

Business

In-house health care providers gain an option

By Bill Radford
The Gazette

Rocky Mountain HMO and Mountain Medical Affiliates Inc. announced Monday a new option for Colorado companies that want to handle their employees' health insurance in-house.

The new venture, ChoiceNet, will have access to a statewide network of 7,000 doctors. It will be based in Colorado Springs and em-

ploy about 15 people when it opens this summer. It plans to grow to about 40 employees by year's end.

ChoiceNet is what's known as a third-party administrator, or TPA, and it will serve as an administrative middleman between employers' health plans and the doctors, handling such things as insurance identification cards, paying medical claims and responding to member and physician questions.

Denver-based Mountain Medical

Affiliates offers a network of doctors and hospitals available for rent to preferred provider plans, or PPOs. A PPO is an insurance plan in which clients pay a higher premium cost and can choose their own doctors, although costs are lower for certain doctors recommended by the insurance company. This differs from the more common health maintenance organization, or HMO, which restricts patients to

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ChoiceNet: Firm has network of doctors

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contracted doctors, clinics and hospitals.

Employers wanting to use a PPO may work through an established insurer or choose to self-fund such a plan — in essence, setting up their own health-insurance plan.

These self-insured companies generally face a fragmented system, going to one source for the network of doctors and another to handle the administration, said Kathy Major, ChoiceNet's president and chief operating executive.

ChoiceNet, by using Moun-

FOR MORE INFORMATION

ChoiceNet won't open for business until July 1. To contact the company before then, call (303) 714-0056.

based Rocky Mountain HMO offers a PPO product, its primary focus is the HMO market.

"ChoiceNet will enable Rocky Mountain HMO to offer self-insurance as an option to many corporations located throughout rural Colorado," said Mike Weber, the

services both are able to provide, it will not affect normal business operations at either company.

ChoiceNet also will act as a stand-alone third-party administrator, meaning other health care insurers across Colorado can contract directly with ChoiceNet for administrative services.

For Major, a Springs resident who had been vice president of operations for Pacific Care Health Systems' central region, heading ChoiceNet will be the first time in more than a decade that she has been able to live and work in