

RISKY BUSINESS

TEMPLE UNIVERSITY, FOX SCHOOL OF BUSINESS, DEPARTMENT OF RISK MANAGEMENT AND INSURANCE

Minnesota Site Creates Online Health Marketplace to Find Physicians

You can buy almost anything online these days, but try shopping the Internet for an MRI, strep throat test or even an annual physical exam and you'll run into roadblocks.

A new Twin Cities company called Carol is trying to change that with a Web site that gives consumers a "care marketplace" to search for medical services, compare quality and price and make appointments.

Carol joins an effort to transform the U.S. health care system by putting consumers in charge and letting the market do its work.

"We want to let consumers define value," said Tony Miller, Carol's founder and chief executive officer. "We don't have care competition in the marketplace today."

The free site, which went live in January, generates revenue from health care providers who become "tenants" on the site. When a consumer sets up an appointment with a clinic or doctor on Carol.com, the provider pays the site a fee. While limited to about 30 providers in the Twin Cities area at its launch, the company is adding others and plans to serve a second U.S. market sometime this year, Miller said.

Health care experts said Carol will face challenges in getting enough doctors and health plans to participate. But they said it goes farther than previous efforts to use the Web to enhance medical choice, and they praised its ease of use.

Instead of going through a list of doctors or clinics, users tell the site what they're looking for by clicking on parts of the body.

For instance, if a consumer clicked on "entire body," then "annual exam," and chose a routine physical for women age 40-64, the results page would show six different options ranging from \$207 to \$335. After selecting a number of options, consumers can click "compare" and see exactly what each exam would entail. They can also read a description of the doctor or clinic's philosophy and link to ratings by MN Community Measurement, a nonprofit that measures health care performance in Minnesota.

Consumers who have insurance can type in plan information to have Carol.com estimate their out-of-pocket cost.

Miller said Carol is sensitive to consumer privacy, allowing people to search the site without registering, and it won't market to individual consumers even if they do register.

"The fact that they have a basic set of providers and prices and care packages is very impressive," said Greg Scandlen, president of the advocacy group Consumers for Health Care Choices, which lobbies against government regulation of the health care market. But Dr. Sidney Wolfe, director of Public Citizen's Health Research said the site is nothing more than advertising, and he hoped it wouldn't catch on.



"Among physicians, there's a belief that health care is too critical ... to be left to the usual marketplace," he said.

If the site becomes more comprehensive, Carol.com would be most useful to people with high-deductible plans, health savings accounts or those without health insurance, said Elizabeth Boehm, an analyst with Forrester Research who studies the health care customer's experience. She was skeptical of the site's prospects because many people's choices are limited by their HMO.

"(Price is) just not what drives people to make their health care choices," Boehm said. "The challenge for a site like this is that while conceptually it's good ... the reality is there are only a small group of customers looking for that."

But Miller said consumers are starting to realize that choosing cheap health care might come back to haunt them in the form of higher premiums or other increased costs. And he thinks there are plenty of people like him who might want different options for care and are willing to pay more out-of-pocket to get what they want.

He said his idea for Carol came in part from his own experience with a heart condition for which he was told he needed surgery. A second professional recommended medication, which Miller, 41, said worked.

"I had the wherewithal and some of the contacts to help me navigate and find answers in the health care system. Most consumers don't have that," said Miller, a partner in the venture capital firm Lemhi Ventures, which has invested \$25 million in Carol.

Park Nicollet Clinic, one of the bigger providers in the Twin Cities with nearly 700 doctors, was one of the first to embrace the Carol idea. Chief executive David Wessner said the clinic was already looking at ways to deliver value to patients and wasn't afraid to reveal prices.

H. WAYNE SNIDER DISTINGUISHED LECTURER SERIES



Alice Prine

**Area Senior Vice President:
Entertainment, Media and Sports
Arthur J. Gallagher & Co.**

DATE: Wednesday, February 20, 2008

TIME: 11:40AM- 12:30PM

PLACE: Walk Auditorium

Alice Prine joined Arthur J. Gallagher & Co. of New York, Inc. in June, 2004. Alice has over 31 years of experience in the insurance industry. She started her career at Frank B. hall, then moved to a mid-size brokerage firm (Frank Crystal & Co.) and prior to coming to Gallagher spent 18 years with Marsh & McLennan, Inc. where she was the casualty manager of their Entertainment unit.

Ms. Prine is the resource for Cultural Institutions, Media & Sports insurance helping other Gallagher offices with their current and/or prospective clients where she has extensive knowledge of museum operations, film production, television/radio broadcasting, music publishing, concert touring, venue management and all types of various "special events".

Her range of clientele goes from the mid-size middle market accounts to the massive risk management accounts, including museums, music publishing, concert touring/venue management.

Alice graduated from Pace University with a Bachelors of Business Administration, concentrating in insurance.

In 2005, she was inducted into the Who's Who In America.

Industry to Campus

Wednesday, February 20, 2008

Tuttleman 106

4:45-6:45pm

Our Industry to Campus events are aimed at intern candidates that will be attending the March 3rd, 2008 Risk Management & Insurance Internship Reception. At this event, students will hear from HR representatives as well as brokers from **The Graham Company and Commerce Insurance Services**. Students will be presented with information about their respective internship program as well as life as a broker in that given company. This is a great way to meet the people who may interview you on the day of the reception.

If you have any questions regarding this event, please contact Kevin Johnson:

kjohnson05@temple.edu



Intern Testimonial: Ed Boyanoski

Ed Boyanoski is a Risk Management major graduating in December 2008. In the summer of 2007, Ed interned at Lexington Insurance, a member of American International Group's (AIG) Domestic Brokerage Group. Risky Business sat down with Ed to ask him about his experiences.

RB: How was the internship in general?

EB: It was an amazing experience! I have met presidents of companies, had lunch with countless brokers and executives at AIG, bound over six million dollars of premium and lived in the best city in the United States in the heart of the New York City financial district.

RB: Was your internship located far from home?

'What It's Like to Work as a Retirement Consultant' Workshop

Friday, February 22, 2008

11:40am-12:30pm

Student Center 217A

All of us, at some point in our lives, have been in a stuporous daze over the topic of what it's like to be a retirement consultant. Don't deny it. Starting February 22, lose your ignorance once and for all! **Boris Aynblat and Lori Wolfersberger**, both of the coveted ASA designation, will tell it like it is. The pair both work at **Towers Perrin**, and are sure to know the ins and outs of their profession. Free pizza and soda will be provided.

If you have any questions regarding this event, please contact Nate Loughin:

nmloug@temple.edu

EB: My internship was in the Lexington New York City office at 80 Pine, literally footsteps from Wall Street. Relocation was not very difficult at all. I was rather nervous at first, but after I moved into my apartment and began working, I was comfortable and content with my decision. I have to say though that New York City is unlike any other city in the world and that you have to be an independent person to make it there.

RB: Did you have a mentor for the duration of the internship?

EB: Yes. A senior production specialist was assigned to familiarize me with Lexington's business strategy, ranging from the investigation of leads to the creation and issuing of policies as well as premium generation. Over the course of the summer, my mentor was a great source of knowledge and really helped me at times when I would have otherwise been lost. In reality, the actual job of underwriting is not that complex, but the subtle nuances of risk that differ from each client can be difficult to handle in a policy. Experience is the saving grace in those situations.

RB: Did you have a long-term project that you were responsible for?

EB: As a member of the AIG summer associate program, I was responsible for presenting a topic of my choosing at the end of the summer. I had to present this project for the department heads of the AIG Domestic Brokerage Group (quite a daunting task.) I created a presentation that highlighted how Lexington's business strategy protects their bottom-line against catastrophic losses in the property market. Lexington insures properties for major money (often over \$250 million) and how they underwrite catastrophic losses really allows the company to issue

RMI Intern Presentations

Friday, February 22, 2008

11:40am-12:30pm

Student Center 217B

When considering various internships offers, it is important to get the facts from a third-party in addition to the company's information. Students will discuss their responsibilities as interns, the perks and drawbacks of the intern programs, and how they got their internships followed by an evaluation of their overall experience. This week, **Matt Ferry (Arthur J. Gallagher)**, **Jenna Kulhamer (Commerce Banc)** and **Ed Boyanoski (AIG)** will discuss their experiences at their respective companies. Free pizza and soda will be at hand for your consumption

If you have any questions regarding this event, please contact Chelsea Balerno:

CBalerno@gmail.com

capacity even in the hardest of markets. My boss as well as my mentor really helped me with the content of my presentation, and each executive that was in attendance was very supportive and cordial.

RB: What do you feel was the most important thing you came away with from your internship?

EB: That I am employable! One of the largest apprehensions that any college student might have is the question of whether or not he or she will be able to keep up with the work their company assigns. I have learned that the real world is not so terrifying, and that I can work on any project that is handed to me. The experience of an internship is paramount to one's career development. You can attend countless etiquette classes and intern workshops, but until you put yourself into the working world will you truly learn how to succeed.

RB: Did you feel that your RMI classes helped you?

EB: Yes, absolutely yes. Taking RMI 205 and 209 was an asset to my internship experience. I worked alongside Princeton, Brown and even UPenn students, and I firmly believe that the TU RMI/Insurance is ahead of the game. Our program breeds professionalism and excels students into a class that is far above what is expected from a college student. Most of what was assigned to me in my mind was very simple, because I had already experienced those types of assignments in my risk classes. Even while attending a summer associate "Insurance101" class with Kara Owens, we were of the very few who were able to answer the most basic of questions concerning the Insurance industry. I am quite sure that we had really impressed the instructor, and gave Temple University an extremely positive image.

New Feature! The Faces of Men Who Didn't Aply Manage Risk

Learn your lesson
from these sorry
souls, and manage
that risk!

