



# Making conversation

## Creating a virtuous cycle of trust

My name is John Elliott and I lead a team called Collaborative Ventures Group that works on creating innovative solutions for groups of employers. Together, Collaborative Ventures Group and Health Action Council are bringing our aggregated analytics forward to foster meaningful dialogue to support self-funded employers and their strategic planning. Please know, these insights are driven by self-funded employers like yourself.

We hope you enjoy this month's topic- and please contact Kevin Gregory or myself, if you would like to discuss how we can apply our analytics to your health care strategy.

### “Vicious Cycle of Distrust”<sup>1</sup>

According to the 2022 Edelman Trust Barometer, employees have greater confidence in their employers than all branches of government and the media. Employers are facing higher expectations to be vocal in addressing societal issues. “By an average five-to-one margin, respondents want business to play a bigger, not smaller, role on climate change, economic inequality, workforce reskilling and racial injustice,” CEO Richard Edelman.<sup>1</sup>

### Virtuous Cycle of Trust

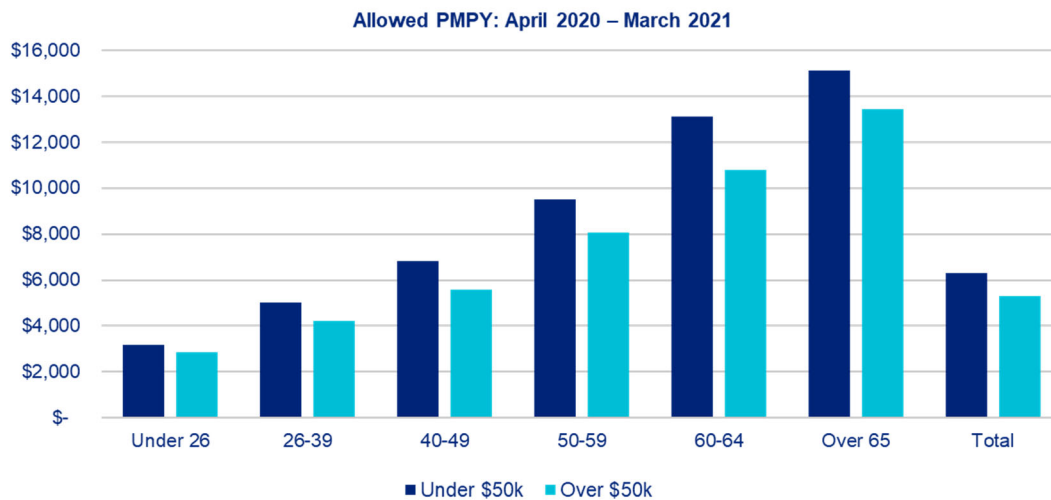
Clearly, the expectation of being more engaged in societal issues places employers in a challenging role whether it is the Ukraine-Russian war, climate change or other social concerns. As employers need to show their consciousness on social issues, health care and its inherent disparities represents an opportunity to show progress in addressing disparities. Practical steps can be taken by employers to make progress against certain disparities to show employees that trust in their employer is well placed.

As employers evolve their Diversity, Equity and Inclusion strategies, a new set of data analytics are needed to launch effective strategies to reduce the social barriers and promote well-being for employees and their families. Listed below are some high-level disparities that employers can consider as they evolve their human capital strategies. By working on addressing these disparities and openly communicating your goal to address inequities, employers can maintain the high level of trust achieved with their employees.

## Affordability and benefit plan options

Key question: What benefit plan has the highest proportion of your lower income employees? With national CPI rising and real wages declining for many, employers can examine their benefit offerings to remove cost and lower contributions for employees. For example, low-income workers typically enroll in the plan option with the lowest monthly contribution. As it becomes more difficult to make ends meet, perhaps the lowest cost benefit plan no longer needs to include out of network coverage or infertility benefits. Employers can re-examine the real-wage impact to their workforce and modify their benefit strategies to potentially lower monthly contributions.

**New Data Analytics:** 16% average higher per capita costs for lower income households across all age bands.<sup>2</sup> Lower income households are more expensive as they have a higher illness burden than higher income households. Understanding the variance in cost by income can open up new ideas to transform your benefit plan options.



## Building health equity

**Key question:** Is my illness burden consistent across my work force?

No. Our white paper with Health Action Council in 2021<sup>3</sup> showed that your gender, zip code, ethnicity and income all play a role in your health, well-being and clinical outcomes. As employers evolve their Diversity, Equity and Inclusion strategies, they will need to evaluate moving from equality to equity based health improvement strategies. Strategies to support dis-advantaged populations will become more prevalent and represent an opportunity for a more personal and effective way to engage populations that need the most support.



**New Data Analytics:** All participating plan sponsors have employees with some social determinants of health risk. The range of SDoH is 23% for a professional services firm to 52% for a manufacturing company and the average employer has 36% of its population with one or more SDoH risk. Supporting employees with social barriers manage their health care conditions requires a more targeted approach than a one-size fits all program.

## Continuing the Conversation

Together, UnitedHealthcare and Health Action Council have been studying the underlying data that drives the risk profile for self-funded employers for the past six years and have developed an assessment tool to help self-funded employers. We welcome the opportunity to continue this conversation with your organization and help answer these key questions raised in this month's issue. If you want to continue this conversation, please feel free to contact me or Kevin Gregory to schedule time.

<sup>1</sup> Source: 2022 Edelman Trust Barometer

<sup>2</sup> UHC medical claims experience Incurred April 2020 – March 2021 and Paid through April 2021

<sup>3</sup> source: 2021 White Paper



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