their families.
- Reducing waste and inappropriate care (61%) and steerage within networks (47%) are top delivery and payment reform strategies. Strategies being considered over next two years: hospital quality transparency (44%), hospital pricing transparency (43%), regional centers of excellence (39%), and advanced primary care (36%).
- Most prevalent medical and pharmacy drug strategy employers are currently doing: medication therapy management (49%).
- Top health and wellbeing strategies currently being implemented: flexible work week (65%), total person health and wellbeing (63%), navigation and advocacy services (55%), and enhanced mental health support (49%).
- Related to race, health and equity, a majority of employers indicated current efforts to encourage community volunteerism (71%) and engagement in community improvement (70%), and 58% said they are currently doing anti-racism education and cultural competency training (52%).

Long-term Health Strategy

*Most employers have stayed the course or accelerated their strategies during COVID-19
1 in 5 is relooking at their strategy moving forward*



Threats to Affordability of Employer-provided Health Coverage (Overall)



Drug Strategy Considerations

	Currently doing	Considering in the next 24 months	Not considering in the next 24 months	Need more information
Medication therapy management	49%	18%	11%	22%
Pharmacy benefit drug transparency/pass through pricing	24%	31%	19%	26%
Pharmaceutical drug transparency/pass through pricing	21%	33%	19%	27%
Biosimilars promotion	19%	27%	23%	31%
Medical benefit drug transparency/pass through pricing	16%	33%	22%	29%
Drug reference-based pricing	15%	24%	33%	28%

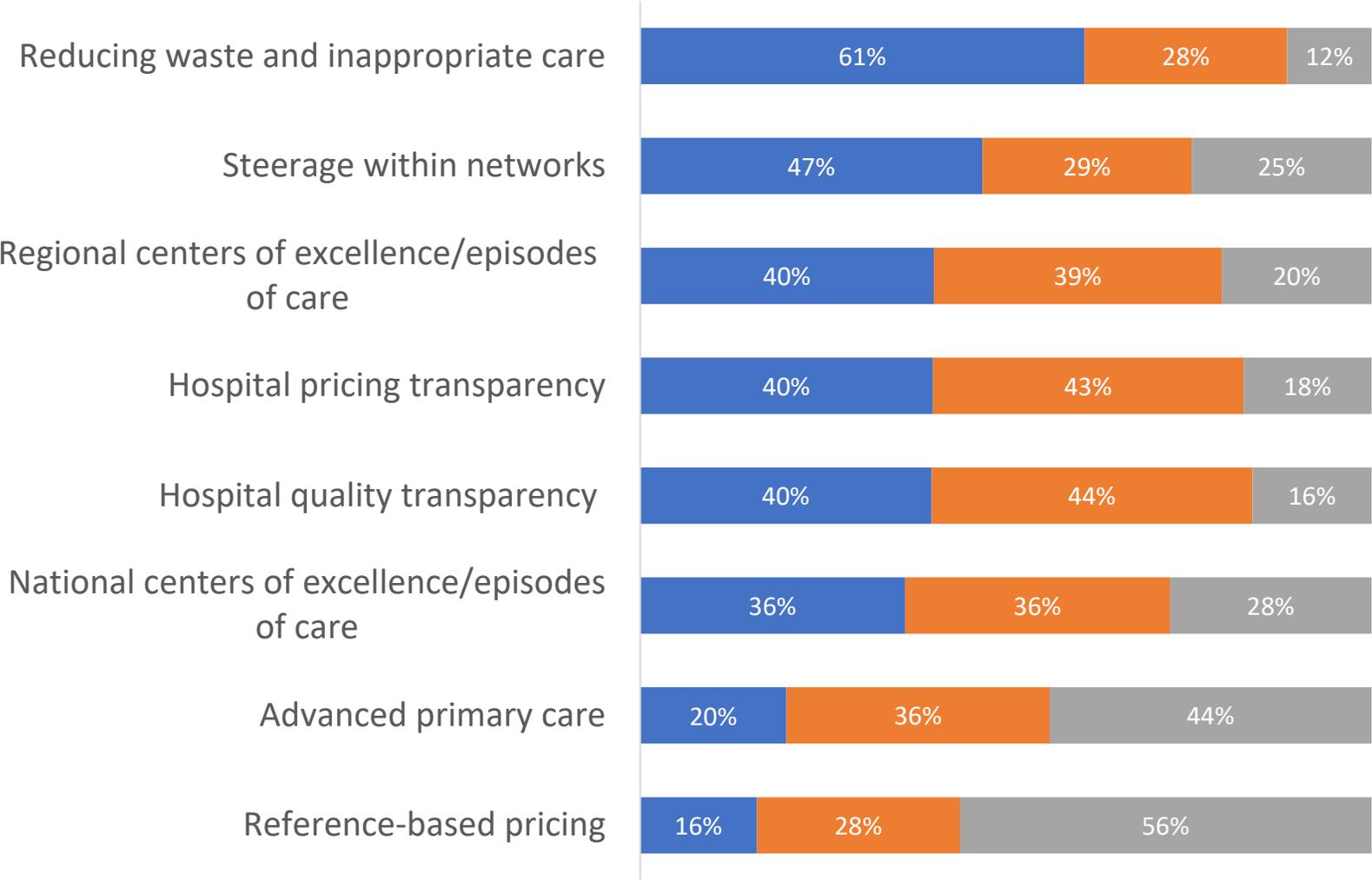
The most prevalent strategy is medication therapy management with almost half currently doing

Being considered in the next two years:

- Medical benefit drug transparency/pass through pricing (33%)*
- Pharmaceutical drug transparency/pass through pricing (33%)*
- Pharmacy benefit drug transparency/pass through pricing (31%)*
- Biosimilars promotion (27%)*
- Drug reference-based pricing (24%)*

Considerable amount of employers need more information to consider these strategies

Payment and Delivery Reform Strategies



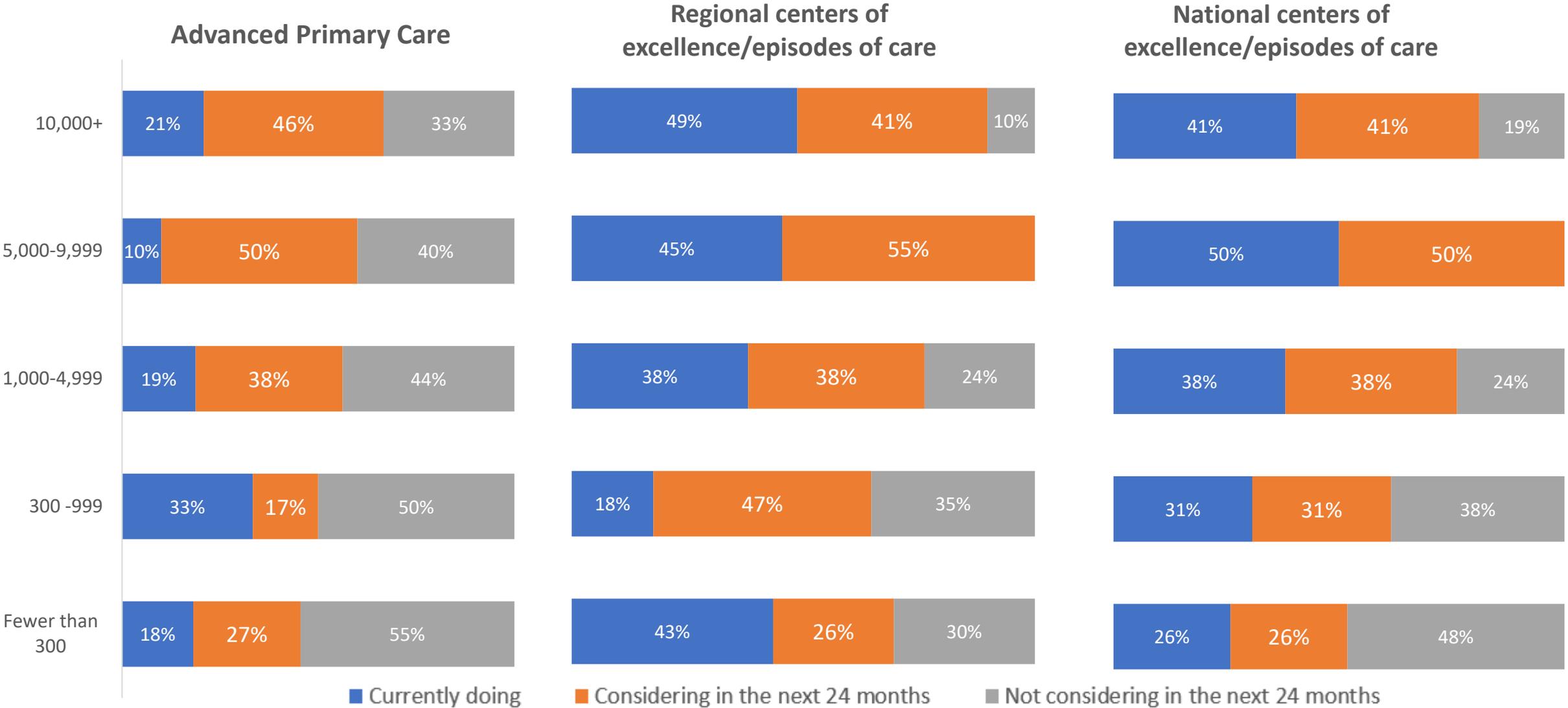
■ Currently doing ■ Considering in the next 24 months ■ Not considering in the next 24 months

6/10 believe they have a strategy for reducing waste and inappropriate care

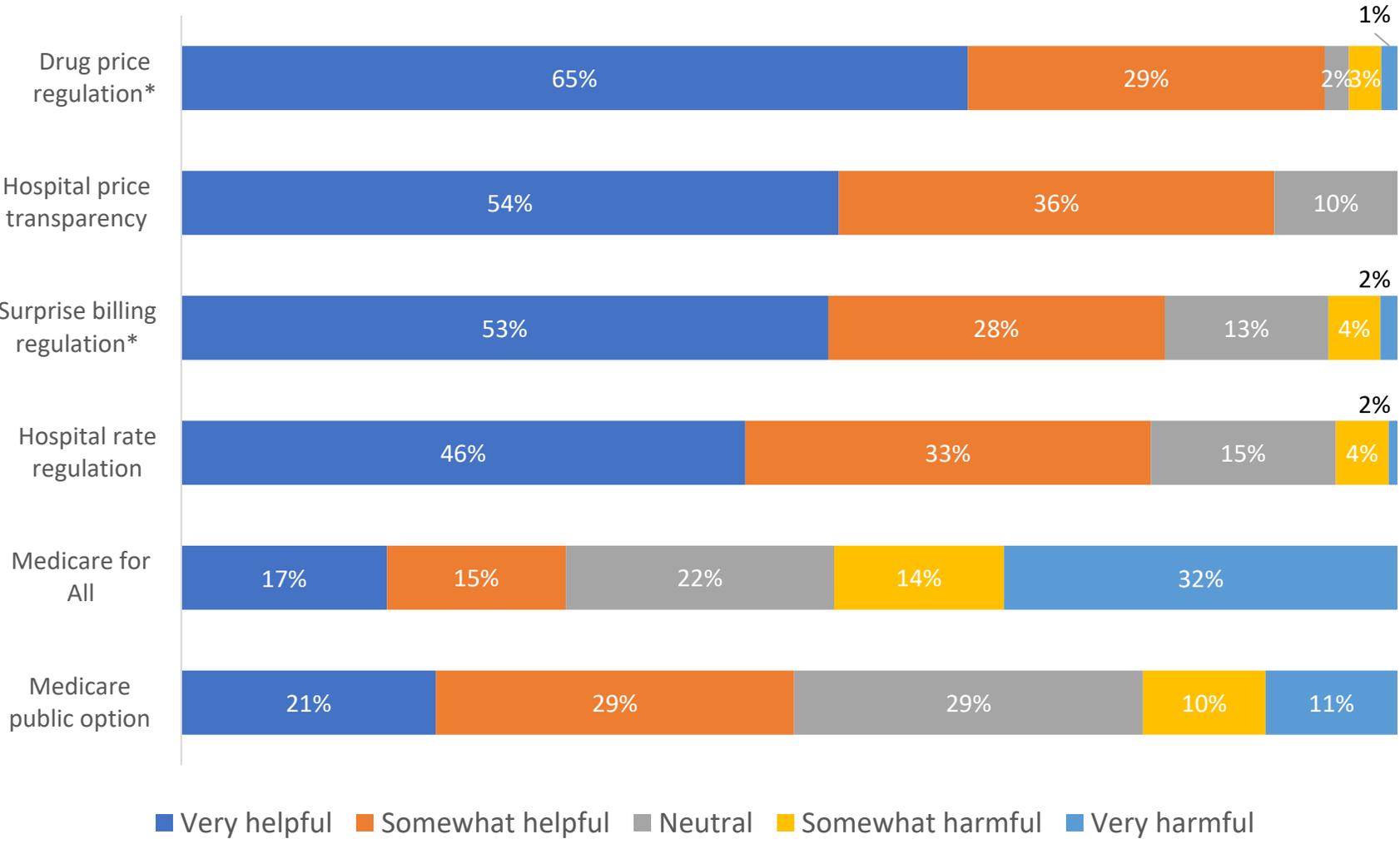
Leading strategies moving forward include:

- Focus on hospital pricing (43%) and quality transparency (44%)*
- Centers of excellence/episodes of care (average 38%)*
- Advanced primary care (36%)*

Payment and Delivery Reform Strategies (By size)



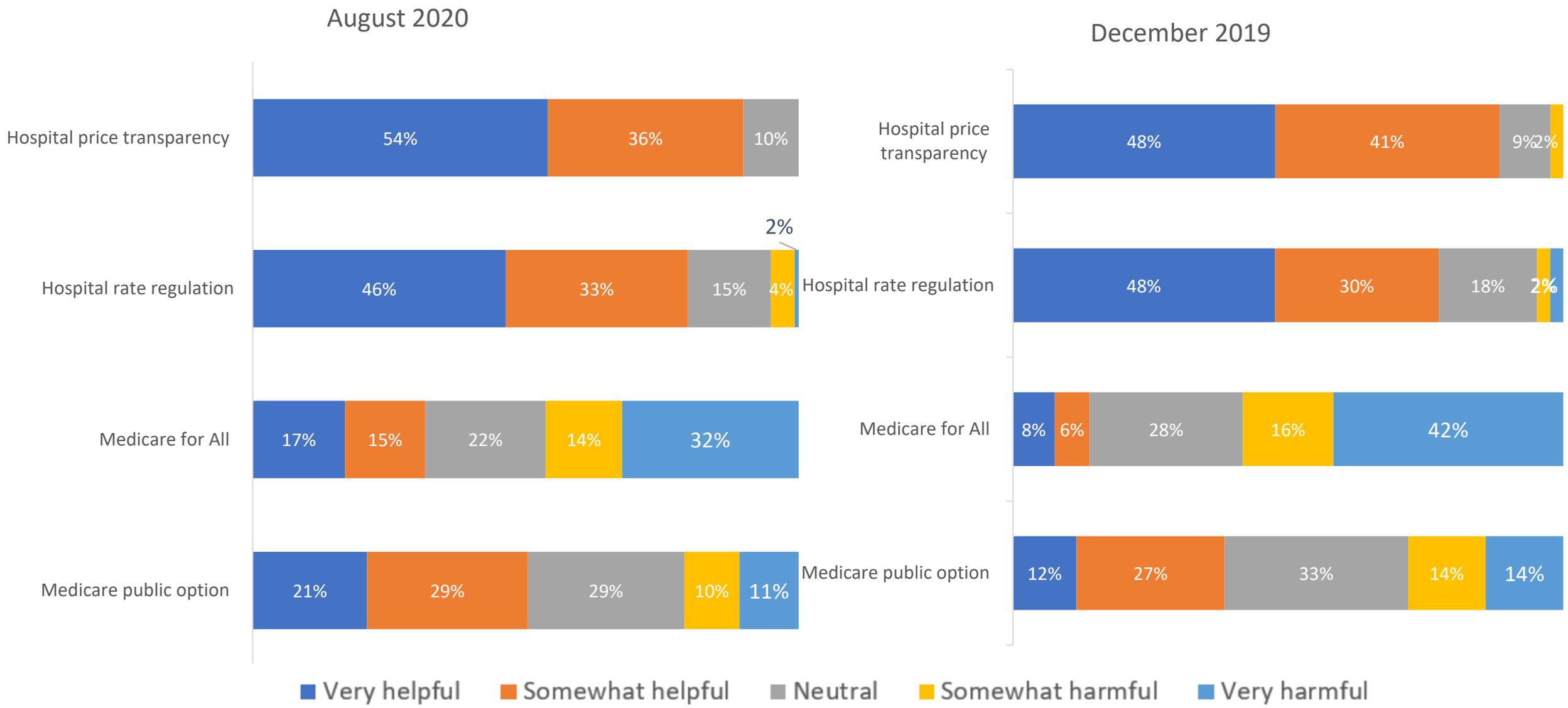
Impressions on Health Reform Policies (Overall)



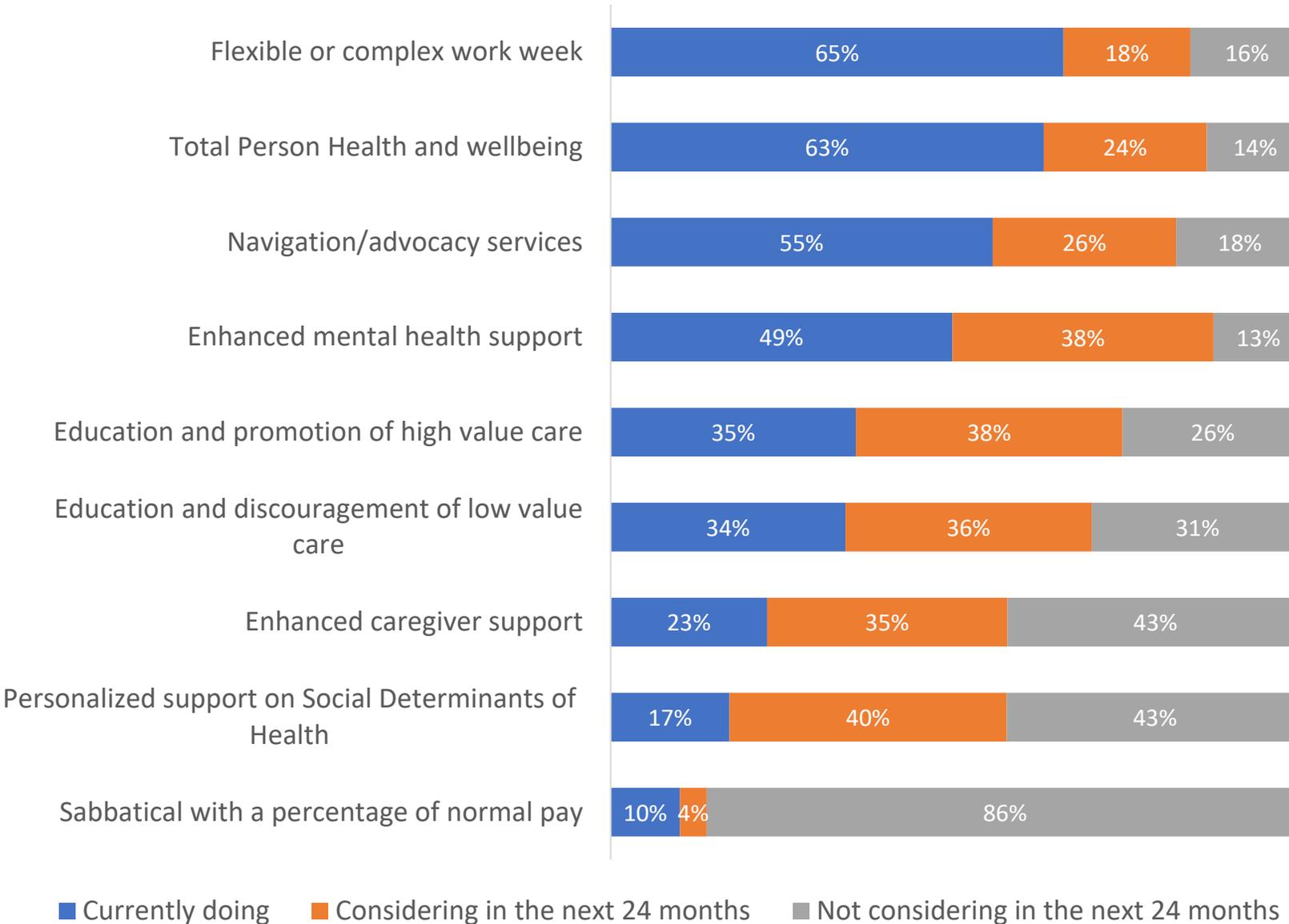
Employers appear to be open to a myriad of potential health reforms

*Additions to August 2020 Survey

Impressions of Health Reform Policies (August 2020 vs. December 2019)



Health & Wellbeing Strategies (Overall)



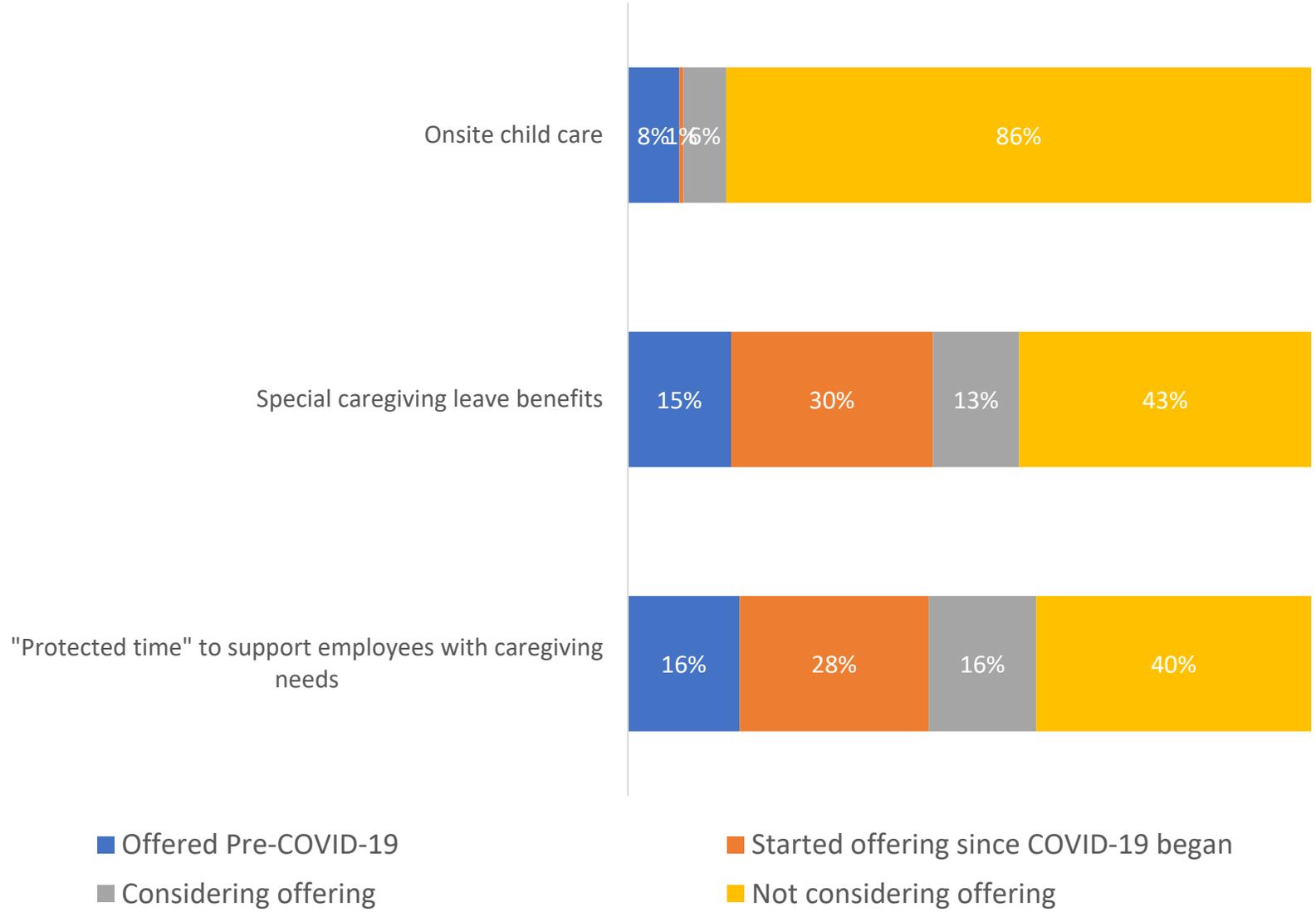
Most prevalent today:

- *Flexible or complex work week*
- *Total Person Health and Wellbeing*
- *Navigation/advocacy series*

Leading strategies moving forward include:

- *Personalized support on social determinants of health (40%)*
- *Enhanced mental health support (38%)*
- *Education and promotion of high value care (38%)*
- *Education and discouragement of low value care (38%)*
- *Enhanced caregiver support (35%)*

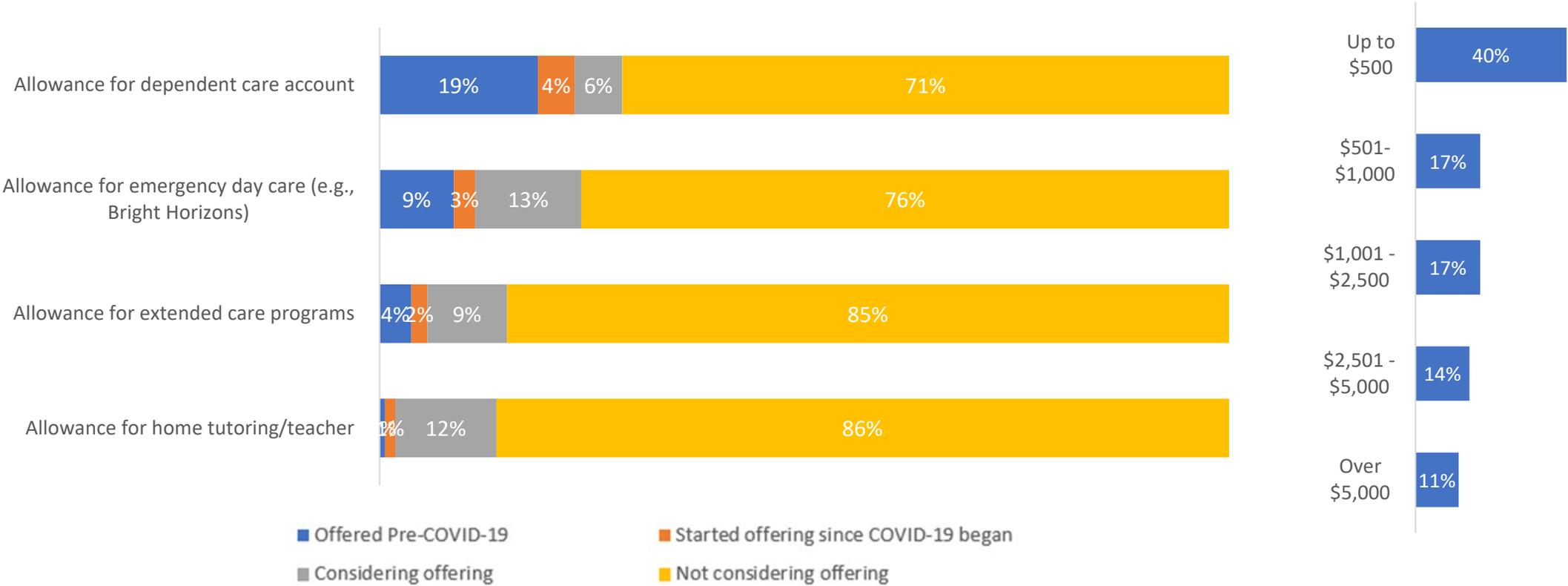
Caregiver Support



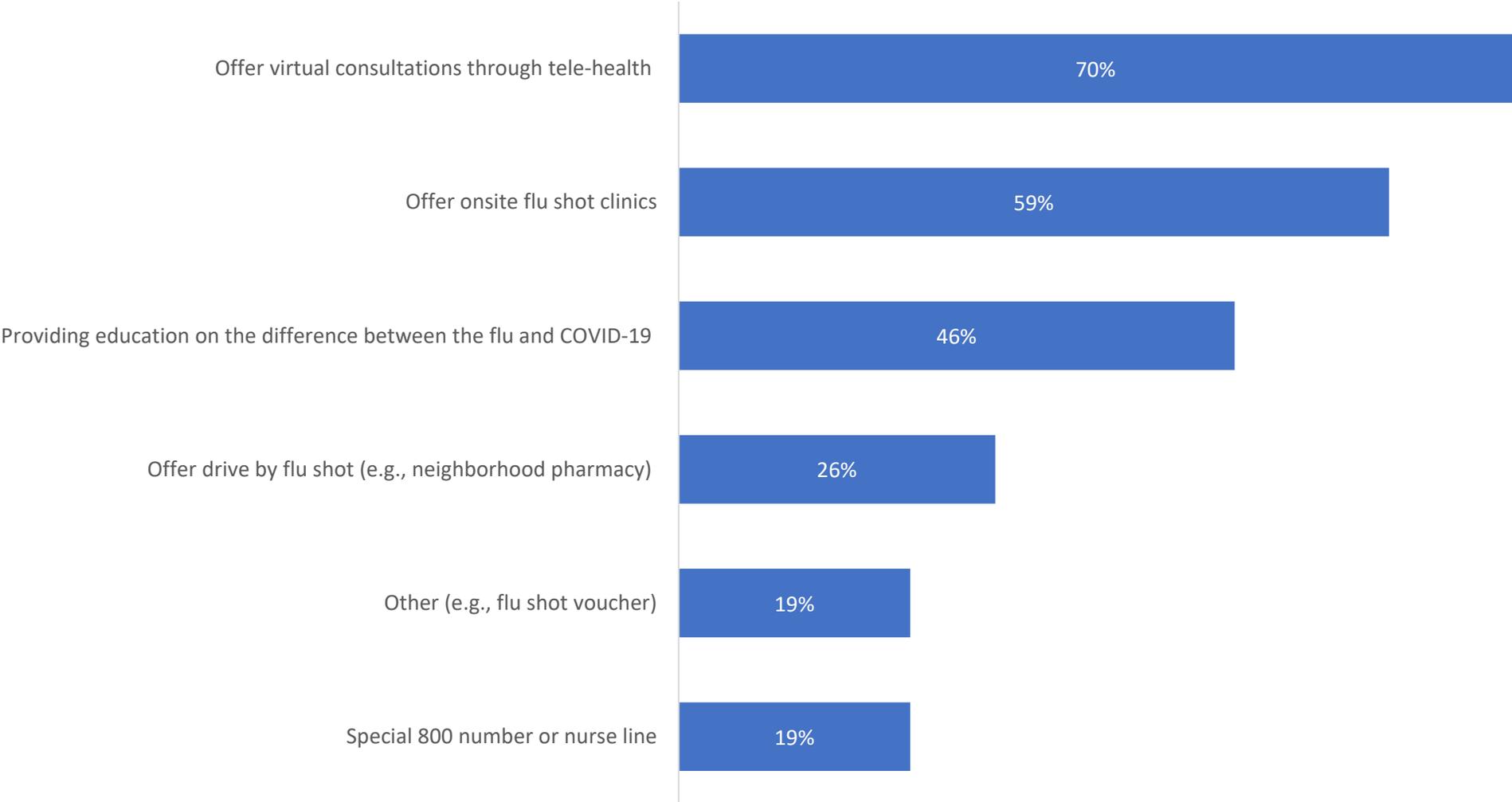
Special caregiving benefits have tripled since the COVID-19 outbreak and still more employers are considering

Employer Allowance Offers

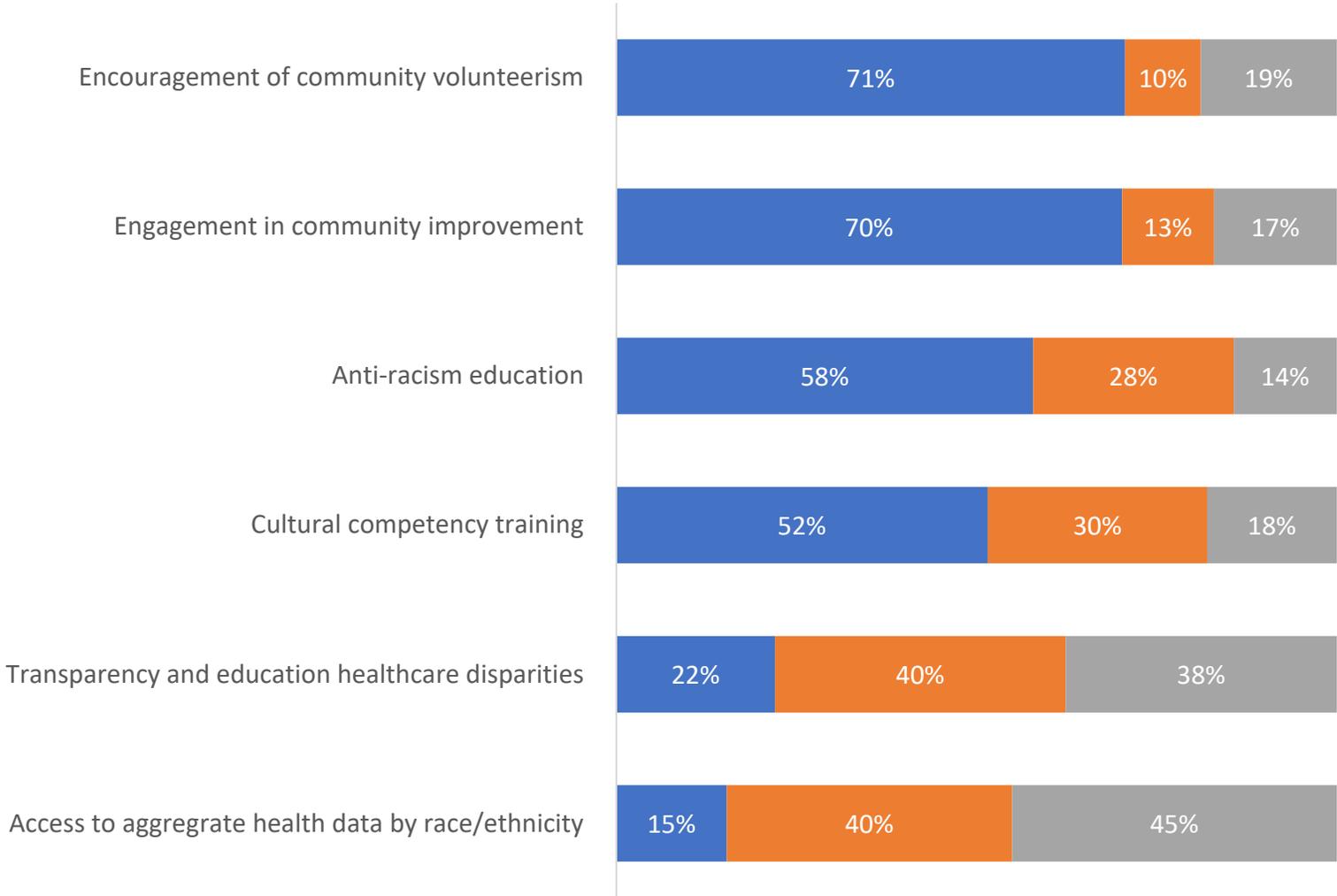
While not as common today, some employers are considering expanding allowances for dependent care accounts and emergency day care



Handling Flu Season During COVID-19



Race, Health & Equity Strategies



■ Currently doing ■ Considering in the next 24 months ■ Not considering in the next 24 months

Most prevalent today:

- *Encouragement of community volunteerism*
- *Engagement in community improvement*

Leading strategies being considered in the next two years include:

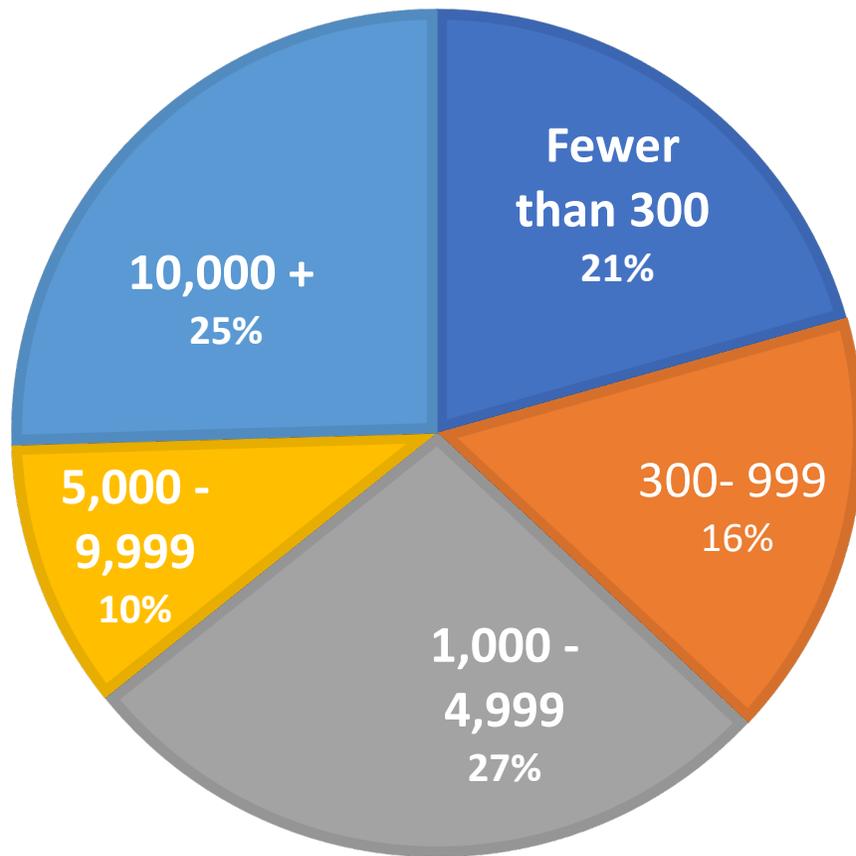
- *Access to aggregate health data by race/ethnicity (40%)*
- *Transparency and education healthcare disparities (40%)*
- *Cultural competency training (30%)*
- *Anti-racism education (28%)*

Employer Insights to Creating a more Sustainable System during COVID-19

- Taking care of our workforce, understanding their challenges, and adopting policies that will assist them to do their job and care for their families
- Greater access to in-network behavioral health services
- Education on:
 - Drugs - public or generic and biosimilar options, drug pricing, FDA approval
 - Ready access to reliable information to guide decisions
 - Building a coalition on care
- Transparency
- Effective access to testing and treatment for COVID-19, more widespread virtual visits, regulated balance billing
- Timely access to high quality mental health care and continuity of that care
- Expansion of telemedicine/ease of access (both in person & telehealth)
- Encourage motivation among employees to stay engaged in their wellbeing
- Increasing the competition of healthcare providers in the rural areas

Employer Demographics

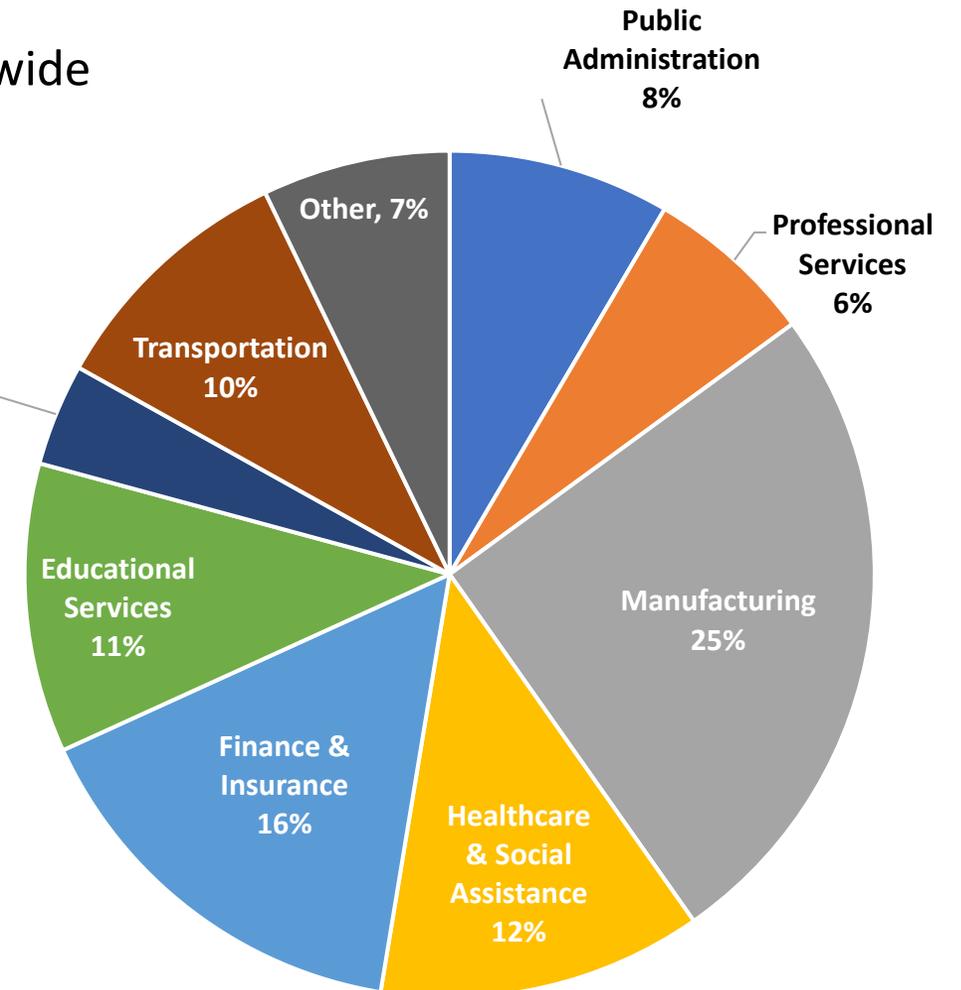
Total responses:
165 employers nationwide



By Size

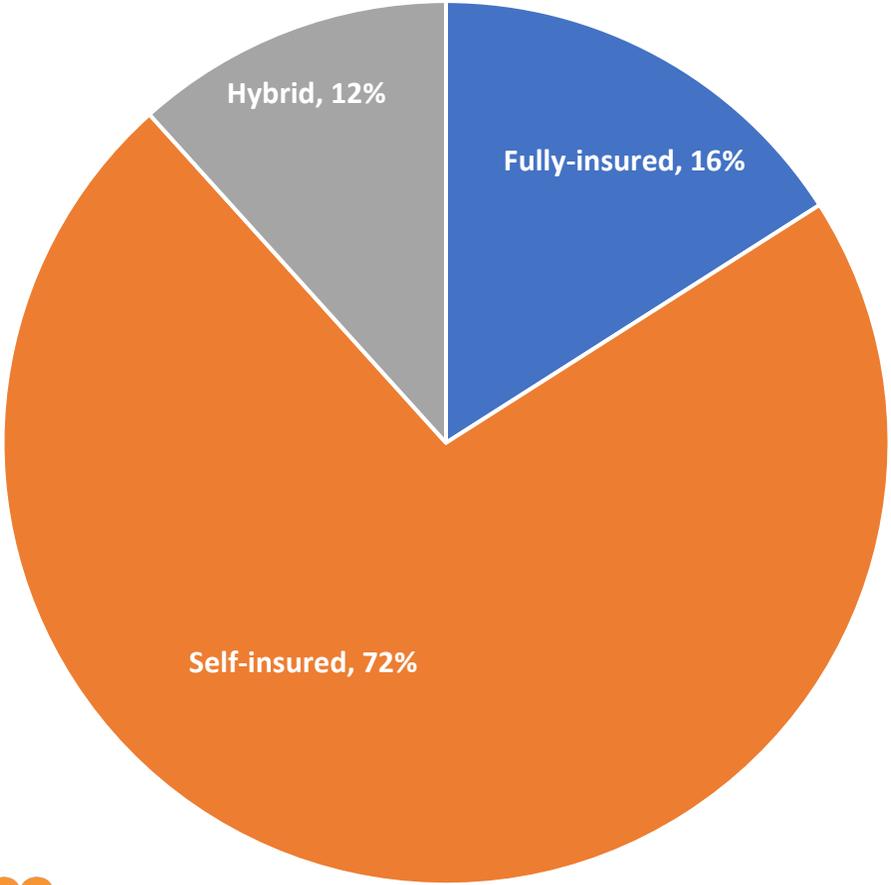
Conducted
8/20/20-9/4/20

Retail/Wholesale
Trade 4%



By Industry

Type of Insurance Structure



About the National Alliance of Healthcare Purchaser Coalitions

The National Alliance of Healthcare Purchaser Coalitions (National Alliance) is the only nonprofit, purchaser-led organization with a national and regional structure dedicated to driving health and healthcare value across the country. Its members represent private and public sector, nonprofit, and Taft-Hartley organizations, and more than 45 million Americans, spending \$300 billion annually on healthcare.

To learn more, visit nationalalliancehealth.org, connect with us on [Twitter](#) and [LinkedIn](#).

