

Addressing Racial and Ethnic Health Disparities: Employer Initiatives



National Business Group on Health

Contents

| | |
|---|----|
| Introduction..... | 1 |
| Employer Case Studies..... | 3 |
| Common Themes..... | 16 |
| Strategies/Next Steps for Employers..... | 17 |
| Appendix 1: Extended Employer Interviews | 19 |
| Appendix 2: 2008 Employer Survey Summary . | 28 |

I. Introduction

As employers work to maximize the productivity and health of their employees and help keep employee dependents healthy, the need to reduce health and health care disparities has never been greater. The challenge of responding to these disparities has come to the forefront of the agenda of hospitals and health plans as well as of federal agencies charged with addressing the problem. Large employers also have a key role to play and good reason to be involved in improving the situation. As outlined in the February 2009 Issue Brief: *Eliminating Racial and Ethnic Health Disparities; A Business Case Update for Employers*, there are many steps employers can take to look at and address health disparities among their employees.

This issue brief will:

1. Present several case studies and highlights from employers sharing how they view disparities and what they are doing to address them.
2. Identify common themes that emerged from these interviews, including challenges and successes in addressing disparities.

Additionally, the appendix of this brief will share the results of a National Business Group on Health member survey on disparities.

“Just because you are employed and have an insurance card, even if you are employed with an insurance company, with an insurance card, it does not necessarily guarantee equal access to health care.”

Patsy Riley, Senior Vice President of Government Programs, Blue Cross and Blue Shield of Minnesota

The Business Case for Addressing Disparities

Diversity of the Workforce

Employers invest millions of dollars in the health and well-being of their employees by providing disease management and wellness programs. If these programs fail to take into account racial and ethnic differences among their intended beneficiaries, employers miss opportunities to maximize the return on their investment.

Direct and Indirect Benefits

Today's workforce is rapidly changing and consists of increasingly diverse cultures. It is of increasing importance that employers understand their beneficiary populations and be able to address their specific health needs. By doing so, employers stand to:

- Benefit directly from decreases in medical costs due to better screenings, treatments and preventive care
- Realize indirect benefits such as increased productivity, decreased absenteeism, and increased loyalty and workforce stability

Health Disparities Overview

"Health disparities" is an umbrella term used to describe the following:

- *Disparities in health status*, that is, differences in health conditions and in health outcomes; and
- *Disparities in health care*, that is, differences in the preventive, diagnostic and treatment services offered to people with similar health conditions.
 - Racial and ethnic disparities in health status persist among adults and children even when they have adequate health benefits. (IOM)¹
 - Cultural beliefs and preferences can affect health status and health care decisions.
 - Lack of cultural competency (health care services that are respectful of and responsive to the health beliefs, practices and cultural and linguistic needs of diverse patients) within the health care system is a problem.²

1. Smedley BD. *Unequal treatment: Confronting racial and ethnic disparities in health care*, 2003. Washington, DC: Board of Health Sciences Policy, Institute of Medicine; 2003.

2. Office of Minority Health. What is Cultural Competency? Available at: <http://www.omhrc.gov/templates/browse.aspx?lvl=2&lvlID=11>. Accessed August 31, 2009.

II. Employer Interview Case Studies

After conducting an employer survey on health and health access disparities, the Racial and Ethnic Health Disparities advisory board followed up with interviews with several member companies to discuss their efforts in addressing disparities. The members interviewed represented a range of industries, sizes, geographic locations and employee demographics. The interviews revealed that employers vary widely in both level and type of involvement when it comes to addressing disparities.

Some employers have begun looking at disparities based on the “hunch” that they exist, while others are culling through data to identify the specifics of any disparities that may exist. Some employers have fully incorporated efforts to address health disparities into the company’s overall diversity initiative, while others are simply addressing disparities as it becomes clear that they require attention. Likewise, some employers have adopted a range of strategies to address health disparities, while others are starting with one targeted initiative.

Below are a variety of employer case studies featuring efforts to address racial and ethnic health disparities. Additional information from these interviews can be found in the appendix.

PepsiCo, Inc. Commits to Reducing Disparities

Ellen Exum, Program Director, Wellness & Prevention

Industry: Food & Beverage

Number of Employees: 60,000

Location: Worldwide

Background

PepsiCo is committed to the health and wellness of its employees and communities. The company also recognizes that different cultures respond to, develop and sustain healthy behaviors differently. In order to create a culture of wellness among all employees, PepsiCo realized that health programs and communications would need to be tailored appropriately to be effective. To that end, PepsiCo’s then CEO launched the company’s “HealthRoads” initiative in September 2004. The initiative addresses disparities across multiple company-sponsored health programs and is considered a significant part of PepsiCo’s strategy for their workforce.

Program/Initiative

At the national level, the company provides an online health risk portal system, developed by WebMD, which enables employees to complete health risk assessments and retrieve personal health records. This system collects demographic information from individuals on a voluntary basis. Once the information is collected, the system tailors the articles and information offered to individuals according to relevant factors of gender, ethnicity, age, and health status.

PepsiCo also has worksite wellness locations. They look at demographic data and identify locations within the company where they have higher than average claim cost or higher than average risk for it. The health and wellness staff will then go out and do focused programming for these sites, including health fairs, which include a personal health assessment and onsite biometric screenings that help employees know their numbers. They also offer onsite coaching so employees can get specifics of what to address concerning their health.

As programs are developed, whether they are walk-in programs or nutrition programs, PepsiCo is able to tailor each one based on the available demographic information. For example in Arizona, PepsiCo has a large number of Latino employees. When onsite healthy menus were created they were then able to adjust them for traditional Latin American food.

Lessons Learned

One of PepsiCo's major learnings is that privacy is a factor that any company working to address health disparities must consider, especially since it involves questions of ethnicity and gender. Companies should ensure that they provide a safe environment. The company says that employees have never objected to supplying demographic information so that the company can assess health disparities. But the number one concern is privacy: "How are you going to use this information?" PepsiCo stresses to companies embarking upon diversity/disparities outreach programs to consider privacy issues every step of the way. PepsiCo uses a variety of strategies to protect privacy. These include:

- Working with outside vendors that are certified under HIPAA (the Health Insurance Portability and Accountability Act).
- Working with its legal department to make sure rules are not violated, e.g., in the types of questions asked or the procedures for receiving and safeguarding reports.
- Including a privacy message and privacy policy statement with all information to employees.
- Using external vendors for educational presentations—as opposed to PepsiCo staff—so that employees may feel more comfortable in discussing sensitive issues.
- Ensuring that all information is reported in aggregate and not at the individual level.
- Ensuring that providing information related to ethnicity and gender is voluntary.

Cisco Systems, Inc. Speaks Employee Language to Deliver Health Information

Sharon Gibson, Healthcare Practice Director for the Cisco Internet Business Solutions Group (IBSG)

Industry: High Tech

Number of Employees: 65,000

Location: Worldwide (80 countries)

“We have concentrated for some time on condition management. We are now looking in earnest at the unique needs of our employee population from an ethnic diversity point of view....”

Sharon Gibson, Healthcare Practice Director for the Cisco IBSG, Cisco Systems, Inc.

Background

Cisco Systems, Inc. has developed what the company calls a “personalization” initiative in which the needs and preferences of the individual are taken into consideration. The company is focused on trying to help all employees and their dependents have access to the tools to encourage them to engage in the management of their health and that of their family members. Cisco works to understand the unique challenges their employees perceive, through on-line surveys, focus groups, and personal interviews, and then address identified issues using technology whenever possible.

By bringing health into the online world, through such tools as the “Health Connections” portal, they are trying to bridge the gap that has kept these services apart from everything else in their lives that takes place online. Through the portal employees may access information in written, audio or video format, anytime, from anywhere they can connect to the internet.

Cisco’s aim is to help employees understand that their health is important to them and to the company thereby encouraging them to become accountable and to “take charge.” They understand that when employees are healthy they are not only more productive but also more innovative. Innovation for Cisco is the key to success in the long term.

“Since most employees are also shareholders, they are highly motivated to do what is best for the company. Cisco uses the corporate citizenship angle to further encourage employees to take care of their health. They want good health to be a key aspect of its already strong corporate culture.”

Sharon Gibson, Healthcare Practice Director for the Cisco IBSG, Cisco Systems, Inc.

Initiatives

Cisco offers a variety of employee wellness services that either directly or indirectly address health and health care disparities. Some of these initiatives include:

- **Healthy meals** at Cisco cafés that offer ethnically diverse food choices and display, at point of choice, the dietary components.
- **Health Connections portal** with Cisco TV broadcasts on a variety of topics throughout the year and Video On Demand (VODs) for replay ad hoc—when the time is right for the employees to be interested. A regular program is “Ask Dr. Pam”—a program moderated by the company’s Global Medical Director, Dr. Pamela Hymel. Topics for the program are chosen by review of aggregated claims data as well as by noting preventive and other health care services that should have been received and submitted as claims, but weren’t.
- Targeted communications with spouses and dependents at home through **direct mail campaigns**.
- **Webinars** on health topics focused on the needs of employees and dependents and are open to employees and their families.
- **On-site health center**—offering direct primary and pediatric care at a full-service, state of the art clinic on the corporate campus in San Jose, California. Beginning in August of 2009, the clinical services will extend, through Cisco’s own telemedicine solution called HealthPresence, across the U.S. as they begin a pilot to connect employees at the Research Triangle area in North Carolina campus.
- Along with direct medical care, employees can choose to communicate with their physician through online “visits” through **secure messaging**, check lab results or schedule appointments.
- **Health Coaching programs** are the most preferred way Cisco employees garner health-related support. Health coaches work in-person, via telephone or enabled by on-line tools to help with fitness, diet, exercise, and stress related issues.

Lessons Learned

Many of Cisco’s robust arrays of initiatives to improve employee health and wellness may ultimately reduce health and health care disparities. Though the company says it is just beginning to look at how employee health issues are affected by ethnicity and to create a strategy to better understand and address them, many of their existing initiatives can work toward this goal.

Blue Cross and Blue Shield of Minnesota Uses State Data as a Gauge

Patricia Riley, Senior Vice President of Government Programs

Industry: Health Care

Number of Employees: 4,000 in MN

Location: Nationwide

As a health plan, Blue Cross and Blue Shield of Minnesota covers approximately 2.8 million individuals, most of whom reside in Minnesota and 4,000 of whom are their employees. In an effort to move from being a “health plan company” to a “health company,” the company wants to apply the goals and strategies used to eliminate health disparities among all of its plan members to its employees.

Two years ago, the company’s strategy to address health inequities and health disparities was built into its overall corporate strategic plan, but it has recently been given a boost, with enthusiastic support from a new CEO and a new head of human resources. Blue Cross and Blue Shield of Minnesota determined that disparities should be addressed by looking at Minnesota state level data and identifying where there were significant disparities, reasoning that the state data would probably be mirrored in its employee population.

“We have data, data and data and they all say the same thing. We have huge disparities in our state and they are not getting better. That is the biggest area of concern.”

Patsy Riley, Senior Vice President of Government Programs, BCBS of MN

With an initial reaction to “boil the ocean and try to fix everything,” Patsy Riley says they have now narrowed their focus to three specific topics (smoking, obesity, and breast cancer screening) based on need and employee input. Has she faced barriers or challenges in addressing disparities? “Yes, yes, and yes.” According to Riley, what worked for Blue Cross and Blue Shield of Minnesota was to gather data, build its business case, focus on an evidence-based approach, and never take no for an answer.

The company has a small percentage of minorities on staff, so a key challenge is targeting information on health disparities without singling people out. Blue Cross and Blue Shield of Minnesota has chosen to educate all employees about disparities and offer programs to reduce barriers to health care access. For example, the company is currently building a virtual “online health care setting,” complete with doctors, nurses and pharmacists. Employees are now using it in a pilot program; they can access the virtual health care site either at home or at a kiosk at work. The company is also looking at the possibility of having webcam-enabled conversations between employees and health professionals.

Marriott International, Inc. Addresses Employee Health One City at a Time

Jill Berger

Vice President, Health and Welfare

Industry: Hospitality

Location: Worldwide

Through employee focus groups, Marriott found that some people were too intimidated to schedule an initial doctor's appointment, and many employees didn't have a primary care physician. In response, Marriott formed a partnership with a multi-provider specialty group located two blocks from one of its large hotels. Marriott worked out

an agreement for the provider group to see employees without an appointment, any time the office is open. The medical office has even extended its hours on some days to accommodate the schedules of Marriott employees. "People were suspect in the beginning, but the hotel did a great job of marketing, and they have a diverse population within the medical group," says Berger. "So our housekeepers can just show up. In fact they

can look up and see five housekeepers that may be on a break, or just getting off of their shift. It's more comfortable for them to go in a group, and the provider group has adapted to it."

In the past year, this provider group has seen more than half of the hotel employees. Initially, people saw the physicians for urgent matters. Now employees are beginning to go for preventive care as well.

A list of the top eight languages spoken by Marriott associates doesn't have much overlap with those of other employers. Many health care professionals don't understand the culture of this very diverse workforce with its many languages.

"There isn't just a one size fits all solution. For us it really is city by city."

Jill Berger, Vice President of Health and Welfare, Marriott International, Inc.

Program/Initiatives

This is only one example of Marriott's initiatives to address disparities and is based on their corporate-wide diversity initiative. Why did Marriott start to look at data in the first place? Everything that they were reading said there are disparities and they got curious to see what their own data would tell them. "Curiosity made us look" said Berger.

Other innovative approaches Marriott uses to address health disparities include:

- Conducting focus groups with their associates in Haitian Creole and Spanish to determine how they access care and what they need.
- Working with other local medical provider groups. “We’ve got to understand the population and find the provider group that will work with us to make care more convenient.”
- Identifying provider groups with staff representative of the ethnic groups being served.
- Providing Rosetta Stone language programs for managers to help them better communicate with employees.
- Offering Sed de Saber (“Thirst for Knowledge”): a Spanish-English language learning program which focuses on work-specific English skills. Marriott tailored the standard program for its Spanish-speaking employees. People participating in the pilot program have increased their English vocabulary by 65%.
- Currently working to employ a “roving nurse” for their associates. Someone who can travel to the sites and provide care onsite. Marriott does health fairs and the associates line up for their biometric screenings, so they know they will go if the service comes to them. Marriott has worked with Aetna to coordinate billing for this.

U.S. Foodservice Begins Its Efforts with an Overall Wellness Approach

Lynn Zehnder

Vice President, Benefits, Compensation & HRIS

Industry: Food Service Provider

Number of Employees: 26,000

Location: Nationwide

U.S. Foodservice plans to look at health disparities as part of its overall wellness strategy. It hopes to find a single vendor for its wellness efforts rather than cobbling together multiple vendors, even if, to start, the vendor can only provide 80% rather than all of the services the company wants. U.S. Foodservice is seeking a vendor that can tailor its health services to the population and understand that one-size-fits-all is not sufficient.

“For us, do I ever envision disparities being a separate project?” says Lynn Zehnder, Vice President Benefits, Compensation & HRIS. “... No, I don’t. To the degree that we can

isolate some issues from our data and try to address them, I think we will, but we also might just decide to address them within the larger context of the entire population too. I think that's the aspect of it that remains to be seen—how comfortable (even from a cultural standpoint) will we be calling attention to or communicating around this issue in particular and that's a question I can't yet answer.”

“We offer the same benefit plans across the workforce, across the country, and yet I believe the care being delivered through those benefit plans can and does vary by race, ethnicity and geography.”

Lynn Zehnder, Vice President, Benefits, Compensation & HRIS, U.S. Foodservice

H-E-B Grocery Company Knows Its Population and Targets Its Marketing

Kathy Durbin, Director of Benefits

Industry: Retail

Number of employees: 56,000

Location: Texas and Mexico

With a workforce that is predominantly low-income (82% earn less than \$40,000 per year) with limited education, and includes acculturated and unacculturated immigrants, H-E-B Grocery Company is very much aware of the importance of “tailorization” of its communications and programs to include photos and content that are culturally appropriate and speak to their diverse population. In this effort, the company has been able to take advantage of the expertise of its marketing department—using the same strategies for employee health communications as for bringing products to its customers. “In 1st grade, when a 6-year-old starts interpreting for Mom and Dad who don't speak English as a first language, we have a problem,” says Kathy Durbin, director of benefits. H-E-B therefore designs health materials that are bilingual and at elementary reading levels. Understanding its employee population and being able to present employees with information that makes them aware of health issues is key.

Prudential Financial, Inc. Focused on Employee Data to Understand Disparities

K. Andrew Crighton, MD

Vice President/Chief Medical Officer,

Myrtho Montes, MD, Medical Director

Industry: Financial Services

Number of employees: 20,000 US, 40,000 worldwide

Background

In 2002, Prudential Financial began ramping up wellness programs to include enhanced resources such as onsite health screenings to help employees live healthier and more productive lives. To ensure all employees would benefit from the available programs, the company began collecting demographic information, such as race and ethnicity from employees who voluntarily chose to provide it. This is where Prudential's data gathering efforts focusing on health disparities began.

"From our standpoint it was just a natural progression to add racial and ethnic data to the demographic file as we were building the data warehouse. If we didn't add this data, we wouldn't be able to analyze the potential impact of health disparities in our population."

K. Andrew Crighton, MD, Vice President/Chief Medical Officer, Prudential Financial, Inc.

When Prudential initially built its Medstat data warehouse, race and ethnicity was included in the demographic file. This information would later be used to measure the impact of health programs and determine if there were gaps in program usage among different groups of employees. Job grade and salary data was also collected.

Employees also provided race and ethnicity data in several ways. For example, when employees create their personal profiles at Prudential, they can input their race and ethnicity data. It's self-reported, but it follows the Equal Employment Opportunity Commission's guidelines. The health risk assessment is another tool for individuals to input their race and ethnicity data which follows WebMD's guidelines. As a result, Prudential has been able to run reports on participation in health and wellness programs and cut the data by race and ethnicity. Using de-identified aggregate data, Prudential found the following:

- African American employees were underrepresented in wellness programs.
- Hispanic and African American employees had a higher incidence of stress (the baseline being Prudential as a whole).
- Asian and Caucasian employees had a lower incidence of stress (race/ethnicity and stress related questions are collected separately and then matched together).

“The wellness data was in our system so we just decided to analyze it. Analyzing the health care data was the right thing to do for our employees. We’ve had few if any barriers with the data collection.”

K. Andrew Crighton, MD, Vice President/Chief Medical Officer, Prudential Financial, Inc.

Programs/Strategies

In response to these preliminary findings, Prudential created strategies to engage employees and help them understand and manage their health risks. For example, Prudential’s Health and Wellness team began sharing health risk data and other wellness resources during events hosted by employee resource groups such as the Black Leadership Forum and the Asian/Pacific Islander American Association to increase awareness. A vendor also facilitates programs for employees in the company’s disease management programs. Prudential has also taken the following actions to reduce barriers to health care for employees:

- Eliminated the limit on number of visits in the mental health plan
- Covers preventive care at 100%
- Provides eight onsite clinics to provide screenings and services
- Offers tiered contribution for the health plans so lower job grade employees pay less

In 2006, Prudential began looking at data for a three year period, 2006-2008. They really honed in on trying to figure out if there were disparities present in the employee population for:

- Quality measures for chronic conditions
- Avoidable hospital admissions and complications
- Prevention and wellness measures, well child/baby

- Lab result averages for cholesterol and hemoglobin A1C, a measure of glucose control for people with diabetes
- Medication possession ratios for chronic conditions
- Disease modifying antirheumatic drug therapy adherence rates for rheumatoid arthritis patients

They found that:

- Hispanic and Asian women are screened for breast cancer at a substantially lower rate than white women.
- Diabetes is most prevalent among African Americans and those in the lower-level job grades.
- When compared to other job grades, children of employees in lower-level job grades receive recommended pediatric care and childhood immunizations at a lower rate.
- The Hispanic population receives colon cancer screenings at a rate 13 percentage points lower than average.

“The data tells us we need to provide more tools and resources to help employees become better health care consumers. Our efforts to better understand health care disparities support our commitment to diversity. Our goal is to make sure employees have the tools to understand their health risks and become better health care consumers.”

K. Andrew Crighton, MD, Vice President/Chief Medical Officer, Prudential Financial, Inc.

Advice/Lessons Learned:

“Being able to measure health care disparities in your employee population is important in helping employees and their families make the right health care decisions. When you look at the data, be careful not to make rash decisions about high level information. Take the time to really dig down and understand the data and look at trends.”

Compass Group Changes Policy to Remove Barriers*Robert Kovacs, Vice President of Compensation and Benefits**Industry: Food Service**Number of Employees: 140,000 in the United States**Location: Nationwide (more than 8,000 locations)*

To help improve access and preventive care, the Compass Group, which has more than 100,000 employees in the food service industry, has established a policy making all non-exempt non-union employees eligible for paid time off for up to 3 hours per year in order to get a physical exam. This eliminates often-cited barriers like “I can’t take time off work” or “I can’t get to the doctor during working hours.” In other efforts to eliminate barriers, Compass Group has not increased the \$5.00 co-pay on generic drugs—important particularly because almost 60% of its employee prescriptions are generic. In the future Compass Group plans to expand its wellness benefits by adding incentives to encourage participation in condition management and health risk assessments.

“What we have learned throughout the years is that while we may debate and discuss the need for comprehensive health care coverage, the reality is that most of the folks will not pay for it or cannot afford it. So rather than waive coverage, we built an affordable health plan that does get them a foot in the door.”

Robert Kovacs, Vice President of Compensation and Benefits, Compass Group

Verizon Communications Focuses on Health Partner Accountability*Cliff Feldman, Executive Director, Health & Welfare Benefits**Audrietta Izlar, Manager, Corporate Benefits**Industry: Communications & Entertainment**Number of Employees: 230,000; 800,000 employee and dependent lives covered**Location: US and worldwide*

Verizon operates in some of the most diverse markets in the nation and for more than two decades the company has focused on building a workforce that reflects, and can better serve its marketplace. A recognized leader in diversity management, Verizon has learned over the years that a multicultural, high performing workforce requires a commitment to understanding the needs of a diverse population, including that which makes us different.

One example of this commitment is Verizon's use of its position as one of the nation's largest self-insured health care providers to require that its health plan administrators demonstrate an understanding of racial and ethnic health disparities, have the expertise and resources to provide solutions for employees and have disparity initiatives as part of their continuous quality improvement objectives.

For example, as part of its annual health plan renewal strategy, Verizon requires health plans to disclose their strategy for uncovering and closing gaps in care by race/ethnicity and to demonstrate how they are using that information in their decision making for the following plan year.

In addition, Verizon uses quarterly vendor reviews to discuss the health of diverse populations. By bringing the issue up at every quarterly review, Verizon is starting to gain traction with health plans administrators. As Cliff Feldman says, "This quarterly review process is important as we try to push the industry to focus on the health of diverse populations. This has resulted in some great dialogue and some uncomfortable moments, but we see that over time we are making progress."

Audrietta Izlar explains how the company uses an integrated approach to achieve results, "We have many partners who touch health in one way or another, so we take a holistic view and we work with our vendors that manage exercise, food services, etc. to ensure our employees have all the tools and resources they need to choose a healthy lifestyle."

"The leverage a large employer has to enact change with health partners is huge. We ask the hard questions, such as: Are you concerned that certain ethnic or racial groups have certain challenges within the gaps you have identified and are you approaching it differently?"

Cliff Feldman, Executive Director, Health & Welfare Benefits, Verizon Communications

Verizon's health plans use employee health risk assessment data to develop a data-driven lifestyle coaching and medical condition management program. The health plans also use employee race and ethnicity data in their modeling to help assess health risks and determine which of their disease management programs need to be more engaged with specific groups. In addition, some of the health risk assessment focuses on employees' readiness to change. Because Verizon is such a large company, some of its major health plan partners have established a dedicated nurse-advocate team that is able to use the data to do specific outreach. As Izlar puts it, "If you're ready to change, they're ready to talk to you about it."

III. Common Themes

In addition to the differences among the companies in these case studies, there are also key commonalities. Common themes, practices or elements that emerged from interviews with employers working to address health disparities include:

- Using existing employee groups (diversity network groups, affinity groups, etc.) to help inform efforts or target programming
- Building on an overall company dedication to diversity and to health and wellness
- Finding the motivation for addressing disparities in a close look at employee racial/ethnic data
- Focusing on extending their external mission for consumers, internally for their employees (as it pertains to health and wellness)
- Focusing on promoting health for the entire employee/dependent population rather than calling the efforts to address access and quality issues a “disparity” initiative; using a “rising tide lifts all boats” approach
- Acquiring senior level buy-in on addressing disparities
- Designating a “champion” at the company who is driving the effort
- Working closely with the company’s legal department/teams on addressing disparities
- Understanding what employee needs are and “meeting people where they are”
- Setting a goal to make employees better “consumers” of their health care
- Emphasizing the importance of protecting employee data and privacy
- Struggling with the technical issue of identifying health claims by ethnicity
- Generally obtaining racial/ethnic data from human resource databases and health risk assessments

IV. Strategies/Next Steps for Employers

Employers are starting to recognize the existence of disparities in the health and health care of their beneficiaries and are moving in a variety of ways to begin addressing the problem. There are steps to take whether a company is just beginning, on its way, or well immersed in a strategy or program to address disparities. Here are a few areas to consider that are suggested by the common themes identified above.

- **Data, data, data!** How can you know if you have a problem or not if you don't look at the data? Conducting an analysis of health care utilization by race/ethnicity to determine gaps is a key starting point for data analysis. Additional information about data collection and privacy will soon be available on the Business Group website in the disparities (cultural, ethnic and racial) section.
- **Tap into Employee Resource Groups.** Also known as affinity groups or diversity and inclusion groups, these are voluntary organizations of employees based on commonalities such as race, gender, sexual orientation, etc. These groups provide supportive networking environments for employees and can be a useful source for developing a better understanding of employee needs and perspectives. If such groups exist at an organization, it may be helpful to work with them directly to gain insights.

“Innovation typically comes from employers. We had to get the data ourselves and then share it with our vendors. The vendors got creative once they ‘got it’, but H-E-B had to do all of the up front work.”

Kathy Durbin, Director of Benefits, H-E-B Grocery Company

- **Work Internally with Staff.** Work with a diversity officer or similar staff member as well as with the company's senior management to determine how to make health disparities a priority. Present the business case for addressing disparities, involve employees in focus groups and/or disparities initiatives, and embed activities as part of an overall quality management organizational strategy as opposed to a separate initiative.
- **Work with Health Partners.** Many health plans and other vendors may not know what to do with racial and ethnic employee data if it is given to them. Talk with health plans to share the purpose of the data collection efforts and discuss how they may be able to assist. Ask about their efforts to address disparities; explore current health partner initiatives.

- **Inform/Educate Employees.** Disseminate information to your employees about disparities in health and health care. Increasing employee awareness is the first step in addressing this issue. Also provide employees with information on how to receive quality health care, and distribute health and wellness materials that are culturally and linguistically appropriate.

In conclusion, there is no single way to go about addressing disparities, though there are many common starting points. As seen in these case studies, employers are at varying levels of activity and utilize many different approaches to produce change. As more and more employers become increasingly aware of the importance of understanding and addressing the health needs of a diverse workforce, additional strategies to improve employee health and productivity and save employer costs are expected to emerge.

Appendix 1: Extended Employer Interviews

This appendix is designed to provide more in-depth information from the employer interviews.

PepsiCo

The success of PepsiCo's Diversity & Inclusion initiative can be attributed to initial support from the CEO and top-down leadership. Also, the company is in a position to succeed because it has decided to extend its commitment for health and wellness internally, to mirror the company's external commitment. The idea is that the company will do for its employees what it does for the community.

Diversity & Inclusion

Part of the diversity and inclusion (D&I) initiative includes multiple inclusion groups and networks, such as those for African Americans, Latinos/Hispanics, Asians, Native Americans, Women, Gay/Lesbian/Bisexual/Transgender and EnAble (for people with disabilities). These groups are a good place not only to communicate health messages and share information that might be beneficial to their members, but also to enable members to bring health concerns directly to management. For example, Hispanic employees might need bilingual health risk assessments, chat rooms or health coaches. By joining together in the Hispanic D&I Network, employees can present these requests with a common voice.

Some of PepsiCo's D&I groups host the health risk website on their own website and also invite wellness staff to organize "lunch and learn" sessions for them. Outside experts are used for these engagements. When experts speak with the different groups, they present some of the facts about how members of one group may be treated differently from others, or about the different prevalence of health problems among some groups, and then explain some of the "whys." "We specifically talk about disparities or the differences in conditions and how people are treated, but we just don't *call* it disparities. During the "lunch and learns" we call it disparities, but as an initiative we call it D&I, because, I think for us it means it is more inclusive," says Ellen Exum, Program Director, Wellness & Prevention.

Internationally, PepsiCo has a health risk assessment branded program in 19 countries, including an online component with an HRA. The program is different in each country based on what is culturally acceptable; it is also translated into the appropriate language(s) so that it's more appropriate and welcoming for the people it's intended for.

Addressing Barriers:

- **Cost.** PepsiCo offers hourly employees “seed money”—money that is funded into a health reimbursement account as employees receive it to help pay for health care. This effort is to help make health care more affordable for lower-paid employees. In addition to the previously mentioned programs, the company also has lifestyle coaching programs where employees can earn up to an additional \$400 for their health care reimbursement accounts.
- **Communication.** PepsiCo also offers “scripts” on certain health topics to help employees approach their doctors with questions about their health. The health record (through WebMD) will “translate” an ICD-9 or diagnostic code into words people can understand.
- **Adherence to medications.** According to PepsiCo’s disease management nurses, medication adherence often involves people in denial of ownership or accountability. PepsiCo was about to design a program for low cost medications and how to get people to stay in the their disease management program, but when data was pulled to determine how many people this would impact, they found many other reasons that were causing individuals not to comply besides just cost.

“To truly understand the needs of our customers and consumers—and succeed in the marketplace—PepsiCo must reflect that diversity in our employees, our suppliers and in everything we do.”

PepsiCo website

Racial/Ethnic Data

PepsiCo’s online system asks for data on employee race and ethnicity on a voluntary basis; data is also gathered through the payroll system. Because PepsiCo as a company has such a strong culture of D&I, and so many employees are involved in promoting diversity, there is less fear of reporting racial/ethnic data than there might otherwise have been. PepsiCo uses aggregate data results to develop, design and deliver programs—and to try to become more effective each year in identifying information and services that its employees need and are interested in.

Cisco Systems

Addressing Barriers

One of the most important things Cisco has done to address barriers to health care is to bring health care services to its employees with on-site clinics. The company is also able to better address issues of medication compliance by offering pharmacy services at its clinics. Cisco has largely placed its focus on improving the convenience of the health care employees receive. Additionally, as a step to acknowledge ethnic or cultural preferences for health services, Cisco has conducted focus groups among employees to learn which services are considered priorities to include. One result of the focus groups is that acupuncture and chiropractic services are now offered, and appointments fill up as soon as they become available.

Cisco is in the unique position of having a 93% retention rate in the company (ongoing for the past 5 years) and a younger workforce (average age is 40). From the company's perspective, if this high retention rate is maintained there is an opportunity to improve employee health over time and realize the downstream benefits. Cisco also has an opportunity to reduce the costs associated with aging. The company wants to change employee motivations and behaviors early enough to have a positive impact on the financial, health, innovation and productivity aspects of the individuals and the company as a whole.

Racial/Ethnic Data

Cisco Systems includes voluntary questions on race and ethnicity in its employee health risk assessments (HRA) conducted annually. Cisco has a 65% participation rate in its HRA, which could be because the company offers a generous incentive: employees who take the HRA receive a \$100 credit in their benefits "cafeteria plan." If the HRA places the employee to be in a risk group, he or she can receive another \$100 by following up and participating in a company-sponsored program. Cisco's primary source of race and ethnicity data is its health plan providers. The company works with an analytical service that helps identify trends in the data and interpret them. Cisco is just beginning to look at data by race/ethnicity and by related health condition in pilot programs. One example

"When creating a program, it is critical to understand what the goal is and to be open with your employees about that goal. Determine what motivates the unique employee population and build programs that align with those motivators. Then measure everything. Every time we collect and analyze feedback from our employees, we gain tremendous insight and actionable ideas."

Sharon Gibson, Healthcare Practice Director for the Cisco Internet Business Solutions Group

is the Personalized Health Program-South Asians (**PHP-SA**) currently underway. The pilot is a collaborative effort between Cisco's on-site clinic staff and the Palo Alto Medical Foundation. The program is a six month culturally customized wellness program that aims to reduce cardiovascular risk and promote total health and wellness in South Asian patients. Results from the pilot will be published early next year.

Marriott International

At Marriott International, Inc., 85% of their associates are hourly workers. Their associates speak over 100 languages, making literacy a key challenge the company struggles with both in primary languages and health care literacy. Many of their materials are printed in eight languages and almost all materials are printed in both Spanish and English. In an effort to learn more about their employee population, Marriott undertook a segmentation project with Aetna. In an attempt to assess who was getting what type of care by ethnic group, Aetna conducted geocoding/mapping of the associate populations and found corresponding disparities in utilization of preventive services and screenings.

“We found, across the board, our employees weren't getting many of the screenings or preventive services,” says Jill Berger, VP, Health & Welfare. “When we did our own HEDIS report, we didn't even come up to national averages (which are pretty low). Our response was to make preventive care free. We did a “know your numbers” campaign, and we got our managers to talk to their folks in stand-ups (group meetings before every shift) about the importance of preventive care -getting their cancer screenings, etc. We are beginning to see good results. For instance, mammograms and childhood immunizations are up more than 20% from where we started.”

Marriott removed the financial barriers by covering all preventive services, but is aware that there are still a lot of cultural barriers for their employees. One of the keys to ensuring that many Marriott employees get health care is making it easy to access—bringing the care to them.

Partnering with Aetna, Marriott has also done extensive focus group meetings. For example, in Florida, there were focus groups in Haitian Creole and Spanish, seeking better understanding of how speakers of these languages access care and what they need. Through the focus groups, the company is learning more and more; it is working to address, at a more local level, how health care is made available. Realizing that making medical care easy to access is essential, Marriott seeks to bring the care closer to employees.

U.S. Foodservice

Enrollment in medical benefits plans tops the 90% mark for U.S. Foodservice employees. Based on national studies, there is reason to believe that health care delivered to the workforce varies by race and ethnicity. U.S. Foodservice has just begun to manage data and look at such issues among its own employees.

U.S. Foodservice provides food and hard goods to restaurants, hospitals, schools, nursing homes, etc. As a national organization it employs warehouse workers, drivers, chefs and sales professionals, but the majority of employees do very labor-intensive, physical work. The workforce is primarily male and racially and ethnically diverse.

Strategy

U.S. Foodservice Inc. doesn't consider what it is doing to be a health disparities initiative per se; rather, the company is starting to build a wellness strategy. Disparities or differences in how health care is delivered will be rolled into this strategy to be addressed.

- One of the first steps of this strategy was to make sure preventive benefits were positioned appropriately.
- They are now in the midst of an RFP process, looking at an integrated wellness approach.
- They have built a data warehouse and are starting to cull through their data.
- They are focusing on communication and education efforts to make employees aware of benefits.
- They may consider focus groups and surveys to help understand what some of the barriers are for different subgroups.
- To decrease barriers to care, they did not increase medical premiums in 2009.

As U.S. Foodservice notices that preventive services aren't being used at the level the company would like to see, it has begun to explore why. Is it a language or cultural issue? Is it difficulty finding a physician? Is it finding the time?

Data

Current data initiatives:

- Data is being stratified by job category; this is where some of the differences are becoming apparent.

- A wide range of data is being collected, including race and ethnicity, sick days, short term disability, etc.
- The health plan is asked mainly to supply standard reporting. Occasionally the company asks for a special analysis, but this is mostly done through its consultant and data warehouse.

As U.S. Foodservice starts to look at its preventive care data and compliance information about prescription medications, the company is not seeing the numbers it hopes or expects to see. For example, the company has no cap on preventive care benefits. Claims are adjudicated based on standards for preventive care, but there are no cost limits attached in order to help employees get access to the right services and screening. The company wants employees to seek preventive care, but the data indicates that they are not getting the preventive care they should. The makeup of the workforce and the low levels of use of preventive services suggest that there are problems, likely including disparities.

“As we look to support a diverse workforce, it’s apparent to me that this is an area where we need to take a look. Looking at disparities will be a part of, or embedded in our overall wellness strategy.”

Lynn Zehnder, Vice President Benefits, Compensation and HRIS , U.S. Foodservice

Future

With Caremark as its pharmacy benefit manager the company hopes to look at data to help make determinations as to prescription drug compliance and identify where there may be gaps in care. For example: if someone is diabetic, is the person receiving routine tests and treatments? U.S. Foodservice is also exploring the idea of waiving co-pays for prescription drugs to remove possible barriers to receiving medications.

Compass Group

Compass Group deals predominantly with entry-level workers. The company has a turnover rate of about 53%—which is considered good compared to the fast food and restaurant industries. A few years ago, Compass Group began building a data warehouse with its vendor, Hellenic Data Management Symposium (HDMS), which manages its 2008 and 2009 initiatives. Every medical, dental, lab report...everything that happens in Compass Group's health plans has a feed from the carriers into HDMS. The system tracks preventive care (e.g., colonoscopies, mammograms, annual physicals) and screenings. From this data and the employee demographics, the company strongly suspects that the majority of employees do not have a primary care physician (PCP) since they haven't had an annual physical. Almost 50% of all employees don't submit any medical claims at all.

In response to these findings, the company launched a program to remove all barriers to employee access to PCPs. Employees who don't have a PCP end up going to the emergency room when they are sick, which is both expensive and not designed to provide good care for chronic illnesses. Compass Group also asked its employees what was preventing them from getting yearly physicals. Since "I can't afford it" was a common response, the company changed their plans to include 100% coverage of preventive health care in all medical, dental, and vision plans (no deductibles or co-pays). Compass Group also offers three different medical plans, including one geared toward hourly workers, called the "value choice" plan, that costs less than one hour of pay.

Kovacks says the workforce is very diverse and common sense tells him that there are differences in the health outcomes of different employee groups and in how they are receiving care. For now, the Compass Group's efforts are focused on preventive care and wellness, and trying to reduce barriers to accessing preventive care. The company is also tracking emerging information on how race and ethnicity affect how individuals interact with providers, the health care system, and disease management and wellness programs. Compass Group realizes that this new information could require a new look at how it communicates with its employees about health and wellness programs.

We haven't gone into the race and ethnicity, but we understand our workforce is entry level, low pay, low education and we need to develop plans that work for them."

Robert Kovacks, Vice President of Compensation and Benefits, Compass Group

Verizon Communications

Background

Verizon's starting point in addressing disparities coincided with the National Business Group on Health's initial issue brief on health disparities in 2003. The issue brief, in combination with findings on disparities from a report by the Institute of Medicine, served as an additional catalyst for improving health care quality for a company that was already attuned to these issues—Verizon holds its health plans and even its providers accountable for providing quality care.

Verizon realizes that understanding gaps in care requires “peeling back the onion” to really begin to understand why employees are not responding to health care messages and participating in the services available. The company focuses on promoting employee engagement in their own health, understanding that efforts surrounding this must be inclusive of its entire population. Verizon's chairman and senior leadership have long been committed to addressing issues surrounding diversity, so responding to health disparities was a logical outgrowth of this focus. The company believes that placing a strong value on diversity translates logically into a necessary focus on gaps in health care, so that employee health is improved.

Programs/Strategies

- **Reducing Barriers to Care.** Verizon has directed a lot of its efforts toward reducing the barriers to care that its employees may face. The company has designed its benefits so that preventive care, screenings to detect health problems, etc. are 100% covered. By removing this cost barrier, the company believes it is paving the way for people to get the basic information they need to start charting out a course to better health. Additionally, Verizon has worked with its health plans to remove the requirement for referrals so that, for example, employees don't have to stop to see their primary physicians before seeing their cardiologists.

Employees across the country are also offered free onsite influenza vaccinations—removing barriers of lack of time and inconvenience. In addition, Verizon is now conducting onsite screenings. For instance, the company noticed a gap in women's mammography screenings overall and sought where feasible to bring in a mobile mammography clinic. Again, this removes the barrier of lack of time. The company has received great feedback from employees, for example one comment: “I came for my screening last year and unfortunately, or should I say fortunately, was diagnosed with breast cancer.” These kinds of testimonials really reinforce for the company the fact that it is doing the right thing.

Verizon has also removed the “schedule mandate” around preventive care, meaning that the frequency of an employee's preventive care visits is a doctor-

patient decision—enabling employees, retirees and their families to manage their health rather than becoming entangled in the administrative bureaucracy of trying to figure out, “Will my insurance company pay for it this year...” when a medical need exists. This way, insurance schedules and timelines don’t become barriers, making it easier for people to get the health care and information they need when they need it.

- **Employee Resource Groups (ERGs).** The efforts to reduce health disparities is not just a human resources program anymore. Verizon has 10 employee resource groups (ERGs) that have made health part of their agenda. Five of these are based on race or ethnicity. In the past, ERGs have worked individually to address their known health disparities. For example, the African American ERG has sponsored “lunch and learn” sessions on kidney disease since organizers are aware of the risks in the African American community. Verizon works with ERGs to send a broader message about early detection/preventive screenings, and the company is also able to learn from ERGs about cultural factors that affect health care. Verizon is also sponsoring a multi-ERG conference this year; health will be on the agenda.
- **Communications.** With so many employees across so many different sites, some working in traditional offices and some working out of trucks, Verizon says that addressing health issues can be challenging. However, all efforts start with communications campaigns, broad as well as targeted, to reach all employees.

Verizon uses traditional channels as well as employees and HR business partner organizations to communicate about programs on a more local basis. Verizon employs its own health coaches in most of its 44 fitness centers. The health coaches extend the company’s health communication efforts. Verizon also uses a variety of other methods to deliver health information, including email messages at work, an employee portal, a health portal, home mailings, messaging from health partners and more.

“If you improve health it’s good for the employee, it’s good for the company, it increases productivity, and it’s going to save us money through improved health outcomes. So, really, the focus on disparities in health care is kind of a continuation of our overall commitment to quality.”

Cliff Feldman, Health and Welfare Benefits, Verizon Communications

Advice/Lessons Learned

- Commitment of top management allowed the effort to be successful.
- Internal champion of the effort—“You do need to have the staff resources to start driving it. It didn’t take a lot—Verizon is a huge corporation and was able to start getting traction with modest resources. You’ve got to have the perseverance to move it forward.”
- Vendors have been supportive of the disparities initiative, and Verizon has developed a push/pull relationship by clearly defining its goals and expectations.
- It is a long process and it can be a very slow progress. It is important to stay the course and involve as many people across the enterprise as possible. “We’re all very anxious to move the ball forward. Verizon is committed to this effort and expects even better results in the future.”

Appendix 2: 2008 Employer Survey Summary

In the summer of 2008, the Racial/Ethnic Health Disparities advisory board fielded a survey to understand employers’ knowledge of health disparities and gauge the actions currently taking place to address disparities within their organizations. The online survey was fielded only to members of the National Business Group on Health. Overall, 40 members participated, although the response rate to individual questions varied.

Findings include:

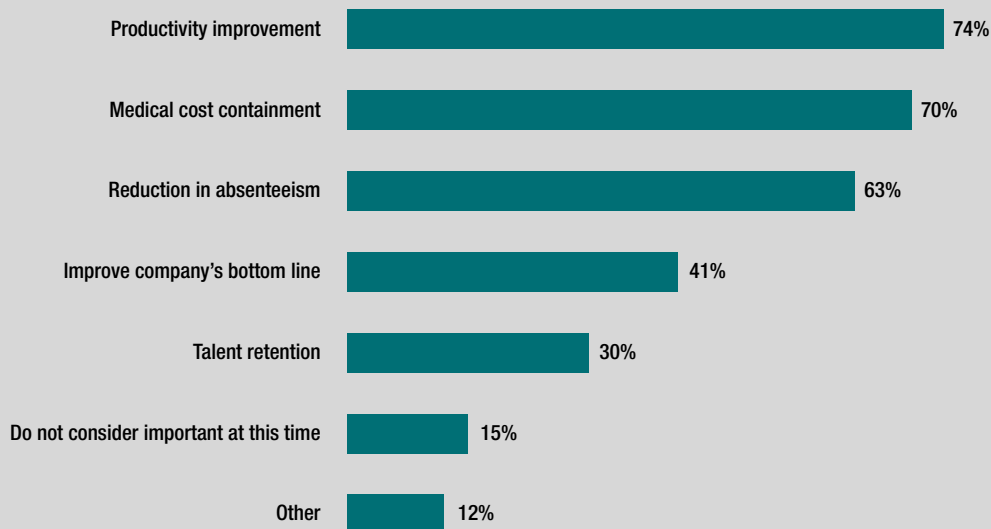
Strategy:

- Approximately half of responding employers indicated that they did not know whether disparities in health status or health care are major drivers of medical costs, absenteeism, lost productivity, short term disability or worker’s compensation.
- Health and health care disparities were overwhelmingly not seen as a business issue.
- 97% of respondents indicated that they have diversity strategies in hiring/employment as well as in other areas.
- Only one third of respondents ranked reducing health disparities as “very important.”

- Approximately 70% of respondents said they were not aware of a company strategy or program to reduce health disparities among their employees
- Few employers make employees aware of a disparities strategy
- The main reason given for the importance of addressing health disparities was “productivity and improvement” (74%), followed by “medical cost containment” (70%) (see chart 1)

Chart 1. Reason for Importance of Disparities

Question: Please indicate why reducing health disparities is important



Note: Respondents were allowed to select more than one answer. N = 27

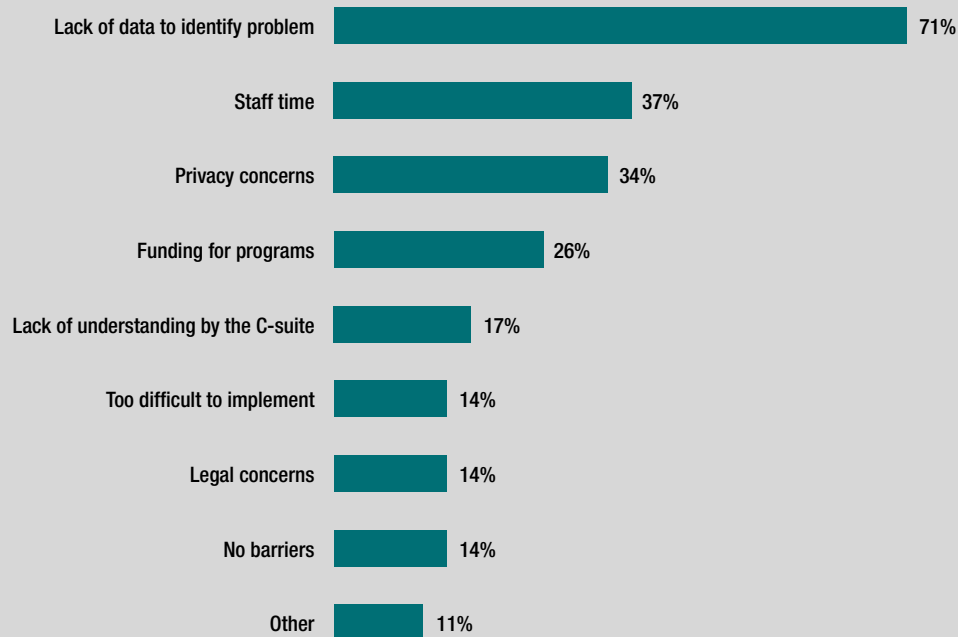
Source: National Business Group on Health

Data:

- “Lack of data to identify problem” was the top barrier to addressing disparities. Although 94% of respondents indicate that they collect race/ethnicity data on their employee population, this is not tied to health claims data (see chart 2).
- More than 70% of respondents said they did not provide racial/ethnic data on employees to their health plans or data warehouse for analysis of claims.

Chart 2. Disparities Reduction Program Barriers

Question: What do you believe are the barriers in your company to developing and/or implementing a disparities reduction program?



Note: Respondents were allowed to select more than one answer. N = 35

Source: National Business Group on Health

Health Plans:

- Availability of an initiative to reduce disparities does not appear to be a criteria for selecting health plans.
- Only 3% of respondents indicated that their health plans were able to provide them with data by race/ethnicity.

The results of this survey indicate that employers are generally unaware of disparities as a business issue; employee race and ethnicity data is generally not being collected and analyzed; and little is being done to collaborate with health plans in the area of data and addressing disparities. With employers committed to a diversified workforce, however, it is critical for them to understand the importance of addressing ethnic and cultural differences on health within this diverse workforce.



Addressing Racial and Ethnic Health Disparities: Employer Initiatives

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About the Center for Prevention and Health Services

Mission: Educate large employers about diseases and health issues in order to protect and promote health and well-being among their employees and beneficiaries as well as control costs.

The Center:

- Identifies strategies and develops tools to address health and benefits issues.
- Translates health research into practical solutions for large employers.
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