



# Shared Hospitality for Self-Insurance

*Boutique hotel chain brings to market its nationally recognized approach to self-insurance*

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Written By Bruce Shutan

**B**efore there was Hillarycare or Obamacare, there was RosenCare – an employer-based effort to help reform U.S. healthcare without waiting for government intervention. In 1991, the concept’s namesake – boutique hotelier Harris Rosen – embarked on a decades-long journey to pave over a perverse system by leveraging self-insurance and encouraging other employers to follow suit.

“I think employers have finally hit the tipping point where they just cannot take on any more costs,” observes Ashley Bacot, health plan architect at RosenSure, noting that key steps include opening an onsite clinic and taking a more thoughtful approach to pharmacy benefits management. “We are set up to help others.”

Rosen, who died at age 85 just before Thanksgiving in 2024, had long believed there were two American institutions in dire need of reform: healthcare and education (his legacy associated with the latter has had an equally long-lasting impact). He was interviewed by *The Self-Insurer* for an article published in August 2014, nearly a year after being featured as a keynote speaker at SIIA’s national conference. Much has happened since then, when his approach was described within the pages of this magazine as “self-insurance on steroids.”



Ashley Bacot

A frustrating renewal quote for the fully insured group health plan that provided care to employees of his hotel chain in Central Florida and their families ignited a spark in Rosen that led to massive change. More than half a century later, his vision is gradually coming to fruition for other self-insured employers.

RosenCare, the healthcare program arm of Rosen Hotels & Resorts, is a unique self-insured healthcare model whose nationally recognized patient-centered medical home model has saved the company nearly \$600 million since its inception. That staggering amount in savings doesn't include significantly lower employee turnover relative to competitors: just 14% on average compared to the hospitality industry's 35% to 70% range.

## POWER IN PARTNERSHIP

After offering bleeding-edge self-insured solutions to Rosen Hotels & Resorts employees and their families for 34 years, the hotel

chain sought to duplicate its model for other employers. The goal was twofold: a combination of altruism and capitalism to help other organizations offer affordable, high-quality healthcare to their employees while mining a new revenue stream. RosenCare is also targeting brokers, agents and advisers for whom this approach would serve as a clinic provider and do all the back-office work.

That quest began with a search for the right partner whose approach was best aligned with Rosen's model, according to Bacot. Enter PeopleOne Health, a pioneer in value-based primary care. The resulting solution, described as RosenCare powered by PeopleOne Health, serves 10 employers that are actively embracing value-based care across Central Florida, where the hope is to reach enough critical mass to expand the venture elsewhere in the Sunshine State and eventually other parts of the U.S.

"We've grown up where we've had our own medical center, but now with the direct primary care [DPC] model featuring PeopleOne Health, we can actually help smaller employers, so they don't need their own full brick-and-mortar facility," explains Kenneth Aldridge, Jr., director of health services for Rosen Medical Center/RosenCare. "They can go for direct primary care."

Orange County Public Schools, the nation's seventh-largest school system, is RosenCare's biggest client and an anchor tenant in one of four shared community clinics for other employers that benefit from economies of scale. Other clients include the School District of Osceola County, which was the first to come on board about four years ago with its own clinic, the Orange County Tax Collector's Office, Fun Spot and Second Harvest Food Bank.

"We are continuing to grow," Bacot says, noting that the fruits of RosenCare's labor are getting ready to blossom with more shared clinics expected to be built.

Rosen Hotels & Resorts spends about \$5,500 annually per covered life, which is less than half the national annual average. A closer look at what the company offers its employees and dependents explains why. RosenCare wellness check-ups are free, while primary care



Kenneth Aldridge, Jr.



chiropractic care, mobile dermatology, mammography and vision units; health coaches; a registered dietitian; licensed social worker; clinical pharmacist and mental health professionals; as well as smoking cessation and weight-loss programs.

While every employer is different in how they reinvest RosenCare-generated savings, Bacot says pulling the right levers to achieve high-quality, low-cost care will enable them to eliminate annual deductibles and coinsurance, as well as charge modest co-pays. "Some of them are creative, offering premium holidays," he adds.

appointments have a \$5 co-pay and specialist care co-pays are just \$20. There's also a \$750 co-pay for the first and second hospital admission, with no further cost for additional admissions within the year. As many as 90% of pharmaceuticals are made available without a co-pay.

The hotel chain's 12,000-square-foot onsite clinic employs five full-time doctors, two nurse practitioners, two physician's assistants and a support team who serve about 160 to 180 patients daily. Their focus is on managing chronic conditions with heightened attention paid to prevention – primary care's heart and soul.

The Rosen Medical Center and Osceola facility feature a wide range of advanced primary care services with a population-health focus that include onsite access to imaging, physical therapy,

### CLINICAL DIFFERENCE-MAKERS

Since a large swath of the population doesn't have access to healthcare, Aldridge says the result is inappropriate and costly misuse of the emergency room and urgent care. "If they don't have the access, they're going to delay care," he explains, noting that as many as 42% of Americans have done so because they can't afford it. "So, from a DPC perspective, they're getting the appropriate care that they need."



The key is leaning into primary care, which can handle most diagnoses. In fact, Bacot reports that RosenCare covers 88% of all CPT codes as part of a monthly subscription service that mirrors the DPC model.

Under this care approach, clinicians are able to determine what is driving claims and the overall health spend in a particular population, whether it's diabetes, hypertension, hypercholesterolemia or other factors. Aldridge says health plan members are treated "like a person and not a number," which delivers value not only to patients but also to their families and employers, who will derive immense goodwill from the arrangement.

By reinvesting substantial savings into better benefits, employers that implement this approach will remove barriers to care and, as a result, lower costs. In using DPC, any co-pay for a specialist visit is waived, along with an annual deductible and coinsurance.

"So, those individuals are going to get the right care at the right time with the right provider at the right cost," Aldridge says.

What's also significant to consider is the life-saving potential of this model. For example, the mobile-dermatology service found 10 melanomas, one of which was invasive. "It's really nice that there are savings associated with our health plan, but we've also experienced saving people's lives, getting their diabetes under control, preventing them from having strokes," he notes. "We actually had a patient I'll never forget who told us we care about his health more than he did because he was brand new working for us and didn't really experience the right type of healthcare."

At a time when the GLP-1 category is overrun with soaring demand for weight-loss drugs, a bariatric and weight-loss specialist at the Rosen Medical Center was brought in to ensure that the drugs are being appropriately dispensed for certain subgroups at the lowest price and mitigate the possibility of any complications.

"We all know there are a lot of complications and side effects to GLP-1s, which are here to stay," Aldridge says, hastening to add that more applications are expected in this game-changing category for congestive heart failure and other conditions.

Offering health benefits that are both affordable and robust pays dividends in terms of recruiting and retaining talent, especially in industries like hospitality that are known for churn.

"When you talk to employees and even dependents, they say the health system that we've created is one of the many reasons why they stayed," he says. "We're going to continue to keep it as rich as it is, but also to do things we can as an employer to bring influence within the community, our state and the nation so that things can be done different and can be done right." ■

*Bruce Shutan is a Portland, Oregon-based freelance writer who has closely covered the employee benefits industry for nearly 40 years.*