



Dr. James Dolan

HR Breakout 1: "Digital Health Trends and Implications"

Using Digital Health Trends to Shape Benefits

Health technology continues to be an area of growth and innovation. Employers should use the tools and platforms at their disposal to make the best benefit decisions for their organizations and their employees.

"Employers need to feel more empowered in managing pharmacy benefits," said James Dolan, Ph.D., Vice President at EY-Parthenon. "Asking questions on behalf of their employees can uncover a number of opportunities for improved financial performance and clinical outcomes. There are tremendous tools now available that can only enhance employee engagement, management of the pharmacy trust, and demonstrate fiduciary responsibility."

Dr. Dolan will delve deeper into the subject during his presentation at the 2019 Xchange. His talk will highlight technology platforms relevant for employers and employees such as virtual primary care tools, prescription managers, specialty disease solutions, and internal resources that support an understanding of the spending and trends for employers and benefit managers.

Historically, people have spoken about digital solutions and digital health trends that are more consumer-facing in nature — think digital watches and activity monitors and now add-ons for remote cardiovascular monitoring.

More recently, employers have started to ask different questions of stakeholders, including employee benefit consultants, brokers, and the pharmacy benefits managers. Larger employers are looking into what data and analytics that they receive and process to

improve more than just financial performance.

"That has actually started a new type of service or sector within the pharmacy value chain whereby third-party vendors — the brokers and benefits consultancies — have started to provide new types of analytics and services. The primary focus is to explore financial elements, but there are growing opportunities and interest to connect the data and establish new expectations related to outcomes, employee wellness, and experience," Dr. Dolan explains. "That is only going to increase as more and more value-based agreements, that are outcomes or performance-based beyond 'just a warranty,' become part of the standard expectation."

Given the current political environment and the focus on financials and economic incentives — whether rebate practices, medical or pharmacy discounts, and billing and reimbursement practices — there are going to be more and more questions. The answers, Dr. Dolan suggests, are going to be digital in nature.

According to him, the questions that employers should be asking are stratified.

"One component are clinical questions that employers should be asking," he explains. "Then there are the economic and financial questions. Lastly, there can be questions related to the employee and their experience."

Clinical Questions

The formulary design, program tools, and targets for utilization are all key parameters for the employer to lead, and not accept the first offering or what looks to be the "least expensive" of the options. The clinical

objectives need to meet the specific needs of the employee group. Employers need to define what is most relevant and important to them, but also communicate those objectives to the employees.

Economic and Experience Questions

Ask questions of brokers and benefits consultants: *What is the purpose here? Where are the key spending drivers? What options can we explore that better impact the holistic cost of care, as choices on the pharmacy side have implications on the medical side (and vice versa)?* Ask questions of providers and vendors, too. As a fiduciary, there should be prospective questions around initial beliefs, assumptions, and hypotheses. There should also be retrospective questions regarding performance and classifications.

Dr. Dolan adds, "There needs to be increased awareness of the opportunities for the employer. More

and more employers are getting informed, engaged, and exploring new economic and operating models given the wealth of data, growing number of analytics

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providers, and interest of other partners in the value chain to develop and implement new solutions given the recognized inefficiency in the current system. Employers are instrumental in leading the market to a more effective solution because they hold the ultimate fiduciary responsibility." 

Written by Jennifer Cronin

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