Health Care

The New Direction

2007

The New Direction

- Create a "Culture of Health"
  - Approach the health care cost crisis with a balanced approach
    - Employee education on how to use health care wisely
    - Incentives for employees to use health care wisely
    - Incentives for employers to encourage the wise use of health care
    - Healthier employees will help reduce the cost of health care

The New Direction

- Recognize the faults of the current system
  - Created an atmosphere that health care is a free commodity
  - No incentive for an employee to use their health care wisely
  - No incentive for an employer to encourage lower use of health care
  - Does not create a “Culture of Health”

The MESSA Model

- Create a benefit plan that pays for virtually all medical expenses
- Create tremendous employee loyalty because of the high benefit level
- Create a vicious cycle that will ultimately harm the very employees it was created to benefit
  - Insurance plans are so expensive that the school can not afford to pay the premium

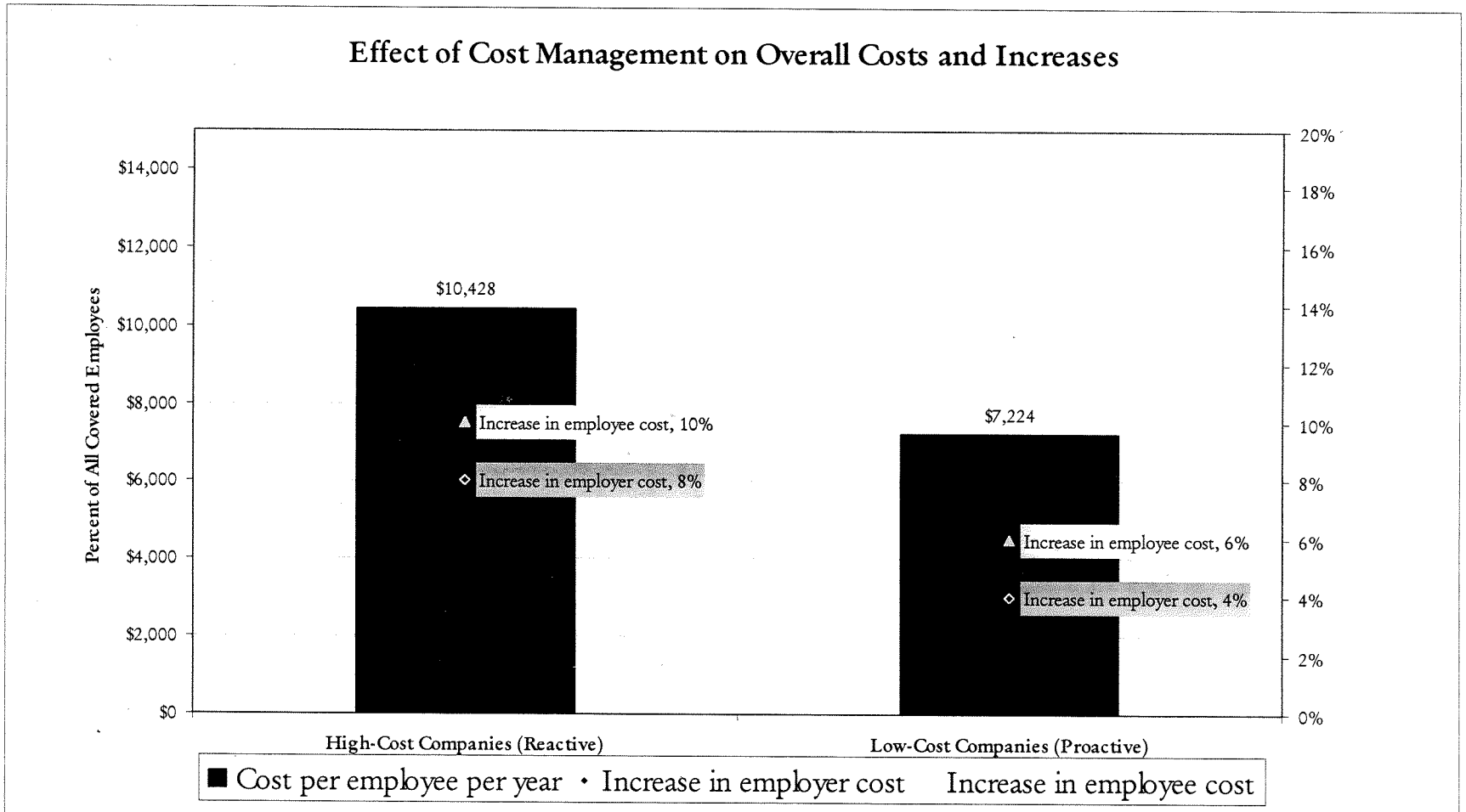
Pro-Active Model

- The school will create a “Culture of Health” at our school to promote healthy lifestyles
- The school will design our benefit plans to create more individual accountability in the purchasing of health care
- The school will be more accountable by having our rates determined by the usage of benefits at our school

Pro-Active Model

- The school will develop a five year plan to try and do something about this major problem
- The school will become the policyholder of the health insurance per PA 112 to address this problem
- Goal of the plan is to emphasize wellness, wise use, and accountability for the school and all employees

Pro-Active Model
Does it work?



Source: Towers Perrin September 26, 2006 Press Release
(http://www.towersperrin.com/tp/jsp/masterbrand_webcache_html.jsp?webc=HR_Services/United_States/Press_Releases/2006/20060926/2006_09_26.htm&selected=press)

Working Together

- Employees-Health lifestyles
- Employer- Promoting “Culture of Health”
- Benefit Design-Promoting wise use of benefits
- Insurance carrier-Providing the tools to make the system work as efficiently as possible

Summary

- The journey in this New Direction will be difficult and require the school embrace new ideas that will
  - Help all employees by encouraging healthier lifestyles
  - Educate employees to be better health care consumers
  - Create health care costs that are manageable