

# 13<sup>th</sup> Helen Darling Award

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## *for Excellence and Innovation in Value Purchasing*

**Presented to Intel Corporation**



**National  
Business  
Group on  
Health®**



(L-R) Tami Graham, J.D., director of global benefits design at Intel Corporation, receives the 13th Annual Helen Darling Award for Excellence and Innovation in Value Purchasing on behalf of Intel Corporation. Brian Marcotte, president and CEO of the National Business Group on Health, and Helen Darling, former president and CEO of the National Business Group on Health, present the award at the March 2015 Business Health Agenda conference in Washington, D.C.

Intel Corporation, the world's largest manufacturer of PC microprocessors, was recognized with this year's Helen Darling Award for Excellence and Innovation in Value Purchasing from the National Business Group on Health.

Now in its 13th year, this national awards program recognizes outstanding individuals, organizations and programs that spur the efficient and cost-effective use of health care resources, encourage excellent practices, and show a demonstrated track record of increasing health care value. The annual award was renamed the *Helen Darling Award for Excellence and Innovation in Value Purchasing* in honor of the Business Group's long-time CEO and president who retired in 2014.

Intel was chosen for this award for its exceptional track record and commitment to increasing value in health care purchasing, and for its leadership role in helping to change the face of employer-sponsored health care benefits.

"We are pleased to honor Intel for its ongoing dedication and commitment to creating a better health care experience that improves the health and health outcomes for not only its employees and their families, but for large employers around the nation," said Brian Marcotte, president and CEO of the National Business Group on Health. "Intel and its team of forward-thinking executives have been consistently providing the leadership and innovative solutions this country needs to help improve the quality of health care while at the same time control rising costs," Marcotte said.

A driving force behind the global technology revolution, Intel was founded in 1968 by semiconductor pioneers Bob Noyce and Gordon Moore when they created the first RAM processor. Today, Intel has 107,000 employees worldwide and earns \$56 billion in revenue in over 62 countries and territories. In the U.S., Intel covers approximately 48,000 employees and 80,000 dependents under its self-insured medical plans. Most of Intel's U.S. employees are based in California (headquarters), Arizona, New Mexico, Oregon, Texas and Massachusetts.

## Intel's Health Care Journey

Faced with a health care cost trend that was running above the national average and was projected to reach \$1 billion by 2012, Intel knew it had to take significant measures to reduce its total costs and improve the health care experience of its employees and their dependents.

In 2003, Intel shifted its focus toward consumer-directed health plans (CDHPs). At that time, CDHPs were uncommon. However, because of Intel's engaging communications and innovative plan designs, it was able to move 70% of its employees to CDHPs.

### Health for Life

Three years later, Intel introduced its wellness program, Health for Life, focusing on biometric screenings, annual health assessments, and personalized wellness coaching to encourage employees and their dependents to evaluate, improve and maintain their health. Health for Life is available in nine countries with over 40,000 employees using these services.

Intel also opened on-site clinics in New Mexico, Oregon and Arizona in 2006. These clinics, Health for Life Centers, are staffed by medical professionals who provide health care services, including primary care services, preventive exams and physicals, vaccines and immunizations, blood draw and lab services, and physical therapy.

As part of the Health for Life program, Intel also introduced the 3-Step Wellness Check, which is based on the concept that the more employees know more about their health risks, the better they can manage it. This wellness check provides employees a biometric health check, where their height, weight,

blood pressure and blood glucose are measured. They then receive a report based on their health check results and health assessment. The third step is an in-person or phone meeting with a wellness coach who helps them make the appropriate behavior changes to maintain or improve their health status.

Employees who complete the wellness check receive a \$250 medical premium discount and an additional \$50 incentive for continuing with their on-site or telephonic or online coaching sessions.

This wellness check achieved a 60% participation rate and more than 90% of participants were highly satisfied.

This year, Intel introduced a new, fully integrated program, Vitality, replacing the 3-Step Wellness Check and offering a range of coaching and services around movement, nutrition, recovery and mindset.

### Connected Care

In December 2011, Intel partnered with Presbyterian Healthcare Services (PHS) to create an accountable care organization (ACO) for Intel's 3,500 employees in Rio Rancho, NM. PHS is a non-profit system of eight hospitals across New Mexico and operates 10 patient-centered medical homes and includes a health plan, a 600-provider Presbyterian Medical Group, and other entities.

Accountable care organizations are partnerships between health care delivery systems and payers and, in some cases, directly between delivery systems and employers. Under ACO arrangements, providers are financially rewarded for delivering high-quality, efficient care and often have something to lose when they don't.<sup>1</sup>

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### **Connected Care's Five Requirements<sup>2</sup>**

**Right care:** Use of evidence-based medicine to improve population health

**Right time:** Timely access to care

**Right price:** Material decrease in the cost of care

**Best life:** Rapid return to productivity

**Best outcome:** Patient satisfaction 100% of the time

Intel's program, called Connected Care, went live on January 1, 2013 in Rio Rancho, NM. Connected Care was offered through either a high-deductible health plan or a copay health plan, along with other insurance products. Connected Care was selected by 58.6% or 5,410 members in Year 1.<sup>2</sup>

Connected Care provides 100% coverage for preventive care to promote evidence-based prevention and treatment of chronic conditions. Medications for hypertension, cholesterol, diabetes and some other conditions are fully covered to incent patient compliance on chronic-condition care. Each patient works with a specific team of specialists to facilitate maximum coordination of care. Intel and PHS' contract includes quality measures such as patient satisfaction, how quickly nurses respond to patients' requests, and how often adults complete a depression screening tool.<sup>3</sup>

By moving away from fee-for-service and aligning incentives around efficient, high quality care, Connected Care helps eliminate traditional barriers that add waste, cost, delays and frustration without adding value.<sup>4</sup> Intel and PHS share risks and rewards if results exceed or fail to meet designated targets.

Intel projected savings in the \$8 million to \$10 million range through 2017.<sup>3</sup> One year into the program, Intel reported exceeding its operational goals and targets in access, evidence-based medicine and member experience.<sup>2</sup> Of enrolled employees,

98% reported a positive experience with the quality of care they received and 94% said they were likely to recommend their PCP to their peers. Outcomes for the diabetes bundle also exceeded the target with 39% of enrollees improving their diabetes control.<sup>2</sup> Year 1 medical and prescription costs came in at 3.6% higher than projected, however, due to increased member engagement, proactive primary care, and more pregnancies than predicted.<sup>2</sup> Both Intel and PHS are looking for ways to reduce costs in subsequent years.

In January 2015, Intel introduced Connected Care to its Portland, OR location, where Intel employs 17,000 people and covers 50,000 people. Intel partnered with Kaiser Permanente and Providence Health & Services.<sup>5</sup>

Plans are underway to expand Connected Care to other Intel sites across the U.S. where Intel has a major employee population.

### **Winner of Best Employers for Healthy Lifestyles® Award**

Intel won the National Business Group on Health's *Best Employers for Healthy Lifestyles®* award at the highest level (Platinum) in 2011 and 2010 and the Gold level from 2007 to 2009. Since each year, the standards are raised, continuous achievement indicates that Intel's program was not only at a high level in 2007 but that it continues to improve each year since then.

### **Major Leadership Roles for Large Employers with the National Business Group on Health**

Intel has contributed to the industry in many ways, including involvement in the Business Group's work. Intel has been extremely engaged in the payment and delivery reform initiatives at the Business Group, as well as in the Global Business Group on Health (GBGH). When the Intel

Healthcare Strategy team joins a group, they add an additional dimension to discussions and make the work of the committee more valuable.

Intel joined GBGH shortly after it was launched in 2005. Corrie Zenzola, global health and risk benefits design manager, represents Intel on the GBGH board of directors and assumed the role of co-chair in 2012. Her significant experience and keen cultural sensitivity enrich and support the mission of GBGH. Through her vision and leadership, GBGH has flourished from a small group of 18 companies to 67 companies and growing today.

Tami Graham approached the Business Group two years ago with an interest in sharing Intel's journey to Connected Care. She came to the Business Group, not only willing but eager to teach other Business Group members how to create an ACO. Her enthusiasm to change the health care delivery paradigm and share with other employers contributes to the success of the Business Group.

The list of Intel conference speakers, panelists, and webinar leaders is long and documents the many contributions that Intel has made to the field, to thought leadership and to the National Business Group on Health and Global Business Group on Health.

## References

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**National  
Business  
Group on  
Health®**

20 F Street, N.W., Suite 200 • Washington, D.C. 20001-6700  
Phone (202) 558-3000 • Fax (202) 628-9244 • [www.businessgrouphealth.org](http://www.businessgrouphealth.org)

Brian Marcotte, President and CEO, *National Business Group on Health®*

For more information, contact [info@businessgrouphealth.org](mailto:info@businessgrouphealth.org)