SUMMER of SOLUTIONS

This is the Dawning of The Age of Affordable Healthcare
In the time before time, care was primitive.
As time marched on, so did the medical care.

Even DIY options began to emerge.
The Next Big Thing....

The rise of the ‘house call’
What do all of these approaches from the past have in common?
The Next Big Thing....

- I have two parents (they met over a dead body)
- I grew up in Kansas (as did superman)
- First business left me broke and living in my parent’s basement
- Married with two children who speak Spanish (I speak nada)

By day I try to help direct traffic between the Ameriflex family of companies:

- On the weekends I am the head coach of the YMCA 1st grade flag football Panthers (we run the double pistol inverted V offensive, aka here is the ball and run)
What do all of these approaches from the past have in Common?
The Next Big Thing....

Where we are today

- A shortage of 70,000 primary care doctors
- “…6 million more individuals would have health insurance and would be up to 50% cheaper if the ACA did not exist...” ~CBO
- Is the root cause a question of access, quality, care continuation, and/ or cost?

Yes, yes and yes!
ACA promised us a reduction in health care costs
Prior to the ACA and employer mandate, why did employers offer benefits?

A. To attract and retain talent
B. To provide a mechanism to ensure talent remains productive
C. Provide an avenue for talent to have access to products that could easily be purchased and paid for via employer and employee payroll deductions
D. All of the above
For answer D, the following need to be considered:

- Rising Premiums
  - Double Digit Increases
  - Rising Deductibles
  - Rising Cost Share
- More Regulation
- Mistakes are Expensive
  - More Opportunities to Make them
Insurance is a financial risk mitigation tool designed to offset expenses when a low, but ‘expensive,’ probability event occurs.

Would you use your car insurance to pay for gas?

Would you use your homeowners insurance to pay for electricity?

Then why do we think it is efficient to have major medical insurance pay for routine care?
In the ‘traditional’ structure of a major medical plan, the different areas are accounted for and considered as part of the premium calculation.

Co-pays/co-insurance are levers to help ‘manage’ the capital structure that is constructed to facilitate the payment of care to or on behalf of the policy holder.

Further management of the payment manifest themselves in networking pricing, A/R (providers), A/P (payers), and other measurements designed to remain in the good graces of the government and/or to gain a competitive pricing edge.

The Result: At a minimum, at least three stakeholders involved in every transaction (Patient, Provider, and Payer) and the ‘cost of care’ and consequently, the premium expense, continues to rise.
Moving to an HDHP is a transfer of first dollar coverage up to the deductible from the insurance carrier to the individual.
Mind the gap (est 2004):
The Employer Offered Major Medical Benefit Plan

- Major Medical
  - Primary Care
  - Rx
  - Labs & Imaging

- Voluntary Benefits
  - HSA
  - FSA
  - HRA
  - (Gap Plans, Hospital Rides, AD&D, etc.)
Self-insurance from the employer’s view

Stop Loss Carrier

Employer Claims Account

Primary Care

Rx

Labs & Imaging

Employer Cash

HSA

FSA

HRA

Voluntary Benefits
(Gap Plans, Hospital Rides, AD&D, etc.)
Rising deductibles and the movement towards self-insurance...Employer View

Going Self-Insured

- To further drive down the cost curve and/or flatten it
- A different type of sale is required that is more consultative than ‘spread-sheeting’
- Aggregate deductible rising to new levels with the employer taking on more of the burden to deliver answer ‘D’
The rise of urgent care and the neighborhood ER (NER)

- First and foremost, these stand-alone units exist to fill a void and provide convenience.
- Can be extremely expensive for both the participant and the plan/self-insured employer, depending on a few key variables.
- Limited continuation of care and fee for service.
- A place for urgent care and your NER but inefficient in delivering the routine and may actually increase expenses to the plan.
The rise of urgent care and neighborhood ER (NERs)

- Self-insured employers are quickly noticing the cost impact of urgent care and NERs
- Example of the shortcoming of some of these centers
A self-insured employer has a renewed focus on the utilization of claims dollars up to the stop loss carrier

- It is no longer ‘pay the premium’ and ‘forgot about it.’ The employer is now further engaged from a cash management standpoint
- Is there a better way to improve on the process to increase the utilization of each dollar that leaves the employer’s claims account?

Replace Primary Care with Direct Care/Direct Primary Care
Direct Primary Care (DPC) is an innovative alternative payment model for primary care defined by a sound relationship between patient and primary care provider. **Empowering this relationship is the key to achieving superior health outcomes, lower costs and an enhanced patient experience.**
Physicians are paid a monthly retainer. This allows them to invest more time in their patient relationships.

Patients enjoy one-on-one attention and flexibility, improving their overall experiences, and encouraging long-term health.
Direct Primary Care is NOT...

45-90 days later, doc is paid...$$

Primary Care Payment Flow
What is Direct Primary Care?

Doctor is paid a monthly membership amount for each associated employee/dependent from the employer/plan.

Direct Primary Care Payment Flow
Moving the risk and changing the payment process to improve care and reduce the cost of care for all stakeholders

DPC: Managing the Individual Chronic and Routine Care
● Allows physicians and networks of physicians to affiliate to a plan to provide choice and coverage maps of care
● Manages plan/physician, enrollment/attribution, adds, terms, plan modifications, employer/plan based bene administration
● Reconcile employer/plan, contributions with employee contributions, and pay a consolidated payment to the associated participating physicians, clinics, and/or Networks
● Allow for employees to be the judge on quality of care by allowing disassociation/changing of their physicians

The Next Big Thing…. accresa
Accresa is a powerful, web-based payment platform that works to better align employers, physicians and employees under the Direct Care/ Direct Primary Care framework.
LEARN MORE AND
REQUEST A DEMO

accresa.com
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