



Press Release

2011—Year of Reining in Healthcare Costs, According to Optimatum’s Latest White Paper

FEBRUARY 17, 2011 - NEW YORK - Employers will be forced to focus on reducing healthcare costs in 2011, according to the latest white paper “Holding Health Care Costs In Check” from healthcare vendor management firm Optimatum Group, LLC. The pressure of current trends and the availability of new options will make this a top priority.

Optimatum sees a few trends coming together this year. Healthcare costs are higher than ever. With the slow recovery of the economy, the C suite is still looking to reduce costs, and now has the mind space to look in new areas. In addition, the employers that paid attention to this issue have not been satisfied with the results of previous efforts to reduce costs such as shifting costs to employees, and implementing disease management and wellness programs.

“Shifting healthcare costs to employees isn’t working,” says Optimatum’s Chief Executive Officer David Neikrug. “Not only does it put attraction and retention of talent at risk, but many employees will reduce utilization because of higher deductibles, which means more costs for the employer in the form of emergency room visits and higher average length of stays.”

In addition, many of these initiatives have been put in place and now have had enough time to show that they have not produced the net savings employers were looking to achieve. Some employers, however, have started to successfully reign in costs by managing healthcare vendors more closely and holding them accountable for the parameters of their plans and contracts.

“Employers can use service level agreements and performance guarantees to measure vendor success,” says Neikrug. “And they can prevent leakages and recoup excess expenditures by monitoring and ensuring the right processes.”

Key Findings from Optimatum’s White Paper:

- More employers who have not reined in healthcare costs will initiate or revisit the issue in 2011.
- Employers who are addressing the issue of healthcare costs are doing so through initiatives that don’t yield the net savings they are looking for and have other side effects.
- Employers should be focusing on holding vendors more accountable.

The free white paper can be downloaded at www.optimatumgroup.com/whitepaper.

About Optimatum Group, LLC

Optimatum Group, LLC is a vendor management firm that saves clients 10 to 12% in benefit costs within the first year and 5 to 7% year-over-year, through our turnkey solution. We help clients optimize health plan costs without shifting those costs to employees or cutting benefits. By bringing accountability to healthcare, we provide the only available solution to the rising costs in the employer-sponsored healthcare space.

At the foundation of our unique process is our forensic analysis. We help clients identify issues and processes that lead to unnecessary expenses, and partner with them to fix the problems and align the plans, as well as ensure continued improvements in plan and vendor management ongoing.

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