

# BUSINESS

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## ChoiceNet joining health care field

By Marsha Austin  
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Grand Junction-based Rocky Mountain HMO and Denver-based Mountain Medical Affiliates will launch a new managed care organization in Colorado on July 1.

The company, known as ChoiceNet, will manage employee health benefits for midsize-to-large businesses throughout the state and have its headquarters in Colorado Springs.

ChoiceNet was created to serve the growing number of Colorado businesses that are opting to self-

### New organization to serve firms that opt to self-insure employees

insure their employees by creating and paying for their own health costs instead of purchasing pre-packaged plans from HMOs, said Kathy Major, ChoiceNet president and a former PacifiCare of Colorado executive.

"There's been a real shift in employers moving to more open-access plans and self-funded benefits," Major said. "They pay for the (up-front) expense because they

can do it cheaper."

Self-insured businesses are exempt from state laws that mandate certain benefits such as pregnancy coverage be included in employees' policies. Companies that don't need or want those benefits don't have to pay for them when they fund their own plan.

With health insurance premiums skyrocketing in Colorado, many businesses are turning to the flexibility and potential cost-saving as-

sociated with self-funded health benefits, said Rob Ruiz-Moss, Mountain Medical Affiliates' chief executive officer.

ChoiceNet will also bring more options to rural and Western Slope businesses, said Rocky Mountain HMO president Mike Weber.

ChoiceNet will operate independently of Mountain Medical and Rocky Mountain HMO. But the company will offer Mountain Medical's 7,000-physician network as an option for client businesses.

The company will start with 1,000 members in July.

ChoiceNet will work primarily with businesses of 100 employees or more, Major said.