

Benefits Insights

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National Insurance Services

Tips for Mitigating the Costs of Deferred Medical Care

For employers, early detection of health issues can reduce the amount of time employees are absent from work for medical appointments and recovery. Employer-offered health plans have traditionally focused on preventive medical care. The pandemic, however, changed how individuals accessed health care. Approximately 41% of people deferred care during 2020 and 2021 due to concerns related to the pandemic, according to the Centers for Disease Control and Prevention. Because many individuals postponed elective or in-person care to reduce the risk of contracting the virus, they are now starting to address their deferred care. Therefore, employers are being forced to respond to the surge in employee health care usage, but employers' health plans may not deal with employees' delayed care in a cost-effective manner. By implementing strategies to address deferred medical care, employers can prepare for increased future health care costs.

This article outlines strategies to help employers with the costs of deferred medical care.

Guide Employees to Cost-effective Care

As employees begin to prioritize their deferred medical needs, employers can help minimize costs by guiding employees to cost-effective care options. For instance, approximately 10% of an employer's total medical costs are the result of avoidable out-of-network medical expenses, according to Amino. By helping employees stay in-network, employers can aid employees in avoiding unnecessary out-of-network care, thereby reducing overall medical expenses for both employers and employees.

Employers can also direct employees to cost-effective outpatient care facilities or inpatient care options for procedures and imaging. For example, pointing employees to

imaging clinics instead of hospitals for CT scans, MRIs and X-rays can be more affordable for employees. Employer efforts, however, should not dissuade employees from seeking preventive care; doing so could lead to worse future health outcomes and costs.

Improve Employee Health Care Literacy

Employers can reduce the costs for deferred medical care by helping employees increase their health care knowledge. Better educated employees are more likely to reduce health care costs by making better choices. Employers can help employees become better health care consumers and avoid unnecessary treatments or expensive procedures through education.

Employers can educate employees by creating a user-friendly benefits portal that provides employees with information, such as health plan options, forms, enrollment calendars and links to health resources. Employers' efforts to educate employees must occur year-round instead of only during open enrollment. This can be done by providing employees with educational resources in emails, flyers, webinars, videos and workshops.

Employers can also fight the costs of postponed medical care by encouraging employees to stay healthy. By incentivizing employees to exercise daily, eat healthily, reduce stress and regularly visit the doctor, employers can help employees decrease their medical needs and improve their overall well-being.



Leverage Technology

Leveraging technology can also help employers reduce the costs of deferred medical care. Technology enables employees to easily access and review their benefits, helping them become more educated on their employers' benefits offerings and make better, cost-saving choices.

Advances in technology have even allowed individuals to stay healthy when they forgo in-person medical visits.

Telemedicine, for example, has become a more accessible and affordable way to treat more individuals by offering flexible and cost-effective care. It can also provide faster and more frequent care, which can help employees stay healthy and reduce overall costs. In addition to telemedicine, individuals can utilize chronic condition management apps, virtual health programs and digital physical therapy solutions to stay healthy and reduce health care costs.

Expand Access to Second Opinions

Obtaining a second medical opinion can improve an individual's care and health outcomes, especially in cases of rare health conditions requiring specialized treatment. Employers may assume second opinions will only increase health care expenses. However, especially when provided by top doctors and specialists, second opinions may decrease overall medical expenses by reducing overtreatment and misdiagnosis.

Although a second opinion can be an effective tool for reducing health care costs, employees rarely seek them out. By providing employees with access to a large network of top medical experts and specialists, employers can incentivize employees to get second opinions, drastically improving health outcomes and, in some instances, saving lives.

Advances in telemedicine allow employees greater and more affordable access to leading medical experts for second opinions. Employees who have access to a large network of the best available care may not only be healthier but also happier and more loyal to an employer.

Conclusion

Increased medical costs due to deferred care will likely continue to impact employers for the foreseeable future. Savvy employers will implement effective strategies now to prepare for and address employees' delayed care. Doing so may allow employers to reign in rising health care costs and

keep employees healthy and safe. Employers who proactively implement strategies to address the costs of deferred medical care will likely be better positioned to meet employee needs and prepared for unforeseen challenges.

For more information on health care benefits, contact National Insurance Services today.