



Defining “Defined Contributions”:

**New Directions
for Employer-
Sponsored
Health Insurance
Coverage**

*Tuesday, October 10, 2000
9:00 A.M.–12 Noon
Washington, DC*

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Continental Breakfast at 8:30 A.M.

Grand Hyatt Hotel

Constitution A

Conference Participants

Overview of Defined Contributions

Sally Trude, Senior Researcher

Center for Studying Health System Change

First Panel: Internet Approaches

Jon Christianson, Professor, Institute for Health Services Research

University of Minnesota

Ray F. Herschman, Chief Executive Officer

HealthSync

Lee Newcomer, Executive Vice President and Chief Medical Officer

Vivius

Steve Wiggins, Chief Executive Officer and Chairman

HealthMarket, Inc.

Second Panel: Employer and Union Response

David S. Blitzstein, Director of Negotiated Benefits Department

United Food and Commercial Workers International Union

Helen Darling, Senior Consultant Group Benefits and Health Care

Watson Wyatt Worldwide

Robert Galvin, Director, Corporate Health Care and Medical Programs (Invited)

General Electric Company

Moderator

Paul B. Ginsburg, President

Center for Studying Health System Change

Defined contributions for health benefits have become the latest rage among consultants, promising employers a way to lessen the considerable administrative burden they face in managing health plans. These options also promise to expand employee choice and hold down costs simultaneously.

The Center for Studying Health System Change (HSC) is convening two panels that will examine the new popularity of defined contributions for health benefits and discuss related implications. These approaches run the gamut from fixed-dollar premium contributions, to providing cash or a voucher for employees to purchase insurance on the individual market, to Internet-based marketplaces. The Internet approaches will be examined in the most detail.

The conference will be moderated by HSC president Paul B. Ginsburg. Sally Trude, HSC senior researcher, will open the conference with a presentation of the range of proposed defined-contribution approaches and the issues they raise.

The first panel will focus on the various Internet-based approaches, including those seeking to remove the middleman between patient and provider, those providing a market basket of plans and those offering new insurance products. This panel will include Internet vendors who are marketing defined-contribution products and a researcher who has been examining these enterprises.

The second panel will consider the implications of the various approaches that fall under defined contributions, including operational issues, potential employee concerns and policy ramifications. This panel will include employers, a health benefits consultant and a union representative.

Each of the panels will be followed by a question-and-answer period.

Questions to Be Addressed Include:

- **Why this push for defined contributions?** Why have these approaches captured the imagination of consultants and employers, and what has made them so attractive? What kinds of employers and

employees are best suited for these approaches?
What groups may oppose movement toward defined contributions, and why?

- **Which of the approaches are most feasible, and why?** Which of the approaches are purchasers most likely to adopt, and what operational barriers need to be overcome? How would employers set the contribution rate for these approaches, and, for some of the innovations, how would issues of risk selection be resolved? How would employers maintain the leverage they currently enjoy in their rate negotiations with plans?
- **What policy changes are necessary or advisable?** What kinds of initiatives would encourage entities other than employers to pool risk? What new patient protections, if any, might be needed under defined-contribution approaches? What other policy changes may be necessary to support an evolving vision of employer-sponsored insurance?

What Can You Expect to Learn from This Conference?

Conference attendees will learn about the various approaches that are being called defined contributions and will assess their feasibility. The panel discussion will also provide insight into how purchasers and consultants want to reshape employer-sponsored coverage, and what objectives they hope to achieve. Finally, conference participants will have an opportunity to ask questions about a publicized emerging trend about which little is known beyond trade press reports.

About HSC

The Center for Studying Health System Change— an independent research organization funded exclusively by The Robert Wood Johnson Foundation— provides objective, timely analyses about changes in the nation's health care system and their impact on consumers to private and public decision makers. HSC, based in Washington, D.C., is affiliated with Mathematica Policy Research, Inc.

Registration Form

Please respond by completing a registration form on HSC's web site—www.hschange.org—by **Wednesday, October 4, 2000**.

DEFINED CONTRIBUTIONS CONFERENCE

TUESDAY, OCTOBER 10, 2000

9:00 A.M.—12 NOON

**SESSION REGISTRATION AND
CONTINENTAL BREAKFAST 8:30 A.M.**

**GRAND HYATT HOTEL
CONSTITUTION A**

If you do not have Internet access, please complete and return the registration form below by fax to: (202) 484-9258.

NAME:

TITLE:

COMPANY:

ADDRESS:

CITY:

STATE:

ZIP:

PHONE:

FAX:

E-MAIL

Special Needs 

Space Limitations: Space is limited, and registrations will be accepted on a first-come, first-served basis. Please be sure to respond by completing a registration form on HSC's web site or by faxing this form by Wednesday, October 4, 2000.

Address and Directions to the Hotel: Grand Hyatt Hotel, 1000 H Street, NW, Washington, DC 20001, (202) 637-4776. The Grand Hyatt Hotel is located at the Metro Center stop on the Red, Orange and Blue lines. Take the 11th Street exit when leaving Metro Center. You will see the underground entrance to the Grand Hyatt leading directly from the Metro.

Questions: For questions concerning conference logistics, please contact Roland Edwards, Senior Public Affairs Coordinator, at (202) 484-4514.



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