

CareSource JobConnect™

Program Impact Assessment





About the CareSource JobConnect Program

JobConnect is part of CareSource Life Services®, a program which was purposely designed to promote wellness and prevention, address social determinants of health, and provide a path to financial empowerment and self-sufficiency for program participants. CareSource Life Services is an innovative and unique program that is poised for replication by other health plans.



Key Elements of the Program Include:

- Program participants are assigned **Life Coaches** who work with the participants on issues related to job search, links to employers and support services.
- The program's "no wrong door" model provides links to community resources and programs, including but not limited to education, food and nutrition, housing and transportation.
- The program is built on sustained engagement for up to 24 months, with the goal of fostering job retention and advancement.
- The program is linked to other pillars of CareSource's population health management model including care coordination, management of chronic conditions and medication adherence.

Key Demographics



67%
of JobConnect
members are female



39% have high school or GED; while
24% have no high school degree



58% are minority population with
95% living in urban areas

Program Impact Assessment Methodology

Assessment of the JobConnect program's impact across various domains:

- **Work and earnings** – This domain includes wages of program participants who secure employment supplemented by benefits tied to employment such as the Earned Income Tax Credit (EITC). Ultimately, the assessment was designed to ascertain the program's incremental impact on the purchasing power of program participants.
- **Health care service utilization and spending** – Given its nexus with CareSource population health management initiatives, and based on other studies¹, the JobConnect program was expected to have a favorable effect on health care service utilization and costs.
- **Economic impact** – The aforementioned incremental purchasing power would be expected to have an impact on both state government budgets and, given the *multiplier effect*² of new employment on economic activity, on the broader state economy.

The assessment:

- Collected data on JobConnect program costs; program participant demographics and wages post-program participation; program participant benefits (e.g. SNAP, TANF, LIHEAP, child care) and taxes; health care service utilization and spending; and other modeling inputs.
- Built an analytical framework and associated financial model designed to project the JobConnect program's impact on the aforementioned domains.
- Applied economic analysis principles to ascertain the program's impact on the broader economy, factoring in the previously noted multiplier effect.
- Summarized assessment findings and formulated recommendations regarding JobConnect's value to state government.
- Supported findings with detailed sourcing.

¹ Jessica Kent. Social Determinants Screenings Cut Hospital Admissions by Nearly 30%. Health IT Analytics. July 23, 2019. <https://healthitanalytics.com/news/social-determinants-screenings-cut-hospital-admissions-by-nearly-30>

² <https://www.intelligenteconomist.com/multiplier-effect/>

Assessment Findings

Impact on work and earnings

1. Average hourly wages for program participants are approximately \$11 an hour, more than 45 percent higher than the federal minimum wage and higher than the current minimum wages of most states.
2. The vast majority of program participants retain their jobs after a significant time period.
3. The EITC and other cash benefits add substantially to participant earnings.
4. The aggregate impact of wages and other benefits tied to employment results in nearly \$18 million in annual purchasing power for every 1,000 JobConnect program participants who secure employment due to the program; this has significant repercussions across the broader economy as noted below.

Impact on health care service utilization and spending

1. On average, health care spending by JobConnect program participants is more than four percent lower in the six-month period after program entry vs. the six-month period prior to program entry.
2. Particularly significant reductions in health care service utilization were observed in emergency room utilization (more than 21 percent) and hospitalization (more than 17 percent).
3. Pharmacy spending by JobConnect program participants increased by 6.5 percent. This phenomenon - increased drug spending due to factors such as greater adherence to drug regimens leading to more prescription fills co-occurring with reduced spending on health care in high-cost settings - has been observed in other studies and is consistent with one of the JobConnect program's goals.³

³ Osayi E. Akinbosye, Michael S. Taitel, et. al. Improving Medication Adherence and the Health Outcome in a Commercial Population through a Community Pharmacy. Population Health Management. 2016. Dec 1; 19(6):454-461. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5296931/>



Economic impact – modeled based on Ohio statistics and potential benefits to Ohio’s economy

1. New spending in the Ohio economy (annualized) resulting from the increased purchasing power of JobConnect program participants: \$85 million.
2. Based on (1), the JobConnect program’s benefit-to-cost ratio for the Ohio economy: 28 to 1.
3. The JobConnect program’s “break-even”/payback point – the point in time when cumulative incremental tax collections and program cost reductions exceed direct JobConnect program costs: 16-17 months.

Summary of Findings and Recommendations

Based on the JobConnect program’s impact assessment:

- The JobConnect program provides substantial direct benefits to Medicaid beneficiaries and states:
 - To Medicaid beneficiaries, it provides considerable incremental purchasing power
 - To the State, it potentially provides lower Medicaid spending and it almost certainly increases tax revenues based not only on the increased purchasing power of program participants but on the larger impact this purchasing power has on the broader state economy
- The JobConnect program also provides meaningful indirect benefits that are aligned with important policy goals:
 - Reductions in poverty,
 - Greater individual self-reliance and self-sufficiency, and
 - Improvements in population health – as suggested by the reduction in avoidable health care utilization in high-cost settings and the increase in desirable utilization of lower-cost services that foster prevention and better management of chronic conditions.
- Because of these benefits, states should incorporate programs like JobConnect into their Medicaid expansion program designs.
- In the final analysis, the JobConnect program is a win-win for Medicaid beneficiaries and taxpayers.



