

## SPOTLIGHT: Health Care

# Health Network Saved Its Members \$14.7M in 2018

## Web of providers shares the savings with employers

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Anthony Timberlands Inc. of Bearden has seen its health care claims drop since it began using Arkansas Health Network of Little Rock last January.

"It's probably too early to make any final judgments, but certainly the early results are promising," said Steve Anthony, the company president. "It would seem that we're getting benefits from the network."

In January 2019, the wood products and timberland management company partnered with AHN to help curb costs and improve the health of about 1,000 people in Anthony Timberlands' self-insured plan.

Anthony said last week that he didn't have the figures immediately available for what the savings were. But he said he knew of several cases in which AHN's intensive wellness program "has identified potentially expensive claims that were ... headed off." Conditions such as extreme hypertension or diabetes were discovered early and treated, and in the past those conditions would have resulted in higher claims, he said.

AHN saved the organizations it works with more than \$14.7 million in 2018, the latest figure available, said Bob Sarkar, president of AHN, a wholly owned subsidiary of CHI St. Vincent of Little Rock. He said AHN will know the financial results for 2019 in the summer.

The savings for 2018 covered 34,000 patients across its three programs, which involve Medicare patients, the CHI St.

Vincent Employee Health Plan and the QualChoice Medicare Advantage plans. AHN now manages about 100,000 people.

AHN works with a company's self-insured plan and government agencies to help cut health care costs and improve the health of people in the plan. AHN isn't a health care or insurance plan, but works closely with the employee's primary care physician to provide the best care.

The employer pays a "very nominal fee" for care management, Sarkar said. "We don't even make any money out of that," he said. But if AHN lowers health care costs for the employer, the shared savings are split between AHN and the company.

Most of AHN's portion of the revenue is distributed to the providers responsible for the savings. AHN calculates the savings by comparing the projected cost of a health plan with the actual cost for a year.

AHN, which also partners with the Arkansas Children's Care Network, is a web of health providers seeking to keep patients out of hospitals and other settings where costs are high. AHN has 14 hospitals and 2,200 providers in its network.

If AHN and ACCN aren't able to bring down health care costs within the first few years, AHN and ACCN could owe the employer money.

AHN said the health care savings for 2017 totaled \$6.4 million.

AHN has worked with CHI St. Vincent for four years, and it was able to save enough money for the plan to keep premiums from increasing on Jan. 1, "which is huge in our industry," Sarkar said. "Every industry — whether you're manufactur-

ing, nonmanufacturing, service industry — has taken up an increase of premiums, so that is an example of our success."

AHN also has been growing. It started managing Arkansas Children's Hospital's employee health plan on Jan. 1.

And in March, AHN will open a clinic in the Port of Little Rock Industrial Park. CHI St. Vincent Medical Group will manage the clinic and provide medical care.

## 'Very Intensive'

In addition to the health coaches, AHN has in its network social workers and pharmacists to monitor patients. (Sarkar said a patient's health information isn't shared with the employer.)

AHN receives the patient information as soon as a health care claim is made, which lets AHN know, for example, whether a patient needs to fill a prescription, he said. "We, in real time, know who needs intervention," Sarkar said.

AHN also can identify which patients are at risk for ending up in a hospital. "Before they become a hospital case, ... we intervene and manage them in an outpatient setting," Sarkar said. "We have databases to know who has high BMI, who has missed their wellness visits."

Anthony Timberlands said it has had a wellness plan for the past several years, but AHN is different. "They meet face-to-face with every employee and they undergo testing," Anthony said. "It's very intensive."

But he said that intensity is the only way employees will benefit from a wellness program. "You can tell people all day long, 'Don't smoke, don't drink, lose weight,'" Anthony said. "It just becomes background noise after a while." ■



**Bob Sarkar**