

(BENEFITS SELLING CELEBRATES 10 YEARS)

BENEFITS SELLING™

Volume 11, No. 5 | May 2013 | BenefitsPro.com

A Summit PUBLICATION

2013 Broker *of the* Year

Aaron
Davis

WHAT DOES IT TAKE TO BE BROKER OF THE YEAR?

Creative solutions to combat health care costs, a proactive approach to wellness and a little compassion.





Photographs by Brad Howell

2013 Broker of the Year

LAST MONTH WE ASKED WHAT IT TAKES TO EARN
THIS HONOR. THIS MONTH WE FIND OUT.

By Amanda McGrory-Dixon

AS HEALTH CARE COSTS CONTINUE TO CLIMB, AARON DAVIS, president of NextLogical Benefit Strategies in Westminster, Md., is dedicated to helping his clients battle these higher rates with creative solutions that focus on employee health along with his full line of ancillary products.

Many brokers tend to take a more reactive approach to managing health care. Once the renewals are in, a broker might then look at different employee contributions, benefit plan changes or carrier options. However, Davis believes true cost savings come from making long-term, sustainable health changes among the employee population.

“We tend to be a very nontraditional firm, and we have nontraditional outcomes and benefits as a result,” Davis says. “We decided to take a proactive approach regarding today’s health care environment. More than half of our staff is made up of health care clinicians, wellness experts, dietitians and behavior modification experts.” >>

To Davis, solving growing health care costs through the insurance carrier is the equivalent of taking a broken car to an insurance agent rather than a mechanic. A mechanic—not the car insurance agent—understands how the car works, and the same is true when it comes to clinicians overseeing health plans as opposed to insurance carriers, Davis explains.

“Health care plans are breaking down all over the country from a cost standpoint and becoming too expensive,” Davis says. “So why do we keep going back to insurance people? Why don’t we have health care clinicians solving this problem?”

Much of the rising health care costs can be attributed to today’s aging population, Davis says. As the population ages, drug spending is growing at a faster rate, and that has a major impact on overall health care costs.

Disease management compliance is another prominent factor that drives up health care costs, which is why NextLogical Benefit Strategies places such an emphasis on employing clinicians. With clinicians on staff, NextLogical Benefit Strategies can diagnose plan participants with health risks before the disease becomes too costly. Clinicians also are there to help those employees understand how they can take control of their conditions to better manage those rising prices.

“When working with an employee population, you have to understand how to motivate and support them in order to help them become compliant patients,” Davis says. “You need to reduce health risks within the population, and that’s what we’ve done. We build plans that support healthy behaviors and compliance.”

While many employers are turning to high-deductible health plans to control costs, this turns into a compliance issue in many cases, Davis says. HDHPs are supposed to encourage the average plan participant to become a better health care consumer because he or she incurs all costs outside of preventive care until it totals to a high amount. This plan might work well for those who are healthy or well-off, but those who are already struggling financially might be forced to choose to comply with their expensive disease management program or buy necessities.

“A large part of our society is living paycheck to paycheck,” Davis says. “When they don’t have the money, they are making a ‘bread or med’ decision. If you have a mother at the grocery store who has to either buy bread or her \$300 med because she hasn’t met her deductible, bread wins every time.”

Today’s health care system is so fragmented that critical medical information isn’t managed well, especially during the transition between one carrier and another, Davis says. Often, the new carrier doesn’t have plan participants’ records before the



transition, but NextLogical Benefit Strategies' clinicians request all of the medical information on each plan participant before the change occurs and delivers the data to the new carrier. Before the new plan is even in place, the carrier has all of the information it needs, allowing for better health management of plan participants.

"It's sad because you have these people out there who are trying to fight a disease and need the help," Davis says. "Then, if you switch carriers, you have to pick up the phone and initiate the conversation or wait for the carrier to call to find out you need help. We don't allow that to happen. We let the carriers know that we're not going to wait for them to figure out who those several hundred people are on their own. They need to know who they are out of the gate."

NextLogical Benefit Strategies also actively works with carriers to identify plan participants who could use oversight, Davis adds. Plan participants' risk levels are first identified using raw claims and analytical tools, and then NextLogical Benefit Strategies shares this information with the carrier to ensure these plan participants are receiving the disease management support they need.

To help clinicians and carriers manage plan participants' unique needs, NextLogical Benefit Strategies divides employees and their dependents into four groups, Davis says. The first group includes plan participants who have been diagnosed and treated for diseases. By organizing these plan participants into one group, the clinicians can ensure the employees are receiving proper care from the right provider in the appropriate time and setting at the most economical cost.

"If patients can find the right treatment in those five areas, they will be the least expensive members that they can be," Davis says. "We need to make sure all of those components are working and in conjunction with the medical managers."

NextLogical Benefit Strategies also creates a group of plan participants who need a motivational push to undergo health risk assessments, Davis says. As part of the Patient Protection and Affordable Care Act and Health Insurance Portability and Accountability Act, this allows NextLogical Benefit Strategies to create a physical promotion program that offers employees lower health care rates for participating in preventive services, such as physical exams.

The third group includes plan participants who are at risk but haven't developed these potential diseases. For instance, someone in this group may be overweight without any current health issues but could be on the path to diabetes or high blood pressure if his or her patterns don't change.

"We work with this group to conduct biometric screenings and health risk programs," Davis says. "Wellness programs are also really good for at-risk people because it has them improving their lifestyles by becoming more active and going to the gym."



NextLogical Benefit Strategies also groups plan participants who are considered healthy, Davis adds. Although this group doesn't need the same intervention that the unhealthier groups do, NextLogical Benefit Strategies helps develop programs that encourage these plan participants to sustain their healthy habits, such as fitness challenges or leadership opportunities to act as wellness ambassadors.

To help plan participants understand how they can positively impact their health, NextLogical Benefit Strategies sends nurses and dieticians to the workplace to host many educational sessions throughout the year. By doing so, Davis believes this builds trusting and supportive dialogue with plan participants. Each month NextLogical Benefit Strategies also writes four to five fliers in English and Spanish and offers a Web portal where plan participants can learn about their benefits and connect with clinicians.

"We do a lot of wellness plan branding for our clients," Davis says "We give them a unique logo and tagline, which helps everyone in the company relate to their wellness plan."

NextLogical Benefit Strategies' emphasis on wellness has been so effective that some clients have even seen their health care rates go down, beating the nationwide trend of skyrocketing costs, Davis says. In fact, some of NextLogical Benefit Strategies' clients have seen their rates drop as low as 14 percent. This is especially true among large groups.

For small groups, much of the rate is usually based on the average age of the group or location, Davis says. Whether that group tends to be healthy or sick, the rate is the same. Large employers, however, are in a different place. Once a group reaches 200 employees, the rate is determined by claims history; thus, employee health matters. If a large group is willing to take control of its overall health, it can make a substantial difference in what it pays, and NextLogical Benefit Strategies isn't afraid to get creative in its approach to wellness.

"If you can build a benefit plan that actually encourages people to stay compliant with their drugs, get their physical exams, be good patients and participate in wellness, you get people moving in the right direction," Davis says. "That's when your costs start going down."

While the health care market presents plenty of challenges, Davis remains optimistic about the future of NextLogical Benefit Strategies. As employers continue to fight rising health care costs and try to understand the impacts of health reform, they need NextLogical Benefit Strategies' expertise and guidance. With NextLogical's team of clinicians and dedication to wellness, it's prepared to help clients control their costs and navigate today's complicated health care system. [B](#)

