



Achieving new heights with improved health

“Partners 2 Health is Gulfstream’s health partnership with employees,” says Bob Holben, Director of Global Total Rewards and International HR 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.”

Like many companies, Gulfstream experienced burgeoning health cost 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 comorbidities 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 phy-

sician’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 dollars spent on health care as simply an overhead cost to seeing those dollars as an investment opportunity in the health and productivity of the employees as well as the profitability of the company.
2. 3-Way Partnership. Employees, primary care physicians and the company work together with a common goal to improve the quality of health care being provided, thereby resulting in healthier outcomes.
3. Personal Responsibility. Employees and their dependents 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 education 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 the employees’ onsite work locations 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.



Gulfstream Aerospace has reduced its annual total healthcare cost over the last 5 years to create an ongoing annual cost-avoidance of over \$10M per year.

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. **HRA 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 5 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 (64.5% generic dispensing rate and 99.1% generic substitution rate)
- Reduced mastectomies in the group of women getting annual mammograms.
- Improvement in physician adherence to evidence-based medicine treatment protocols (70% qualified for quality bonus)
- \$0 co-pay for generic Rx for asthma, diabetes, high cholesterol, heart disease, hypertension, anxiety, and depression

Potential 2010 improvements and beyond: Onsite clinic and onsite pharmacy

Who is Gulfstream

A wholly owned subsidiary of General Dynamics
9,000 Employees
22,000 Covered Lives
\$5B Annual Revenues
Self-Funded PPO medical plan
Fully-insured (HMO) coverage