

Turning Mountains of Data into a Functioning Strategy for Self-funded Employer Benefit Plans

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Most businesses have piles, mounds and even mountains of data within the organization. The challenge is to gain access to and organize all this data in a way that transforms it into actionable management information.

Unified Group Services (UGS), an Anderson, Indiana-based third party administrator (TPA) for self-funded employer benefit plans, faced this situation. The task was to transform this disorganized mass of numbers and raw data from clients and reconfigure them into useful data UGS clients can use when developing a comprehensive employee health plan.

Through diligent work, and a partnership with Benefit Informatics, UGS was able to accomplish its goal, and in the process, help its clients save time and money, which was good for everyone's bottom line.

"From our first meetings with UGS, our relationship has been more of a partnership than vendor-customer," said Brian Hubbard, technical operations director at Benefit Informatics. "We have worked very closely with Rich [Mousty] and Andrew [Eller] to provide a seamless reporting and analysis platform that could be deployed internally and externally to customers and affiliated brokers."

The partnership between UGS and Benefit Informatics, a health care data integration and analytics company, has played a key role in the growth of UGS, which started from humble beginnings and has become one of the larger full-service TPAs in the Midwest.

UGS was created in the sunroom of Co-founder and President Rich Mousty's home. He, along with Co-founder and Executive Vice President Faith L. Hailey, had become disillusioned by changes created by the new owner of their previous company, so the two rekindled their entrepreneurial spirit and thus UGS was born in 1996.

Mousty discovered a previously untapped market, providing administrative services to employers, who are self-funding their employee benefits package. UGS experienced a steady growth from the start.

Eight years after its creation, UGS's operations had outgrown the sunroom in the Mousty house, and in February 2004, the company relocated to a new 13,000 square foot facility.

By 2008, the company had added 9,000 square feet to its existing facility in order to provide space needed for current and future growth. With more and more employers moving to self-funding, demand for UGS's services continued to grow.

Applying a straight-shooting, no nonsense approach to the business, Mousty and UBS continued to increase both market share and revenues in a very competitive market. Client retention and customer service has been the hallmark of the company. From a startup with less than 20 employees and a few self-funded clients, UGS has grown to more than 150 clients and nearly that many employees.

TPAs are challenged to balance fast and effective claims administration and customer service with accurate and timely reporting of health plan activity to clients and their broker/consultants. UGS had relied on its claim adjudication system and a variety of standard and custom reports developed in other programs in order to report back to clients.

This process was acceptable for a small TPA operation, but with in excess of 100 clients and more than 50,000 members covered and their affiliated brokers requiring plan utilization and reports, UGS, was experiencing growing pains and required a new solution.

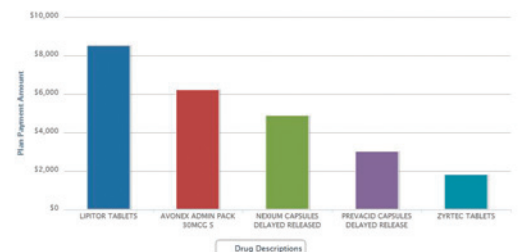
"We needed to upgrade this

function with a more efficient solution that allowed us to provide both standard and ad-hoc or customized reports to our clients and brokers," Mousty said. "We evaluated a number of options before selecting Benefit Informatics."

In choosing Benefit Informatics for its health plan analysis and reporting solution, UGS was impressed with the flexibility and timely access to claim information and the easy-to-access format in which the information was presented. The ability to schedule reports within the system and then make them available in a secure environment using the Connect service was another attractive aspect of Benefit Informatics.

"We chose to partner with BI for a very specific reason—client reporting," Mousty said. "We have been amazed with how flexible and valuable their system has become to our business,"

UGS provides an array of standard



Drug Description	Number of Claims	Number of Services	Number of Patients	Total Charge Amount	Discount Amount	Employee Responsibility Amount	Other Amount	Plan Payment Amount
LIPTOR TABLETS	102	102	33	\$14,432.28	\$2,125.23	\$1,780.00	\$0.00	\$8,527.05
AVONEX ADMIN PACK 30MG X 5	2	2	1	\$9,772.88	\$3,447.26	\$120.00	\$0.00	\$6,205.62
NEXIUM CAPSULES DELAYED RELEASE	39	39	11	\$7,048.92	\$937.87	\$1,230.00	\$0.00	\$4,882.05
PREVACID CAPSULES DELAYED RELEASE	27	27	8	\$4,490.10	\$602.80	\$870.00	\$0.00	\$3,017.30
ZYRTEC TABLETS	44	44	15	\$4,129.85	\$810.11	\$1,500.00	\$0.00	\$1,819.74
CELEBREX CAPSULES	22	22	9	\$2,396.85	\$183.29	\$720.00	\$0.00	\$1,493.56
HUMALOG INJECTION	24	24	6	\$2,799.12	\$337.81	\$780.00	\$0.00	\$1,681.31
ZOLOFT TABLETS	35	35	9	\$5,012.55	\$443.99	\$1,053.58	\$0.00	\$1,534.98
PRAVACHOL TABLETS	14	14	5	\$2,357.60	\$295.13	\$540.00	\$0.00	\$1,522.47
JACIPHEX TABLETS	9	9	6	\$2,051.26	\$133.03	\$360.00	\$0.00	\$1,558.23
Total in Top 10	318	318	103	\$52,942.41	\$9,316.52	\$10,930.58	\$0.00	\$32,695.31
All Other	5,848	10,363	452	\$1,912,276.71	\$893,668.03	\$172,626.37	\$11,027.35	\$834,954.96
Grand Total	6,166	10,681	555	\$1,965,191.12	\$902,984.55	\$183,559.95	\$11,027.35	\$867,547.27

One of the ways we measure a TPA is by looking at the TPA's relationships with their brokers and self-funded clients. Unified is able to maintain strong and very long lasting relationships with their self-funded clients.

monthly reports, along with customized six-month and annual reports utilizing Benefit Informatics. UGS clients demand a great deal from their administrator, and in turn, UGS demands a great deal from Benefit Informatics, and the health care data integration, warehouse, analysis and reporting company, based in Jenks, Okla., has been more than willing to assist the former startup company.

“Andrew [Eller] and other users at UGS have played an important role in giving us feedback and direction in providing a comprehensive data analytics solution for all of our customers,” Hubbard added. “They have pushed us to develop better applications and reports and enhance the data coming into the data warehouse. We have both benefited from our relationship.”

Because Benefit Informatics receives a regular daily upload from UGS, the information available to UGS personnel and approved employees of UGS clients and their brokers is near real-time. This level of integration provides UGS clients with a comprehensive view of their claim activity and overall health plan costs.

“We are able to give our clients and brokers electronic access to their claim information, whether it has been scheduled to run or if they want to access the system and create reports and analysis for specific needs,” Mousty said. “And because BI’s system provides plan analysis, we are able to use it to create plan models to help our clients design a health plan that best meets their needs.”

Special requests from clients and broker/consultants also are handled much faster than before UGS partnered with Benefit Informatics. When a broker called recently asking for multiple reports on a particular client, he asked to have the information within a couple of

weeks. UGS provided the reports along with additional information within a couple of hours utilizing Benefit Informatics’ data analysis and reporting resources.

Integration into UGS business operations and deployment strategies has been another key aspect of Benefit Informatics. UGS personnel from a number of departments can access health plan information to assist clients with customer services, wellness, renewal, stop-loss disclosure and other needs.

UGS also is able to integrate a variety of external systems utilizing Benefit Informatics, including single sign-on and automated data feeds.

“We didn’t know how much we would use BI for data analytics and other needs,” Mousty said. “We are able to utilize it in so many ways and customize the information for each client. Benefit Informatics is an important tool for our deployment plans and our strategic marketing. They are a partner in our success.”

Despite a lengthy recession and a stagnant economic recovery, UGS has continued to grow. In less than 20 years, UGS has gone from a two-person startup project to employing more than 100 people, servicing more than 130 customers in 30 states, and processing more than \$420 million in health care claims in their 22,000-square-foot facility in Anderson.

Despite all the growth, UGS has stayed true to its core value of providing great customer service in all aspects of business operations.

In the ever-changing world of health care and economics, UGS is dedicated to providing employers with the services and tools needed to control employee health benefit plan costs.

UGS is committed to using cutting-edge technology, such as that provided by Benefit Informatics and other proven partnerships, to give clients information and services that enable them to control expenses while offering top-of-the-line benefit programs. These services are delivered with timely and careful attention to every client, providing each individual with personal service through an experienced and professional team.

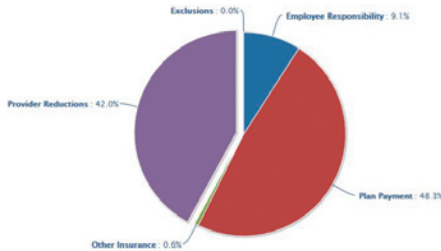
But a mission statement has no value if it is not reflective of the actual actions of the company; therefore, UGS is dedicated to training each employee and instilling these principles in the company culture so it mirrors the ideals upon, which UGS was founded.

Mousty’s strategy appears to be working, according to Derek Cox, executive vice president of Perico Life Insurance Co., a Delaware-domiciled life insurance company operating on an admitted basis throughout the United States and a market leader in group life, accident and health insurance.

“Perico Life Insurance Company has had a longstanding terrific professional relationship with Unified Group Services,” Cox said. “One of the ways we measure a TPA is by looking at the TPA’s relationships with their brokers and self-funded clients. Unified is able to maintain strong and very long lasting relationships with their self-funded clients. The brokerage community also holds Unified Group Services in the highest regard. Unified has also continuously searched for and implemented many claim control measures through their cost containment and PPO vendors. By doing this, the self-funded client benefits with both a reduction in their claims expenses and, as a result, their stop-loss premiums and factors. We look forward to dealing with Unified Group Services for many years to come.”

Additionally UGS was honored last month by being named a Blue Ribbon Small Business Award winner by the U.S. Chamber of Commerce. UBS was one of 75 companies from across the United States earning recognition for its dedication to the principles of free enterprise and its contributions to restoring jobs and prosperity.

“In our entire history, we have never laid a worker off due to downsizing. We are very blessed to have several of the employees we hired during our first year still working with us,” Mousty said. **HC**



	Totals	Total Charges %	Employee	Employee %	Total Charges %	Dependent	Dependent %	Total Charges %
Claims Processed	3,037		1,357			1,680		
Number of Services	5,178		2,304			2,874		
Charges	\$995,372.46		\$456,770.18	46.09%		\$536,602.28	53.91%	
Provider Reductions	\$418,529.07	42.05%	\$181,040.15	42.26%	39.46%	\$237,488.92	56.74%	44.26%
Employee Responsibility	\$90,554.02	9.10%	\$38,366.52	42.37%	8.36%	\$52,187.50	57.63%	9.73%
Exclusions	\$0.00	0.00%	\$0.00	0.00%	0.00%	\$0.00	0.00%	0.00%
Other Insurance	\$5,916.16	0.59%	\$623.50	10.54%	0.14%	\$5,292.66	89.46%	0.59%
Plan Payment	\$480,373.21	48.26%	\$238,740.01	49.70%	52.04%	\$241,633.20	50.30%	45.03%