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## Giving VCU A Choice... VCUHS ChoiceCare

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## GIVING VCU A CHOICE...VCUHS ChoiceCARE

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**Project Description:** Virginia Commonwealth University has the opportunity to promote the quality health care services being rendered by the VCU Health System and the VCU School of Dentistry to its staff and faculty. Our project proposes that the VCUHS ChoiceCARE Health Plan be made available as an option to the entire University community. The VCUHS ChoiceCARE Health Plan is currently being offered to all employees of the Virginia Commonwealth University Health System. This is an exceptional health care plan that encourages employees to utilize the services of the MCV Physicians/Hospitals and VCU Dentists/Oral Dentistry practitioners. Through financial incentives of lower or no copays required and competitive monthly premiums, employees will benefit from this alternative. The VCU Health System and the VCU School of Dentistry will benefit from an improved insured patient base and from maintaining a healthy workforce. As the third largest employer in the Richmond metropolitan area, VCU employees and their families are an obvious market for the health care services. This project is another step in helping University programs become less financially dependent on governmental funding.

**Strategies:** We propose to expand the VCUHS ChoiceCARE plan to all Virginia Commonwealth University employees. The VCUHS ChoiceCARE Health Plan, with an optional dental plan, would be offered in addition to the current State health options. This would require approval by the Commonwealth of Virginia's Department of Human Resource Management (DHRM). Endorsement of the plan by DHRM should not be that difficult as they are looking at all ways to reduce State benefit costs as part of their budgetary review and a similar waiver was granted to the University of Virginia. The employer-paid portion of the health premium for VCUHS ChoiceCARE is slightly less than the other plans offered by the State. All VCU employees who move to the VCUHS ChoiceCARE plan would save the State some significant dollars.

Besides the obvious reasons of quality physicians, cutting-edge technology, and comprehensive services, there are a myriad of additional factors that would attract VCU employees. Many employees have been frustrated with their current personal health insurance plans due to the primary care physician/gatekeeper concept. The VCUHS ChoiceCARE plan gives employees the freedom to see the doctor of their choice without choosing a primary care physician. Employees may receive care from physicians in the MCV Network and the Trigon Network. They may also receive care from a qualified medical doctor who does not participate with either network; however, the out-of-pocket costs are higher. Enrollment in the VCUHS ChoiceCARE plan allows employees to take responsibility for how they access their health care benefits. Employees can choose the network they wish to access *each* time they need care.

With the optional dental plan, employees will have an opportunity to stretch their health care dollars. This will come from a special plan developed with VCU's School of Dentistry. This program will permit more cost-effective dental care in two ways. The first derives from the concept of Direct Reimbursement, a plan promoted and endorsed by the American Dental Association and the Virginia Dental Association. This plan provides the same annual benefit for dental care without any other exclusions, restrictions or limitations. Under this plan, the employee is treated by the dentist, pays the dentist for that care and then is reimbursed by the employer (VCU). The reimbursement schedule, based strictly on the cost of treatment, would be a significant savings to the employee. The second cost savings opportunity available to the VCU employees would be the ability to use the Direct Reimbursement program in any of the levels of care provided by the Dental School. These levels include: the DDS level where patients are treated by the students in training to become dentists; the advanced education level where patients are treated by residents who have completed their dental training and are now receiving advanced education in General Dentistry and the recognized dental Specialties. Under both options, the student and resident are under the supervision of a Dental School faculty member to ensure the same quality care. The final option is where the faculty, in their own Dental Faculty Practice, provide treatment. This practice is very similar to private dental practice, but with the added advantage of being conveniently located in the VCU Dental School. The fees between the levels would be significantly varied, with the lowest fee charged for the DDS level. The Dental School would have to evaluate the appropriate fee schedule for this plan, if approved.

Not only will employees be encouraged to take advantage of the best medical services in the area that are offered by the VCU Health System and VCU School of Dentistry, they will also benefit financially. Copays charged for each physician visit are between \$5.00 to \$15.00 per visit LESS than the other health plans offered by the State. There is no deductible charged for an inpatient hospitalization. The other plans charge an average of \$300 per inpatient stay. For a VCU family needing coverage, these savings can be significant.

Virginia Commonwealth University should be a partner in helping the Health System market its services. As the third largest employer in the Richmond metropolitan area, if VCU employees can be positively influenced to utilize the services of the VCU Health System, the entire community will benefit from a stronger, thriving major teaching and research center. Realistically, it is recognized that initially the number of employees switching from the traditional State health plans might be low. Over a five-year period; however, we estimate that nearly one-third of all full-time benefited employees will elect the VCUHS ChoiceCARE option.

By encouraging the growth and expansion of the VCUHS ChoiceCARE plan, the University will be helping the Health System achieve its strategic goal of trying to shift and bolster its payer mix. As more positive commercially insured patients access care from the VCUHS, the dependence on governmental funding for the care of the medically indigent is eased. The shifting of the payer mix will allow for capital maintenance and improvements as well as renewed investment in attracting and retaining stellar health care providers.

**Action Steps:**

- Contacted the VCUHS Benefits Office to find out about the current health plan being offered to VCUHS employees.
- Contacted VCU Human Resources to understand potential issues and protocol that needs to be followed to add another benefit option.

premiums already exist. In future years, the premiums and co-payments would be reviewed to ensure compensation is adequately covering costs. This review is similar to the state's annual benefit cost review.

Success of this proposal can be measured by the number of VCU enrollees and their satisfaction with the care received. The VCU Health System is committed to providing customer-focused, quality health care. Partnering between VCU and the VCU Health System should be natural. It will be a very visible symbol to the community that VCU is proud of and supports its medical center. The VCU Health System markets itself as Richmond's provider of excellent health care. A question all should be asking is why would we not want to encourage VCU staff to take advantage of the best medical care? It is believed that the end result of this proposal is that VCU will have a healthier workforce and provide the VCU Health System with a major marketing edge in the community regarding health services.

Building the commercial insurance base within the VCU Health System will also benefit the University. A strong medical center with state of the art equipment and technology will assist in recruiting and retaining prominent scholars and physicians. The ripple effect of the proposal is that these physicians are also interested and involved in the missions of teaching and research. Academic programs will ultimately be strengthened and the research potential multiplied. Naturally, this will not happen instantaneously, but over time. As a university community, we must believe in our products: quality education and quality health care. This proposal "puts our money where our mouth is." The VCU Health Care System truly delivers the best health care in Richmond and we should have at least 10,000 marketing agents, the employees, going out and spreading the word that this is the place to come for all health care needs.