

Wellness AS A recruiter



Prairie States Enterprises seeks “happier, healthier and more productive employees” of its clients

Steve Prestegard

As many as 80 percent of companies with more than 100 employees pay for their employee health care themselves.

Those companies usually don't run their self-funded health insurance operations themselves. They hire what the health insurance industry calls “third party administrators” to pay claims and collect payments from insured employees.

One third party administrator, Prairie States Enterprises, markets itself as maximizing businesses' health care investments so their customers can attract the best employees.

“We share the view with our customers that nothing is more important than fostering happier, healthier and more productive employees” is how Prairie States describes its mission.

The creator of Prairie States is Felicia Wilhelm, R.N., B.S.N., a nursing graduate of Vanderbilt University

Felicia Wilhelm, creator of Prairies States Enterprises believes her company can influence health care, reduce costs and make health care more understandable.
Photo by Jeff Lendrum, Image Studios

who worked as an emergency room nurse at Rush Presbyterian/St. Luke's Hospital in Chicago. Wilhelm and other nurses took care of what she describes as "the 80 percent of the people in the emergency room who didn't need to be in the emergency room."

Wilhelm then went to work for a company hired for planning by Cook County Hospital in Chicago. Once the company's contract ran out, she then started to set up Preferred Provider Organization plans for large hospital systems in the Chicago area, expanding throughout the Midwest.

"It was at that time that I felt if we were involved in payment decisions, we could make a difference," she says. "We started the company because we felt if we had the power of the purse, we could take steps to influence health care. We're trying as hard as we can to reduce costs and make it easy for people to understand what they're doing."

Prairie States incorporated in Chicago in 1990. Four years later, Prairie States won a contract to provide services to SEARCH, a Sheboygan-area business coalition focusing on health care costs.

"Their only demand was that we have a location in Wisconsin," says Wilhelm. "In retrospect, it was probably the smartest move we've ever made because the workforce we have available here is phenomenal."

As a result, even though Prairie States' home office is in Chicago, only 12 employees work there, while 55 employees work in Prairie States' Sheboygan office.

"People have a better customer service gene up here," says Wilhelm. "The way people treat their customers shows how much they value their customers, and we have a stellar reputation with respect to customer service."

Prairie States processes medical claims for about 24,000 covered lives through its business customers of 50 to 1,500 employees, working with more than 45 Preferred Provider Organizations (PPO), one of which has customers in 23 states. The

company's services are sold through employee benefits brokers or directly to large companies' human resources departments.

Prairie States pays about \$250 million in claims each year. "With any hospital bills, whether it's inpatient or outpatient, it's audited by a nurse," says Wilhelm.

Such attention to detail saved Prairie States' customers \$670,000 in incorrect claims in 2006. In 2007, the company saved its customers \$1.2 million in incorrect claims.

Bill auditing is one example of Prairie States' focus on customer service, even extending to how employees deal with customers.

"Family owned companies like Bemis Manufacturing and Sargento expect respectful and prompt customer service," says Wilhelm. "Our culture has benefited from being in Wisconsin."

The company audits itself each year to determine how successfully it's serving its customers in such areas as claims accuracy (99.8 percent last year), and amount of time between claims submittal and payment (an average of 5.7 days last year). Prairie States promises customers three goals; two are a 99 percent claim accuracy rate and payments on undisputed claims made within seven business days of submittal, failure to meet either of which results in a 10 percent fee refund. The third promise is to have telephone calls to Prairie States answered by a live operator within two rings, on average.

Beyond claims, though, Prairie >> States works to "bring our nursing experience to bear" in the areas of medical utilization management and disease, condition and "large case" management for such medical conditions as diabetes — "accurate bills and programs that actuarially save money," she says.

Condition management includes coordinating medical and prescription drug treatment; preventive education through telephone counseling, books, newsletters, pamphlets and Web links; assessment tools that determine how patients are comply-

A closer LOOK

PRAIRIE STATES ENTERPRISES

CEO: Felicia Wilhelm, RN, BSN

Locations: Chicago, Sheboygan

Year founded: 1990

What they do:

Third-party administrator for self-funded health plans

Employees: 67

Certifications:

Women's Business Enterprise
National Council Women's
Business Enterprise

On the Web:

www.prairieontheweb.com

ing with treatment; and identifying best-practice health care providers.

“What we’ve been successful in doing is integrating our claims processing with our wellness program and other programs we offer,” says Wilhelm. “We’ve been able to take some of the advantages we have as a claims payer and use them for health management.”

One example is Optimal Health by Prairie States, a wellness program used by, among other customers, Sargento Foods of Plymouth. Optimal Health uses clinicians and nutritionists to support participants in setting goals to improve their health habits. The Optimal Health process begins with a health questionnaire that generates a health risk score, with individual followup on healthy living practices.

In its second year in the program, Sargento, which spends about \$3 million per year in health care, saved \$266,000, with savings doubling to \$573,000 in its third year, according to an actuarial study. Wilhelm estimates Optimal Health has a 13-to-1 return on investment.

Another Prairie States goal is to “try to make sure that our programs and our systems are as easy as possible to use,” says Wilhelm. Instead of sending claims statements and bills in the mail, Prairie States will email links to online claims statements, and assist patients with making deductible and copayment payments, with the goal of “taking the hassle factor out altogether.”

Many of Prairie States’ services are provided through a secure Web portal. Customers are able to create a variety of reports on their health care services and spending. A prepaid Benny Card can be used to pay for services funded through Flexible Spending Accounts, Health Reimbursement Accounts and Health Savings Accounts.

Prairie States is a certified Women’s Business Enterprise by the Women’s Business Enterprise National Council, the nation’s leading third-party certifier of women’s business enterprises. Certification increases the visibility

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FELICIA WILHELM
PRAIRIE STATES ENTERPRISES

of certified companies among potential customers’ supply chain diversity and procurement decision-makers.

Almost half of Prairie States’ 55 Sheboygan employees are nurses. “Our clinical perspective is really what makes the difference,” says Wilhelm, pointing to one of their nurses who worked in operating rooms; that

nurse is able to look at listings of supplies on a bill and notice if some charged supplies wouldn’t ordinarily be used in surgery.

“The nurses we’re successful in attracting here have as much as 10 to 15 years experience, and are looking at a different way to contribute” to health care, she says.

Prairie States is working to determine “how we can best appeal to knowledge workers” in information technology, high-tech and engineering, to expand the company’s customer base in those areas.

One growth area more immediate in time and in distance is working with companies looking to open medical clinics at their work sites. The first example will be on the first floor of Prairie States’ office, the site of a new medical clinic Sheboygan County will operate.

“It’s an ideal opportunity to work more effectively with the customers we serve,” says Wilhelm.

Another effort at working more effectively with customers is “refining the analysis tools we have for our customers to make them as user-friendly as we can,” she says. “For the customers who have them, they’re invaluable.” **M**



When Felicia Wilhelm’s company, Prairie States Enterprises, got a third party administrator contract for Sheboygan area businesses, it involved opening an office in the area. Today, 55 of the 67 employees work in Sheboygan.