



A Turn For The Better

**The Direct  
Employer  
Alternative**  
that puts Healthcare  
Providers in Control



healthone80  
the future of healthcare

 The Right Turn For Your Benefits

# Our Flawed Healthcare System

The current healthcare system positions the insurer and their offerings as the “product.” It also has the insurer as the “consumer” in its role of paying the medical provider for services provided to plan participants, based upon a provider reimbursement schedule that the carrier feels is “fair and equitable.” This historical model created a perverse economic purchasing model which has led to over utilization of medical services, increasing premiums and a total lack of transparency.

It is our belief that the true “product” is the medical provider and that the true consumer is both the plan participant and their employer. The business of healthcare delivery is a local business and provider sponsored “products” offered directly to the community will be a much more effective model. Purchasers of healthcare service desire a transparent process where quality is as important as price and only high quality, local healthcare providers can fulfill both requirements for local employers.



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# Now is the Perfect Time for Medical Providers to Take Control of the Healthcare System

## Why Should Medical Provider Groups Establish a “Direct-to-Employer” Health Plan?

Healthcare Reform produced a number of challenges to the way that medical providers get paid—driving two important considerations:

- 1. How do you adapt and still remain profitable?**
- 2. Who will be your future partners outside of the commercial insurance marketplace?**

New revenue opportunities are emerging that will allow you to maximize reimbursements with self-funded employers in your community with no downside risk.

A “Direct to Employer” plan is a proprietary, gain-sharing strategy for your organization, and not just another financial reimbursement contract with Medicare, Medicaid or a commercial insurance carrier.

## How Does the Plan Work?

Medical providers access a proven population management program that has been in place for over 12 years—extraordinary results applied to over 2 million members under management. Healthcare providers and employers share 50/50 in the savings to the healthcare budget through financial rewards.

Our business partner, The American Health Data Institute (AHDl), has established a comprehensive system of patented and proven processes that can track quality and cost of care with effective, targeted interventions. Through the AHDl population management process, hundreds of self-funded health plans have seen healthcare trend improvements year over year. In many instances, total aggregate costs have been reduced substantially.

## Providers Become the Product

Goals and objectives must lead toward the management of positive outcomes and value while diminishing healthcare expenses. Sustainability is contingent on managing the risks of population segments that are predicted to increase healthcare expenditures if left unattended. These items must be accomplished while embracing a patient-centric approach.

**Medical providers can have the greatest impact on controlling costs and increasing quality – more than any insurance company or HMO.  
You just have to be given the right tools.**



# The Healthone80 Value Proposition



No need to establish  
your own  
insurance company

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No insurance risk  
to assume

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Two to four month  
start-up times

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Minimal cost requirements  
(e.g. infrastructure already in place)

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Proven sales and marketing  
distribution process

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Proven population  
management system

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Optimal revenue achievement by  
reducing outmigration, increasing  
top line revenues and addition of  
new administrative revenues

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Complete transparency

## Employers are Challenged

With the advent of ACA, employers face increased uncertainties and escalating expenses for their group health plan offerings. Other key market forces indicate:

- Employers are looking to establish direct relationships with medical providers to improve quality and reduce costs
- Rate increases in group health plans are higher than they have been in 5 years
- Employers are becoming more frustrated with the lack of information when rate increases are being presented
- An increasing number of refugees from the fully-insured marketplace are considering self-funding alternatives
- Employees are becoming less satisfied with their benefits plans
- 57% of health plans are currently self-funded, an increase of nearly 30% in the past ten years\*
- There is very little Risk Management in the marketplace to impact the key elements affecting healthcare plans

## Who is a Good Candidate For this Program?

- A provider organization structured as a loosely affiliated network, IPA, PHO or a clinically integrated group (e.g. clinically integrated is not required)
- Geographic markets with a service area comprising 100,000 or more individuals
- A market segment that can generate 2,500 members or more over an 18 month period
- The employees of a local participating hospital



## A Proven Population Health Model



# This New Revenue Sharing System Delivers a “One-Sided” Gain Share Program with No Medical Provider Risk

Year	Members	Health Budget	Actual	Favorable Variance	Provider Gain Share Distribution (50% of Favorable Variance)
2015	1534	\$8,792,128	\$6,986,400	\$1,805,728	\$902,864
2016	1625	\$10,171,200	\$7,829,911	\$2,341,289	\$1,170,645
2017	1642	\$11,204,400	\$8,150,400	\$3,054,000	\$1,527,000

## The Gain Sharing System Encompasses the Following Key Elements:

### Benefit Budget

- Employers and healthcare providers determine health benefit budgets.
- Healthcare providers arrange for discounted healthcare services.
- Employers and healthcare providers share in the savings to the healthcare budget through financial performance rewards.

### Engineering and Coordination of Care

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### Best-of-Breed Physician and Hospital Recruitment

- Best-of-breed medical providers are identified by the medical director and are heavily incentivized by the gain sharing due to favorable variances to the employers’ healthcare budget.
- Candidates are high quality, cost effective medical providers.

### Developing a Culture of Wellness

- Member Health Incentive Programs are provided.
- Member Healthcare Coaching – ongoing healthcare education offered to plan participants.





Serving  
**1.8 Million**  
Members





## A Proven Analytical Framework

The American Health Data Institute (AHDl) utilizes sophisticated data warehousing techniques and analytical tools.

The data in the AHDl warehouse includes over 3 million lives, with all but two states represented by geographic and regional data. Over 20 terabytes of computer storage, capacity and memory is available to the warehouse (18 terabytes could hold the entire printed collection of the Library of Congress). The backend database engine is a Microsoft SQL Server 2000/2008.

Data in the AHDl warehouse is transformed into powerful, actionable intelligence via highly sophisticated software that analyzes variance, cost drivers, cost trends and other significant clinical and financial factors influencing healthcare costs. ***Using AHDl intelligent data to manage chronic diseases has been proven effective in driving the favorable variances necessary to optimize a gain sharing distribution.***



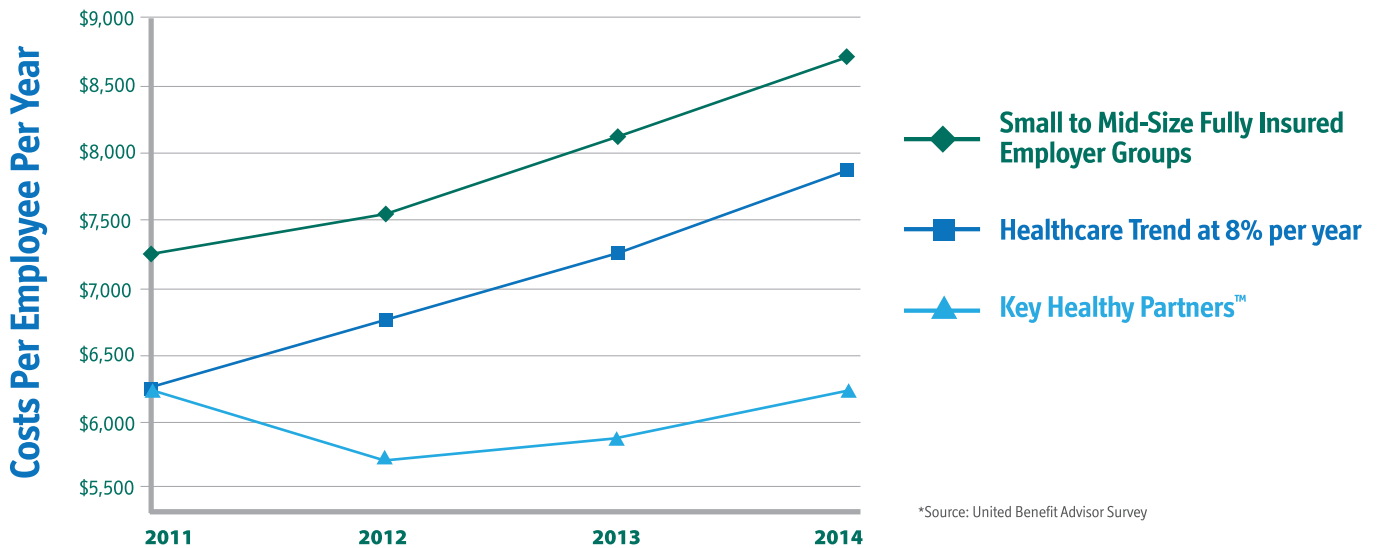
# Optimizing a Gain Sharing Distribution with AHDI Intelligent Data



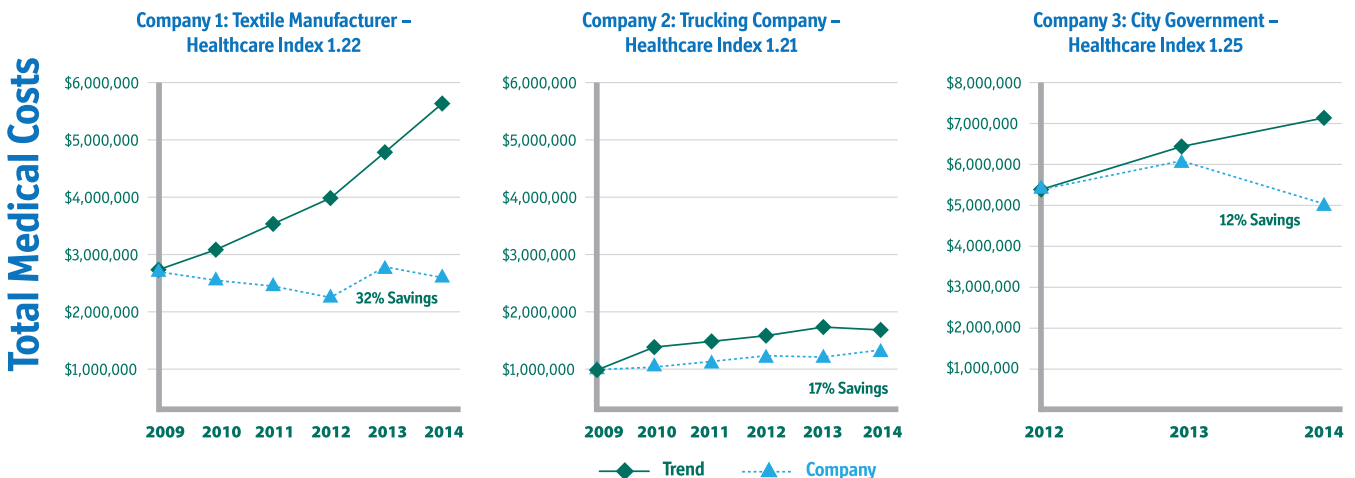
# Small & Mid-Size Group Healthcare Costs (10-150 Employees)

## Proven Results

Thousands of employer groups are realizing improved plan performance and lower healthcare expense as the result of our patented and proven care systems for population health management. Medical provider groups that desire to sponsor a program to get direct access to the self-funded marketplace can access this proven system and, by actively participating, can “turbo-charge” the results we are already achieving.



# Self-Funded Employer Groups – Case Studies (200-1000 EES)



## Healthone80, 90 Degree Benefits and AHDI

**combine** to provide the following services in deployment of the program:

Facilitate gain sharing arrangement

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Planning and negotiation

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Network development and wrap networks

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Administrative systems – claims, customer service, fulfillment, compliance, data reporting

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Employer group education

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Integration of claims data and certain medical records

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Population Health Management, Wellness programs, Nurse Coaching

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Educate and communicate with medical providers

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Administration of plan designs

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Sales, marketing/branding and distribution

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Financial distribution of gain share disbursements and reporting

## Healthone80, 90 Degree Benefits and AHDI are Nationally Recognized

Employee Benefit Firms Working with Complex Healthcare Administration and Risk Management Programs

Over 32 years of employer plan management services representing over 1.8 million members

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Back office administrator fo 12 national insurance carriers

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Back office administrator for two CMS-funded Consumer Oriented and Organized Plans (CO-OP)

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Administrative Systems – Claims, Customer Service, Fulfillment, Compliance, Data Reporting

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Data-warehouse customers comprising over 40 regional and national healthcare payers

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Three Federally approved population health management patents

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Many Fortune 1000 and public customers (State of Indiana, BP Amoco, etc.)

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95%+ customer retention





A Turn For The Better

Let us make this  
work for your organization.

For more information, please contact:

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