

## **News Release**

### **FOR IMMEDIATE RELEASE**

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## **An interview with Neil Larson, Chief Strategy Officer of Benefits Science Technologies.**

**Larson discusses the role of data science in helping companies gain new insights to improve healthcare for employees and control costs.**

BOSTON, Mass., Jan. 30, 2019 – Benefits Science Technologies (BST) provides data analytics software/analysis to employers and consultants to help manage the risk of self-funded health plans. The firm improves connection to data, empowers optimal decisions to control costs, and improves quality of care for plan members. Founded in 2012, BST is recognized as a world leading research and applied science team, applying advanced analytics and Robust Optimization to complex health insurance decisions.

Neil Larson, Chief Strategy Officer, with a background in actuarial projections, budgeting, claims analysis, data warehousing, and health insurance is leading efforts to help clients adopt these powerful new capabilities.

### **1. What was your role prior to coming to Benefits Science Technologies?**

**A:** I worked as an actuarial consultant for two of the world's largest insurance brokerage firms, Aon Hewitt and most recently Arthur J. Gallagher & Co. In those roles I helped Fortune 500 and Global 500 partner accounts manage their employer benefits. In particular, my focus has been on developing and implementing cost reduction strategies which go beyond simple cost shifting from the employer's budget to the member's pocket.

**2. What were the biggest challenges you faced in those roles?**

**A:** The cost pressure of health trend continues to climb, rates remain well above inflation and economic growth. Although that growth has slowed some in recent years, it continues to compound pressure on the bottom line across the whole economy. The issues are well known: broader economic drivers like an aging population, social and lifestyle changes and general inflation, combined with market consolidation, costly innovation to deliver personalized care for an ever-sickening population, rising drug spending, government regulation, and new payment models. To further compound the problem there are growing incidents of more sophisticated fraud, waste and abuse. It's no surprise then that plan owners are overwhelmed. It's a big deal – for most companies' healthcare represents a tremendous expenditure to their business.

And while all of this is occurring, many families report that they can't afford the paycheck deductions and out-of-pocket costs they're paying today. Many members don't believe that their healthcare is well managed, and they are not feeling healthier. There is room for improvement on multiple fronts and it starts with having timely, actionable insights to inform better healthcare decisions.

**3. And what is your role at Benefits Science Technologies?**

**A:** My priority is a hyper focus on what matters to the primary end-users, employers and their consultants, who are working overtime to build smart cost-containment and improve quality of care decisions. Ultimately, we're working to design health plans that are efficient and sustainable for the long term. I help clients leverage BST's advanced toolsets so they can translate an increasingly complex data environment into timely answers that plan managers and owners can use to improve their plan and their bottom line. Today, we get more insights, faster and it's so much easier.

**4. So, you left one of the largest players in the space to work with an early-stage analytics company, why?**

**A:** I wanted to be a part of the next generation innovation in the healthcare decision space. I've seen first-hand the difficulty of extracting meaningful answers from

volumes of data. It's a challenge that extends across the market – plan owners, consultants, providers – everyone is looking for help to solve very complex problems.

Our Chief Data Scientist, Dr. Dimitris Bertsimas is an early pioneer in healthcare analytics (he helped co-found D2Hawkeye in the early 2000's) and is recognized as leader in the field. As a 30-year professor, and head of the Operations Research Center at MIT, he has assembled some of the best and brightest intellectual talent in the world to lead a mission to improve healthcare and control costs. I believe that BST is better aligned to solve those complex issues than anyone in the market and I am excited to be a part of this team.

## **5. How does BST differ from other healthcare analytics solutions in the market?**

**A:** More than canned software, we provide customized problem solving. Our team of Ph.D. Data Scientists leverage modern methods of data science combined with our own innovations in advanced analytics, machine learning and Interpretable Artificial Intelligence (IAI) to describe what is happening inside a plan, predict what is likely to occur next and prescribe action to improve outcomes.

These powerful capabilities far exceed traditional methods, enabling optimal plan configuration while obeying the overall premium, business quality and other plan owner specified criteria. We sort through massive data sets quickly, considering millions of scenarios to remove unforeseen inefficiencies and eliminate less favorable options. Our Plan Optimizer prescribes specific action to meet the financial and quality objectives of the plan. We don't simply improve health care plans, we optimize them. Big difference.

The result: Our clients understand their options in a broad and dynamic world of choices. They improve their ability to track performance, measure ROI and understand cost impact of plan decisions. And because we eliminate a tedious manual process, it reduces the time required to get actionable intelligence. Now they can apply the same level of research and problem-solving attention to their small/mid-sized self-funded clients as they would their jumbo accounts.

## **6. What do you see as the future of healthcare analytics?**

**A:** It's happening before our eyes. Advancements in computational processing are enabling more sophisticated algorithms to produce more insights, more accurately, and faster than ever before. Increasingly organizations will apply these advanced techniques to better align their plan design with what is happening inside their plan. That visibility will improve their understanding of their risk and help them better serve their populations while managing costs.

And it will continue to get better. Our team has developed several significant innovations within the last year, such as our Interpretable Clustering via Optimal Trees (ICOT), which builds upon the algorithm of Optimal Classification Trees. It's an exciting time to be in the industry. The employers and their trusted advisors who manage the risk of self-funded health plans have a whole new world of tools at their disposal – and given the challenges they face, it's just in time.

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