



The next frontier in group health insurance plan designs

Carriers and employers are exploring health plan designs that aim to better manage costs and streamline access to care for employees.

To understand where health plan designs are headed in the future, it's important to look back a few years to see how the global pandemic helped shaped the health plans of today.

In the first half of 2020, as organizations found themselves rapidly moving to remote work models, business leaders saw a fundamental shift in the “balance of power” from employers to employees. Attracting and retaining talent became more challenging. And, as employees demanded more from their benefits package, employers turned to their carriers for solutions to help them attract and retain talent.

Now, with the employer/employee dynamic tilting back to pre-pandemic “normal,” employers once again find themselves reevaluating their health plan strategy, seeking options that help them manage costs without limiting choice or other elements employees have grown to appreciate and expect over the past couple years.

To achieve this balancing act, plan designs may become more complex.¹ For instance, the health plan designs of tomorrow are likely to offer:

- Expanded coverage with reduced member responsibility for costs
- Access to more convenient care options
- Upfront pricing for health care services
- Lower costs aligned with quality providers and facilities
- Simpler digital and mobile experiences

“Carriers often struggle with helping employers and employees reduce their overall health care spend,” explains Stephanie Alberti, vice president of product for UnitedHealthcare Employer & Individual. “We’re constantly asking, ‘How do we design more first-dollar coverage opportunities? How do we encourage consumers to get the right care when they need it and from a provider they trust?’”



“The drivers of emerging plan design will certainly be about finding a balance between consumer-friendly plan designs and plans that help employers manage their costs.”

Craig Kurtzweil

Chief Data & Analytics Officer
UnitedHealthcare Employer & Individual

When it comes to reimagined health plan designs, these 3 trends are gaining traction:



**Offering more coverage
and lower upfront costs**



**Providing greater
visibility into cost and quality**



**Tailoring coverage
to specific employee populations**

Offering more coverage and lower upfront costs

Moving forward, health plan designs may cover more upfront costs to help make it easier for employees to pay for preventive or routine care before they meet their deductible. This provides more perceived plan value right from the start: Members feel like their health insurance is kicking in immediately instead of paying 100% out-of-pocket until a deductible is reached.

This matters, because plans that don't offer these upfront cost-savings may leave employees feeling frustrated or questioning why they pay for health insurance at all, especially if they don't reach their deductible by the end of their plan year.

Where savings and support meet

- **Care Cash®**
- **Vital Medication Program**
- **\$0 24/7 Virtual Visits²**
- **UnitedHealthcare Benefit Ally®**

“At UnitedHealthcare, we're developing health plan designs that balance simplicity and affordability. We believe we're moving in the right direction by combining the cost-saving power of programs like Care Cash, the Vital Medication Program, \$0 24/7 Virtual Visits and Benefit Ally with a more personalized experience,” says Kelley Nolan-Maccione, chief product officer for UnitedHealthcare Employer & Individual.

Plan designs that offer \$0 copays for designated services or that are void of deductibles or coinsurance may help employees feel like they are getting more out of their health plan.

Additionally, pairing those plan designs with products like Care Cash from UnitedHealthcare—a preloaded debit card designed to help employees pay for their portion of certain eligible network health care expenses—may also make a difference.

“A good health plan design is simple to use and understand and delivers value to the member from day one.”

Karen Silgen

Vice President of Product
UnitedHealthcare Employer & Individual

Providing greater visibility into cost and quality

Layering price transparency into plan design is another step many carriers are taking. Giving employees more insight into the cost of care and aligning lower costs with quality providers may help members make more informed decisions.

Many carriers like UnitedHealthcare are also weaving algorithms into their digital experiences and provider search engines that prioritize providers who have a history of delivering quality care and positive health outcomes—and then sorting those quality providers based on average cost of care. This empowers employees to choose a provider that can best serve their health needs while staying in budget.

“Consumers want their health care experience to match their other online experiences—easy to navigate, transparent pricing, easy-to-access reviews, secure purchasing and quick delivery,” says Samantha Baker, chief consumer officer for UnitedHealthcare Employer & Individual. “During a time where costs are rising everywhere and there are many options, UnitedHealthcare is focusing on simple, personalized, digital-first plan designs and product offerings to give control back to the consumer.”

Consider a plan like **Surest™** from UnitedHealthcare. Through a digital experience designed to be easy to use, members can check cost and coverage information for specific procedures, treatments and services before scheduling an appointment, with lower prices indicating providers evaluated as higher value. This pricing model allows for a shift in how we think about value, factoring in efficiency, safety and effectiveness such as improved outcomes, lower likelihood of surgery complications, efficient use of resources, service costs and more. That level of transparency can give employees greater control over their health care experience and their costs.

 **54%**

lower average
out-of-pocket costs
for Surest members³

Up to
 **15%**

lower employer costs
on average with Surest³

A plan design that takes this model a step further

As the health care ecosystem becomes broader, more disruptors are coming onto the scene, creating health plans that aim to address some of the same challenges UnitedHealthcare is working to solve. “We continue to look for opportunities to accelerate what we’re already doing by working with others and entering into agreements with other entities within the health care system,” Alberti explains.

For instance, UnitedHealthcare is working with Garner Health on a health plan addition that uses data science to assess the performance of providers with the goal of improved quality of care and affordability for covered employees.

Garner’s provider analytics and health reimbursement accounts (HRAs) incentivize covered employees to select quality, network UnitedHealthcare providers. When a member selects a provider evaluated by Garner, the health plan contributes to the member’s health savings account (HSA) to cover the cost of seeing that provider. This may result in improved outcomes and a lower cost of care.



“Innovating the way health plans are designed has the potential to better serve employers and employees, and UnitedHealthcare is well positioned to bring different players across the health system together to bring those solutions to market.”



Kelley Nolan-Maccione

Chief Product Officer
UnitedHealthcare Employer & Individual

Tailoring coverage to specific employee populations

Because health needs can vary greatly from community to community, employers may find it difficult to select a plan design that meets the needs of their entire employee population.

As a result, many carriers are looking at communities or pockets across the country that may be experiencing worse health outcomes, higher costs or more barriers to care than others and designing health plans that aim to help a specific population.

For instance, northern Colorado was identified as one of the nation’s highest health care cost areas. To help manage those costs, UnitedHealthcare teamed up with 2 major health systems—UCHealth and SCL Health, now part of Intermountain Health—to build a new health plan called SelectColorado. This health plan is designed to give members better access to quality network providers across 14 counties, with \$0 copays for 24/7 Virtual Visits, primary care office visits, urgent care visits and behavioral health visits.

Health plans like these exist across the country. In fact, in many cases, carriers pilot different health plan designs within specific markets to determine whether it has the potential to be effective for a broader population. At UnitedHealthcare, examples of this include the Charter plan offered in Chicago, Houston and Dallas; Doctors Plan offered in Arizona, Colorado, Northern California and Washington; NexusACO® plans offered in Chicago, Louisiana, Oregon, Texas, Virginia and Washington; among others.

“My colleagues and I often discuss how our regions approach health care in different ways. Yes, there are many common denominators, but it’s the differences we want to provide for within our overall parameters. Those differences could be influenced by cultural diversity, economic factors or even access to care,” explains Rob Henderson, regional vice president of product for UnitedHealthcare Employer & Individual.

This same idea of tailoring health plans to specific employee populations based on where they live can also be applied to those who are dealing with different chronic conditions or diseases.

For example, **Level2®** is a health plan designed to specifically address type 2 diabetes. Through a combination of wearable technology, clinical support, coaching, lifestyle changes, personalized support and incentives, this plan aims to help employees improve their glucose levels and slow or even reverse their condition. Plus, **self-insured employers** benefit from guaranteed savings and contained medical costs.

“Wearable technology provides data that is directly tied into a person’s health status and allows them deeper insight into their physical health. When members share this information with us, it allows us to connect them with personalized programs, like Level2 for type 2 diabetes,” explains Brad Anderson, chief strategy officer for UnitedHealthcare Employer & Individual. “It’s the intersection of data, clinical insight, coverage and incentives that enable us to get better health outcomes for our members.”

Learn more

Contact your broker, consultant or UnitedHealthcare representative or visit uhc.com/broker-consultant and uhc.com/employer

**United
Healthcare**
There for what matters™

¹ Goldsmith, T. Three predictions for the future of health plan design. Amino. Nov 14, 2022. Available: <https://partners.amino.com/resources/three-predictions-for-the-future-of-health-plan-design>.

² The Designated Virtual Visit Provider's reduced rate for a 24/7 Virtual Visit is subject to change.

³ Surest health plan. Unitedhealthcare. Available: <https://www.uhc.com/employer/products-solutions/medical-plans/surest>. Accessed Aug 10, 2023.

Care Cash provides a pre-loaded debit card which can be used for certain health care expenses. If the card is used for ineligible 213(d) expenses, individuals may incur tax obligations and should consult an appropriate tax professional to determine if they have such obligations. The information provided in connection with Care Cash is for general informational purposes only and is not intended to be nor should be construed as medical advice. Individuals should consult an appropriate health care professional to determine what may be right for them.

24/7 Virtual Visits is a service available with a Designated Virtual Network Provider via video, or audio-only where permitted under state law. Unless otherwise required, benefits are available only when services are delivered through a Designated Virtual Network Provider. 24/7 Virtual Visits are not intended to address emergency or life-threatening medical conditions and should not be used in those circumstances. Services may not be available at all times, or in all locations, or for all members. Check your benefit plan to determine if these services are available.

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