



# Case Study

## Achieving new heights with improved health

**“Partners 2 Health is Gulfstream’s health partnership with employees,”** says **Bob Holben, Director of Compensation and Benefits for Gulfstream Aerospace.** “We value our employees and do our very best to help them take care of themselves and their families. Our health care providers know that we expect them to follow the latest evidence-based medical protocols to keep our employees healthy, and we have established incentives to encourage them to do that.”

For more information, visit our website at [www.vbhealth.org](http://www.vbhealth.org), or email us at [cyndy@vbhealth.org](mailto:cyndy@vbhealth.org) or [gjudd@vbhealth.org](mailto:gjudd@vbhealth.org)

Like many companies, Gulfstream experienced burgeoning health costs inflation. However, unlike many companies, Gulfstream instituted proactive quality of care messaging and decisive actions. Increased emphasis was placed on health risk detection and proper early treatment to prevent or delay the development of the more costly co-morbidities associated with certain chronic conditions, such as diabetes, asthma and cardiovascular disease. The goal: Engage employees to take an active

role in their own health care – securing appropriate preventive screenings and complying with their physician’s plan of care – to reduce the incidence of hospital inpatient admissions and lower Gulfstream’s health care cost trend. The company developed a comprehensive strategy that repositioned the employees and their primary care physicians as partners with Gulfstream in total health care management. Key components included:

1. C-Suite Buy-In. The leadership of the company shifted its focus from viewing the cost of health care as simply an expense to seeing the cost of health management as an investment opportunity.
2. 3-Way Partnership. Employees, primary care physicians and the company work together with a common goal to improve health outcomes.
3. Personal Responsibility. Employees are provided with tools and resources to understand their health benefits and work with their health providers to manage their health.
4. Meaningful Context. Employees and their dependents are provided health care information on a variety of relevant topics to help them achieve their personal health goals.

## Quick glance: Flu Shots Focus on Health and Productivity

**It wasn’t rocket science, say the folks at Gulfstream. Simple mathematics showed the incidence of flu was impacting the bottom line.**

Each year, an estimated 10-20% of employees lose time due to the flu – on average, 6 lost workdays per employee. At just 10%, nine hundred (900) sick employees with an average of 6 days of downtime is too much lost productivity for Gulfstream. Benefits and Medical Department executives calculated the expected ROI that would result from a formal flu vaccine

program and developed the following plan:

1. **Barrier removal:** \$0 co-pay for flu shots
2. **Health coaching:** People were taught health behaviors (hand washing, for example) to help control the spread of flu.
3. **Flu shot “House Calls” were initiated:** Sending nurses to various employee work locations around the sites to administer the flu shots increased employee participation.
4. **Determining the business case:** Gulfstream projected a 3:1 return on investment for the free flu vaccine program.

**Gulfstream believes that when all stakeholders – management, health care providers and employees – focus on improved health management, everyone wins.**

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Gulfstream Aerospace has reduced total health cost increase trend to 3.4% per year for the last 4 years. Key components of the program include:

1. Quality standards are defined by Gulfstream, using guidelines from evidence-based medicine.
2. Incentives to quality-driven clinicians for meeting established standards (20% of their annual E&M coded office charges).
3. Incentives for employees to use the quality-based physicians (reduction in office visit co-pays).
4. Service providers held to specific standards. Health plans, disease management companies, etc. are also held to quality protocols and are measured on their ability to deliver high quality health management service.
5. Incentives for employees’ proper prevention and active treatment compliance. Employees must be compliant with their doctors’ orders to help their physicians qualify as a recognized quality-based physician and eligible to offer reduced office visit co-pays.
6. Mail order prescriptions offer a 90-day supply for a low co-pay to increase adherence to prescribed drug therapy.
7. HRAs with biometric screenings offered in a “House Call” setting throughout the facility to encourage employee participation. Results of the HRA were an eye-opener for many employees.

**Results: improved care and compliance.**

- Measures over a 4 year period showed increased lab tests/monitoring of HbA1c, mammography, diabetic eye exams and lipid profiles
- Further claims data showed reductions of amputations, frequency of heart attacks and strokes and overall health costs per patient in the diabetic population
- Reduction in overall pharmaceutical costs (98.4% generic substitution rate)
- Reduced mastectomies in the group of women getting annual mammograms.
- Improvement in physician adherence to evidence-based medicine treatment protocols

**2008 improvements.** \$0 co-pay generic drugs for asthma, diabetes, high cholesterol, heart disease and hypertension

**Potential 2009 improvements and beyond:** Onsite clinic and onsite pharmacy

### Who is Gulfstream

A wholly owned subsidiary of General Dynamics

9,000 Employees  
21,000 Covered Lives  
\$4.3B Annual Revenues

Self-insured benefits plans

Self-insured and fully-insured (HMO) coverage