Primary Care Cures

Episode # 44 – Michael Menerey

Benefits Advisors are Not All Alike – Gunning for Employer Savings

Ron Barshop: You know, most problems in healthcare are fixed already. Primary care is already cured on the fringes reversing burnout, physician shortages, bad business models, forced buyouts, factory medicine, high deductible insurance that squeezes the docs and is totally inaccessible to most of the employees.

Ron Barshop: The big squeeze is always on for docs, it's the acceleration of cost and the deceleration of reimbursements. I want you to meet those on this show that are making a difference with us, Ron Barshop, CEO of Beacon Clinics, that's me.

Ron Barshop: Federal Express forever changed how we get stuff even though its founder failed his thesis presenting the idea because it was too crazy. Herb Kelleher, here in Texas, wouldn't have been sued into oblivion had he not been a lawyer and fought the bigs himself. He kept Southwest Airlines afloat by his legal skills. Both are leaders in their industry and had to fight giant monoliths. Last year, FedEx netted about as much as the post office lost.

Ron Barshop: Today's guests and this show invites guests who we believe are the future of healthcare. They are disruptive and considered annoying troublemakers to the bigs. They may replace someday.

Ron Barshop: Entrenched bureaucracy like the post office, like big airlines or like our world of big health care are all about stacking the game in their favor, preserving the status quo and even though health care in America presents about half our workers with deductibles higher than their savings and two-thirds have no retirement plan because of the health care spend and almost half of the Americans have given up their hope to own a home because of the healthcare spend, the very American dream because this healthcare spend is eating up their potential housing and savings budgets and their ability to send their kids to good schools.

Ron Barshop: Education budgets even at school districts levels of county, city, states are eaten alive by inefficient healthcare costs and the same for our federal budget, which over spends almost exactly what our healthcare waste estimates are about a hundred billion a month.

Ron Barshop: Today's guest is a warrior in the fight to expose you to solutions, not just the problems. There's a lot of podcasts that talk about what's wrong with healthcare. Michael Menerey will talk to you about what's being fixed in healthcare, just like this podcast.

Ron Barshop: He's a senior VP and benefits consultant with Alliant Insurance Services and as a partner in their employee benefits practice. Michael works with a large variety of contracts anywhere from a few hundred all the way up to 20,000 employees. He has a passion for helping businesses find alternatives to the usual health's ho hum strategies simply resulted in ever higher cost for the spends in the healthcare benefit. He's not that guy so prevalent in his industry.

Ron Barshop: He also loves to educate employers and employees on the misaligned and perverse incentives that exist in healthcare delivery and its sloppy, bloated payment system and Michael simplifies this complex insurance buying process. All about lowering costs, saving serious money and improving outcomes for employees, that's what Michael is all about.

Ron Barshop: I discovered him in his podcast reconstructing healthcare, which explores not only what is wrong with the current healthcare system, but it also examines what's driving the prices higher in healthcare costs and exposes the deficiencies in the traditional insurance products and the misalignment. He likes to interview companies like we do on this show that are providing innovative services and solutions designed, not only to disrupt the health insurance marketplace, but healthcare itself.

Ron Barshop: I'm going to send you to Reconstructing Healthcare's website, it's www.reconstructinghealthcare.com. Michael, thanks for joining us on the show.

Michael Menerey: Hey, Ron. Happy to be here.

Ron Barshop: Great. Truly, I don't miss any of your episodes. It's the only show I don't and I'm saying that as Jeremy, my producer, listened on who has several shows himself in healthcare but you said on your show the traditional health insurance is a game and businesses are guaranteed to lose it. Tell me what you mean by that.

Michael Menerey: Yeah, when I talk about health insurance being a game that employers are guaranteed to lose, what I really mean is that if you're just buying off-the-shelf insurance products, HMOs, PPOs, high deductible health plans that are fully insured, you're pretty much guaranteed to lose in the form of higher costs year-over-year. Really, that's because the insurance carriers, most of them are owned by Wall Street, they really don't have any incentives to drive healthcare costs lower.

Michael Menerey: I mean, the Affordable Care Act basically guaranteed them a small profit margin that is limited to about three to four percent. Really, the only way for them to make more money and drive higher earnings on Wall Street is small percentage on a bigger amount. That's what I mean when I say employers are really guaranteed to lose.

Ron Barshop: Utilities are the only industry I can think of that have that same bloated incentive. The bigger the utilities become, the more they get to bring to their bottom line, the more they get to pay their executives et cetera.

Michael Menerey: Yup.

Ron Barshop: I can't think of any other industry really like insurance and utilities. They're sort of alone, aren't they?

Michael Menerey: Yeah, I think so. I mean, if you think about our economy, anywhere where there's a competitive marketplace and there's price transparency and there's competition, generally we see lower prices and improved value for the end-user and I think healthcare and really education are the two unique segments of the economy where you can have increased technology and efficiencies and we still see higher prices.

Ron Barshop: Let's talk about the bloated healthcare system. I'm curious on your take on this. The studies I've seen to compare us to our peer countries say that it has nothing to do with fee-based versus value-based care. It's not the model itself. It has nothing to do with long how long we're staying in hospitals or how much time we're spending with specialists versus PCPs. It's not the ratio of specialists to primary care docs. It's not even ... It's not any of the common denominators you think that would cause our system to cost double that as Switzerland our next competitor. What it is actually it's the way we get paid.

Ron Barshop: In other words, if your doctor-patient relationship is the core of business of healthcare, that PCP to doc exam, there's right now 12 to 16 different tapeworms floating around that transaction that are living off of that transaction and the doctor is not one of the winners and the patient's not one of the winners.

Ron Barshop: What the study concluded is it's how much administrative bloat we have in our system? Do you have a different take on that?

Michael Menerey: I think that is one of the contributing factors. There's a ton of administrative bloat, as you say, but I think there's a lot of things wrong with our healthcare system and really, if you pull back the layers of the onion here, our healthcare system, the delivery and payment system, it's actually designed for higher cost. It's really designed to fail. I think a lot of that has to do with the money's going to a lot of the wrong places, specifically, we're not paying primary care physicians enough. We're paying specialists too much. How we're paying people creates misaligned incentives for really the wrong results and the wrong outcomes. There's lots of ... I think there's lots of things that contribute to the problem but I do think that excessive administration is definitely one of them for sure.

Ron Barshop: We have allergy services company and about once every 90 days, we get a kickback letter or recoupment letter and the average recoupment they're asking for is in the six figures. What they say is we want to get all of this data and all of these facts and all of these files because really what they're telling us and we've learned this over the years is that they're saying they don't want to pay us under the Prompt Pay statutes of Texas, which is 14 days or 30 days depending on whether it's federal or commercial.

Ron Barshop: Instead what they're saying is I want to pay you over three months because I want to make a name for myself by delaying or deferring or denying. We win them all. We were basically in the paper business but one of our values as a company is to enjoy the ride, enjoy this company, enjoy what we're doing for our employees, our suppliers, our pay. It's not fun anymore. It's not fun anymore when you get these kind of letters that make you have to earn your living twice.

Michael Menerey: Yeah. I think it's unfortunate and it's too complex. I mean, that's another one of the challenges of healthcare is the complexity and the different layers and all of the middlemen making money along the way. I empathize with your position as a provider because certainly there's too much complexity and it doesn't allow you to focus on what you really should be doing, which is creating value for the end-user.

Ron Barshop: You've talked to a lot of interesting people on your show, Michael. Do you have anybody that comes to mind when I say they are bringing the cost of healthcare down, they're bringing the cost of not only health care but also the insurance products, the benefits they're buying. What types of companies would you just sort of generally say are doing a good job of that?

Michael Menerey: I think there's a movement in the industry to drive more transparency for costs and to help payors and when I say payors I'm really talking about employers, to help employers really get a better handle on how to drive their employees to high-value sites of care, where the cost is appropriate and the quality is good.

Michael Menerey: As far as companies out there that I think are doing a good job, I'll start with, I guess, the pharmacy aspect of it. I think EHIM is a PBM that's doing good work in the marketplace because they do not take rebates from the drug manufacturers, which are essentially bribes to place really low value, really expensive drugs on a formulary and the fact that they refuse, they're one of the few in the industry that refused to take rebates from drug manufacturers, really allows them to work in the best interest of their clients, which is employers in helping them control costs. I think that's one example.

Ron Barshop: Let me interrupt you and say that I've seen some of their spreadsheets and it looks like they're charging pennies per pill versus dollars per pill. It's of that much of a difference.

Michael Menerey: Yeah, I mean, look, the traditional PBMs, I mean, they make a spread on every single drug that gets processed. If you look at the profit margin of the PBMs, I mean, it's just ridiculous. A company like EHIM is charging an administrative fee, it's transparent, there's no hidden revenue streams and they're truly working, they have an aligned interest in helping their clients lower costs and I think that's one of the biggest things that needs to be fixed is that there's so many misaligned incentives where people, companies are rewarded when healthcare costs go up.

Michael Menerey: We need to flip that on its head. We need to reward employees. We need to reward companies for helping to drive healthier outcomes and to help lower costs for the payor because right now we have an affordability problem and it's just going to get worse unless we focus on identifying and reversing those misaligned incentives.

Ron Barshop: Okay, I want to stay on this track of naming names. Right now Pharma is under eight percent of the total spend of healthcare but hospitals are about 40% of the cost of healthcare. What are you looking at for people that are bringing doing their job of transparency and reference-based pricing for surgeries. Who do you like out there that you've talked to?

Michael Menerey: I think there's a number of good companies doing good work in the space. Reference-based pricing is really, for an employer, instead of the employer being subject to the extraordinary price variation that exists behind a provider network, they're saying, "We're going to set the rates of reimbursement as a multiple of Medicare and have complete control over what they're going to pay providers.

Michael Menerey: A company like HST, who I've interviewed on my podcast, I think they do a good job in the space because they're focused on customer service for the employees and really ensuring that hospitals know upfront what the employer is going to reimburse for a particular procedure. If the hospital doesn't want to accept it, they'll work with the patient or the employee to find another facility that's willing to accept the reimbursement. I think they do a good job.

Michael Menerey: There's a number of other companies out there that are focused on developing fixed transparent pricing with facilities and ambulatory surgical centers. We've interviewed a number of them on the show including Carrum Health and I'm just about to post an interview with AMPS, which does that as well. Those are good companies focusing on value-based reimbursement as opposed to the network discount model, which actually enables a lot of the inflation that we see.

Ron Barshop: Okay, now we're talking about imaging. What companies are in that space are worth [inaudible 00:14:15] self-insurance talking to?

Michael Menerey: As far as imaging, I don't know that there's a particular third party that is focused on I guess, transparent pricing out there. Here's what I will tell you, one of the tools that we're implementing with a number of our employer clients is a tool called amino. Amino it's a mobile application and essentially it's a navigation and price transparency tool and what it does is it helps employees know where to go to get a high value service.

Michael Menerey: I'll use the example of my wife. A couple weeks ago, she was told she needs an MRI and she was going to go to a place that the specialist referred her to. Before she went, I said, "Hold on. Let me check on what the cost is going to be. It's going to cost over $3,000 for pretty simple abdominal MRI. I was able to use a tool that we have available through our company and find another imaging center that was two blocks away that charged $800 for the same MRI.

Michael Menerey: I think it's imperative for any employer who's trying to control costs, they have to put good tools in the hands of their employees and/or provide some sort of a navigation or concierge service to help steer them to lower cost options within the network.

Ron Barshop: Yeah, there's lots of good ones out there. I agree with you. Let's talk about ... You're basically describing like a good Rx for surgery or imaging. You have some app on your phone and that helps direct you to the right location so you're not buying from too high price.

Michael Menerey: That's right.

Ron Barshop: Then, there's also these new bidding sites like Metis Bid. Do you have a feel for people that are doing a good job in that that are basically putting it into almost like an auction marketplace?

Michael Menerey: Yeah, I don't have a lot of insight into those types of services but I do like the idea of it. I mean, hey, if it's a market where there's a significant number of options, I like the idea of having providers be able to bid on that service. I mean, that creates competition, which is good for any marketplace and quite frankly doesn't exist in any of the traditional insurance products.

Ron Barshop: Okay. Well, basically, it looks like technology and entrepreneurship are popping up with solutions that are solving a lot of these. It's seemingly irreversible cost increases because everything we just talked about does nothing but bring the cost down for the employer and for the employee and frankly gives the doctor a little more stability in their income too. They're not having to rely on uncertain sources for their referrals.

Michael Menerey: Yeah and I think there are lots of tools to help eliminate waste, if you will. I think that's really what we've been talking about here is to eliminate the waste in the price variation but I think when it comes to thinking of a holistic approach to lowering health care costs, you can't forget to think about how do you help your employees are living and trying to manage chronic disease and illness burdens.

Michael Menerey: The other thing you have to think about is primary care. I think primary care can, if delivered in the right way, is the ultimate secret weapon to lowering healthcare costs.

Michael Menerey: We've had a number of companies on my show that offer virtual primary care or even on-site clinics talk about the fact that in the traditional model that we have, primary care has been marginalized. Oftentimes, you have patient panels that are really too big to actually be able to deliver good care, let alone the social support needed to manage a lot of these conditions.

Michael Menerey: I would just encourage employers who are focused on managing their costs to also think about how to either work with directly with providers or other solutions to enhance the primary care that their employees are getting and then be sure to focus on those living with chronic disease burdens and try to figure out how to help them as well.

Ron Barshop: Right after I listen to your ... My favorite show of yours was a gentleman that was the CEO of 98point6, which is a [inaudible 00:18:55] funded virtual care, exactly what you're describing and I mean, it's just such exciting numbers in terms of how low the cost is to engage the employer and the employee. It's ridiculous but he's building a national platform and I brought that platform up.

Ron Barshop: I was next to a guy who's a senior strategy guy with HCA and I brought it up and I said, "What do you think of that idea?" and he says, "We're not finding the patients want to engage with their phone. They want to engage with a doctor with a name." He's an older guy. Maybe he's not, if he was a millennial, it would have been a different answer but right now, direct, well, let's call it telehealth, if you will, there's only 1% adoption rate among patients and it's the millennials that are adopting but it's a very slow adoption rate has been barely trickling up over the years.

Michael Menerey: I think it is trickling up more especially for people who are educated on how to use it and when to use it. I have a virtual primary care physician. I'm based on the West Coast and my virtual primary care physician is in New York City. I have no problem accessing her and getting referrals or medications prescribed but there's a learning curve to it but I also think, look, there's value in having a local relationship. I just think that the virtual care options are a result of the fact that it's hard to get in to see people. Even when you do get in to see people, you only get 10 minutes of their time. I mean, that's not great care.

Michael Menerey: I think it's a reaction to try to deliver better access and allow people to interact with a physician whether they just have questions that need to be answered. I think we'll see an uptake in that but we're also seeing, I think, I mean, I'm sure you've heard of a lot of the companies out there, an evangelist on the direct primary care marketplace and I think that's phenomenal for patients. It's a better payment model, I think, for primary care physicians and I think it's something that hopefully we see expand.

Ron Barshop: Look, I've interviewed four of their thought leaders. I completely misunderstood what it was all about. I thought was for rich people and then I talked to Paul over at Plum Health and Paul woke me up to the fact that no direct primary care. It's actually only $10 a month in Kansas City at the Atlas MD clinic and it goes up to 50 for the mom and 75 for the employer-employee.

Ron Barshop: Then, I started talking to Clint Flanagan and instead of going after social media and business-to-consumer, he's going after our businesses and he's got 80% of his patients and he's got the largest patient cohort in the country are employer. They work for employers.

Ron Barshop: They are now, instead of in some high deductible plan where they can't afford to actually write a check for the use of the plan, they have for 70 bucks a month, the company's picking it up. They can go see their direct primary care doctor that's in their neighborhood. It works basically for their company. They have a cellphone, email, phone. They can reach them by text. I got to tell you, I don't see a model better than direct primary care for specifically targeted employers.

Michael Menerey: Yeah, I agree. I think depending on ... It's not available everywhere but I do think it's a great model and I think there's a lot of benefits in the fact that patients get to spend more time with the physician who can actually focus on helping a patient manage any of their conditions and ultimately, it reduces your downstream costs, it reduces unnecessary visits to the ER, unnecessary surgeries, unnecessary specialist visits because the primary care physician actually has time to spend with their patient, which in the traditional model that doesn't exist.

Ron Barshop: Yeah. My interviews it turns out are averaging about six patients a day is what they're saying on a typical day, six patients a day. Can you imagine that?

Michael Menerey: Yeah.

Ron Barshop: Yeah. I think I can clearly see we could talk a lot longer than half an hour because I have a bunch more questions for you but right now the high deductible plan seems to be the go-to solution. What types of plans are you bringing to your customers that are an alternative to the traditional here's your six or eight and nine percent increase?

Michael Menerey: Yeah, I think, I'm glad you mentioned that. I think our industry has really done a disservice by promoting high deductible health plans as a solution because what happens is if you're working with a white collar company where they have higher earning power, okay, the high deductible health plan might be okay because they can actually afford the 3 or $4,000 family deductible but implementing the high deductible health plan with any sort of employer where they have a blue collar workforce that is really lower paid, I mean, you're basically telling them before you can get any care with the exception of a preventive care visit, you got to pay 3 or $4,000. Well, guess what? They're just going to forgo care because they can't afford it. They don't have any savings for that. I think we've done a disservice in a lot of ways in pushing high deductible health plans.

Michael Menerey: I think the better way to do it is to structure a plan where you make your employees partners in reducing the cost of healthcare. What I mean by that is having financial incentives to choose the high value option within the network. If you're giving them a tool and let's go back to the MRI example, there's on one corner you've got an MRI that's $3,000 and on another corner a block away it's $800. Well, how do you incentivize the employee or the patient to go to the $800 one because in that case, you're saving $2,200 as a health plan.

Michael Menerey: Well, why not waive the copay altogether or if you have a health reimbursement account, give them a percentage of the savings, give them 50 bucks. "Hey, you just saved us $2,200. Thank you. Here's $50 in your health reimbursement account."

Michael Menerey: Ultimately, I think, that's the type of plan that we should be focusing on because then your employees are partners. You've engaged them. You educate them and everyone's on the same page. "Hey, if we want to keep our healthcare costs down, we got to work together." That's the direction I think we need to go.

Ron Barshop: Again, costs go down when you have more primary care visits with your DPC, costs go down when you have incentives aligned with your employer to get your better cost MRI and there's probably dozens of examples like that in the plans you present. We'll talk more about that in the future because that's a big topic but tell me what you think about health savings accounts? Are they the panacea to solve big problems or they're just a tool?

Michael Menerey: No, they're just a tool. Again, you can't have a health savings account unless it's paired with that high deductible health plan. On its own, sure, you can reduce your taxable income and help fund that high deductible plan but for your average American, they're not going to fund the health savings account. Without the right tools to choose high-value options within the network, you're kind of leaving them stranded in the wilderness out there. No. I don't think health savings account are the panacea or the solution.

Michael Menerey: I think it can be one component but it's not dealing with any of the root causes and that's one of the biggest problems with a lot of the solutions that are put out there. They're meant to solve or address things on the surface. We have to get to a point where we start looking at what's the actual root cause that drives all the different issues in health care and systematically target those root causes. That's what employers need to be doing.

Ron Barshop: Do you feel, Michael, that folks at Alliant that you work with, I mean your partner and employer benefits department division, do you feel like their brokers are starting to wake up to realize they could get displaced by others that are more creative like you if they're not awake?

Michael Menerey: I think it's a grassroots movement across the country. I think there are plenty of brokers who are invested in the status quo. There's been a lot of talk about broker compensation and if a brokers on commission and your premiums go up 10% a year, well guess what? They got a 10% raise.

Michael Menerey: I think there's a grassroots movement to address that misaligned incentive and move to more fee-based brokerage and consulting services that's transparent to the customer and ensures that there are no misaligned incentives like that commission example I just gave you. It's a slow process but I think more and more people are being educated to the fact that traditional insurance is really not structured to do anything but go up so.

Ron Barshop: If I'm an employer and I have 2 to 500 employees and I want to find a Michael Menerey out there, how do I find you or somebody that is incented in my direction as opposed to the insurance company status quo?

Michael Menerey: I think there's lots of great people out there doing good work, the Health Rosetta, which Dave Chase sponsors has a list of brokers in different parts of the country. I think it's just a matter of asking them how are you compensated and what are you doing to help lower your client's healthcare costs. Anybody who points to health savings accounts and that's it, I really think you got to be wary of.

Michael Menerey: In order to make this work, you have to look at self-funding solutions because that's the only way that you can unbundle the various components of Healthcare Administration and correct some of the misaligned incentives. I mean, I think employers should be looking at a broker who's willing to work on a transparent fee basis and who's focused on alternative funding or self-funded approaches.

Ron Barshop: The more I listen to your show and listen to the language you use with others in your space, the more insecure I feel as a small employer. Is there anybody out there talking about self-funding for the under 500 employee companies, the smaller guys who really are the bulk of American employers?

Michael Menerey: Yeah and actually let me just give you an example. We recently met with an employer that had 100 employees and they had 73 participating on their plan and they were in the fully insured marketplace. We educated them that look, you can still self-fund if you ask 73 employees. We looked at using a Stop Loss Captive to provide protection against large catastrophic claims and some overall protection from expected claims being greater than expected. We're looking at different tools to help them drive their employees to cost-effective options within the network but it's not impossible. If you have 20 employees, 50, 100, 200, you should still be considering self-insurance for sure because I think–

Ron Barshop: You know what I think? I think the fear right now is that, well Bertha over there is pretty heavy set and she does our counting for the last 20 years and she could have a stroke or a heart attack tomorrow or cancer tomorrow and I can't afford that. I don't think they see the numbers are tiny, tiny percentage of your 2 or 500 employees are actually going to have a catastrophic event and there's ways to insure against that aren't there.

Michael Menerey: That's it. It's called risk mitigation and what we do is based on the employer size, we work with the stop-loss market to set the, we'll call it the individual deductible, that's what the employer is going to be taking risk on.

Michael Menerey: Look, if you're a hundred employees or let's do go even smaller, let's say your 50 employees, the most you would be at risk for Bertha, who's a little heavy and you think she's going to have a heart attack, well, maybe the stop-loss deductible is set at $20,000.

Michael Menerey: If she does go into the hospital and it is $100,000 bill, you're not liable for the whole thing. You're going to be liable for a portion but we've implemented a solution to transfer some of that risk away and I mean, that's basic to self-funding is implementing the right risk transfer and risk mitigation practices. I would encourage employers of all sizes, talk to somebody about self-funding and looking at what your alternatives are to just buying an off-the-shelf products.

Ron Barshop: I think my DPC doctors listening to the show are going to say, "[inaudible 00:32:29] and I'll get her on a chronic care plan so she never has that heart attack. We'll take care of it."

Michael Menerey: That's right. That's exactly right. That's exactly right. Again, this is where I think, primary care plays a bigger role. If you're smaller and you want to self-fund, one of the biggest things that you should be focused on is, how do I keep people out of the hospital? How do I make sure that they get the resources to manage their chronic conditions? There's a lot of great point solutions out there that are focused on those people with diabetes. I mean, there's programs out there that are helping people reverse type 2 diabetes, diet and nutrition.

Ron Barshop: Yes. Well, let's talk a little bit about, my favorite quote that I've gotten this past year from doing this now 42 interviews is from Keith Smith of Surgery Centers of Oklahoma, who you've interviewed and Keith says, "Why should we trust the guy driving the getaway car to solve the heist?

Ron Barshop: He's saying Washington is never going to be solution and when you look at the over half a billion, I'm sorry, half a trillion that's, no, it's half a billion that's spent every year with lobbies that are in big healthcare, there's almost no way you cannot shake that money tree and get elected.

Ron Barshop: If you're a congressman either on a state or federal level senator, you cannot fight big healthcare and expect to win your election. It's just almost that simple and I guess they want us to all believe that. Do you ever see any Washington-based solutions being the answer to this gigantic hot mess called HealthCare America?

Michael Menerey: No. No and here's why, there's just too much money. If you look at the top lobby as far as dollars contributed towards politicians, guess what it is?

Ron Barshop: A Big Pharma.

Michael Menerey: It's Big Pharma thing and a big healthcare, right? Insurance companies, Pharma and hospitals, think about that. Hospitals?

Ron Barshop: Yes.

Michael Menerey: How do hospitals have money to be lobbying? Well guess what? They do and they spend a lot.

Ron Barshop: Yeah. I was on Joshua Lutz show and he said, "Yeah and doctors too." I would, "Josh, they're not even at the big-boy table at Thanksgiving. If you look at who's funding, Big HealthCare. Physicians aren't even on the map."

Michael Menerey: No.

Ron Barshop: The money spent on dark money and light money is about a billion a year and that money is buying ... In fact, literally just half of that number outspends Wall Street and big techs and big defense and big oil combined so the big the next four biggest lobbies combined aren't even close to healthcare.

Michael Menerey: No. This is really why we're not going to see a government solution and employers, they simply cannot be complacent and rely on either the government or traditional insurance carriers to come save the day. They're not coming. It's up to us as employers, brokers and consultants and providers like yourself, we're the ones who have to figure out the solutions because if we don't, nobody will.

Ron Barshop: It sounds almost like Debbie Downer to say the government's not going to rescue this but it's actually reality. Let's end this on a positive note. You and I get to interview disruptors every week and we get to talk to people that are making numerous impacts and just like Federal Express was a non-existing company in the mid '70s and turned into a behemoth and a game-changer for a bureaucracy and entrenched bloated bureaucracy, Southwest Airlines did the exact same thing. Do you have a positive vibe and outlook towards the future based on the people you're interviewing?

Michael Menerey: Oh, absolutely. I'm more optimistic now than I ever have been because there's so many people, so many companies out there focused on solving small problems within healthcare and you know what? Over time, that's going to add up. Over time, we're going to see health care costs come down as more of these innovators grow and their impact is spread. It's interesting. It's easy to be negative when you talk about some of the statistics and all the lobbying money but the more people I interview, the more optimistic I get that this isn't a problem we can't fix. We are a hundred percent capable of fixing this problem.

Ron Barshop: Yeah. There are people out there right now doing it and I love it that you and I are out there spreading the word and I appreciate another brother in arms doing what you do and I just encourage you, your interviews, as I said earlier, I think that the best interviews out there. You're just getting to the root of the matter. I don't know how much research you're doing for these but I just love the guests you're bringing on. Love the way you're going in deep with them and not letting them off the hook as softballs.

Michael Menerey: Oh, well, thank you. I appreciate it. It's a passion project of mine and look, what I like to do is I like to educate people and help employers deliver better benefits at lower costs for their employees and if the podcast is a way for me to get that message out to more people, then I'm happy to do it.

Ron Barshop: Let's talk about how folks can reach you and then I have one hardball question for you after that.

Michael Menerey: Yeah, sure. Folks can reach me, they agent find me on LinkedIn. They can reach out to me on my podcast website www.reconstructinghealthcare.com or my email direct, which is M and my last name Menerey, M-E-N-E-R-E-Y @alliant.com.

Ron Barshop: Yes. The hardball question isn't really. It's just a fake but my question is if you could fly a banner over America with a single message for employers, what would that say?

Michael Menerey: Oh, geez. I think you would say, "Wake up," because employers are the sleeping giant out there. I mean, employers pay for 50% of health care and unfortunately what's happened is that they've just gone to sleep and delegated the responsibility of paying and providing health care to others, which has led to bad results.

Michael Menerey: I think once employers wake up and truly understand that a lot of the insurance companies that they're working with do not have their best interests in mind and understand the misaligned incentives that exist out there. I mean, I think employers can do great things but right now, a lot of them are asleep.

Ron Barshop: Michael, I'm going to violate my principle and close the interview because I have one last question that this brings up. Do you feel like you're under pressure by sticking your neck out and saying things like this in public because it's pretty unusual for a guy to basically diss the people that are buttering his bread, if you will?

Michael Menerey: I don't. I mean, look, we have clients that are self-funded. We have clients that are fully insured because no matter what we say, we can't convince them to do otherwise. As a broker, we have to have relationships with everybody in the marketplace but look, if you don't speak out on what you know, then ultimately I'd be a part of the problem. After being in this industry long enough, I feel like I know too much and if I didn't speak up, I would be just as big of complicit. I would be complicit in the problem if I didn't speak up and I don't want to be that.

Ron Barshop: What a great way to close the show. Michael, we'll do this again. I really love this interview and can't wait to talk to you again soon.

Michael Menerey: All right. Thank you, Ron, for having me. Appreciate it.

Ron Barshop: Thank you for listening. You want to shake things up? There's two things you can do for us: One, go to primarycarecures.com for show notes and links to our guests. Number two, help us spotlight what's working in primary care by listening on iTunes or wherever you get your podcasts and subscribing and leave us a review. It helps our megaphone more than you know. Until next episode.