

A New Start Clinics Gets a Fresh Start on Health Insurance for Better Care with \$0 Co-Pay



THE CLIENT:

A New Start Clinics
Kentucky

<https://www.anewstartclinics.com/>

Tim Dukes is the CEO of A New Start recovery center in Kentucky. Dukes oversees four addiction recovery clinics in the area, with two fully operational branches, in Henderson and Central City. As A New Start moved to a medication-assisted treatment model, Dukes brought in on-site medical staff to treat program residents and provide care for co-occurring conditions.

When talking with his longtime benefits advisor, Dennis Hartin, CEO of Hartin Dynamics, Dukes realized that he needed to get ahead of the curve regarding A New Start's health care plan to grow and open additional locations.

Their main focus was to incentivize employees to use on-site medical care to save money on health care costs and improve the quality of care.

THE CHALLENGES

A New Start faced several issues with its employee health insurance plan.

Dukes reported that despite a history of basic claims over the coverage period, their traditional carrier increased their rates by 9% to 15% yearly. Other challenges included:

- ▶ No transparency regarding claims data
- ▶ Lack of accessible coverage for employees
- ▶ Employees choosing to forego healthcare visits
- ▶ High out-of-pocket costs for employees
- ▶ Limited choices in coverage plans
- ▶ Lack of member support/negative customer experience

THE SOLUTION

After analyzing the costs that these challenges brought to A New Start's health care plan, Hartin went to Dukes with a possible health insurance solution: a self-funded group medical captive plan from Roundstone.

Roundstone Insurance, based in Lakewood, Ohio, helps small and midsize organizations deliver high-quality, affordable health benefits through a self-funded health insurance solution that leverages a group medical captive. The captive bands together employers in a pool so they can have the same scale and resources of a large company.

The Roundstone captive is an innovative and proven funding model that effectively shares risk and offers transparency, flexibility, and significant cost-savings over traditional fully insured programs. "I don't think a lot of people realize they have this ability," says Hartin of the Roundstone solution. He offered this option knowing it would allow Dukes to take care of his staff, a core personal and business value for A New Start's CEO.

Roundstone's focus on data transparency, customized plan design, and flexible cost-containment strategies were all in alignment with A New Start's goals, making it a great fit from the beginning. Dukes wanted the ability to align the company's healthcare plan to his staff's needs and helped him feel that he was doing right by his employees.

THE BENEFITS

Since switching to a Roundstone group captive plan, A New Start has experienced the following benefits:

- ▶ **Better care for employees at lower cost.** Employees at A New Start are receiving better care from in-house physicians for less than they were paying before. Direct access to primary care allows employees to address their health concerns before they get worse.
- ▶ **Lower prescription costs.** Working with effective, transparent pharmacy benefits managers has lowered the cost of prescription medications. All pharmaceutical rebates and discounts are now passed on to the company instead of being pocketed by a mega carrier.
- ▶ **Lower out-of-pocket costs for employees.** A New Start was able to lower out-of-pocket costs for employees by encouraging them to use on-site primary care doctors with a \$0 copay and lowered deductibles.
- ▶ **Increased employee utilization.** Employees are using their benefits; utilization is up 6-7%.
- ▶ **Less hassle.** Improved access to primary care physicians has also improved efficiency. Employees don't need to drive 45 minutes to nearby medical facilities. Instead, they visit in-house doctors, which helps them receive faster care and minimizes time off for appointments.
- ▶ **Reduced risk.** By joining a self-funded group medical captive with other similar-sized companies, A New Start minimized its risk while still reaping the benefits of a self-funded plan.
- ▶ **Ability to view and act on challenges in real-time.** In one instance, an incoming catastrophic claim threatened to throw off expenses. Roundstone and Bywater, Dukes' third-party administrator (TPA), worked with Dukes and his partners to find a viable solution to cover the claim. Bywater provided ongoing detailed status reports so Dukes was aware of his options every step of the way. Dukes appreciates working with a TPA who is willing to advocate for members.

"I've never had anyone give me that much information at the moment of truth," Dukes said. "I was overwhelmingly surprised and grateful for their attitude and willingness to work with us in the direction we wanted to go to get things taken care of."

– Tim Dukes, CEO, A New Start Clinics

HOW IT WORKS

Roundstone's group captive plan provided A New Start with innovative healthcare solutions to improve the cost and quality of healthcare. Here's how they did it:

- ▶ **Flexibility.** With Roundstone's flexible, customized approach to plan design, A New Start was able to build a plan around its unique setup. Because they already have primary care providers on-site at their clinics, they built a Direct Primary Care Program into their plan and instituted \$0 copays to encourage employees to use this service and improve their quality of care.
- ▶ **Risk-sharing.** Group captive insurance offered A New Start a way to take advantage of the benefits of a self-funded plan while minimizing their risk. Dukes expresses that one catastrophic event is enough to take a small business under, so spreading the risk among several other like-minded companies helps him protect his business.
- ▶ **Data transparency.** With the help of data transparency and personal attention from the team at Roundstone, Dukes can see his claims data and spending in real time. He has the advantage of foresight to make changes to his plan as needed, allowing him to get ahead of costly trends.
- ▶ **Commitment to superior customer service.** Dukes appreciates Roundstone's superior customer service. He feels that support from Bywater and his Roundstone relationship manager and advisor provided "a concierge approach without a concierge price tag," offering him and his team customized cost containment solutions tailored for their unique situation and financial goals.

THE RESULTS

- ▶ **Happier, healthier employees; benefit utilization up 6-7%**
- ▶ **No co-pays for onsite services**
- ▶ **Lower employee deductibles**
- ▶ **Employee contributions have remained flat for more than 24 months**
- ▶ **Fewer unnecessary expenses**
- ▶ **Improved efficiency**
- ▶ **Savings on prescription medications**
- ▶ **No annual rate increases; overall costs down by 15%**

“If you’re not talking to Roundstone, you’re missing an opportunity to work with family. I feel a part of this group — a nice culmination for us. ... This is the first year where I’ve felt like we’ve managed it well and stayed within our budget, and I’m tickled about that. It’s great news to take to my partners. I’m amazed at the success we’ve had.”

– Tim Dukes, CEO, A New Start Clinics

Request a benchmark review and get a quote from Roundstone to discover how a group medical captive health insurance plan can benefit your small to midsize business.