



The CFO
SOLUTION

**CFO Forum on
Healthcare 2017**

Gary Bender
Founder & CEO - The CFO Solution

www.thecfosolution.org

Introduction

- Last year we brought in brokers to learn their best practice observation. Today we invited an advisor/consultant for a different view.
- Why? Because brokers goals are incongruent with the CFOs goals.

Broker's goal is to keep the account and maximize profits for their firm and the carrier.

CFO's goals are to provide quality healthcare at a fair cost for employees and the firm.

CFO Best Practices

- Consider using an advisor-especially and ask how they get compensated-believe it or not, there are performance based, honest advisors that will provide their analysis, review your metrics vs world class performance metrics and map an action plan.
- They will outline reasonable short and medium term goals and action plans to achieve those goals.
- They will define risks, costs, expectations for them and for the company
- CFO is the lead decision maker with other stakeholders involved
- Advisor will rarely work only with HR executive

Our impressions

- The data does not lie.
- While costs to employers and employees have increased double digits for the last five or more years, we have been led to believe that the carriers are subject to the same cost increases and frustrations
- However, look at their reported results:

Our impressions

- Stock prices in April 2010 and June 2017

Aetna	\$27.28	\$150.59	452%
Anthem BC	48.05	189.96	295
Cigna	31.94	169.08	429
United HC	27.07	181.63	571

- Makes you feel sorry for Anthem!
- Compare to your value increase?

Final Thoughts

- Ask your broker to justify cost increases just like you do for other suppliers
- Engage an advisor Broker will not like it but it will expose facts and opportunities
- Your years of renewals should have proven this is an oligopoly!
- Breaking the status quo takes work and courage!