

Actively Manage Your Health Plan

THE WALL STREET

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*Behind Your Rising Health-Care Bills: See
Competition; Contracts with insurers allow
consumers, add fees and discourage*

Self-insured employers have been led to believe that their rented carrier networks and third-party administrators (TPAs) actually manage healthcare. However, in reality, they only administer it. Insurance carriers and PBMs do not provide this management function because they do not gain from reducing employer plan costs. And even if they were so inclined, carrier contracts often prohibit them from managing (as documented by The Wall Street Journal).

“Wellnecity helps our companies find opportunities in a succinct, rapid way across an array of opportunities to manage benefit spend in real time through its data hub and insights”

-PRIVATE EQUITY FUND CLIENT

Wellnecity combines data-driven insights with a proactive management team to help employer health plans perform better. This focus and intensity are necessary to combat the rampant inflation spurred by restrictive hospital-insurer contracts among other factors that make higher quality care at lower costs hard to achieve for self-funded payers.

RESTRICTIVE HOSPITAL-INSURER CONTRACTS MAKE HIGHER QUALITY CARE AND LOWER COST HARD

A **primary driver** for the cost of hospital care is that prices are set opaquely and with lots of secret terms, such as anti-steering clauses, that prevent insurers from directing covered members to higher quality or lower cost healthcare providers. A **second key driver** is hospital consolidation and monopolistic pricing power, which accelerated after enactment of the Affordable Care Act in 2010. Today, nearly 80% of Americans living in Metro areas are in hospital markets considered highly concentrated. As health systems buy up local practices and clinics, they move these providers to higher hospital reimbursement rates and add extra charges like 'facility fees.' As a result, patients pay more for the same services.

"Major enterprises like Walmart, Comcast, and Home Depot, have invested substantively, in personnel, technology, and supplementary solutions to actively manage their plan performance. Our goal, is to bring these capabilities to self-insured employers with less than 30,000 employees"

—Bill Frack, Chief Development Officer, Wellnecity

ACTIVE MANAGEMENT IS REQUIRED TO CREATE HEALTH PLAN PERFORMANCE

Wellnecity is proving that improved healthcare quality at a lower cost is possible. Our approach pairs real-time data with programs that address the most significant cost drivers (like members who are high-cost claimants, have chronic conditions, or require specialty medications), and then we actively manage these programs to create material impact. While adding targeted programs is step one, active management of these programs with real-time data at patient, procedure code and drug code level is where real value is achieved.

THE RESULTS ARE WORTH THE EFFORT

This sounds like a lot of effort. We get it. That is why Wellnecity offers a white glove service supported by an AI-driven data platform to help clients actively manage their plan. And the impact is significant – better health outcomes AND savings up to 20%. For every 1,000 employees, a typical firm spends \$10M on employee health benefits (\$10K per employee), - which means \$2M in savings per year per 1,000 employees.

Contact us today to actively manage your health plan!

Wellnecity[®]