

Engaging Employers:

Creating Health Care Advocates in the Business Community

Employers provide health insurance coverage to 160 million workers and their dependents, almost two-thirds of the nonelderly population (Davis 2007). With health care costs rising, many business leaders are calling for reform. The millions of businesses that offer health benefits do not act or speak in unison, however. Employers are diverse in size, in their familiarity with health care issues, and in their beliefs about the best way to move forward. Although some are calling for broad changes in the employer-sponsored health system, at times their goals are unlikely or mutually exclusive. Employers want to contain costs while retaining their capacity to draw and keep workers. They want to find quick fixes while investing nominal resources. They want to stay true to their core values of personal responsibility, competition, and market solutions but are calling for a national approach. They want to ensure the health and productivity of their employees and provide health benefits but avoid mandates or other government interventions that prevent them from tailoring their own solutions (Galvin and Delbanco 2006; Freudenheim 2007).

OPPORTUNITIES FOR GRANTMAKERS

Health philanthropy is experimenting with several ways to engage the business community in conversations about health care reform. Foundation strategies include opening the conversation with local employers, reaching out to small businesses, educating employers about the role of public coverage, supporting coalitions that include the business community, and encouraging employers to take a leadership role.

► **Opening the Conversation With Local Employers** – A key step will be getting CEOs –not just their benefits managers – to engage in conversations about how employers of varying sizes are dealing with health care issues in the face of rising costs and the changing health policy landscape. In May 2007 the Missouri Foundation for Health sponsored a summit entitled “The Intersection of Health and Business.” Having been encouraged by their board to focus on business engagement, foundation staff devoted a great deal of time to building relationships, reaching out to key business leaders across the state, and involving them as cosponsors, speakers, and audience members. The goal of the summit was to help participants better understand how businesses and nonprofit organizations can work together to address health care costs and improve employee health and wellness. The foundation was intentional about holding the summit at a time

The problem of American business competitiveness – and Americans’ economic anxiety – would be best addressed by health care reform.

– Editorial in *The New York Times*, June 20, 2007

convenient for most business leaders, featuring a mix of national and area speakers, and scheduling two popular sessions – one a panel of state legislators and the other a conversation with outspoken business leaders. The foundation also took advantage of the summit to release the results of a statewide poll examining Missouri voters’ attitudes about health care and the role businesses and the government should play in providing health coverage.

- **Reaching Out to Small Businesses** – The self-employed and those working in small businesses make up half of the uninsured (Kaiser Commission on Medicaid and the Uninsured 2005). Knowing this, the Universal Health Care Foundation of Connecticut began to create partnerships with small business associations in 2003. Focusing first on small businesses owned by women and people of color, the foundation developed the Small Business Health Care Network, one of a number of foundation initiatives working toward creating a broad base of support for universal health care in Connecticut. The network informs small business owners about available health care options and educates state and local government and community leaders on the health care issues affecting small businesses. In 2006 the foundation began providing grants to regional chambers of commerce, requiring them to create health care councils focused on improving access to health care. Over time, these health care councils are emerging as respected policy voices and platforms for best practice exchange among employers. They produce research and policy publications, hold public issue awareness events, conduct policy dialogues with elected officials and other stakeholders, offer best practices briefings, and mount advocacy programs.
- **Educating Employers About the Role of Public Coverage** – In many ways, employment-based insurance has endured because of the existence and success of Medicare, Medicaid, and the State Children’s Health Insurance Program (Enthoven and Fuchs 2006). Interestingly, this makes

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business leaders potential allies in efforts to protect and expand public coverage. In 2005 the Massachusetts Medicaid Policy Institute, founded by the Blue Cross Blue Shield of Massachusetts Foundation, released *MassHealth: It's Good for Business (Ten Facts the Employer Community Should Know About the Massachusetts Medicaid Program)*. The report, which may be a useful model for policy institutes and foundations in other states, discusses the importance of the state's Medicaid program for the state's business community. It explains how a strong Medicaid program benefits employers by being a major source of health insurance for low-wage workers, helping reduce the costs of uncompensated care (often financed in part by the business community), and minimizing provider cost-shifting to employers.

- **Supporting Coalitions That Include the Business Community** – Though most agree that the health care system requires change, consensus usually fades when the conversation turns to tough decision points and tradeoffs, including what should be reimbursed and who should pay for it (Darling 2006). Earlier this year, 16 influential, national organizations announced that they had agreed on a proposal that would significantly expand health coverage for America's uninsured, starting with expanded coverage for children in 2007. The Health Coverage Coalition for the Uninsured – made up of organizations that have sparred on opposite sides of health policy debates for years – spent two years participating in a consensus-building process supported by the Robert Wood Johnson Foundation. The process was facilitated by Search for Common Ground and the Meridian Institute, with the Economic and Social Research Institute and The Lewin Group providing research and analytical support. After more than a dozen meetings, the 16 organizations – AARP, American Academy of Family Physicians, American Hospital Association, American

Medical Association, American Public Health Association, America's Health Insurance Plans, Blue Cross and Blue Shield Association, Catholic Health Association, Families USA, Federation of American Hospitals, Healthcare Leadership Council, Johnson & Johnson, Kaiser Permanente, Pfizer Inc., United Health Foundation, and U.S. Chamber of Commerce – agreed on a proposal that they hope Congress will use in its work on health coverage since it already has the agreement of advocates with extremely different political and ideological viewpoints.

- **Encouraging Employers to Take a Leadership Role** – Philanthropy can also assist employers by pointing them to practical ways to get involved in ongoing initiatives. In a May 2007 commentary, Karen Davis, president of The Commonwealth Fund, pressed employers to help restructure the health system. First, Davis argued that all employers should share in the cost of health insurance for employees and that they should help mold state and federal health care legislation. Second, as the largest collective purchasers of health insurance, employers should insist that insurers back payment methods that prize quality and efficiency. Third, employers should push health plans to use organized care systems that provide patients with accessible, continuous, and coordinated care. Fourth, employers should endorse the formation of an agency responsible for comparative clinical effectiveness and appropriateness research. Finally, Davis recommended that employers join coalitions working to simplify administrative costs, increase access and quality, and transform the payment system (Davis 2007).

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