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Forestry

Good morning, Congressman Fortenberry and Members of the Committee, thank you for the opportunity to be here with you today. My Name is Wayne Sensor, I am the President and Chief Executive Officer of Alegent Health; today I want to give a brief overview of Alegent Health's experiences with prevention and wellness. We are both the largest private employer in the state and a substantial provider of healthcare, which gives us a unique perspective on these issues. In both roles, we have made it our goal to partner with people to proactively manage their health, as well as make better choices about the care they need.

Alegent Health is a faith-based, not-for-profit health care system that serves eastern Nebraska and western Iowa. Our 9,000 employees and 1,300 physicians are proud of the care we provide in our 10 hospitals and more than 100 sites of service.

As a provider, we believe we are a model of a post-reform healthcare system. We employ substantial health information technology to improve the quality and safety of the care we provide and to ensure a seamless transition for patients across the many services in our healthcare system.

Through the dedication and commitment of our physicians – a combination of employed and independent – we have implemented evidence-based care order sets across more than 60 major diagnoses.

Our CMS Core Measure and HCAHPS Scores are consistently among the highest in the nation. In June 2008, the Network for Regional Healthcare Improvement identified Alegent as having the best combined healthcare quality scores in the nation.

And yet, in our estimation, those efforts are only a small part of what it will take to achieve true healthcare reform. We adamantly believe that people must take more accountability for their health, and to do so they must have incentives and good information.

We began our journey to greater consumer involvement in health care three years ago, when we made a commitment to more fully engage our workforce in their health.

Incentives for Preventive Care/Lifestyle Change/Chronic Disease management

There are two important constructs in Alegen's employee health benefit plans. First, preventative care is free. From services like annual physicals, and mammographies to childhood immunizations and colonoscopies – if it is preventative, it is free. As a result, our workforce is consuming more than 2.5 times the preventive care than the nation at large.

That's an investment that we're willing to make, even without longitudinal studies that quantify the financial benefit to our organization.

And second, through an innovative "Healthy Rewards" program, we pay people a cash award to make positive changes in their lifestyles or to manage a chronic illness. We also offer a variety of assistance programs free of charge – weight loss counseling, smoking cessation programs and chronic disease management with the assistance of a free health coach.

Our objective was first and foremost to improve the health of our workforce, and we believed by doing so, our costs would decline. And while we are still building data on the effect our efforts have had on productivity, absenteeism and organizational health care costs, I can report that a majority of employees take an annual health risk appraisal and to date, we've lost 17,000 pounds as a workforce, and more than 500 of our employees have quit smoking.

Our approach has allowed us to substantially slow the growth of our healthcare spending. Over the first two years, our cost increases were limited to an average of 5.1 percent, despite industry trends in the 8 – 10 percent range.

And, as we approach a new benefit plan year, we are carefully constructing an Advanced Medical Home pilot for our chronically ill employees and several other large employers in our community. Through a dedicated team of physicians, nurses, counselors and care managers, we believe we will have an even more profound impact on the health and quality of life of people living with chronic disease.

Key to our results was the use of HSA and HRA accounts, which give employees better control of their health care dollars and allow us to directly reward people for changing unhealthy behaviors.

Tools to Facilitate Cost and Quality Transparency

But giving our employees more control required us, as providers, to make dramatic changes.

First and foremost, we created tools to provide meaningful and relevant cost and quality information. What other good or service do people purchase in this country without knowing how good it is and how much it costs?

Nearly three years ago, we began sharing our quality metrics with both our employees and the public – the good and the bad – and since then, we've seen our quality scores soar. On our Web site we currently reports 40 quality measures – the CMS 20,10 surgical measures and 10 stroke measures.

Unlike most providers we did not stop there.

By working with a third insurance database, *My Cost* is able to verify insurance policies and deductibles in order to provide party patients an extremely accurate, personally relevant cost estimate on more than 500 medical test and procedures. As the CEO of a health care organization, I understand the arguments against providing transparency on cost and quality and I reject them. Alegent Health is proof that you can share cost and quality information and not only be competitive, but excel in your marketplace.

Summary

In summary, Alegent Health began our own “healthcare reform” efforts several years ago, when we made an organizational commitment to dramatically improve quality, lower cost, and adopt health information technology. And yet, that will simply not be enough.

Our challenge as a country – as physicians and nurses, members of congress and employers, individuals and families, is to find a way to help people become more individually responsible for their health

We speak of the tremendous consumption of healthcare as if it is some sort of mystery. It's no mystery really...too many of us still smoke, we've become a nation of junk food and video games, of “supersize” and “all you can eat” buffets. These unhealthy behaviors cause expensive chronic diseases like heart disease, diabetes, and obesity. Somehow, we must find a way through public policy to engage consumers in their healthcare and incentivize all Americans to live better, healthier lives. Only then will we be successful in changing health care.

Thank you.