



CFO Forum on Healthcare 2018

Gary Bender
Founder & CEO - The CFO Solution

Introduction

- We had an “open to the public” session as requested by local CEOs, HR and CFOs who heard about our success.

- We summarized our year one and year two findings

Audience was stunned and upset with the facts versus the facts according to their brokers!

We shared success stories-one firm reduced costs 40% in two years and then took some of savings and **ELIMINATED** all deductibles!

Another firm, after three months of an advisor’s services, cut employee contributions by 50% with a celebration!

Learnings

- These were companies with fewer than 100 employees-proving that there are best practices for small firms as well as large firms.
- Huge firms (over 10,000 lives on the plan) have the resources and risk tolerance to manage healthcare differently than small firms HOWEVER scale and technology has allowed those proprietary programs to be offered to smaller firms (under 1000 lives)
- BUT brokers don't offer them!!!

Explanation

- The brokers do not have access to these special offerings
- The majors do not want to offer these offerings because they can reduce costs by over 30 to 40% and thereby their revenues and profits would decline!

Final Thoughts

- We ask for transparency on costs-how about offering a cost plus pharmacy and let your employees make the decision? Don't expect CVS and Express Scripts to educate you.
- Consider partial self insurance, even for a small firm. In effect, you are paying a broker and a carrier to administer your claims, pay the bills, add their mark up for admin and their profit margin. If you exceed their estimate, they raise the premium and recoup the costs.
- This is not traditional insurance-it is paying them for an admin service and letting their returns skyrocket. They do NOT take the risk.
- Their lobbyists are the best AND the public does not have a lobbyist and politicians are brainwashed.