

Changing the trajectory of employer-provided healthcare

Strategically designed and implemented plans can lower costs, streamline delivery and provide greater accountability

Healthcare costs and outcomes are a critical concern for employers, who currently provide approximately half the healthcare coverage delivered in the United States. It is possible for employers to take a more active role and make changes, and in doing so, to deliver better and more cost-effective healthcare to their employees and their employees' families.

What we do

- Optimize employers' positions as payers in the healthcare system.
- Facilitate employers working directly with other stakeholders, such as healthcare providers and pharmacies.
- Achieve greater transparency by leveraging health plan assets, such as health plan data, to improve cost and quality outcomes.
- Navigate compliance with data-regulating frameworks, such as the Health Insurance Portability and Accountability Act (HIPAA).
- Recognize the value of plan data in plan operations and design and when working with third parties.
- Protect health plan data ownership and usage rights to enable and maximize current and future opportunities.
- Recognize in-house capabilities and outsourcing opportunities to achieve efficiencies.

Know your options

Our cross-practice team helps employers design and implement innovative arrangements, which generally fall along a spectrum based on risk, cost and potential reward.



Direct Contracting

Employers have direct relationships with the providers and are able to leverage foot traffic from employees and their families to get the best arrangements with the providers, such as hospital systems and specialty service providers. Direct contracting is gaining more momentum as both employers and providers are seeing the benefits of direct relationships that minimize the layers of third parties and their associated costs.

EXPERIENCE:

- We advise on direct provider contracting for a large, regional, multicampus nonprofit health system.
- We have counseled many clients on direct provider contracting, including a diversified multinational mass media and entertainment conglomerate and a national manufacturing company.
- We counseled a national manufacturing client on all aspects of an innovative health plan arrangement, including maintenance of a custom network of specialty providers.

Ownership of Data

We work with employers and employer organizations to draft and negotiate data aggregation and sharing agreements both to protect data ownership rights and to maximize use and disclosure capabilities.

EXPERIENCE:

- We represent an organization made up of large, self-insured employers regarding data rights and regulatory compliance. We have negotiated employer-favorable data sharing agreements with industry-leading third-party administrators that are allowing this organization to conduct advanced data analytics on the health plan data of millions of covered lives on behalf of its employer members. These analytics are providing employers with insights on both the quality and cost fronts.
- We regularly work with a variety of clients with traditional health plan structures in protecting their ownership of their own data in agreements with vendors, including third-party administrators.

Specialty carve-outs

One approach with higher risks and requiring more employer involvement is a plan to carve out specialty services, such as transplant services and high-cost pharmaceuticals, and make these available under specifically designed arrangements that have high-quality, strict medical management requirements. These arrangements allow employers to focus on the highest-cost drivers in their plans.

EXPERIENCE:

- We counseled a cooperative of employers on a favorable direct pricing agreement for specialty pharmacy services.
- We have counseled employers with traditional pharmacy benefit management arrangements in carving out specific services, such as specialty pharmacy services.

Nontraditional pricing structures

We have negotiated nontraditional health plan pricing arrangements on behalf of several employers, including reference-based pricing and bundled pricing. These pricing structures can help employers control costs but sometimes involve greater employer engagement.

EXPERIENCE:

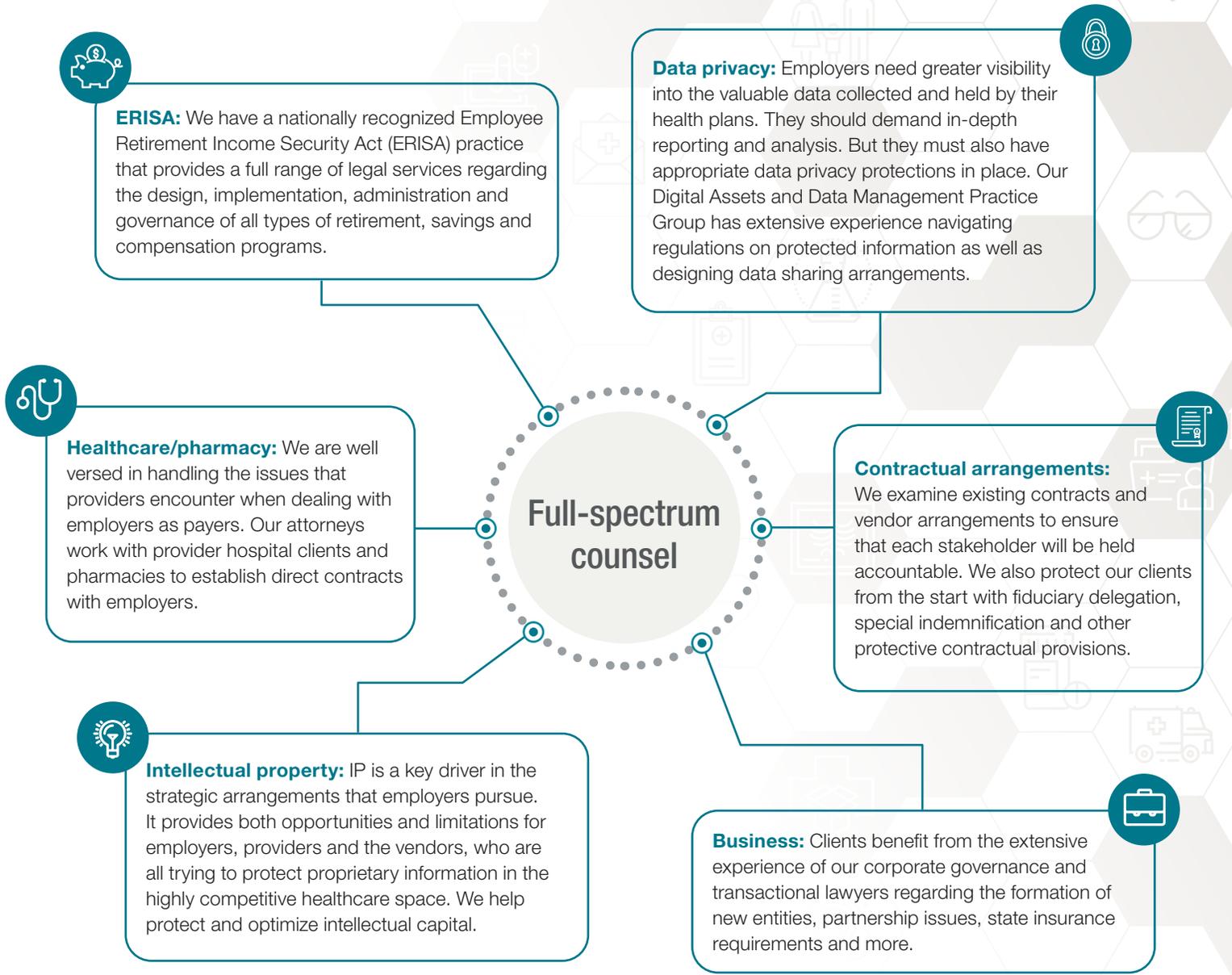
- We represented an aerospace manufacturer in the negotiation of a bundled pricing arrangement for surgery services.
- We have represented several employers in establishing reference-based pricing infrastructures for the payment of healthcare based on a multiple of Medicare reimbursements.

Create high-performing networks and steer employees to use them

We help large employers optimize their positions in providing healthcare coverage by creating customized health plan provider and pharmacy networks. We guide employers through the process of creating plan designs, building direct provider access, analyzing performance and engaging vendors to make the most of their healthcare spend.

EXPERIENCE:

- As counsel to a multinational retailer, we advise on plan design, direct provider contracting, data rights and regulatory compliance. We negotiated a network services agreement and the coordination of a tiered network structure for this very large employer seeking to provide employees in two geographically concentrated areas with access to high-quality providers.
- We advise a large, regional, multicampus nonprofit health system on creating a custom network that offers direct access to employers in its region in order to streamline competitive pricing and provide better access for employees.



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