

# **Developing A Culture of Health at Pitney Bowes**

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**SACGHS CONFERENCE ON  
GENETICS AND HEALTHCARE  
March 13, 2009**

# MY BACKGROUND WHEN I TOOK ON THESE CHALLENGES

- **NO HR OR BENEFITS EXPERIENCE, BUT**
- **SAFETY AND ENVIRONMENT RESPONSIBILITY HELPED ME FRAME PROBLEMS AND SOLUTIONS, AND**
- **LACK OF CONTENT EXPERTISE MADE ME IGNORANT OF WHAT COULD NOT BE DONE**

# **BENEFITS DEPARTMENT HAD MISALIGNED INCENTIVES AND HIGH RESISTANCE TO CHANGE**

- **BENEFITS DEPARTMENT REWARDED FOR KEEPING IN-HOUSE ADMINISTRATIVE COSTS DOWN AND FOR PAYING CLAIMS PROMPTLY AND ACCURATELY**
- **THIRD-PARTY BENEFIT ADMINISTRATION FEES WERE CONSIDERED TO BE BEYOND COMPANY CONTROL**
- **HEALTH CARE COSTS WERE CONSIDERED TO BE BEYOND COMPANY CONTROL**
- **CAFETERIA PRACTICES, WORKPLACE SMOKING, AND ALCOHOL AT COMPANY EVENTS WERE “SACRED COWS” THAT BENEFITS DEPARTMENT DID NOT WANT TO ADDRESS**

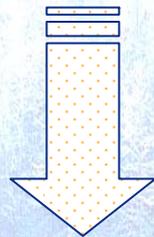
**Pitney Bowes' past health care situation: Increasing costs, low employee satisfaction, low employee contribution to costs.**

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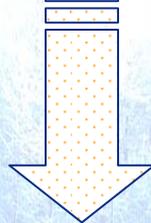
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**PB Health Care in 1980's**

Health Care Costs/Year



Employee  
Satisfaction  
With  
Health Care



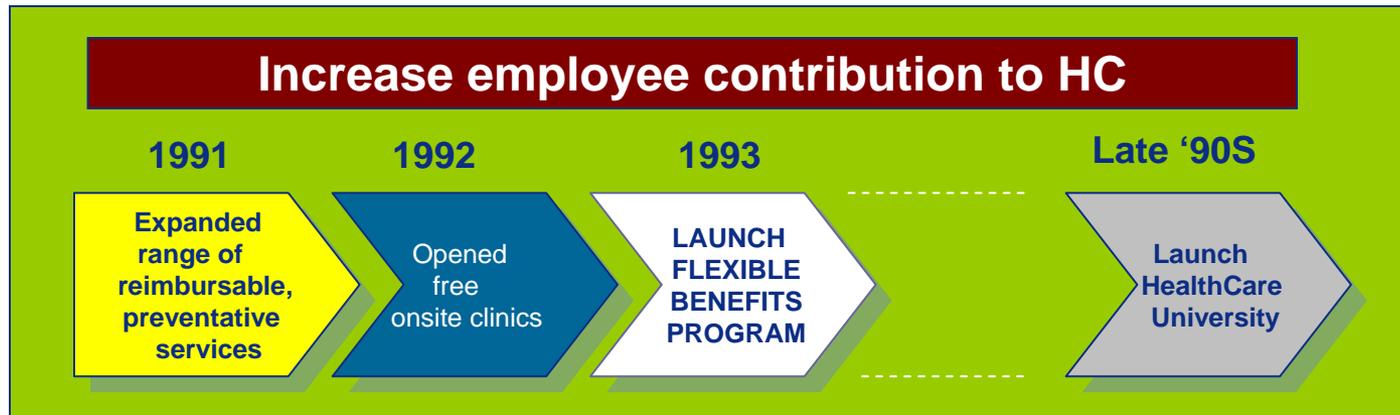
Employee  
Contribution  
To Health  
Care Costs

**Solution:  
Unconventional  
Strategies**

**PB Overall Change Principle: Actively seek improvement in employee health and increase employee participation in managing their own health.**

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## Pitney Bowes Change Management Principles



**Principle:** Offer something new and valuable to employees.

**Principle:** Justify change based on the participant's benefit of receipt of appropriate care.

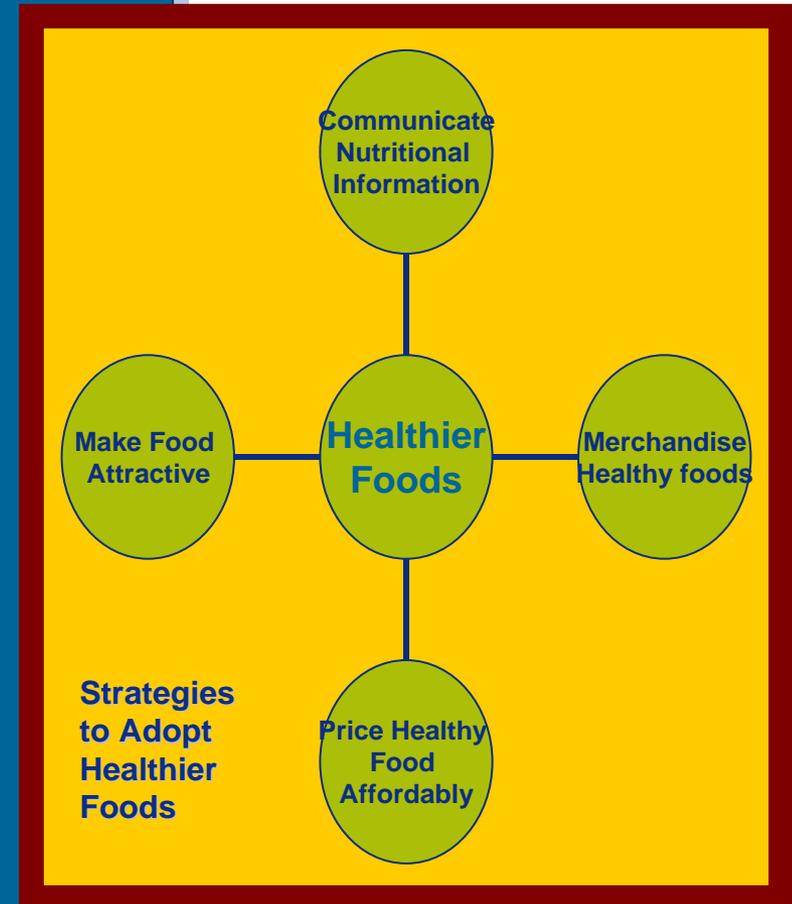
**Principle:** Deliver a consistent message over time. PB's message is improved health and well being, not universal care. Focus on the root causes of health care cost increases, rather than the symptoms of the problem.

**Principle:** Make leadership actions consistent with a culture of health.

**Principle:** All action is data collection and analysis driven, and adherences to the best available evidence-based medicine.

## Focused on primary prevention strategies:

- ❖ Nutrition
- ❖ Exercise
- ❖ Lifestyle changes,
- ❖ Immunization
- ❖ Infectious disease prevention
- ❖ Containment strategies



# PB's Segment: Large Population / Company Owned Sites



**Fitness**



**Work spaces**



**Infectious  
Disease Control**



**Cessation**

# Clinical Services:

## *Offering Enhanced Access to Affordable Care*

- Seven on-site medical clinics in major facilities
  - Staffed by medical professionals & specialists
  - 35,000 patient visits annually
    - 96% rank experience as good to excellent
  - Visits and related medications are free
- Preventive screenings and immunizations at low or no cost on-site and off-site
- Pharmacy managed by Caremark near WHQ
  - Prescriptions delivered daily to other locations
  - Pharmacy focused on medical and dental needs, not selling cigarettes and junk food



# Three Broad Lessons from Our Clinical Care Experience

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## Convenient access to health care

- Provide primary care at or near the workplace
- Minimize time lost for treatment
- Make treatment more convenient

## Benefit of continuity of care

- Easy access to medical information

## Increase clinical visits

- Dedicated staff
- On-site pharmacy
- Increased adherence to treatment plans



# HEALTH CARE PLAN DESIGN CHANGES: HEAVY FOCUS ON VALUE-BASED HEALTH CARE DESIGN

- **EXPANDED PREVENTIVE CARE COVERAGE**
- **INCORPORATED NON-SMOKER DISCOUNTS**
- **INCENTIVES FOR USING BEHAVIORAL HEALTH COUNSELORS FOR BEHAVIORAL HEALTH PROBLEMS**
- **INCENTIVES FOR PARTICIPANTS WITH CHRONIC DISEASES TO CONTINUE TO TAKE MAINTENANCE MEDICATIONS**
- **PRICED OVER-USED PROCEDURES AND TESTS HIGHER**

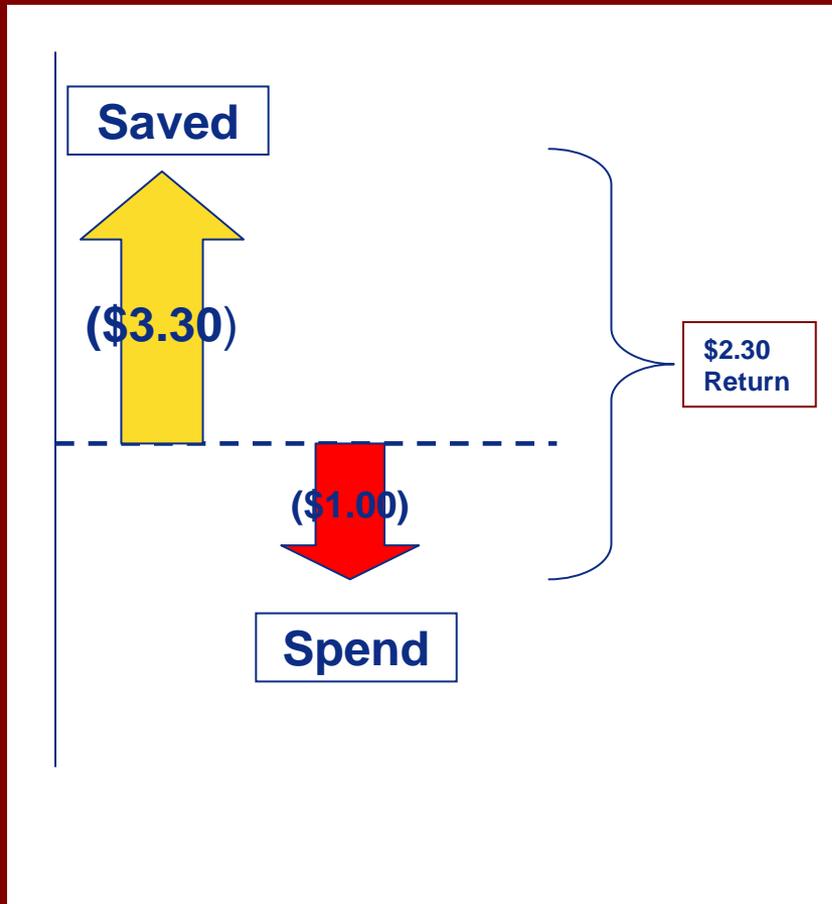
# **VALUE-BASED HEALTH CARE PLAN DESIGN (CONTINUED)**

- **PROMOTED CENTERS OF EXCELLENCE FOR COMPLEX AND EXPENSIVE MEDICAL PROCEDURES**
- **EVALUATED EVERY MEDICAL PROCEDURE FOR ITS SAFETY AND EFFECTIVENESS**
- **DRIVEN BY DATA**

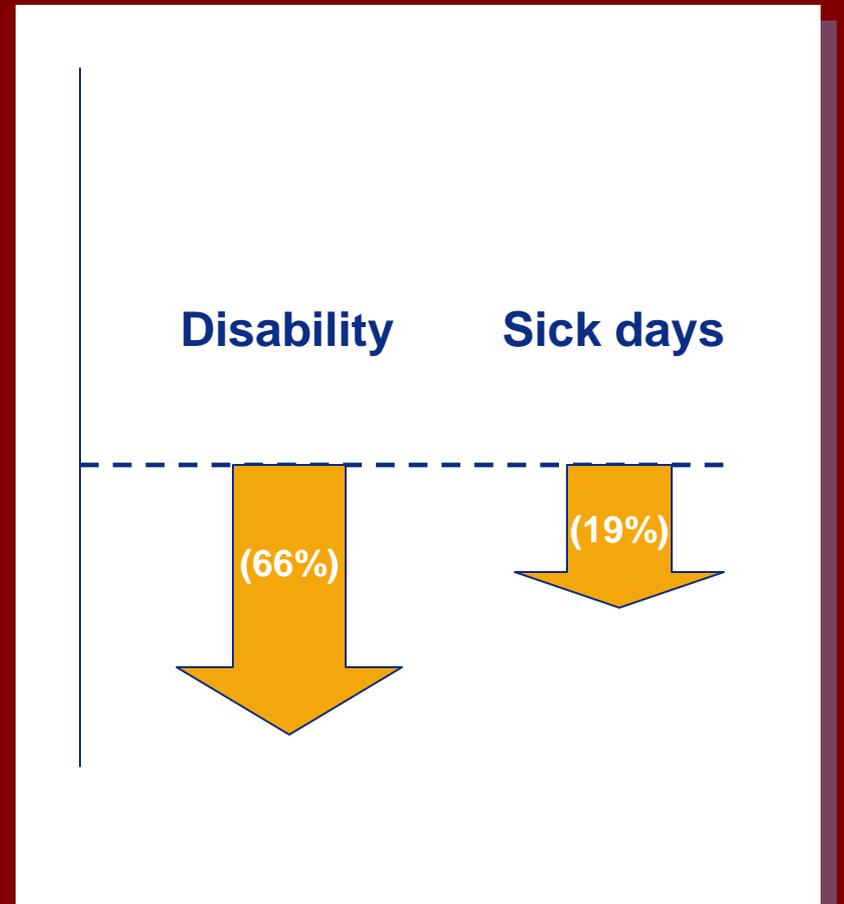
# Results of the Pitney Bowes 'Value-Based' health care initiatives.

## Pitney Bowes Data

### Clinics: PB Return / Dollar Spent



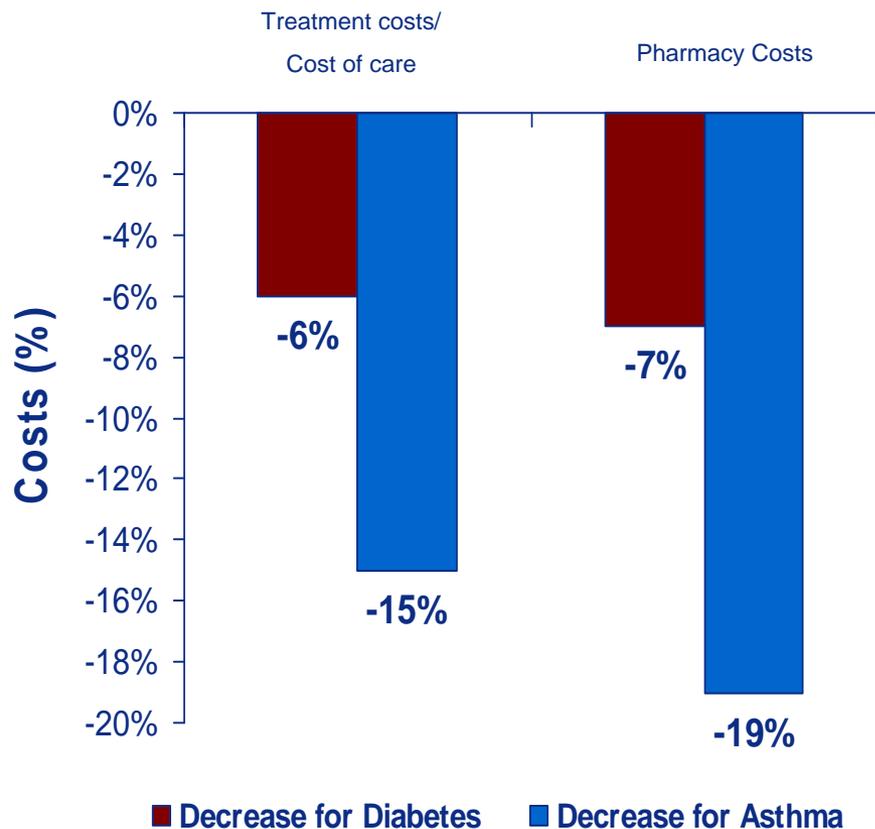
### % Change in Claims



# Results of the Pitney Bowes 'Value-Based' health care initiatives.

## Pitney Bowes Data

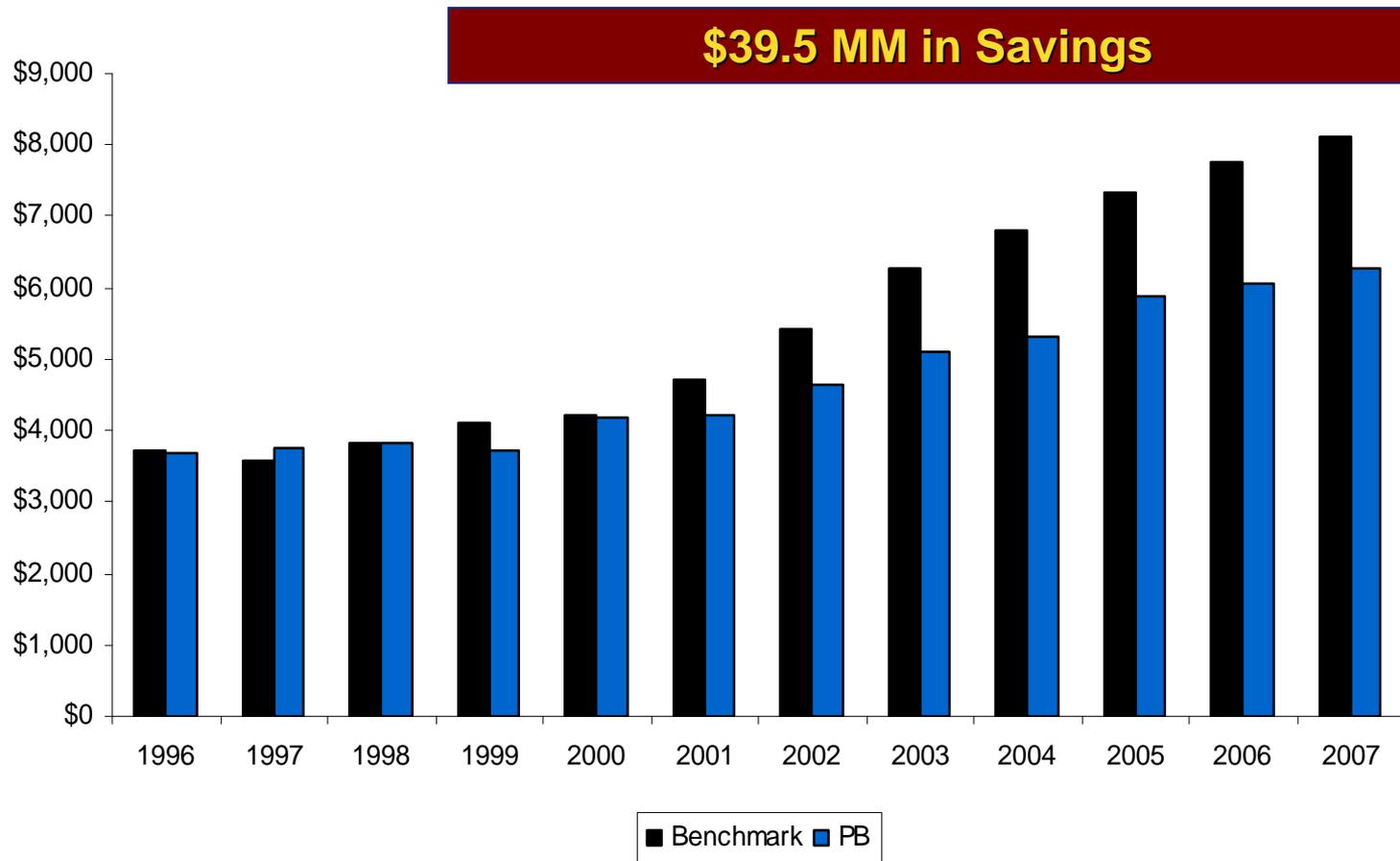
- Average cost of care decreased.
  - ❖ 6% decrease for diabetes
  - ❖ 15% decrease for asthma
- Average pharmacy costs decreased.
  - ❖ 7% for diabetes
  - ❖ 19% for asthma



**Greater focus on adherence to treatment plans, reduced emergency department use for asthma patients by 30%, hospitalizations by 38% and disability costs by 50%.**

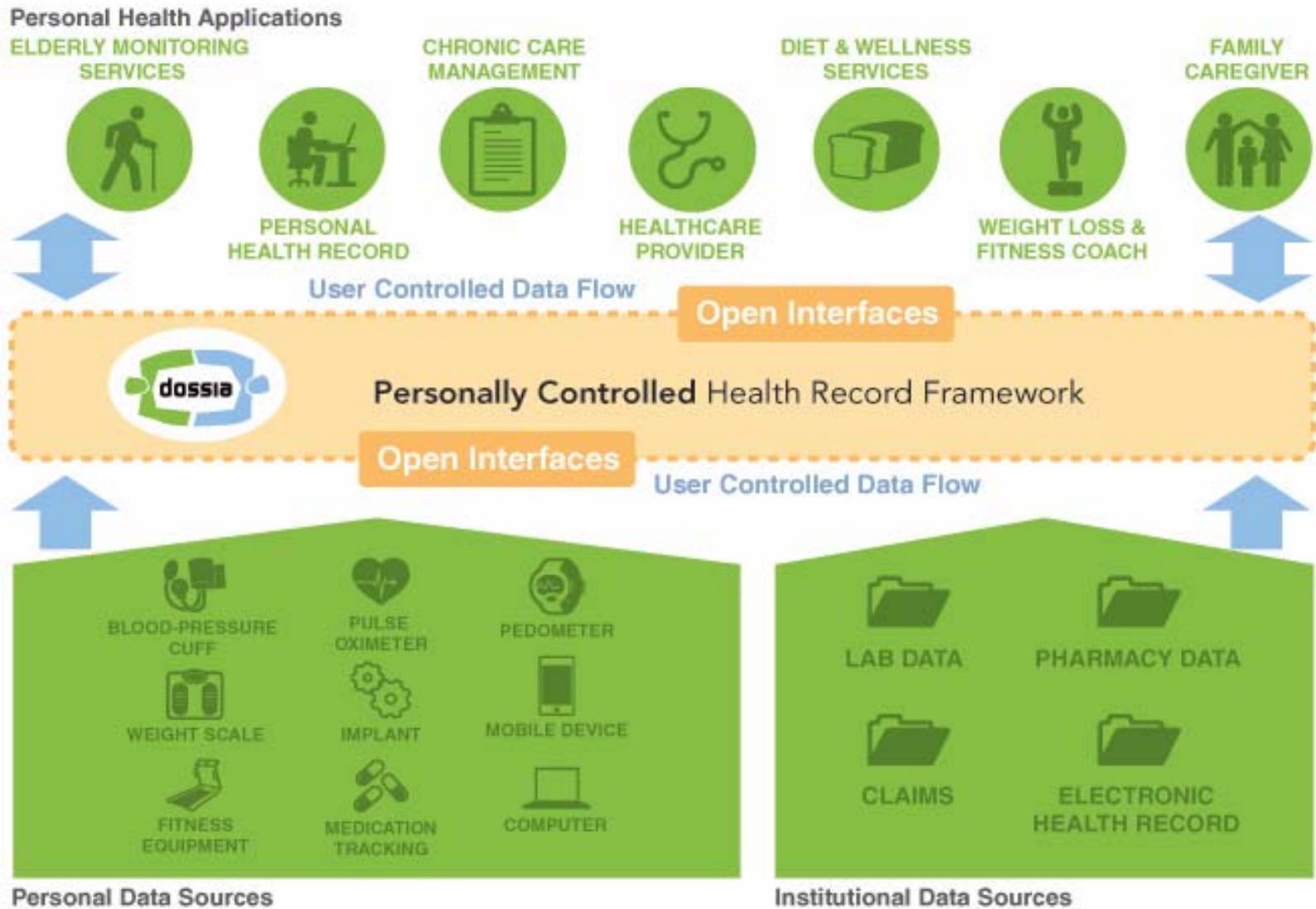
# Results of the Pitney Bowes 'Value-Based' health care initiatives- Outperformed benchmark; \$39.5 MM in savings.

## Pitney Bowes Data



# IMPLEMENTATION OF HEALTH INFORMATION TECHNOLOGY

- WE ARE IMPLEMENTING E-CLINICAL WORKS SOFTWARE IN OUR CLINICS TO GET BETTER CLINICAL DATA
- WE ARE A FOUNDING MEMBER OF DOSSIA, AN INITIATIVE TO IMPLEMENT A PERSONAL, PATIENT-CONTROLLED, PORTABLE, LIFELONG ELECTRONIC HEALTH RECORD AND WILL BE ROLLING IT OUT IN THE NEXT 12 MONTHS.
- WE AGGREGATE DATA FROM ALL SOURCES THROUGH MEDSTAT AND GET VALUABLE POPULATION-LEVEL INSIGHTS ON EVERYTHING WE DO.



# OBSERVATIONS ABOUT POTENTIAL ROLE OF GENETICS AND GENOMICS

- **WITH VALUE-BASED HEALTH CARE PLAN DESIGN, WE WILL WANT TO USE GENETIC AND GENOMIC DATA AND ANALYTICAL TOOLS TO DETERMINE**
  - **WHAT TREATMENTS WE COVER OR OFFER**
  - **FOR WHAT POPULATIONS**
  - **AT WHAT REIMBURSEMENT RATES, AND**
  - **WHETHER WE WILL HAVE A PROCESS LIKE OUR BEHAVIORAL HEALTH PROCESS TO PRESERVE THEM**