

CASE STUDY:

Ashtabula Area City Schools

Ashtabula Area City Schools (AACS) is located in the inner city of Ashtabula, OH, and is the 8th poorest school district in Ohio. The year 2019 was the most costly year in AACS's history and they were struggling to keep up with the increasing cost of providing health insurance.



Employer:	Ashtabula Area City Schools Ashtabula, OH
Health Rosetta Advisor:	Bryce Heinbaugh, IEN Risk Management
Industry:	Public School System
Sector:	Public, Union
Client Size:	450
Employees on plan:	385
Total lives on plan:	1,100
Plan Funding:	Self-funded
Case Study Dates:	8/1/2020- 7/31/2021

Client testimonial

"During my first contact with Faith (dedicated nurse), I was in Ashtabula County Medical Center, admitted with a staph infection on my foot. The doctors wanted to send me home with I.V. antibiotics. I contacted Faith about doing my 8 weeks of I. V. antibiotics at home or at the hospital daily. She told me that the carrier was not set up to allow at-home therapy at that time. Within two days, Faith was back in contact with me, stating that she had received approval for at-home therapy with a visiting nurse one time per week. Faith has been a valuable asset to my personal health care and also for others."

– Plan Member, Ashtabula Area City Schools

KEY RESULTS

\$204 M

IN HEALTHCARE SAVINGS

20%

YoY SAVINGS

\$0

EMPLOYEES PAY NOTHING FOR
MAKING SMART HEALTHCARE DECISIONS

When the city voted against raising taxes to fund rising health-care and educational costs, AACS knew they needed to do something different. Change was needed especially because their population was aging, with a large portion of the employees and families suffering from comorbidities and chronic disease. AACS engaged Bryce Heinbaugh and the IEN Risk Management team (IEN) to design a health plan to address their top priorities:

- Save money for the school district.
- Improve member satisfaction.
- Improve health outcomes.

Approach

The IEN team introduced AACS and the multiple unions to the proven Health Rosetta strategies used to lower healthcare costs and improve benefits including Health Rosetta principles and case studies from across the U.S. Bryce showed how AACS could follow these models in their community.

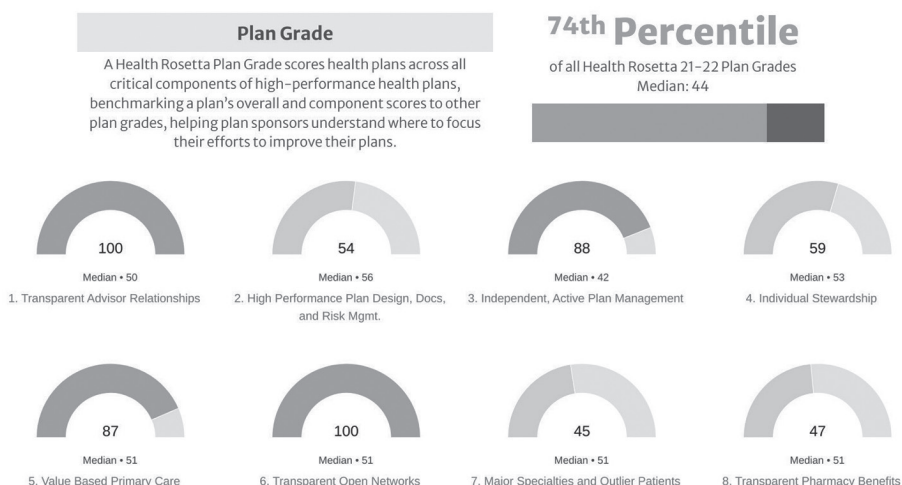
AACS implemented a few strategies in early 2020. The health plan was limited in the strategies they could utilize because they were with an Administrative Services Only (ASO) carrier-controlled plan. The carrier was inflexible and did not share meaningful data.

In August 2020, with IEN's guidance and support, AACS transitioned to an entirely open-ended, self-funded health plan allowing them to implement more Health Rosetta components. AACS's new health plan offers:

Case Studies

- Independent partners, including pharmacy benefit manager, a local pharmacy, and third-party administrator to manage their plan
- Direct primary care
- Diabetes management solution
- Centers of Excellence (COE)

These programs pair with the support of concierge nurse navigators who quarterback the care journey of the employees and families for better management of comorbidities and chronic diseases.



Top-level results

As a result of implementing these proven Health Rosetta strategies, AACS's plan saved over \$2.4 million in just under one plan year. That's a 20% year-over-year savings. And the disease state of the population has already improved.

AACS received a renewal from their carrier-controlled plan May 2020. AACS was ready to move to a Health Rosetta plan in August 2020 that immediately reduced their costs from \$13.2 million to \$12.5 million just on changing the plan infrastructure and putting AACS in the driver's seat to offer better benefits at

a lower cost. AACS continues to reduce their total spend, save employees money, and connect with the right independent providers to create a win-win-win scenario for the greater Ashtabula community.

AACS took the time to educate employees and their families about the improvements incorporated into the new plan, reminding them that not only were their benefits better at a lower cost, they had upgraded support from dedicated nurses to help them with their health journey. While change was a challenge for members and the employer, the plan believes all members received the care they needed through the transition because there haven't been any claim-denial grievances.

For the 2021-2022 year, the AACS was short \$2 million in the operating budget. Again, voters declined to approve increased funding. It was only because of the new health plan that AACS avoided making any cuts.

Expect more from your advisor

The AACS's back was against the wall and needed to lower healthcare costs sustainably to avoid detrimental long-term cuts to AACS's operating budget.

Heinbaugh and the IEN Risk Team continued to educate the AACS leadership team on proven Health Rosetta principles. Bryce shared many case studies (like this one) that were happening across the United States and demonstrated to AACS it was far riskier to stay in their current plan.

They continued to get buy-in and thoroughly educated the superintendent and the union health-care committee, which helped lead the change effort and communicate to union members the value of the new plan. They recorded video messages and kept proactively communicating with teachers and staff to ensure that they understood the changes and opportunities in the new Health Rosetta-style health plan. An effective and inspiring video showed Heinbaugh and the IEN Risk Management team in front of a historic house in Ashtabula demonstrating that IEN

is a local business and a committed supporter of the Ashtabula community.

After making the full plan change in August 2020, the initial transition was rocky, but the IEN Risk Management and school leadership teams continued to rise above to serve employees and their families.

There are many stories to show the success, and one about a plan member who needed a \$200,000 kidney transplant stands out. Through the new plan the patient was offered the assistance of a dedicated nurse to help them through this emotional time. The nurse was able to identify that the plan member could receive this benefit through Medicare and scheduled an appointment at a top Center of Excellence where all the care could take place and be covered for the member. The plan was able to save, the member was able to save, and, above all, the member had a better healthcare outcome and journey as a result of the new benefits.

AACS is now in the driver's seat as they continue to provide better benefits at a lower cost, helping to sustain their operating budget and improve employee satisfaction and morale. Employees know that the AACS has their best interests at heart. They continue to have free access to a dedicated nurse team, local direct primary care, local independent pharmacy and more. This is not only a case of how an employer can save money and improve benefits, but a story of how a local community came together around a shared goal and changed its destiny forever.