



## Columbus health-care management firm helps businesses 'kill the beast'

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Helping companies manage and cut their health-care coverage costs has meant a big increase in the bottom line for one Columbus-based company.

Eight years ago Quantum Health Inc. began operations with just five employees; the company now has grown to more than 65 workers and it's still hiring.

Quantum helps companies that are self-insured for health care manage and organize their plans.

"Our product is coordinated health care. We make sure that all of that machinery operates smoothly for self-insured companies," said Jonathan F. Staub, director of marketing for Quantum.

He said that approximately one-third of all employee health-care plans are self insured and that 45 percent of people in company-sponsored health-care programs are covered by a company's self-insured plan.

Self-insured plans are those in which the company sets aside funds to cover health-care costs, as opposed to subscribing to a program offered by a tradition insurance company or health-care benefits firm.

"Being self-insured is cheaper, not cheap, but cheaper than (insurance companies)," said Staub. "Instead of writing a check out to an insurance company, they write one out to themselves."

He said employees often may not even realize they are enrolled in a company-backed insurance program because it usually has a name that resembles that of an insurance carrier. Quantum coordinates the coverage and plans to make sure they operate as efficiently as possible, Staub said.

"What a lot of companies are doing is trying to kill the health-care beast. They'll purchase a disease management plan, for example, from one vendor and another plan from another vendor. We have all of those functions under one umbrella," he said.

He added that the company's approach of overseeing all ends of a firm's health-care plan is unique in the industry.

"If there's anyone in the U.S. that is doing exactly what we're doing, I'm unaware of it," said Staub. "People are looking for a silver bullet; we're a buckshot. We shoot a lot of things at it and the sum total saves companies a lot of money."

The company also offers wellness plans, case management plans and disease management plans.

"One of the first things we say when we meet with a client is, 'You're plan is self-insured, so you're not spending some big insurance company's money, you're spending money that's coming out of the same bucket your next raise is coming from.' That gets them," said Staub.

He said one of the more efficient mechanisms of the plan is that all enrollees must see their primary physician before they can see a specialist.

"We found out that 41 percent of people self-refer: They find a specialist on their own. And 61 percent of those people end up going to the wrong specialist who can't help them, so they end up going back

to their primary physician anyway," Staub said.

Another feature in Quantum's services is a set of 83 "triggers." If an employee is involved in one of the more widely-used treatments of medical issues, someone from Quantum will call them to coordinate treatment to avoid duplication.

"If the patient had an MRI two weeks earlier, we can contact the physician and ask him if he can use that MRI instead of having a new one taken. And that saves \$2,000, so sure, he'll do it," said Staub.

Most of Quantum's clients have at least 200 employees. The company started by serving firms in Ohio, but now has customers in 48 states.

Much of the company's success can be attributed to its founder, Kara J. Trott, a one-time retail research strategist-turned-lawyer who started the health-care management firm.

A graduate of Ohio Wesleyan University with a bachelor's degree in political science, Trott went on to work as a strategic marketing consultant and project manager for RPA, an international business consulting firm.

While at RPA she managed large scale consumer and market research, consulting and strategic planning projects for Fortune 500 retailers and consumer goods manufacturers, including Ford Motor Co. and Citibank.

Not content to rest with the success she had met, Trott decided to attend law school, earning a degree from the Ohio State University Moritz College of Law. She then went to work for one of Columbus' larger law firms, Bricker & Eckler LLP, where she specialized in securities and corporate law.

But with the same entrepreneurial spirit as her father, renowned Columbus architect Dick Trott, who helped design the Wexner Center for the Arts, she left Bricker & Eckler and started Quantum.

"She's quite an entrepreneur. She risked it all. She walked away from a successful law career ... (and) built this company out of a great idea and a pad of paper," said Staub.