



U.S. CHAMBER OF COMMERCE



Center for Healthcare Economics and Policy

Making Lemonade: Advancing Innovative Solutions

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Innovative Solutions from the Business Perspective: Lessons from the Nashville Area Example

Lessons from Nashville's Chamber-led process for engaging businesses in finding innovative solutions



The importance or role for a **convener**,* development of **actionable data**, and sustained **engagement and purpose**.

The **health competitiveness** of the region emerged as a priority for the stakeholders particularly as it relates to **workplace health and productivity**.

As Nashville contends with an aging workforce and tightening labor market, coupled with population health status that lags the nation, the Chamber believes **employers are an important lever in efforts to improve overall population health** – perhaps one that has been undervalued in many conversations about **improving the health status of the population**.

Overview of Employer-led Partnerships for Health and Economic Well-Being

FTI Consulting's Center for Healthcare Economics & Policy collaborated with the Nashville Area Chamber of Commerce and a private-public stakeholder group to provide comprehensive and actionable data on health, access, quality and cost, and its impact on Nashville's workforce and competitiveness. The 2017 study found productivity costs for just three conditions exceeded \$500 million annually in the Nashville region.

THE CHALLENGE

- The Chamber commissioned the Center for a pilot to provide a complete profile of health status and healthcare cost for Nashville compared to 10 peer cities, including metrics on quality, costs, and utilization for several chronic health conditions.

THE OUTPUT

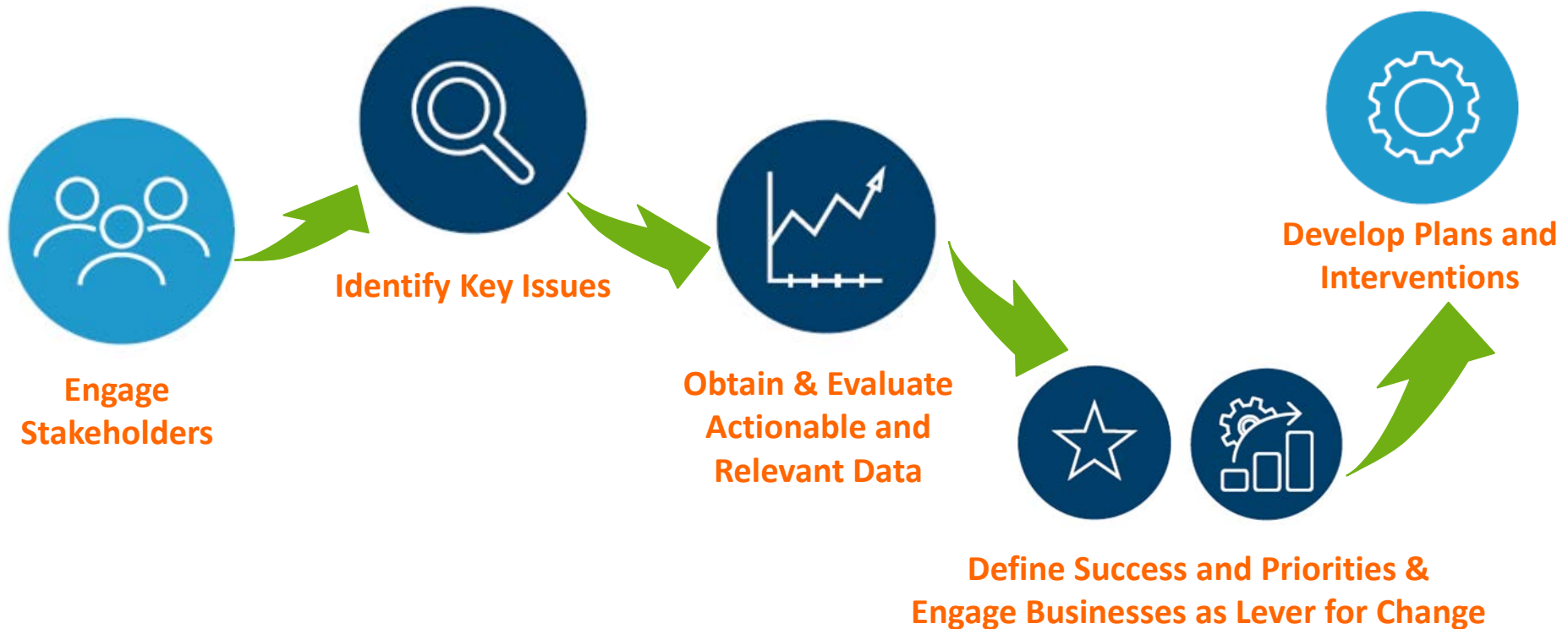
- The Center utilized extensive proprietary commercial claims data combined with large public datasets of locally-relevant data to assess the effect of chronic conditions and health behaviors on Nashville's workforce and its competitiveness.

THE RESULT

- The pilot established a baseline of data on the health status of the Nashville area, including the chronic conditions and behaviors associated with higher medical and productivity costs.
- The pilot led to a renewed partnership with Nashville stakeholders culminating in a 2017 report examining specific segments of the Nashville-area workforce with a national review of employer-led strategies to address costly health conditions. The 2017 study identified key issues for stakeholders, including annual productivity costs that exceeded \$500 million for diabetes, hypertension, and obesity in the Nashville region. It identified inventions and strategies used by businesses and communities that provide some measurable benefit (ROI). Employer-led strategies to address these conditions are critical success factors that yield important economic and health benefits and offer lessons for other communities.

Employer-led Process for Engaging Businesses in Finding Innovative Solutions

LOCAL CHAMBER AS CREDIBLE CONVENER



Innovative Solutions from the Business Perspective: The Nashville Area Example

Stakeholder engagement and development of actionable data and information to inform assessment and action.

Nashville Region's *Vital Signs* – Collaboration of Chamber of Commerce and the Nashville Area Metropolitan Planning Organization

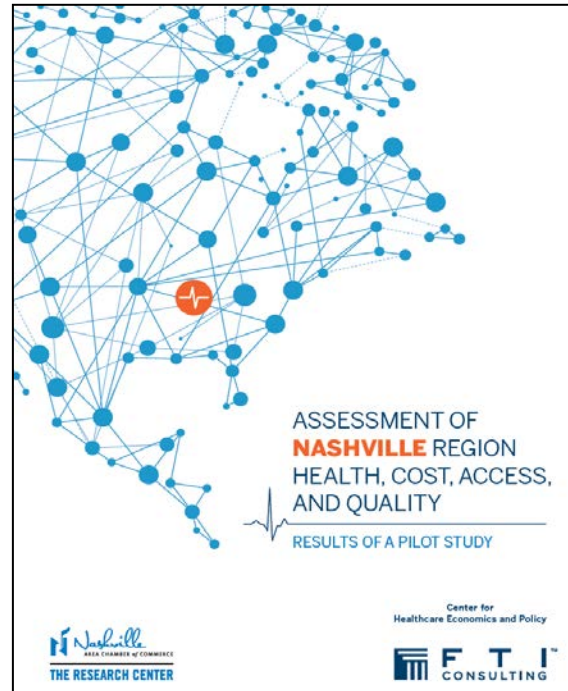
Chamber and Stakeholder-led *Pilot Study* (2015) in collaboration with FTI Consulting, Inc. (Center for Healthcare Economics and Policy)

Expanded partnership with stakeholders and FTI with the *Nashville Region Health Competitiveness Report* (2017)

Innovative Solutions from the Business Perspective: The Nashville Area Example



Nashville Region's *Vital Signs* – A Collaboration of Chamber of Commerce and the Nashville Area Metropolitan Planning Organization established issues and priorities.



Chamber partnered with FTI Consulting and local stakeholders on pilot study with key insights on health outcomes and behaviors compared with Nashville's peer metro regions.



With expanded collaborative of local providers, payors, the public sector, nonprofits and businesses, the 2017 report focused on workforce and put a dollar figure on productivity and medical costs from chronic conditions.



Engage Stakeholders

Building, expanding and sustaining the collaborative with providers, payors, public sector, non-profits, and businesses are critical first and ongoing stages

- Nashville Area Chamber of Commerce
- Nashville Area MPO

- Saint Thomas Health Foundation
- Tennessee Health Foundation
- The HCA Foundation & HCA Hope Fund
- The Healing Trust
- Vanderbilt University Medical Center

- Baptist Healing Trust
- BlueCross BlueShield of Tennessee
- Community Health Systems
- Greater Nashville Regional Council
- Nashville Area Chamber of Commerce
- Nashville Area Metropolitan Planning Organization
- Nashville Health Care Council

**Expanding to include
broader group of
engaged business
stakeholders**



Identify Key Issues for Study

Initial Issues for Nashville

- Specific chronic conditions and health behaviors of concern; unknown impact and drivers

Pilot Study

- Identify drivers of health outcomes and behaviors
- Evaluate assets and access to care and health services
- Assess workforce impact of health conditions – costs, utilization, and time
- Compare with peer cities, and establish priorities

Competiveness Study

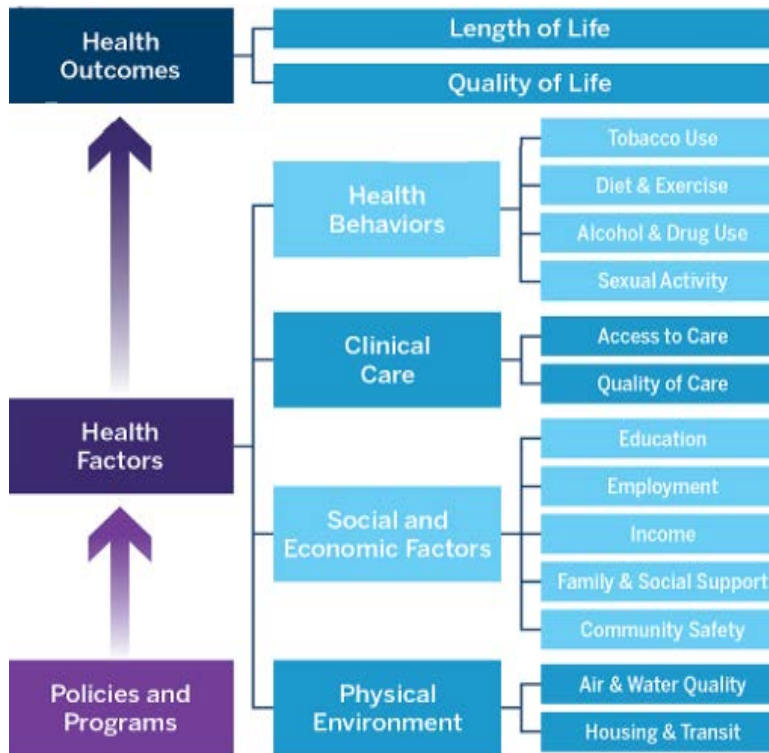
- Evaluate specific conditions and workforce impact on aging workforce
- Estimate productivity costs for obesity, hypertension, and diabetes in Nashville
- Evaluate impact on area competitiveness
- Examine impactful community initiatives for workplace health and productivity



The Center's Process

Obtain & Evaluate Actionable and Relevant Data

Build from a Sound Framework



Healthcare is Local: Use Best Metrics at the Local Level and on a Comparative Basis

Identification of Relevant Comparison Geographies: Peer MSAs, State and National
 Demographics: Age, Education, Gender, Income and Race

Diabetes	COPD Heart Disease Hypertension	Asthma	Depression
Smoking Prevalence	Obesity	Stress Mental Health	Physical Activity
Access and Provider Capacity Insurance Coverage # PCPs/Specialists # Hospitals/Beds Beds per thousand	Costs Commercial/Medicare Adjusted Inpatient Outpatient/Procedures	Utilization Inpatient Outpatient ED Physician	Quality/ Outcomes Life Expectancy Hospital Measures: Mortality, Readmissions, Patient experience, Timely & effective care

Center for Healthcare Economics and Policy, FTI Consulting, Inc. and Nashville Area Chamber's Research Center,
 "Nashville Region Health Competitiveness Initiative: 2017 Report", 2017. (Not to be reproduced without permission)

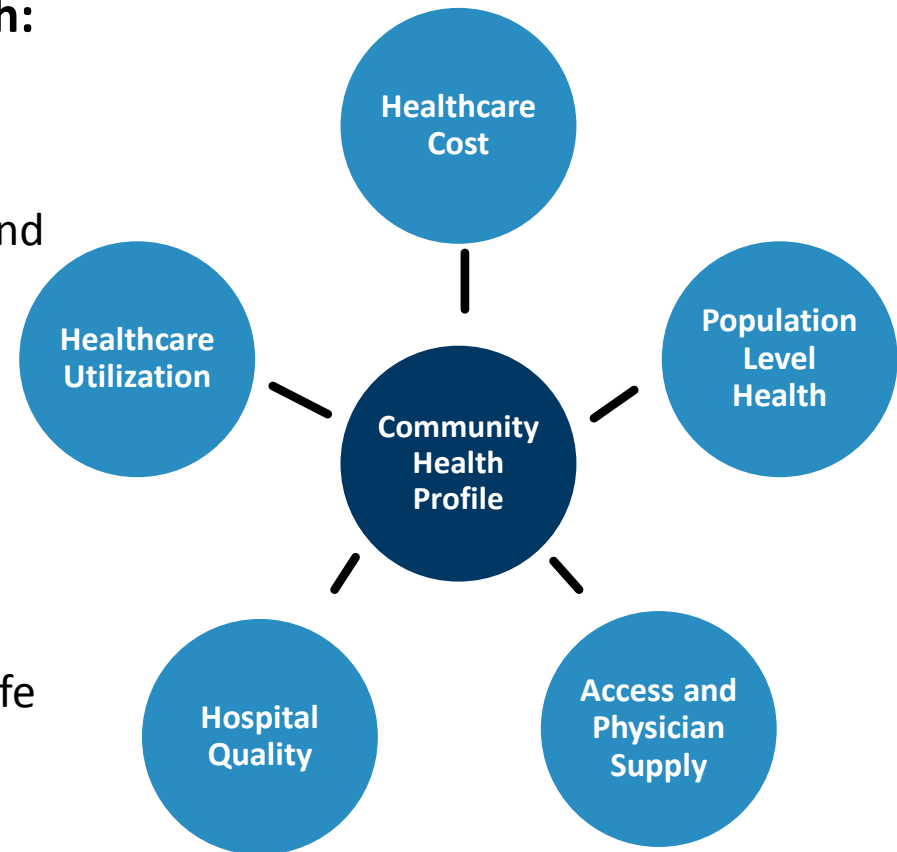


The Center's Process

Obtain & Evaluate Actionable and Relevant Data

Use a replicable and standardized approach:

- **Population level health assessment**, chronic conditions and health behaviors
- **Access to care**, including insurance coverage and physician supply
- **Healthcare utilization** for both commercially insured and Medicare population; and for patients with specific chronic conditions
- **Healthcare cost** for both commercially insured and Medicare population
- **Hospital and life quality** measures, including life quality and life expectancy
- **Comparative (peer) metro analyses**
- **Sustain data gathering and progress tracking**

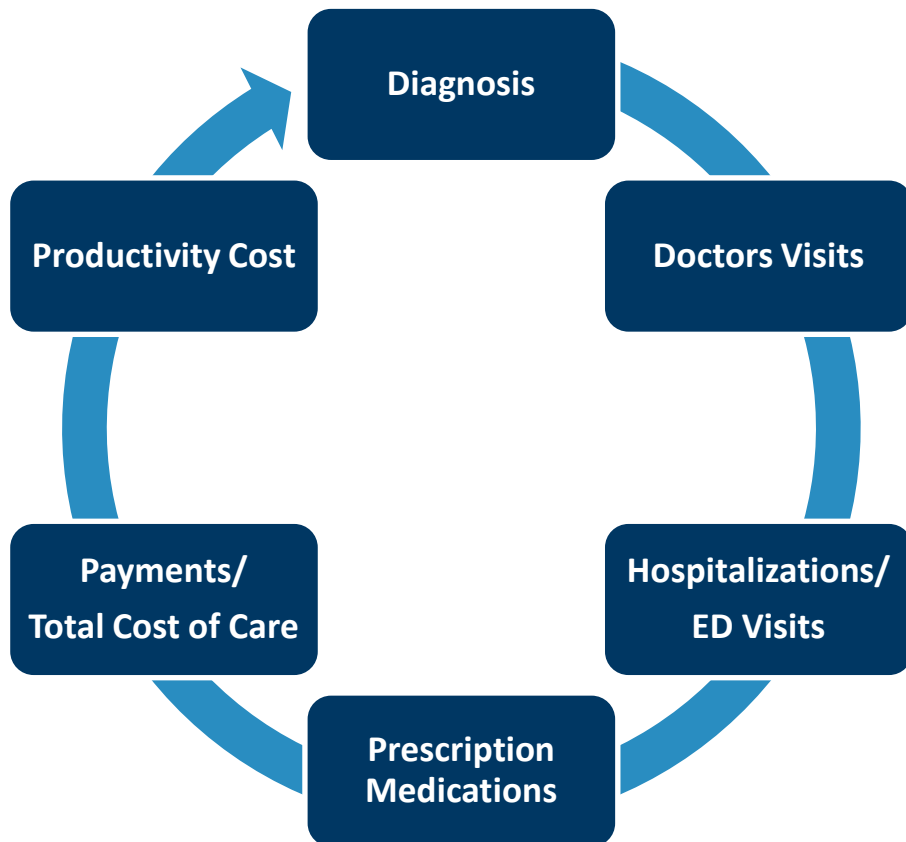


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Obtain & Evaluate Actionable and Relevant Data

Comprehensive commercial claims data provide insights into cost and utilization of healthcare across major chronic conditions.



Using Truven’s MarketScan® Commercial Claims and Encounter Research Database, the analyses include prevalence of chronic conditions and costs and utilization metrics by chronic conditions.

For Example: *“In Nashville, a person with diabetes averages 15 outpatient visits a year with a cost of \$5,621 to the insurer, or employer if self-insured, and \$911 to the person. The person has an average of 14 prescriptions, including those for other conditions, with an annual personal cost of \$626 and \$3,778 to the insurer.”* (Holly Fletcher, “Unhealthy workers cost Nashville businesses \$500M, *Tennessean*, April 30, 2017.)

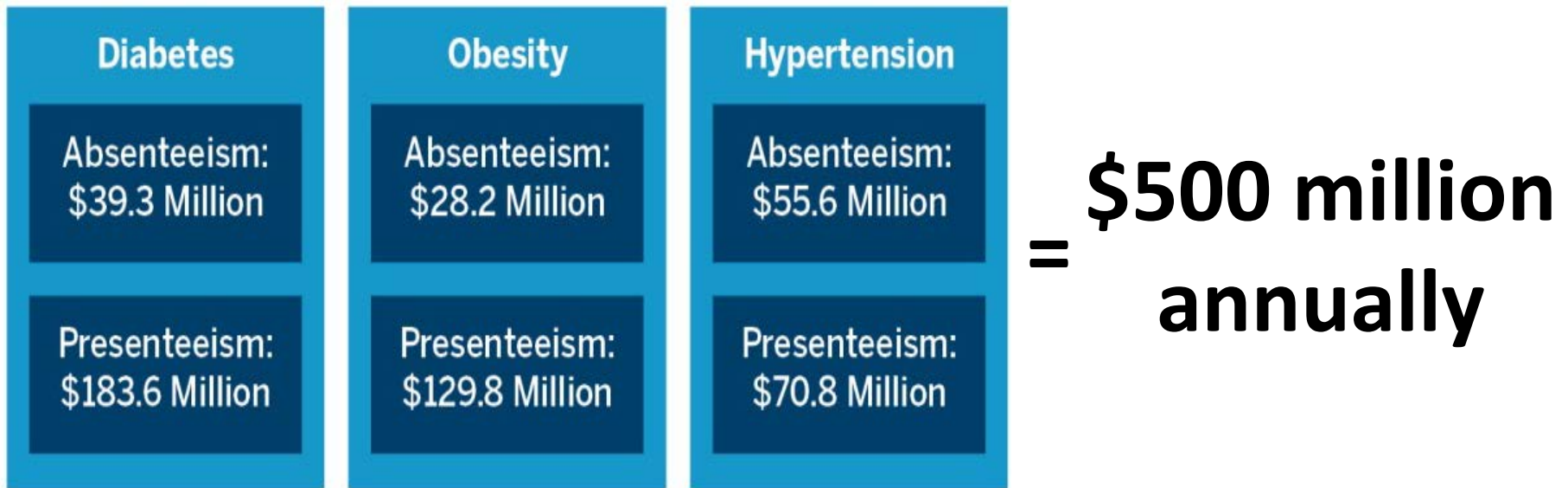
Center for Healthcare Economics and Policy, FTI Consulting, Inc. and Nashville Area Chamber’s Research Center, “Nashville Region Health Competitiveness Initiative: 2017 Report”, 2017. (Not to be reproduced without permission)



Obtain & Evaluate Actionable and Relevant Data

Provide the data with a business lens – economic and health status.

A significant proportion of U.S. healthcare costs go to treat diabetes, obesity and hypertension, these costs can significantly be addressed through prevention and management. We put a dollar figure on productivity and medical costs of these chronic conditions at the local level: Nashville Region employers lose more than **\$500 million a year** in productivity costs alone.



Center for Healthcare Economics and Policy, FTI Consulting, Inc. and Nashville Area Chamber's Research Center, "Nashville Region Health Competitiveness Initiative: 2017 Report", 2017. (Not to be reproduced without permission)



Define Success and Priorities & Engage Businesses as Level for Change

- Aging workforce and tightening labor market; population health status that lags peers
- Employers are important levers to improve population health
- Find champion for health and wellness in local community
- Identify successful business and collaborative strategies to address chronic conditions
- Benefits: Bottom line savings; increased productivity and economic well-being



Center for Healthcare Economics and Policy, FTI Consulting, Inc. and Nashville Area Chamber's Research Center, "Nashville Region Health Competitiveness Initiative: 2017 Report", 2017. (Not to be reproduced without permission)



Define Success and Priorities & Engage Businesses as Level for Change

"[Ralph] Schulz (President, Nashville Area Chamber of Commerce) wants to appeal to the strategic and financial sense of business leaders. The costs of presenteeism were eye-opening to Higgins."

"[Bob] Higgins (President and CEO of engineering firm, Barge Waggoner) wants his peers to look at the data and think about what it means for their business."

"The business community is at the beginning of an awareness curve."

"Health impacts the day-to-day productivity and costs money: Employees that don't feel well, don't perform well."

"The city's rates of physical inactivity, stress and smoking foreshadow an era in which the workforce may not be fit enough to keep businesses operating at high levels of output. Nashville is set to lose more workers to retirement than it gains, placing increased importance of maintaining the wellness of the people in the work force."



THE RESEARCH CENTER



Center for Healthcare Economics and Policy

Source: <http://www.tennessean.com/story/money/industries/health-care/2017/04/30/unhealthy-workers-cost-nashville-businesses-500m/100972478/>



Where to Go? Engage Businesses as Lever for Change & To Develop Interventions



Perspective on local stakeholders as innovators and levers for change from Nashville Area Chamber of Commerce



Nashville employers are losing more than \$500 million a year in productivity because of diabetes, obesity and hypertension – which can be significantly impacted through prevention and management.

Employer engagement in workplace health and wellness shows benefits – bottom-line savings, increased productivity, stronger talent recruitment and retention, and improved employee morale.

Broader benefits from business and individual engagement include the economic health and competitiveness of an area.

Local chambers can serve as “credible conveners” of area stakeholders.

Takeaways

Increasing employer awareness and engagement allows businesses to play a more direct role in improving health outcomes for their own employees and, as a result, a broader population.

Thank you!



FTI Consulting's Center for Healthcare Economics and Policy

The Center for Healthcare Economics and Policy (Center), a separate business unit in FTI Consulting, Inc.'s Economics Practice, leverages its cutting-edge methodologies and actionable metrics to facilitate organizational and community-based healthcare transformation strategies and initiatives.

The Center uses “**gold standard**” economic and financial modeling and extensive proprietary and public databases to assist stakeholders in developing evidence-based strategies to address fundamental changes in healthcare demand and delivery with a system or community.

The Center is staffed by Ph.D. and other highly trained senior healthcare professionals and consultants who have extensive knowledge of healthcare economics, disease conditions, and modeling. They help organizations and communities achieve **implementable solutions grounded in robust data analysis to improve healthcare delivery**. Clients include employers, providers, local governments, community and civic organizations, and insurers.

To learn more about the Center, please visit: <http://www.fticonsulting.com/industries/healthcare-and-life-sciences/economics-and-policy> or contact Margaret Guerin-Calvert at margaret.guerin-calvert@fticonsulting.com.

The views and opinions presented are solely those of the authors and the Center and do not necessarily reflect the views of FTI Consulting, Inc. or other organizations with which the authors are or have been affiliated.

FTI Consulting: Experts with Impact

FTI Consulting is an independent global business advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes. Due to our unique mix of **EXPERTISE, CULTURE, BREADTH OF SERVICES** and **INDUSTRY EXPERIENCE**, we have a tangible impact on our clients' most complex opportunities and challenges.

Definitive Expertise

- List of America's Best Management Consulting Firms, *Forbes* (2016 – 2017)
- 2016 AMCF Spotlight Award, Finance and Risk Management
- PR Firm of the Year, 2016 *M&A Atlas Awards*
- 20 Most Promising Data Visualization Solution Providers, *CIOReview* (2016)

Comprehensive Services

- Financial
- Legal
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- Transactional
- Political & Regulatory
- Reputational

3,600+ Professionals	450+ SMDs	\$1.61B Market Cap. ⁽¹⁾
77 Cities		28 Countries
Advisor to 97 of the world's top 100 law firms	56 of Fortune Global 100 corporations are clients	Advisor to world's top 10 bank holding companies

A Culture That Delivers

- Practical in our communication and approach to outcomes
- Judicious in complex, multi-party situations
- Collaborative with clients and colleagues
- Professional in our commitment to work with the highest caliber

Industry Experience

- Construction
- Energy Power & Products
- Financial Institutions
- Healthcare & Life Sciences
- Insurance
- Mining & Mining Services
- Real Estate & Infrastructure
- Retail & Consumer Products
- Telecom, Media & Technology

¹Number of total shares outstanding as of October 19, 2017, times the closing share price as of October 27, 2017.