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Association for Corporate Health Risk Management: Roundtable – Implementing Healthcare Services Price Transparency, Advancing Direct Contracting, and Exploring International Medical Tourism

Philadelphia, PA – November 12, 2013 – Imagine you were given a magic wand and could rewrite how healthcare and benefits were delivered for your company. Most likely, this new paradigm might include clearly marked prices and quality performance metrics for healthcare. For example, you could provide an employee, who was seeking a knee replacement, a table of information which included the full cost of the procedure -- not the "sticker" price, but the deeply discounted negotiated rates, which only a select handful actually see -- and a variety of quality metrics, such as a warm and welcoming environment for the employee and companions, surgeon's results, guidance through the process, and other important measures.

This scenario would be a powerfully effective game changer and may not be that far fetched. Radical changes in the delivery of healthcare are happening one small business at a time, says risk management expert Bill Lacy. Today's ACHRM Roundtable results demonstrated that employers, including those which are self-insured as well as those that are currently not offering a health insurance benefit, could achieve significant opportunities working directly with healthcare providers. This methodology is called Direct Contracting. That is, an agreement established between an Employer and Healthcare Provider similar to arrangements that a company might engage with its bank, attorney, communications, or other professional services. This strategy could eliminate several administrative layers, including insurance codes, lots of bureaucracy among other inefficiencies. Direct Contracting not only provides price transparency, but also offers an opportunity to enhance quality of services through performance-based incentives.

Replete with employers, healthcare providers, industry experts, and journalists, the Roundtable group benefited from the success stories of the 17,000 member local Teamsters, Cancer Treatment Centers of America as well as the micro employer VoicePrint, Inc. and it's newly formed relationship with R-Health, a recently launched innovative direct primary care provider. CTCA's national headquarters and local Philadelphia cancer centers direct contracting managers, Mary Seery and Bill Pentz, respectively, worked in tandem with the Teamster's Bill Einhorn over 18 months. Since their agreement was signed in April, there have been seven patients that have benefited from CTCA's best in class treatments.

Becoming self-insured is a great first step, but then there is much more employers can do to reduce their healthcare spend and ensure quality and value for their employees, says Mary Seery. Direct contracting with CTCA creates a partnership with an organization enabling its employees to become more aware and active with their healthcare. Seery continues, it is showing your company's commitment not only to its bottom line, but also to the overall health of its employee population.

Today, CTCA and Teamsters have many of their team members from their respective organizations involved with the patient experience ensuring the success of their Direct Contracting efforts, including marketing and employee communications. As each patient has undergone his/her CTCA experience, both organizations debrief to determine ways to continue to refine and improve the process. A progressive broker and third party administrator have also been key elements of success.

Direct Contracting also offers an innovative opportunity for small businesses and micro employers, those with less than 100 employees. According to the new health law, employers with less than 50 full time employees are not required to provide health insurance. However, companies, such as VoicePrint, wishing to offer an effective, lower cost benefit to employees now have an option with Direct Contracting.



According to Mason Reiner, founder and CEO of R-Health, 80-90% of most individuals healthcare needs can be resolved through their primary care physician (PCP). The majority of traditional PCP practices today have thousands of patients, which translates into long wait times in crowded waiting rooms and rushed appointments that only last an average of eight minutes, which results in more specialist visits and more trips to the emergency room (ER). By contracting with the employer, R-Health provides employees with convenient, seamless primary care that includes 30 to 60 minute office appointments (including nights and weekends) and 24-7 access to the physician.

VoicePrint recently signed an agreement with R-Health, which enables the micro business to provide direct primary care to its employees for less than \$80 per month.

While the aforementioned success stories are early adopters in this market, ACHRM will be presenting case studies and holding future programs. On February 10, 2014, Bill Lacy, ACHRM's president and CEO will be the keynote speaker at Princeton HRMA's monthly dinner meeting to an audience of human resource executives.

About ACHRM:

ACHRM is a unique employer-exclusive community which provides a forum for collaboration with peers, education, disruptive technologies and solutions, and new methods and techniques to reduce a company's health care costs and improve employee well being and productivity. ACHRM offers attractive corporate membership opportunities for small and large employers. Please visit ACHRM's recently updated website (www.achrm.org) to register for upcoming Workshops, Webinars, and other events. Contact Bill Lacy, President & CEO at wlacy@achrm.org / 856-979-2067

