

LET'S get skinny



with dan ferris

AS AMERICANS we tend to want the very best of everything, and for as little personal physical or financial output as possible. Our desires surrounding healthcare are no different. We want the best healthcare as defined by cost, providers and benefits received. Unfortunately, the financial stability of the insurance company providing the benefit is sometimes a distant fourth or forgotten consideration. These three primary factors are interdependent. That is, it is not always possible to find the ultimate state – the best providers, at the lowest cost with the best benefit plan.

Prior to the year 2000, insurance companies tended to be friendlier to their insureds, with simpler patient experiences brought on by wide PPO networks and generous benefit plans. Today, with annual health insurance costs reaching an all-time high, averaging over \$10,000 per employee, we need some relief from escalating costs! There is an option in metro Omaha to get one step closer to the ultimate state - "Skinny" PPO networks. "Skinny networks" limit the facilities or number of physicians and hospitals within a preferred network and provide patients richer benefits when those physicians or hospitals are utilized. Ultimately, by driving more patients to a smaller number of doctors/hospitals, insurance companies can negotiate lower costs and drive better health outcomes.

There is a difference in costs between any chosen medical providers. If you don't know where to look, those differences are difficult to identify. An MRI in Omaha for example can vary in cost between a low of \$330 to a high of more than \$900. If we can steer patients to the most cost effective options- or at least provide the tools to help patients understand the differences – the consumer saves dollars on their procedures and in the long run, we all reap the benefits of more affordable health insurance. There are electronic tools to help members find the most efficient providers (the lowest cost AND favorable health outcomes). Many insurance companies even provide this information on their member portals. Alternatively, patients can learn the cost of a medical procedure simply by asking the facility or doctor.

Skinny networks are not just about cost, they also contain an element of measuring health outcomes to ensure the quality of care is not diminished. Many of the local major insurance companies have varied skinny PPO networks that provide lower cost premiums by steering patients to lower cost physicians, specialists and hospitals, yet requiring certain patient health measures be maintained to ensure the patient is receiving superior care. For example, one national company has as much as a 13% premium difference between their full PPO network and a skinny network that only includes about half of Omaha's available healthcare providers. With premium rates increasing 10% to 20%, a 13% reduction in premiums through skinny networks is a welcome option.

With a little research, education and thought, we have the potential to improve the outcomes we desire.

For more information, please contact your trusted advisor at Swartzbaugh-Farber – 'Client Centered – Client Advocates™'