

CareConnect grows small-group business in Westchester

BY JOHN GOLDEN

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New York's first provider-owned commercial health plan grew its physician network and share of the small-group insurance market in Westchester County in the last year while its owner, the former North Shore-LIJ Health System, strengthened its presence in the county's community hospital and urgent care sectors.

North Shore-LIJ CareConnect Insurance Co. Inc., a 3-year-old subsidiary of the Long Island-based metropolitan health care system recently renamed Northwell Health, enrolled more than 10,000 new members in Westchester in the last year, CareConnect officials reported in February. Those new Westchester enrollees represented about 16 percent of CareConnect's total membership growth of more than 63,000 for the year.

CareConnect, which began offering its commercial insurance plans in October 2013, saw a 244 percent increase in membership during the three-month open enrollment season for 2015-2016 that ended Jan. 31, with total enrollment rising from 26,567 to more than 91,000 members, according to the company. Daniel Jorgenson, vice president for strategic planning at the East Hills-based company, said between 57,000 and 58,000 members participate either in small group or large group plans offered by employers.

"We made a very concerted effort to go after the small group market" in 2015, Jorgenson said. The company's membership jump in the last year was largely

driven by a 526 percent increase in small group enrollment – companies with 2 to 99 employees – with an added boost from a newly launched CareConnect Northwell Health Employee Plan that covers about 1,500 Northwell Health employees and dependents.

Jorgenson said CareConnect has about 5,500 members in small group plans in Westchester. About 95 percent of its small group businesses are covered by plans that were not purchased by employers through the Small Business Health Options Program, or SHOP, in the state-operated New York State of Health insurance exchange, he said.

"The business community, especially the broker community, has not really adopted the SHOP exchange," he said.

Jorgenson said from 15,000 to 17,000 individuals enrolled in CareConnect plans through the state exchange, which represents about half of CareConnect's members with individual plans. With its focus on the small group market, the company said its business mix has swung from approximately 60 percent individual enrollees to approximately 60 percent small-group enrollees.

CareConnect plans typically save members 20 percent or more on premium costs than competitors' plans, according to Jorgenson. He attributed those lower costs to the provider-owned company's highly integrated management model.

"It's what we call our secret sauce around here," he said. Though CareConnect is a for-profit company, its owner, Northwell Health, is not. "We're not being driven by the bottom line. We're driven by quality care, being owned by a nonprofit organization. We have a different business model. Being provider-owned really aligns the incentives between payer, provider and the patient."

In Westchester last year, the new player in the health insurance market "made a very concerted effort" to expand its network of physicians, Jorgenson said. While adding nearly 7,000 provider locations



across its downstate area, CareConnect in Westchester added Montefiore Health System and Montefiore's White Plains Hospital, and the county's two largest physician groups, Westmed Medical Group and Caremount Medical, formerly the Mount Kisco Medical Group. Most recently, the insurer last November landed Westchester Health Associates, adding 130 physicians at 39 locations in Westchester and Stamford to its provider network.

North Shore-LIJ's acquisition in 2014 of Phelps Memorial Hospital Center in Sleepy Hollow and Northern Westchester Hospital in Mount Kisco added those community hospitals to CareConnect's fledgling provider network.

"Two years ago we were not an attractive plan for a small group up in Westchester," said Jorgenson. "It's always a concern for business owners to switch their insurance coverage." With the substantial cost savings of its plans and a network extended to include all key medical providers in the county, CareConnect has become a viable alternative here. "It's not a select network," he said.

CareConnect this year has rolled out several cash reimbursement incentives for members pursuing healthy hab-

its. Individual members can receive up to \$600 for each plan year and insured married couples can get back up to \$1,000 per year.

The incentives include reimbursement of up to \$300 for plan members' entry fees for eligible races and walks, which CareConnect officials said is thought to be the first such offering by a commercial insurer in the country. Members can also be reimbursed up to \$600 for gym memberships and certain exercise classes and up to \$100 for taking an online health risk assessment.

CareConnect officials said members also have access to a new around-the-clock telemedicine program that provides free phone and online video consultations with physicians.

CareConnect's parent company, Northwell Health, in February entered the Westchester urgent-care market with the opening of three walk-in care centers in New Rochelle, Tarrytown, and Yorktown Heights in a joint venture with GoHealth Urgent Care, a subsidiary of Access Clinical Partners in Atlanta. The partners plan to open 50 GoHealth Urgent Care centers throughout the metropolitan area by the end of 2017.