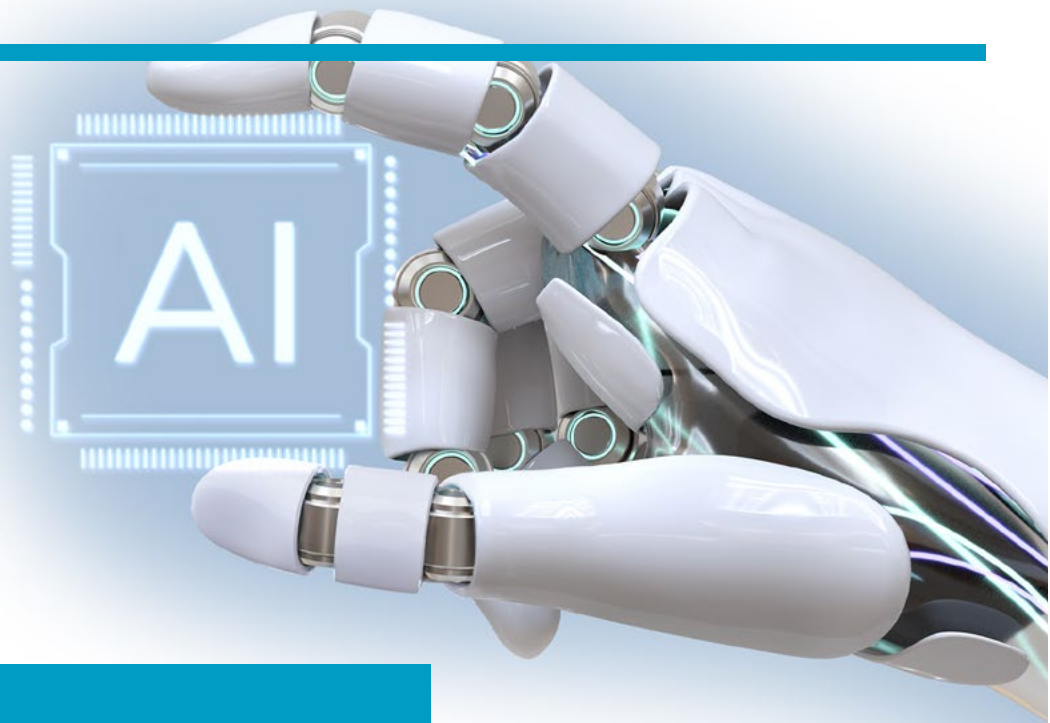


SIIA'S 2023
NATIONAL
CONFERENCE
COVERAGE
ROUND-UP

FUTURIST SEES
EMERGENCE OF
PERSONALIZED AI



SIIA ENDEAVORS

Written By Bruce Shutan

Every year, there's a hot topic that dominates the conversation not only in keynotes and workshops at industry events, but also exhibit hall booths and during networking discussions. Artificial intelligence was a clear winner at SIIA's National Conference at the JW Marriott Desert Ridge in Phoenix, AZ.

In describing AI as the basis of a radically different society, futurist Mike Walsh told a record-breaking 2,000-plus attendees in the opening keynote address that organizations will increasingly compete on their capacity to deliver compelling algorithmic experiences for customers. He noted a marked shift to building technology platforms from simply developing products and services.

“What are the unique data points that can transform your business?” asked Walsh, a dynamic speaker and leading authority on digital disruption who heads up the global consultancy Tomorrow. It was his third appearance as a SIIA keynoter since 2018.

He suggested that companies identify pain points that AI can ease, which will help them compete. The challenge for the next 18 months will be considering how AI can automate mundane workflow and instead focus on areas that require more meaningful human judgment, according to Walsh.

That means using AI to elevate rather than eliminate employees. His suggestion was to teach AI, machine learning and other technology to employees. “Talk to the tech team to see if there’s a solution that doesn’t require human work,” he said. And as it becomes easier to create computer codes, he believes that a growing number of workers will learn to be coders.



The key to scaling AI will be to think beyond incremental productivity improvement in the algorithmic age, he observed. Noting how the AI revolution kicked off in 2012, he said ChatGPT's introduction 10 years later became a game-changer and added that the previous 10 months have seen technology advance at a pace quicker than the previous decade.

For example, ChatGPT Coe Interpreter, which was launched in May, has the capability of doing 30% of all work, according to Walsh. He noted that it examines trends and produces elaborate PowerPoint presentations in just seconds. But by October, ChatGPT had the capability of actually seeing, hearing and speaking. "This is the beginning of civilization," he quipped in his trademark dry British humor.

A shift from customer transactions to experiences can be seen in anything from Spotify's monthly music subscription service, which he noted now features AI-generated playlists, to ordering Uber ridesharing and Starbucks coffee. Mobile apps are driving these purchases.

Walsh believes the biggest trend in the next 10 years will be personalized AI that can help humans have more meaningful relationships than ever before. But that's not to say everyone will fall into lockstep with that vision.

He noted that Snack, a dating app for GenZ, allows users to create and train AI avatars to recognize their interests. But at some point, he predicted that kids will be talking primarily with AI, not their parents or friends.

"Do not underestimate the pace of change," Walsh implored the audience, noting that the next 10 years will seem like a century worth of change. He predicted that 2033 will be much more profoundly transformed than we can imagine with the question being, what will be possible then that's now possible now?

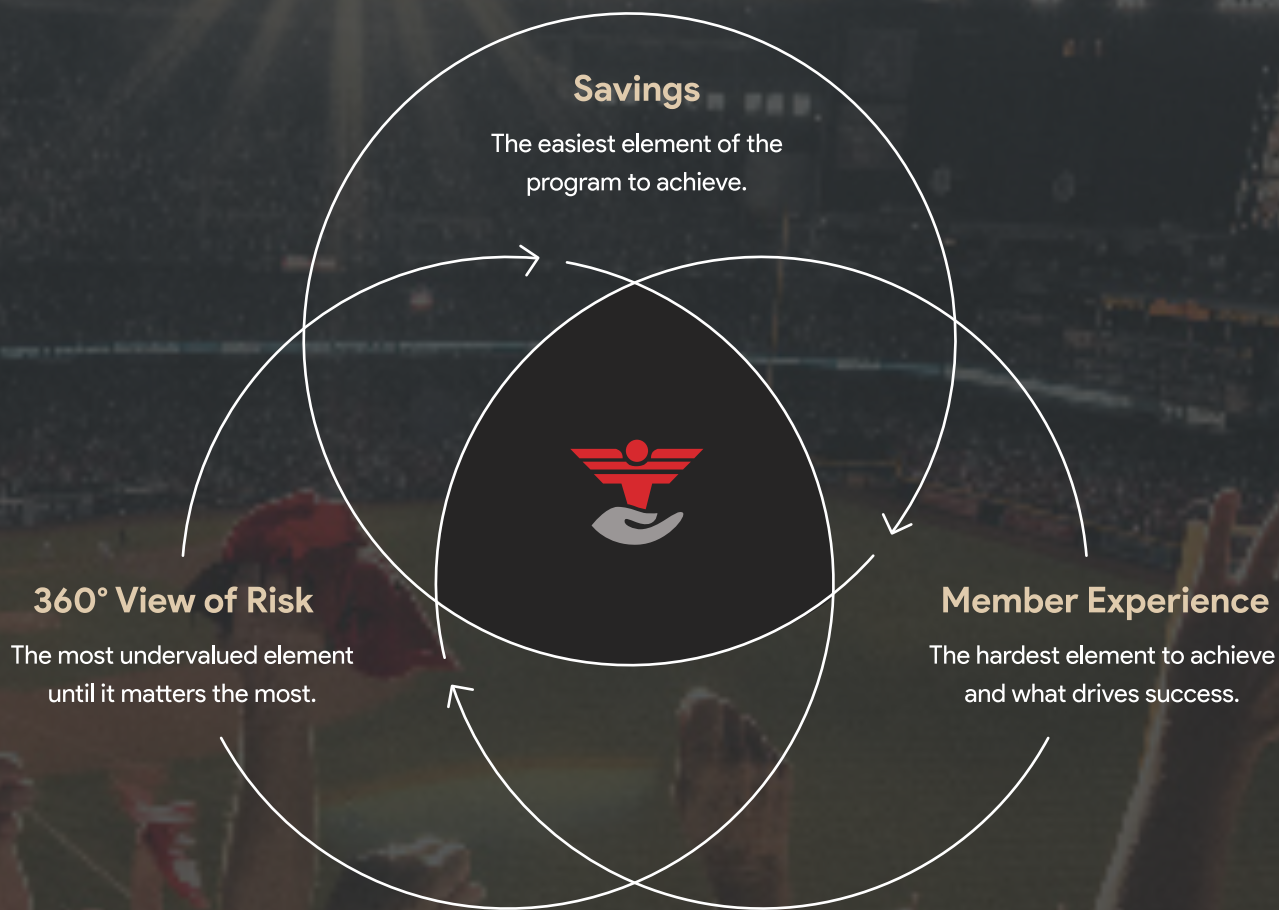
Explaining that AI is not a trend or fad, he said people need to embrace its uncertainty and not fear the unknown. The future actually will be easier with the help of AI, he predicted. "Be curious, not judgmental," he suggested in screening a scene from the popular TV show "Ted Lasso." His view is that humans are going to need a new set of skills – a software update, if you will – and, of course, a fresh mindset in thinking about impending changes.

"This is truly going to be an AI-powered society where the digital and real will be intertwined," he concluded. "The future is now!"

CHRONIC CARE DRIVING ENORMOUS STOP-LOSS MARKET GROWTH

Since the Affordable Care Act passed in 2010, the stop-loss market has grown from about \$10 billion to more than \$31 billion largely in renewal increases in small and midsize groups and in the captive space, noted Phil Gardham, President of Accident and Health for U.S. Berkshire Hathaway Specialty Insurance. While consolidation has slowed in recent years, he said new carriers and MGUs are entering the space – allowing self-insured employers extremely competitive rates.

Chronic illnesses are certainly a driving force behind this growth. Jennifer Collier, President of Health Risk Solutions for Sun Life, referenced that as many as 16 of 18 high-cost claims involve patients with co-morbidity factors. This has given rise to carveout products and exclusions in the costly cell and gene therapy space.



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Michael Meloch, CEO of TPAC Underwriters, referenced an IV infusion company in Minneapolis that dispatches technicians to patient home. His hope is that the stop-loss community helps carriers figure out how they can move more care to this setting.

There will be a continued movement toward outpatient and in-home care to help reduce costs, added John Fries, Head of Accident and Health for Swiss Re Corporate Solutions. Other highly effective methods he suggested include underwriting claims as a pool, personalized medicine, cell and gene therapy, and population health management.

Fries also sees a tremendous opportunity to automate more routine tasks so that stop-loss carrier can spend more time focusing on underwriting risks. He's optimistic that cell and gene therapies that reduce, say, the number of hemophiliacs with curative care will also help manage stop-loss expenses over time.



JOB MOBILITY TREND POSES TALENT RETENTION DILEMMA

Ernie Clevenger is a Baby Boomer who likes the energy, curiosity and heart that younger generations possess. But here's the rub: the President of CareHere, a Premise Health Company, and publisher of the MyHealthGuide said those

One other key trend that is affecting claims involves the movement toward home-based care. The pandemic fueled virtual care, which Collier believes will continue to move treatment from hospitals to homes with more technology helping strengthen that connection and tether them to triage care centers.

younger than 30 will change jobs seven times. He told a panel discussion on generational differences in the workplace that younger talent believes it needs to move around to earn more money and climb the corporate ladder.

Les Boughner, Chairman of Advantage Insurance Management LLC, has noticed that younger generations aren't afraid to challenge conventional thinking and hatch solutions on the spot. There's much more hierarchy among his fellow Boomers, he added, while Millennials and GenZ members are just the opposite.

Corporate involvement in outside

missions or charities can be an important retention tool, according to Clevenger. His employees, for example, suggested a giving campaign for soldiers who were deployed in Operation Desert Storm in Iraq.

Another strategy is creating a purpose-driven culture. GenXer Kevin Seelman, Executive Vice President and Special Practices Leader for Lockton Dunning Benefits, noted that his marketing team helps employees understand how the work they're doing touches lives in a very personal way and what it means to those families.

At the end of the day, it's less about tenure and more about contribution as far as the retention equation is concerned, observed GenXer Amy Gasbarro, COO of Välenz® Health. Boughner said would much rather promote based on potential than someone who is over-qualified. "You want someone who is going to be very inquisitive and willing to try new things," she added.

DIRECT CONTRACTING PLEASES BOTH PAYERS AND PROVIDERS

As if the shortage of doctors, nurses and other workers in the health care ecosystem weren't already a huge headache, the problem is being exacerbated by other developments.



Brian Felty, Vice President of Business Development and Valuebased Care for Baylor Scott & White Health, cautioned that by purchasing high volumes of provider practices, the BUCAHs and private-equity companies could trigger an even greater exodus among those professionals. If hospital systems attempted to do the same, he believes they would be subject to a much higher level of scrutiny by federal regulators.

“We’ve all been misaligned on who the customer is, which is the patient,” he observed, noting that his firm has incorporated incentives for employees to visit their primary care physician (PCP) for earlier detection of health issues and to drive lasting change.

Physician assistants can certainly help fill care gaps and better manage patient loads, while direct contracting will keep dollars in the community, according to Brad Byars, Executive Director of Providence St. Joseph Health. He also is a big believer in narrow networks, value-based care and benefit designs built around high-quality care as ways to drive down costs.

“We need to find a way to meet employers where they are,” said Philip Eaves, President and CEO of Ascension Seton Accountable Care Organization, noting the need to pave multiple avenues for direct contracting. He described the beauty of this arrangement as offering a solid discount that makes it attractive to employers, while physicians are happy about being reimbursed without having to claw back money from BUCAH plans. “Providers like living in that world,” Eaves reported.

Success for his ACO is keeping people out of a hospital’s four walls unless they absolutely need to be there. Physicians want to focus on prevention, which he said is the benefit of working with a clinically integrated network.

“We’re at an inflection point for hospital systems, which are not going to compete at the top of that funnel for lives,” he explained.

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“They’ll turn into a high acuity tertiary facility, or they’re going to show more innovation in their DNA like Intermountain Health” or similar systems.

CLAIMS DATA SHAPES GAG CLAUSES, FIDUCIARY RESPONSIBILITIES

Under the Consolidated Appropriations Act (CAA), self-insured plan sponsors should have more access than ever to data from their downstream vendors and provider networks under the gag clause prohibition included in the 2020 legislation. This provision prohibits gag clause provision, both direct and indirect, in any agreement between a plan and a network or TPA for data related to pricing and quality information, or claims data from those parties, explained Chris Condeluci, SIIA’s Washington, D.C. counsel, who moderated this lively panel discussion.

“Having claims data empowers plan sponsors to shop for a better deal,” he said. “That’s what we hope transparent pricing rules will help secure.” However, with an upcoming December 31 deadline for plan sponsors to attest to the federal agencies that there are no gag clauses in their contracts, many plan sponsors are finding increasing obstacles as they seek to do so.

It may be necessary for both Congress and the U.S. Department of Labor will need to add further clarifications and enforcement measures, he said. While it’s unlikely that all the needed clarifications will be settled before the upcoming attestation deadline, there remains open a possibility of an extension for granting relief to plan sponsors until these further clarifications happen. Still, he said there’s an effort afoot to impose penalties on TPAs or provider network owners that are unreasonably restricting access to plan sponsor data.



Plan sponsors don't necessarily own their data, which payers say becomes proprietary once it's integrated into their system, noted Julie Selesnick, Senior Counsel for Berger Montague. She said the provisions in those agreements affecting the payment amounts is what plan sponsors need to make sense of. This will make them a better steward of the dollars that are paid out. There are also some cracks in the system to loosen plan data, explained Selesnick, who said parties that are holding onto information will face increasing pressure to settle current pending litigation between plan sponsors and some network carriers refusing to provide that data. .

Her advice to plan sponsors is that they must include language that says gag clauses from contracts with TPAs, PBMs and provider networks are null and void. The onus is on plan sponsors to have ironclad contracts, and they cannot accept at face value any written statements from vendors on this topic, she advised, adding that confidentiality agreements must be negotiated at the same time as service agreements.

“The CAA has been a blessing for those of us out there who have been trying to do the right thing,” opined Dawn Cornelis, Chief Transparency Officer for ClaimInformatics. She said there are gold nuggets in each of the lawsuits over gag orders that can help self-insured employers ensure that they have complete access to their health plan data.

Contracts between hospitals and managed care companies are complex and nearly impossible to understand, according to Denny Weinberg, director and former CEO of Granular Insurance Company. “Our self-funded employers are not aware of how they're being used as a consequence of this information,” he said. “We want to be an advocate and hold our partners accountable. They should be equipped on how to deploy the right employer solutions.”

SELF-INSURED STRATEGIES FOR MANAGING ONCOLOGY CARE

Cancer has now surpassed musculoskeletal conditions in terms of driving health care claims in large companies, explained moderator Laura Carabello, a principal with CPR Strategic Marketing



Communications in setting the stage for this session.

With cancer diagnoses becoming so common, it's not a question of if but when employees and their dependents will be told they have the disease, observed Anthony Masotto, General Manager and Executive Vice President of Drex, an AMPS Company. All the boxes need to be checked in plan documents to ensure that lifesaving cancer drugs are available and covered.

Given the enormous financial and clinical implications, the panelists agreed that early detection, preventive screenings and treatment saves both money and lives. Masotto urged employers to incentivize participation in cancer screenings to avoid problems down the road.

A stage-one cancer diagnosis that costs more than \$60,000 can double if it reaches the next stage, noted Craig Parker, CEO of Guideway Care, Inc. Getting nurses involved right away from the initial diagnosis before the claim even starts will help engage patients, added Caryn Rasnick, Vice President of Client Success for MedWatch, LLC. There's more than \$200,000 difference when patients are engaged, she said. It also will improve outcomes, Parker added.

All TPAs should have a good communication path with their

stop-loss carrier or MGU to understand options for members if certain coverage isn't stipulated in the plan document, according to Rasnick. How drugs are defined in the plan document she said will become crucial as more costly and curative cell and gene therapies are brought to market.

But it's also important to recognize that non-clinical interaction with patients is vital because it can account for about 80% of the claim, according to Parker, whose company specializes in this area. He described hand-holding as a gigantic part of the cancer journey and whole-person health, which can help alleviate fear, anxiety and confusion among patients and their families.

NEXT UP FOR EMPLOYER DIGITAL HEALTH STRATEGIES

“Talking to a patient in their home was considered criminal 20 years ago, but we've come a long way,” said Michael Gorton, founder of Recuro Health who also started Teladoc.



His own experience wasn't too far off from that observation. He recalled DEA agents abruptly walking into Teladoc's office in 2005 with their badges and guns visible, concerned that prescriptions were being written for controlled substances. Fast forward to today's opioid crisis, and Gorton noted that if there's a street value to any script, the industry must be aware of the risks and steer clear of this area.

Virtual care long ago fixed the problem of access, then pivoted to catch ailments early with tools that make it easy for patients to seek treatment, according to Gorton. He said the technology has evolved to a point where behavioral health issues can be diagnosed just by using a smartphone.

But it's much more encompassing. The Journal of the American Medical Association estimates that as much as 70% of care can be delivered virtually, according to Vibin Roy, M.D., Senior Medical Director of Virtual Primary Care for Included Health. He also said virtual health enables patients to leverage access to resources in other states and level the playing field.

Despite economies of scale, the growing shortage of health care professionals has proven to be a challenge for EZaccessMD President Lois Irwin whose firm can always use more radiologists and ultrasound stenographers.

“Our population will need more of them, especially as we age,” she explained.

The fact is that virtual care allows doctors to earn more and charge patients less because of the inherent operational efficiencies of this model, Gorton noted.



That has created a much higher comfort level among Americans, 65% of whom he said did not trust telemedicine pre-pandemic, whereas now 87% of them now prefer it.

Irwin said care is moving to the home because it's convenient and removes cost barriers. Making a benefit available for free, which EZaccessMD does through its employer contracts, is the ultimate incentive to drive utilization. “You have to make an impression,” she said, “and the pandemic has been a change agent in terms of patient behavior.”

Roy is not a fan of fee-for-service medicine, noting how the per-employee-per-month model allows for resources to be invested more creatively. Clinicians need the latitude to provide patients with more time and follow up, which he said is difficult to achieve under the traditional model. But he added that being able to do those things for patients in the comfort of their own home makes it easier to be more thoughtful about patient care. ■

Bruce Shutan is a Portland, Oregon-based freelance writer who has closely covered the employee benefits industry for more than 35 years.

