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Published on *Peterson Center on Healthcare* (<https://petersonhealthcare.org>)

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## Helping Employers Become More Effective Purchasers of Healthcare

Beyond the obvious benefits that good health bestows on individuals, a healthy workforce is a tremendous asset to employers and to society as a whole. Most Americans receive private coverage through employment-based plans and costs continue to rise without a commensurate rise in quality. That creates a strong incentive to support and empower employers to adopt more effective purchasing strategies that will deliver high-quality care at a lower cost to their employees.

The trend toward provider payment that rewards health outcomes, rather than service volume, is part of the solution. However, fundamental improvement of a system with a long history of inefficient care delivery requires other activities as well. The Peterson Center on Healthcare sees motivated, nimble private-sector employers as an important leverage point, both at the level of individual companies, and for system-wide redesign.

As such, the Center is entering into this critical area of the healthcare system to accelerate adoption of what works. In its first initiative as part of this effort, the Center partnered with [Catalyst for Payment Reform \(CPR\)](#) to help employers learn, test and implement best practice strategies for purchasing and benefits design that can help secure higher quality healthcare at lower costs for their employees.

The potential payoff of better healthcare performance extends not only to employers, employees, retirees, and their families, but also to purchasers in the public sector and individual markets. Lowering the overall cost burden generates savings that can be used to fund new investments, raise wages and redirect tax revenue to other important public investments.



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**Source URL:** <https://petersonhealthcare.org/helping-employers-become-more-effective-purchasers-healthcare>