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Study Finds Fewer Office Visits, Prescriptions With CDHP

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Employee Benefit Research Institute

Consumer-directed health plans (CDHP), designed to make employees make more cost-and health-conscious decisions, have been shown to reduce the long-term use of outpatient physician visits and prescription drugs, according to new research by the nonpartisan Employee Benefit Research Institute (EBRI).

The research used data from two large employers—one that adopted a health savings account (HSA) plan for all of its employees in 2007, and another with no CDHP—and found that after four years under the HSA plan, there were 0.26 fewer physician office visits per enrollee per year and 0.85 fewer prescriptions filled, although there were 0.018 more emergency department visits (all of which are considered statistically significant). Additionally, the likelihood of receiving recommended cancer screenings was lower under the HSA plan after one year and, even after recovering somewhat in later years, still lower than baseline at the study's conclusion.

The theory behind CDHPs is that as participants are exposed to a high deductible before insurance benefits are triggered, enrollees will be induced to make better health care use decisions, such as not going to an emergency department when a visit to a physician would suffice.

Although usually offered alongside more traditional health plan designs, CDHPs are slowly increasing as employers' only health insurance offering.

"The availability of CDHPs both as a choice and on a full-replacement basis is expected to continue to increase under the Affordable Care Act," notes Paul Fronstin, director of EBRI's Health Research and Education Program and co-author of the report. "Recent regulatory decisions related to employer contributions to health reimbursement arrangements and health savings accounts, combined with the excise tax on high-cost health plans that takes effect in 2018, make CDHPs more attractive to employers because they may keep costs below the threshold that triggers the tax. This emphasizes the importance of understanding the long-term implications of increased reliance on CDHPs for the use of health care services and spending."

"Past studies of the impact of these programs on health services use have been limited by the potential for selection bias because enrollees were often given a choice between CDHPs and more traditional options," explains Christopher Roebuck, president of health economics and policy consulting firm RxEconomics, an EBRI Fellow, and a report co-author. "This meant that those who chose CDHPs might have fit a particular profile, making it difficult to discern the independent effects of the CDHP."

"Given these findings, employers should consider providing periodic, ongoing communications to enrollees regarding services that are exempted from the deductible", explained Martin J. Sepúlveda, an IBM Fellow and vice president of health industries research for the IBM Corporation, and a report co-author.

The research findings are published in the June 2013 issue of Health Affairs, and can be accessed online here, or via the web page of the EBRI Center for Research on Health Benefits Innovation at <http://bit.ly/1aWHLOA> under "Current Projects." This work was conducted through the EBRI Center for Research on Health Benefits Innovation (EBRI CRHBI). The following organizations provided the funding for EBRI CRHBI: American Express, Blue Cross Blue Shield Association, Boeing, CVS Caremark, General Mills, Healthways, IBM, John Deere & Co., JP Morgan Chase, Mercer, and Pfizer.

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