

## Hillenbrand

### Background:

Hillenbrand is a global manufacturing company headquartered in Batesville, Indiana with locations spanning over 48 states. They have over 3,500 employees, 82% of which are male. Hillenbrand has continued to grow consistently due to new acquisitions.

Hillenbrand has historically focused on adding programs to offer to their plan members to help better support them and improve healthcare spend sustainability. In 2010, Hillenbrand made a significant investment to establish onsite clinics in three locations where manufacturing involved a high number of members. Since that time, they have continued to evolve their strategies based off of objective information to progress their plan offering to improve health and create more efficient plan spend.

### Challenges:

Hillenbrand had a data analytics tool in place since 2014 but did not really have any support to turn the data into an actionable strategy and was not able to capture the data on all programs. Therefore, they found themselves with data but not information.

Since 2010, Hillenbrand has made significant investments in their onsite clinic services and historically relied on the clinic reports to monitor their impact. The reports showed impact, but lower than expected engagement. With vendor reporting, the real impact of those services was difficult to assess. Further, Hillenbrand's pharmacy spend was increasing at a rate far above benchmark. The group was unable to determine if the increase was due to medication choices, drug cost, PBM inefficiency or increased demand from member illnesses.

Historically, members on the Hillenbrand medical plan had a higher incidence of uncontrolled chronic conditions and low preventative care utilization. There were also many members who have not utilized healthcare of any kind since being on the medical plan, creating opportunity for undiagnosed and therefore unmanaged risk.

Hillenbrand required comprehensive reporting to identify the opportunities and redirect resources.

### Strategies:

Hillenbrand transitioned to partnering with Vital Incite, a population health consulting and analytics firm, in 2018. Vital Incite was able to provide more robust analysis and the support to appropriately analyze the following:

- The impact of the current onsite clinic vendor and product offering
- What was driving Rx spend and if there were there solutions to improve spend
- As new groups were being acquired, define the needs of those individuals and develop a cost efficient yet effective approach to caring for their medical needs
- Understand the root cause leading to diseases in the group and how other strategies could improve the health of their population



Vital Incite received historical data that included PBM, Medical Plan, Onsite Clinic and 3 other wellness vendors. With more robust data and consulting than they had with their previous analytics tool, Hillenbrand was able to leverage that information in order to identify that their group carried higher risk than normal, even as young as 18 years of age, had very low physical compliance and very poor outcomes in improving the health of their employees.

Further, they learned that, although many employees were considered cost efficient, that was due to employees receiving little healthcare until later stage disease, which was impacting the health of their members and total plan cost. Hillenbrand's spend was impacted by poor direction of care and a continued increase in the number of High-Cost Claimants due to a lack of early intervention.

The historical data Vital Incite received showed that Hillenbrand's current on-site clinic had very low participation but high visit counts to refill medications, and cost per primary care visit was very inefficient. They also had little impact on improvement of chronic condition control. After attempting to collaborate with the onsite clinic administrator to try to improve outcomes, Hillenbrand decided it was time to redesign their program and went to bid for a new clinic armed with clearly outlined performance goals.

A new partner was selected with specific performance guarantees in place. Services were expanded to include:

- Preventive and primary care services, including health coaching
- Occupational medicine
- Telehealth
- Dietician
- Mental health

In order to improve clinic provider efficiency, but not reduce the perceived value of the benefit, they adjusted their onsite clinic pharmacy strategies and added a mail order option for chronic condition management to reduce clinician time spent handing out medications.

To help combat their rising pharmacy costs, Hillenbrand added additional resources to secure specialty medications and maximize the benefit of co-pay assistance. They also changed to more restrictive Rx formulary (effective 9/15/21), and added pharmacogenetic testing to help identify most efficient medication use.

As new groups are added to Hillenbrand with acquisitions, their historical information is reviewed to help strategize on the best messaging to help improve health consumer habits. The data also allows Hillenbrand to identify any unique needs and then work to find the best solution to meet those needs.

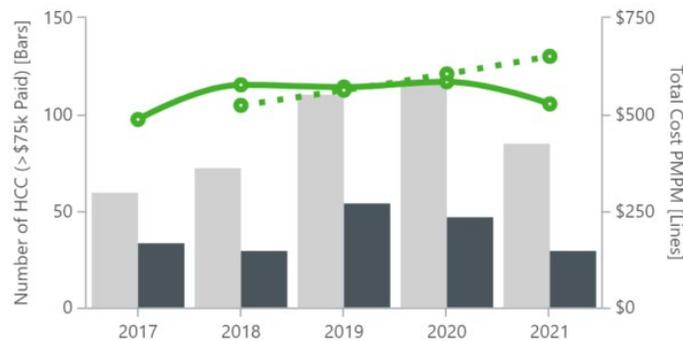
With the assistance of Vital Incite's analysis of their three other vendors, the decision was made to terminate the relationship with one vendor and efforts were made to improve coordination of the services with the other two vendor partners. The objective information provided for quick strategy adjustments to improve the value of the services offered.



## Results:

Hillenbrand's total spend PMPM is now beating national average trends. With the significant pharmacy strategies initiated in 2020, Hillenbrand realized a 16% decrease in PBM spend 2020 to 2021. Further, the impact of their strategies with specialty medications provided a \$1.9M savings in 2021.

Total Cost PMPM vs 7.5% Trend



Hillenbrand is more cost efficient than benchmarks for their entire population as well as those with diabetes and hypertension. They now are seeing better success in controlling A1c levels and Blood Pressure levels than benchmarks.

The group is still working on improving compliance with wellness exams, but preventative screening compliance has improved from 30% in 2017 to 38% in 2021 with the older population, the group that carries the most risk, becoming most compliant. The new onsite clinic partner was able to increase their wellness compliance 19% over historical years in just their first year.

The new onsite clinic partner has also immediately shown an improvement in risk control, has been more successful at engaging future cost drivers, and has proven to be significantly more cost efficient than other primary care provider groups. Although they did not hit all their performance goals, the group is working collaboratively to gain future success.

With all of these efforts, Hillenbrand ended 2021 significantly below budget despite still improving risk control and engagement in care.

## Takeaways:

Objective, robust information has allowed Hillenbrand to drive bold changes in their health plan that has both improved cost and the health of their population.

Many times, employers are not confident in the performance of their onsite clinics, but are concerned about the disruption to change vendors. With objective information, an employer can realize if their vendor is really the best partner to achieve their goals. By using objective information and strong strategy, establishing the right kind of partnership is possible and the effort will drive better outcomes and more employee satisfaction.





Using objective data and leveraging resources can improve the strategy with an employers' PBM if they are willing to cooperate.

Improving health is multifaceted including early diagnosis, finding the correct care path and focusing on lifestyle behavior change. Using objective information, an employer can leverage the skills from each vendor partner and feel confident that everyone is focused on the same objectives, but understands their role.

Armed with objective information, the C-Suite will be able to respect the strategy and understand the longer-term impact, thus paving the way for the HR team to have a greater impact.

### Next Steps:

Using data, the group is starting to find the best approach to leverage resources to meet the demands of persons without access to their onsite locations. Those resources will include relationships with local provider partners and leveraging virtual solutions. Although Hillenbrand has achieved great success, they continue to be motivated by the objective information that allows them to continue to improve their overall service to their employees and create financial sustainability.

