



**INSIGHTS BRIEF**

Reporting: Five Things  
Employers Want From  
Health Plans

**TRUVEN**<sup>®</sup>  
HEALTH ANALYTICS™

# Reporting: Five Things Employers Want From Health Plans

## Introduction

Rising costs, increasing competition, and the unknowns of healthcare reform have put pressure on health plans to provide reliable information to their employer customers. Meanwhile, the unrelenting escalation in healthcare costs; pressure to address fraud, waste, abuse, and overpayments; a fundamental shift toward population health; and the growing awareness of Big Data in healthcare have employer executives demanding better value for their money and a faster return on investment from health plan partners and the benefits they manage.

To attract and retain business, health plans must quickly develop strategies to enhance information transparency with employers. And one of the best ways to demonstrate the value of your services is by combining financial and clinical data from multiple sources to furnish accurate and timely reports to your employer customers.

The first step in creating a winning reporting solution is to understand what employers want and need from health plan reporting. Truven Health Analytics™ currently partners with many of the nation's largest employers — including 25 percent of *Fortune* 500® companies and more than a dozen state governments — to identify opportunities to improve the health of their workforce and their bottom line. Combine this with our experience supporting health plan reporting to 150+ large employers, and it's easy to understand how we've developed unique insights into the reporting needs and desires of employers. Our service model not only delivers insightful reports, but also provides answers and promotes meaningful dialogue with employers.

When it comes to what employers want and need from health plan reporting, we've learned that health plans must:

1. Acknowledge employers' different needs
2. Help them educate and inform their senior management team
3. Provide consistent, accurate, and timely reporting
4. Show them how to compare themselves to the outside world
5. Be consultative and creative

The demand is growing. Research shows that over the next two years, two-thirds of large employers plan to increase their use of data to demonstrate value.<sup>1</sup> But employers need more than just data; they need to tell a story. And your job as their health plan partner is to help them do that. This paper will give you some ideas on how to meet that goal.

## #1 Acknowledge Employers' Different Needs

Employers are varied and unique, and so are the contacts you deal with in each organization. So it's important to be prepared with a variety of approaches to help measure your plan performance.

<sup>1</sup> Benfield Research. Employer & Coalition Market Overview and Trends. Spring 2013. [www.benfield.com/insights/Insights101513.php](http://www.benfield.com/insights/Insights101513.php)



Some employers will appreciate interactive reporting options for managing their own reporting with account-specific, self-service analytics that they can modify on the fly. Others will be more comfortable with static reports, but will need help evaluating them and creating a narrative they can share with upper management. To satisfy a variety of organizations, your reporting solution must be able to provide different slices of the same pie — with multiple levels of analysis and flexible reports that allow your clients to access and mine the data that answers their specific questions.

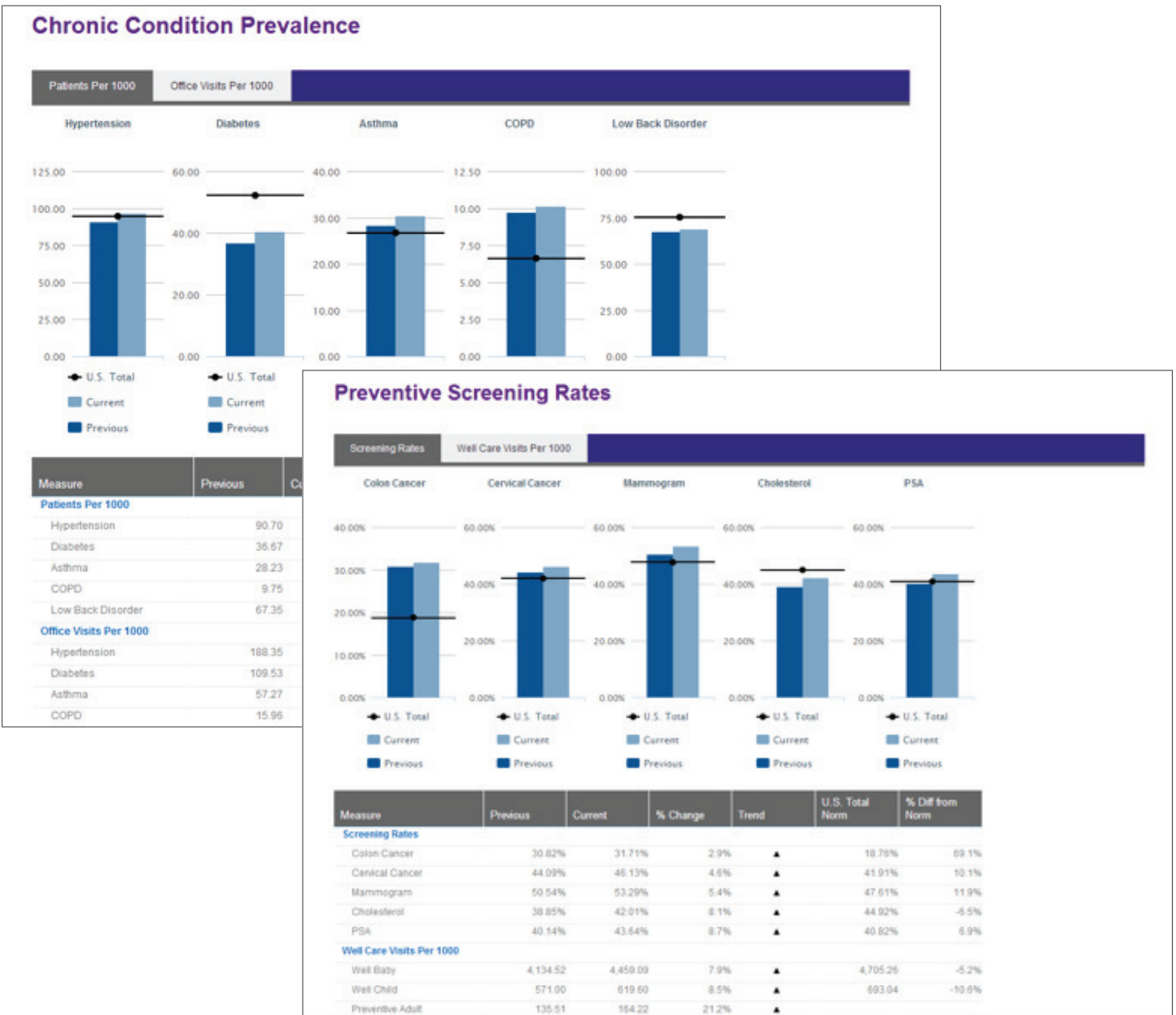
Reporting needs can also differ within the same organization. It all depends on the stakeholder: medical directors, financial specialists, and members of the C-suite will need different things. Be prepared to work with your clients to develop a solution that satisfies all of their needs.

## **#2 Help Employers Educate and Inform Their Senior Management Team**

When it comes to reporting, employers tell our health plan clients: If you help us look good, then you'll look good. In today's world, employers need to prove that every dollar spent is a dollar earned; health plans must prove that their employee clients' investments are working.

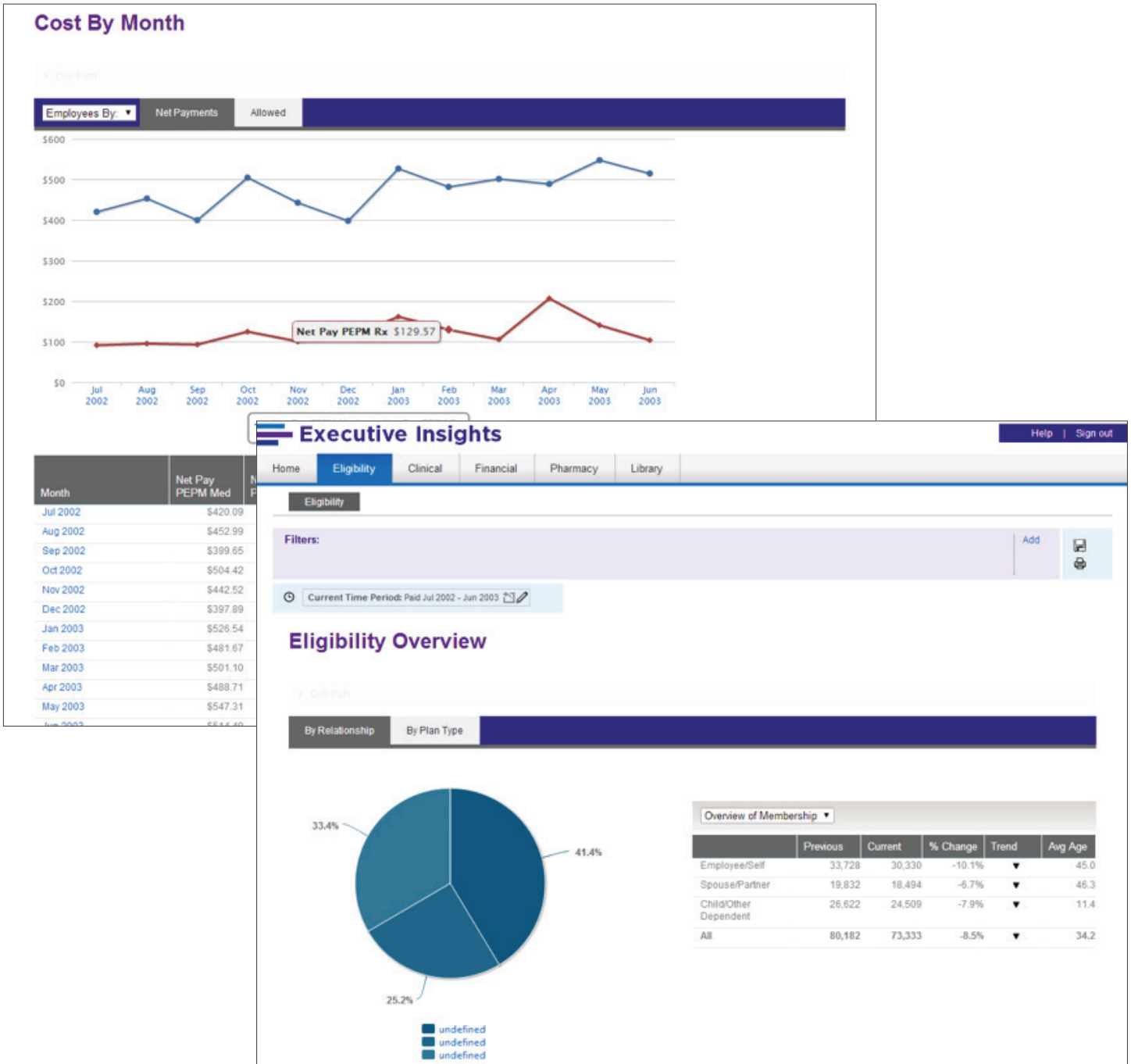
Health plans must deliver employer performance reports that evaluate costs and utilization, and provide clinical and quality measures. The basics should include a cost-driver reporting package (based on cost, use, risk, prevalence, incidence, and quality), trend analysis reporting (with longitudinal and segmenting options), and employer group internal/external executive-level summary dashboards. These types of reports show impacts on outcomes, cost, and population health. We've provided some examples in Figures 1–4.

**Figures 1 & 2: Sample Employer Reports Showing Chronic Condition Prevalence and Results From Preventive Screenings**



These types of reports show impacts on outcomes and population health and can help your employer clients prove to their management that your services are a good investment.

**Figures 3 & 4: Sample Employer Reports Showing Trended Monthly Costs and Membership Eligibility Rates**



These types of reports show impacts on utilization and costs and can help your employer clients prove to their management that your services are a good investment.

### **#3 Provide Consistent, Accurate, and Timely Reporting**

There's a common truth about data reporting: There's only one version of a number, and numbers don't lie. Employers want consistent data that they can trust, and they want it quickly. In today's environment, you must offer them the ability to understand and communicate consistent and standard information on key performance metrics that evaluate costs and utilization and provide clinical and quality measures.

Providing a set of metrics early in the month gives employers an initial understanding of their month-over-month trends. And supplementing that information with greater detail and more enhanced data when it becomes available provides a complete reporting solution.

### **#4 Demonstrate How Employers Can Compare Themselves to the Outside World**

Internal trends are important, but they can't be viewed in a vacuum. Employers have a keen understanding of what's going on in their business and in healthcare. To gauge their standing, they need to know how they're measuring up to their peers. Benchmarking is imperative. Your reporting solution should allow your employer clients to compare costs to national and regional benchmarks and give you the ability to help them emphasize their key product and service differentiators.

Efficient reporting solutions include risk adjustment methods that enable fairer comparisons across populations and against overall experience. Such credible benchmarks are vital to identifying productive opportunities for cost and quality improvement.

### **#5 Be Consultative and Creative**

Employers need more than just data — they need answers. Your job as a health plan partner is to help employers interpret the data and advise them on new ways to address their problems. They want the “So what?” and the “Now what?” — a consultative approach to help them answer questions regarding trends and cost-drivers. They need your help in preparing a plan for the near- and long-term future.

Your reporting solution is only the beginning. Health plans should be able to “toggle” to a deeper source of information to assist with data drill-down and more of a hand-holding approach around consultative analytics. Figure 5 offers some main topic areas that we’ve found employers often have questions around and the kind of answers a thorough reporting solution can provide.

**Figure 5: Employer Areas of Interest — and How Good Health Plan Reporting Can Deliver the Answers**

Employers Have Questions About:	How Plan Reporting Can Help:
<b>Financial Planning</b>	<ul style="list-style-type: none"> <li>▪ Track annual healthcare expenditures</li> <li>▪ Determine cost-drivers</li> <li>▪ Provide reliable budget, forecast, and financial decision-making metrics</li> </ul>
<b>Health Plan Management</b>	<ul style="list-style-type: none"> <li>▪ Assess quality of care</li> <li>▪ Audit plan performance</li> <li>▪ Review pharmaceutical efficiency</li> <li>▪ Quantify fraud, waste, and abuse</li> </ul>
<b>Benefit Design</b>	<ul style="list-style-type: none"> <li>▪ Balance healthcare needs with economic constraints</li> <li>▪ Model the impact of plan design changes</li> <li>▪ Validate impact of consumer-driven health plans</li> </ul>
<b>Program Development</b>	<ul style="list-style-type: none"> <li>▪ Identify clinical cost-drivers</li> <li>▪ Develop disease management and health and wellness programs</li> <li>▪ Evaluate return on investment</li> </ul>
<b>Health &amp; Productivity Management</b>	<ul style="list-style-type: none"> <li>▪ Create comprehensive review of total benefit costs</li> <li>▪ Determine cost of lost productivity and absenteeism</li> <li>▪ Predict future expenditure by chronic conditions</li> </ul>

**Conclusion**

Employers have many, varied, and changing questions. As a health plan, you need to be able to answer those questions quickly and to take the next step with them into true problem-solving. In fact, it’s that ability to problem-solve and meet their specific information needs — with accurate and reliable analytics and data — that can differentiate you from the competition.



## FOR MORE INFORMATION

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### ABOUT TRUVEN HEALTH ANALYTICS

Truven Health Analytics delivers unbiased information, analytic tools, benchmarks, and services to the healthcare industry. Hospitals, government agencies, employers, health plans, clinicians, pharmaceutical, and medical device companies have relied on us for more than 30 years. We combine our deep clinical, financial, and healthcare management expertise with innovative technology platforms and information assets to make healthcare better by collaborating with our customers to uncover and realize opportunities for improving quality, efficiency, and outcomes. With more than 2,000 employees globally, we have major offices in Ann Arbor, Mich.; Chicago; and Denver. Advantage Suite, Micromedex, ActionOI, MarketScan, and 100 Top Hospitals are registered trademarks or trademarks of Truven Health Analytics.

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