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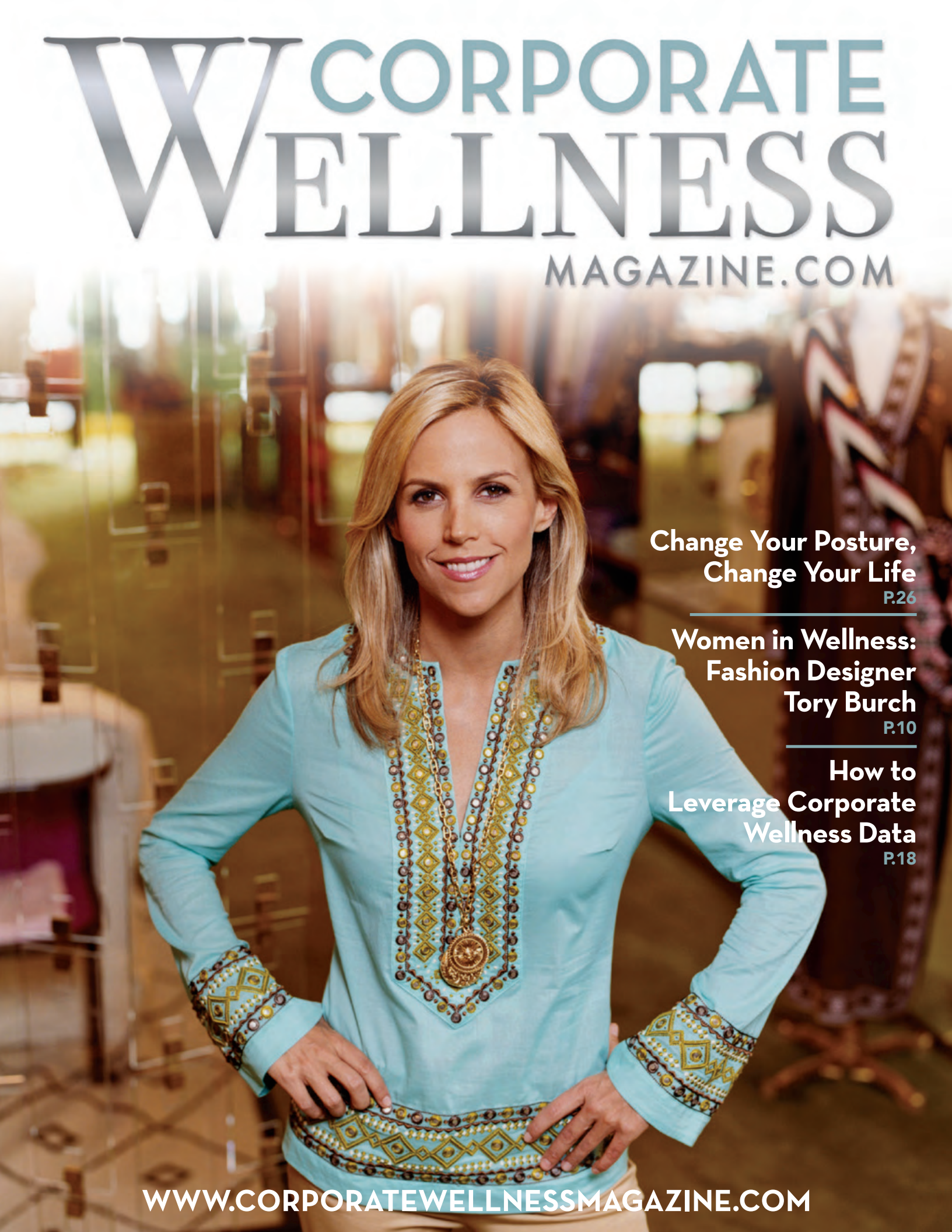


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## When Nashville school teachers are healthy, students do better

By Les C. Meyer, MBA

**From the boardroom to the classroom, Metro Nashville Public Schools (MNPS) have learned and implemented game-changing lessons about how teacher health affects their attendance, morale and performance evaluations. Perhaps even more noteworthy is the correlation of teacher health to student achievement as measured by their standardized American College Test (ACT) scores. However, it wasn't easy realizing these key objectives over the past decade—a feat so challenging and impressive that it commanded national attention from the national non-profitt, the Integrated Benefits Institute.**

Implementation of a bold approach involving five on-site clinics and a value-based benefits plan design removing barriers to care coincided with a number of challenging developments. To wit: the Great Recession, budgetary restrictions, a large uptick in catastrophic claims and political infighting within local government about the approach being taken.

Like other urban school districts across the United States, MNPS has struggled with teacher turnover. However, it has seen lower turnover associated with instructors who use the on-site clinics and other primary care options available.

### Problems in the Classroom

Employee demographics illustrate the challenges MNPS has attempted to overcome. Of 10,800 employees in the school district, 6,000 are teachers and predominantly female, with an average age of 42. There are 9,200 active and retired teachers within the MNPS who are independently managed from other Nashville government employees.

In 2011, the burden of the school district's health care and disability costs reached $189.2 million. That amounted to 24 percent of the MNPS operating budget or $2,629 per student. But the die was cast two years earlier when MNPS clinics opened to better manage these costs and reverse the effect of poor teacher health on students.

Research has shown "significant reductions in student achievement if a teacher is out of the classroom for more than 10 days in a year."[1] The trouble was that MNPS teachers were on average using all 10 sick days allotted each year. Students have difficulty focusing on their studies when a substitute teacher is in the classroom.

In attempting to determine whether sick teachers were making schools bad or bad schools were making teachers sick, MNPS concluded that there was truth to both scenarios. The poorest-performing schools bred highly stressful environments where teachers ended up working more hours than their counterparts at better schools.

While MNPS suspects that the most stressed teachers missed three-and-a-half more days than their less-stressed peers and were more prone to turnover, which averaged 10 percent to 13 percent each year, it hasn't yet been able to validate this hypothesis. In a typical year, 50 percent of those who leave MNPS are leaving before their third anniversary. These are MNPS's youngest teachers. There is a concerted effort to increase retention among younger instructors and save on the cost of training new hires. MNPS also has found that teacher attendance at tougher schools is actually better presumably because they're younger and cannot afford to be off work due to the workload pressures. These same teachers report the highest estimated number of hours worked outside the classroom as indicated on their health risk assessments.

When the clinics opened in 2009, the economy was in a tailspin just as MNPS earned lower revenue and catastrophic claims spiked the medical trend, which was running at about eight percent. In reviewing the impact of primary care on medical costs, MNPS observed 20 percent annual increases in cost for employees who did not have a primary care physician (PCP), suggesting that there were undiagnosed and untreated diseases in this population. This precipitated an aggressive outreach program to introduce members who did not see the same doctor on a regular basis—these are known as medically homeless—to MNPS's on-site clinics.

During the same timeframe, members who were attached to primary care had a three percent trend.

**Solutions that Made the Grade**

In 2009, MNPS decided to expand the scope of its health plan management. That effort included targeting chronic conditions such as diabetes, asthma, COPD and cardiovascular diseases, which drove half of the more than 105,000 days of missed work. Some trouble spots included 60 percent of the MNPS population with high blood pressure, 63 percent with a body mass index above 25 and 56 percent having gone without a preventive care visit.[2] MNPS had the data, but was struggling to aggregate and analyze it in a way that truly indicated potential solutions. David Hines, director of employee benefit services at MNPS, set out to find an agile data warehouse/analytics vendor that could integrate data from disparate sources including information from their clinics and the TPA/health plan. Continuance Health Solutions (CHS) was identified as the ideal partner that, in its own visionary way, was able to look beyond the numbers using WellScore®, CHS' composite index of health, wellbeing and engagement, to isolate opportunities for better health and detect significant opportunities for savings.

Wage-replacement payments totaled $6.5 million and $5.2 million for teachers and support staff, respectively. They included workers' compensation, paid sick days, short- and long-term disability and absences related to the Family and Medical Leave Act. Teachers and support staffers who underperformed due to poor health cost $15.5 million. In addition, the cost of hiring substitute teachers and lost productivity for teachers reached $3.6 million.

Mindful of these challenges, MNPS sought to steer clear of fee-based medicine and embrace the medical-home model at on-site clinics by placing "the power to better engage and manage the patient population" into the hands of primary care, according to Hines, who touted zero co-pays and minimal wait times.

A family nurse practitioner approach was adopted to treat both adults and children, with an emphasis on coaching rather than just treatment. To this day, no co-pays are charged at the MNPS clinics as a motivator for employees to seek both primary care and disease management as part of an integrated approach to value-based purchasing. Teachers and administrative staffers are able to choose from five on-site clinics in remodeled classroom portables strategically located within a 15-minute drive of about 140 work locations. Now run by Vanderbilt Health, the thinking behind these facilities is to promote same-day access to care to help reduce absenteeism and increase productivity. MNPS employees enjoy access to a wide range of resources, including integrated disease management and wellness professionals, face-to-face counseling with family nurse practitioners and health coaches.

*Young students in MPNS school system.*

MNPS offers its employees two types of health plans: baseline coverage and a value-based option called Plus Plan. There's an eight percent cost differential in out-of-pocket costs between the two plans—which have the same premiums—making it easy for employees to switch plans anytime of the year without facing any tax implications.

As part of the Plus Plan, participants must agree to an annual health-risk assessment and to cooperate with their health coach if contacted. They receive some preferred brands of chronic disease medications for free and reduced out-of-pocket costs designed to remove barriers to care. Given these favorable terms, Plus Plan participation was as high as 80 percent in its first year of operation and rose thereafter.

In addition to targeting lower absenteeism, MNPS sought to curb "presenteeism" or rather, showing up to work sick and under-performing, and the impact both areas have on its education mission as part of an effort to address the entire health and productivity paradigm.

Measurement, of course, is a linchpin in gauging the success of this significant transformation at MNPS. WellScore includes a range of clinical and behavioral indicators and has found that the quality of care at on-site clinics is at least as similar to other options in the community. The key differentiator is the ability of the clinics to reduce overall health care cost through their informed population health approach. Members attached to clinics demonstrated lower overall cost than their peers, due to lower utilization of outpatient urgent and non-urgent care, pharmacy, hospitalizations, and other medical procedures. WellScore includes a comprehensive, agile data warehouse of all medical, dental and vision claims, along with health risk assessments, as well as performance evaluations, payroll data for time and attendance, and lab values. The data warehouse is the platform MNPS uses to demonstrate the effectiveness of its initiatives and to generate opportunities to improve the health of their teachers and the educational outcomes of their students.

New services that are being contemplated include mental health, physical therapy, chiropractic care, and a retail pharmacy and fitness area managed by physiotherapists. Another objective is for MNPS to take a more aggressive stance on women's health issues such as mammography and other preventive screenings, especially given that 79 percent of employees are female.

With great success enjoyed at the level of care and service, why would MNPS continue to grow its offerings? Simple: It has been proven that those who use the clinics are less likely to quit their jobs. The ramped up women's health focus, in turn, is intended to bring more of the younger teachers into the clinics, establish provider relationships and improve teacher loyalty.

Meaningful patient profiles place data at "the fingertips of the providers, the care coordinators and the coaches that they wouldn't have access to otherwise," explained CHS President Jon Harris-Shapiro. "We've taken this data further and are now able to connect teacher health and performance scores with student performance."

The MNPS story is generating rave reviews. "Metro Nashville Public Schools is an employer that did its homework," enthused Tom Parry, president of the Integrated Benefits Institute, San Francisco, California, which provided the school district with tools to estimate health care costs and absences and published the results in a case study. "Their investment in integrated health management and focus on performance relative to achieving organizational goals is a blue print for other employers."

### The Results are In

In the hardscrabble results-driven world of public education, MNPS has posted some impressive numbers. In 2012 alone, for example, $2.8 million in savings were generated by 2,300 employees using the on-site clinics and value-based health benefits. In addition, health care claims were reduced by about 5.5 percent in 2014 and medical trend is averaging just two-and-a-half percent over five years when the market averaged 7 to 8 percent a year. A -5.5 percent trend reported in 2014 was credited with generating a $14 million increase in reserves.

The use of on-site medical clinics also has been cited as helping spark an improvement in retention. Turnover rates for teachers who are attached to MNPS clinics for primary care are about six percentage points lower than those who do not have a consistent primary care provider (10 percent vs. 16 percent). After nearly six years, they provide 32 percent of primary care and are considered a medical home by 31 percent of teachers. Customer satisfaction surveys also show that 99.8 percent of patients consider the clinics "good to great."

But the effort to expand their use is still very much a work in progress. About half of MNPS employees still use a community-based physician compared with 31 percent who use the clinics. Moreover, 18 percent are without a PCP and are averaging 20 percent medical trend.

The cost of care was 18 percent lower for adults who used the on-site clinics in 2014 compared with $536 for those who used other primary care providers within the community. When factoring in age and gender adjustments, Harris-Shapiro said the bottom line impact for 2014 was $2.4 million. To shed further light on the impact, Harris-Shapiro said that in the absence of the MNPS on-site clinics, benefit costs would grow at a faster rate, adding $2 to $3 million a year to the district's budget.

The WellScore improved for patients attributed to MNPS clinics as compared to community providers, while clinic savings were traced to more efficient use of inpatient, outpatient, ER and urgent care facilities. By having better access to primary care and playing a more active role in managing their health, there were 19 percent fewer inpatient admissions, 42 percent fewer outpatient visits, 24 percent fewer emergency room visits, 60 percent fewer urgent care visits, 31 percent fewer radiology tests, 15 percent fewer surgical procedures and 15 percent fewer laboratory tests than those who received community based care.

Another key finding was lower use of pharmaceuticals in large part credited to nurse practitioners who tend to write fewer prescriptions than physicians and would rather focus on educating patients about making fundamental lifestyle changes.

MNPS also examined how healthier teachers would affect learning among the more than 83,000 students it serves in Nashville, Tenn. Thanks to what Harris-Shapiro calls "clinically intelligent analytics" that drive health outcomes, a healthier MNPS workforce has been tied to higher academic achievement. A dramatic correlation was seen between teacher wellness ratings and student ACT scores. For example, teachers with higher WellScore results had superior teaching evaluation scores and lower absenteeism rates. MNPS also has found that teachers who are attached to a PCP are 5 percent less likely to leave their job.

In the face of student confidentiality laws that prevent analyses of their achievement as it relates to specific student-teacher relationships, MNPS was able to aggregate data at the school level. And in overcoming these obstacles, it presented a compelling argument for promoting employee health, measuring performance, linking teacher health to educational outcomes and enjoying the opportunities for cost savings. CW


### About the Author

Les C. Meyer is a principal of HPI Advisors, LLC who chairs the Informed Opinion Leadership Action Group and Leadership Board Member, Business Performance Innovation (BPI) Network and is also a member of Roundtable on Population Health Improvement, Institute of Medicine (IOM): Health Enhancement Research Organization (HERO) Employer-Community Collaboration Committee.


1 "Do Teacher Absences Impact Student Achievement? Longitudinal Evidence from One Urban School District." Raegen T. Miller, Richard J. Murnane, and John B. Willett, NBER Working Paper No. 13356. August 2007.

2 WIBI Webinar: Metro Nashville Public Schools Links Teacher Health to Cost Savings & Academic Achievement - June 2015 http://ibiweb.us5.listmanage.com/track/click?u=551d-b8855396330ac12144b59&id=0a2c81e66a&e=7d3a44bb72)

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**EDITORIAL CORRECTION**

*Corporate Wellness Magazine published an incorrect photo of Kim Tillman, Wellness Director, in the Winter Issue within the employer case study, "Royal Caribbean Cruises, Ltd." The correct photo appears on page 70. We regret the error.*

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