



Fortune Global 500 Company Lowers Healthcare Costs 19.9% By Implementing Digital Health Provider

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Summary

Traditional telehealth services have failed to demonstrate transformative cost savings, significant user engagement, or notable consumer satisfaction. This study shows how healthcare cost savings can be realized through the implementation of a digital health strategy including comprehensive, consumer-oriented tools and a focus on ease of access to care.

By implementing HealthTap's digital health system, Flex, a Fortune Global 500 company, has achieved breakthroughs on cost savings, engagement, and satisfaction over the course of their ongoing, 3-year engagement with HealthTap. This study details those results and illustrates how Flex helped their bottom line and thousands of their employees in the process.

Key Findings

- Flex realized a per employee, per year cost savings of \$2,760 for employees who engaged with HealthTap - a 19.9% cost reduction.
- Flex employees utilized HealthTap telehealth consults at a rate of 5.7% per month - 8.7 times greater than the leading telehealth provider.¹
- HealthTap achieved a Net Promoter Score (NPS) of 48 from Flex Employees - 5.3 times better than both the telehealth and healthcare markets as a whole.²

(Refer to Study Details section of this report for more information on Data and Methods.)

Introduction

Like most companies, Flex faced the challenge of providing quality healthcare to its employees amid rising costs, a general lack of satisfaction with healthcare, and decreasing access to services. Flex also believed solving their employees' healthcare dilemmas would lead to healthier employees, increased productivity, and reduce absenteeism. As a self-insured employer with a history of early adoption of disruptive solutions, Flex believed HealthTap's comprehensive and consumer-friendly patient navigation system could help overcome some of Flex's challenges.

Beginning in September 2015, Flex began to implement HealthTap's digital health system. The system included, among other features:

- ❖ Library of doctor-authored content on over 700,000 topics
- ❖ Searchable repository of 2.6 million questions asked by patients and answered by doctors
- ❖ Augmented intelligence triage system trained on 669 conditions
- ❖ Immediate access to a board-certified doctor through video, phone, or chat
- ❖ In-app and email reminders/notifications for medications and appointments
- ❖ Ability to keep all medical information and history online in a secure personal health record

Currently, Flex continues to expand the reach of HealthTap's system to an increasing number of Flex's employees at their locations around the world.

Curbing Costs

When comparing Flex's healthcare spending for a consistent cohort of employees between consecutive years, Flex was able to realize an average annual healthcare cost savings of \$2,760 for every employee who engaged with HealthTap. This is a year-over-year savings of 19.9%. (It is important to note the savings described are in real dollars, not projections or estimates as may be conveyed by similar case studies.)

“HealthTap offers a query-to-cure system that provides Flex employees a simple, immediate, and personalized way to tap in and access health services from a network of top U.S doctors, helping to curb costs,” says Mike McNamara, CEO of Flex.

Savings can be attributed to a number of factors. Initially, employees have access to trusted, doctor-created, self-care options such as articles, previously answered questions, and self-directed, condition-specific care guides. These tools can address many common inquiries without the need for an appointment with a doctor. Employees can also send questions to a doctor through the system with a response provided back within about a day. The greatest cost savings are recognized through these two types of indirect care where the

need to interact directly with a doctor is unnecessary to address the issue to the employees' satisfaction. Ultimately, employees can opt to connect with a doctor directly through a telehealth consult via video, phone, or chat. Even these consults contribute to lowering costs as they are less expensive than a visit to an urgent care center or emergency department. All the aforementioned options are presented to employees for no out-of-pocket cost.

Superior Engagement

Superior execution would prove to be the key to successful engagement of Flex's employees with HealthTap's system. During implementation, HealthTap provided Flex with a cross-functional team consisting of experts in strategy, engineering, product, marketing, and data analysis. HealthTap also collaborated with Flex to define best practices for onboarding and engagement in order to deploy incentives and incorporate HealthTap into Flex's overall strategy to encourage widespread adoption of the HealthTap's system in ways which would be familiar and effective with employees.

Engagement initiatives include the integration of HealthTap into the Flex Wellness Program that provides incentives to employees who enroll and utilize HealthTap. Company-wide announcements in advance of HealthTap implementation, repeated at regular intervals over time, were also used to recruit employees into the program. These announcements provided explanations of the service, steps to enrollment, and lists of frequently-asked questions. In-office signage, competitions, social media, and email were all used to communicate important messages, encourage enrollment, and maintain engagement.

These actions began three months before enrollment opened and continued regularly, with periodically more assertive programs. Enrolled employees receive ongoing treatment notifications, various service reminders, and announcements of updates and new benefits. Messages to complete profile information, try a specific feature on HealthTap's system, or add dependents are also sent on occasion. Additionally, employees receive seasonal content inviting continued engagement during important times of the year. Finally, HealthTap and Flex managers are able to review engagement dashboards and custom reports to perform targeted interventions as needed.

The partnership between Flex and HealthTap, aligned around common incentives, has seen Flex's member engagement improve on multiple levels with 65.8% of the 6,303 eligible employees enrolled and 78.4% of enrolled employees actively engaged with the system. HealthTap's average monthly active user (MAU) rate of 11.8% is 18.2 times higher than the leading telehealth provider, and at 5.7% of monthly users, Flex employees utilized the virtual consult feature of HealthTap 8.7 times more than the leading telehealth provider.¹ According to employee feedback, high-quality content, no out-of-pocket costs, and a user-friendly application were the main reasons employees continued to engage with HealthTap's system.

Satisfied Employees

To succeed in a competitive marketplace, digital healthcare delivery must meet the user experience expectations established by companies like Airbnb, Amazon, and Netflix: simplified access, efficient supply and demand, and seamless fulfillment.

Flex employees used HealthTap in a variety of ways, including researching medical conditions, asking questions to doctors, and doing real-time, virtual consults with doctors. Employees' experiences with the system led to them giving HealthTap a Net Promoter Score of 48, which is 5.3 times greater than both the telehealth industry average and the average for healthcare as a whole.²

Many Flex employees have gone on record with their appreciation for HealthTap, including the executive team. “We are so thankful for HealthTap’s speed and efficiency,” says Paul Baldassari, Flex’s Chief Human Resources Officer. “We needed to quickly provide thousands of our employees with accessible, easy-to-use information and virtual care, and that’s exactly what HealthTap delivered through their proprietary technology and deep domain expertise. We are proud to partner with HealthTap and support their efforts to bring this much-needed service to population managers around the world.”

Conclusion

Flex realized value for its business and its employees when using HealthTap’s digital health system. **Savings of \$2,760 per engaged employee**, per year is significant and, if scaled across more employees, could prove to be a transformative cost-saving measure. These savings were made possible by high levels of **patient engagement which exceed leading competitors by a factor of 8.7. Employee satisfaction 5.3 times higher than the industry average** enables engagement because a comprehensive set of consumer-friendly tools were easily accessible to end-users. Taken together, the qualitative satisfaction and quantitative engagement & cost savings make a compelling argument for self-insured employers to consider adopting HealthTap’s approach to digital healthcare. Flex and HealthTap plan to continue this analysis in subsequent years to follow the program as it matures.

Details

Data

This study was conducted by HealthTap using healthcare claims data, post-interaction survey data, and in-application utilization data collected by HealthTap from January 1, 2016 through December 31, 2017. HealthTap handled all data and performed all analysis in compliance with HIPAA, Hi-Trust, Hi-Tech, and SOC-II standards using anonymized, aggregated data to ensure the privacy of all information used in the study. The cohort represented 425 Flex employees eligible for insurance coverage and HealthTap enrollment.

Methods

Cost savings was calculated using claims data from U.S.-based employees of Flex eligible to enroll in HealthTap between January 1, 2016 and December 31, 2017. Employees were segmented for comparison based on those who were eligible but not enrolled in HealthTap for all of 2016 who then enrolled in HealthTap for all of 2017. This allowed for an equitable comparison of healthcare costs within a consistent cohort of employees in consecutive years. The difference in healthcare claims costs was then calculated between the two periods for those employees who engaged with HealthTap. Employees having catastrophic health events, defined as incurring healthcare costs exceeding \$500,000 per year, were excluded from this study because those costs were covered by an independent insurance policy.

Demographics

The cohort analyzed was comprised of U.S.-based employees of Flex which were 66.1% male and 33.9% female. Employees in Texas and California represented 33.9% and 24.7% of the sample, respectively. No other state was represented at greater than 6% of the sample. Age distribution was 5.2% for ages 0-29 years, 43.2% for ages 30-49, 46.2% for ages 50-64, and 5.4% for ages 65 and older.

References

¹ "Teladoc Announces Second Quarter 2018 Results," Teladoc,

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² "Think your patients are loyal? Think again," Accenture,

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³ "Medical cost trend: Behind the numbers 2019," PwC,

<https://www.pwc.com/us/en/health-industries/health-research-institute/behind-the-numbers.html>

About Flex

Flex is the *Sketch-to-Scale*® solutions provider that designs and builds *Intelligent Products for a Connected World*™. With approximately 200,000 professionals across 30 countries, Flex provides innovative design, engineering, manufacturing, real-time supply chain insight and logistics services to companies of all sizes in various industries and end-markets. For more information, visit flex.com or follow them on Twitter at [@flexintl](https://twitter.com/flexintl). *Flex - Live Smarter*®

About HealthTap

HealthTap is rewiring healthcare. By delivering consumer-friendly access to healthcare, HealthTap improves the experience for both patients and doctors while saving time and reducing costs for all. HealthTap's doctor-trained, augmented intelligence system guides users to the care they need and enables an instant connection to doctors and their knowledge. HealthTap serves its app to employers, insurance companies, health systems, and users around the world. More than 140,000 doctors and hundreds of millions of users in 170 countries trust HealthTap for instant access to healthcare — anytime, anywhere.

To experience HealthTap for yourself, visit healthtap.com or download the HealthTap app from the Apple App Store or Google Play.