

## **The Future of Group Comprehensive Major Medical Insurance**

Disruption is a term that was originally tossed around in technology circles.

Webster defines disruption as *“to cause (something) to be unable to continue in the normal way - to interrupt the normal progress or activity.”*

The world is moving at a much faster pace, and disruption is occurring in all sectors of business. The term is now widely used in all industries including major medical insurance.

Disruption usually starts as something farfetched, but as it gains momentum it becomes the norm in the industry.

Listed are the signs that disruption is happening in the group major medical market.

Our research shows, in working with several hundred employers during the last seven years, that employers are demanding the following:

1. **FLEXIBILITY** - self-directed plan designs.
2. **TRANSPARENCY** - detailed utilization and claim information.
3. **REVEALING** - all of the costs associated with the health plan.
4. **COST REDUCTION** – recommendations without benefit reduction.
5. **TIME SAVER** - Models that avoid having to shop for health insurance every year from traditional sources.
6. **FAIR AND REASONABLE COSTS FOR SERVICES** - Create a payment system for major services on an objective database of cost information such as Medicare, to determine fair and reasonable payment for medical services.
7. **KEEPS PACE WITH INFLATION** - not substantially ahead of it.
8. **REWARDED** – benefit from healthy employees that have light utilization.

**Pioneer Health Plan** is keeping pace with the disruption by providing proprietary strategies that reflect the changes in the market place. Give us a call and we can schedule a time to discuss the details.

Sincerely,

Terrance O'Brien  
President