An interview with the Benefits Science Technologies Chief Actuary, Michael Morrow

Morrow discusses the present and future role of actuarial science in predicting risk and directing health plan decisions.

BOSTON (PRWEB) February 03, 2020 -- Mr. Morrow earned an MBA from University of Denver-Daniels College of Business. He is an accomplished healthcare actuary and leader focusing on innovating health care, developing teams and creating systems to drive sustainable results. Prior to joining BST, Mr. Morrow served in a number or senior roles with AON, most recently as their Chief Actuary and Health Analytics Leader where he led a team of 300 actuaries, underwriters and data scientists dedicated to improving clients’ health and benefit programs. In his senior management role at BST, Michael brings an actuarial perspective to the company’s healthcare analytics platform and provides counsel on the actuarial implications of business strategies and regulatory changes.

1. What was your role prior to coming to Benefits Science Technologies?
A: I have worked as a health risk actuary for over 25 years, with some of the largest national carriers and with more regional plans. Most recently, I served as US Chief Actuary for Aon Health Consulting, where I led several hundred actuaries, underwriters and data scientists. My focus at Aon was finding innovative new ways to create value for large, self-insured clients while increasing our ability to scale actuarial services to clients of all sizes. I championed the adoption of machine learning and artificial intelligence in our actuarial work to improve client analytics. This included the development of several analytical tools for benefit benchmarking, strategic plan design formulation and provider evaluation.

2. What is your role at BST?
A: I’ve observed that many firms in this space think about actuarial science and data science separately; sometimes they have two entirely independent teams that rarely interact. BST recognizes that modern data science techniques are natural enhancements and compliments to traditional actuarial work. As such, my role is to help merge the two disciplines within the firm in order to deliver the most powerful and advanced analytics for our customers, focused on improving health and lowering costs. Our actuaries and data scientists are part of an integrated team that drives the strategy and service delivery for the company. I get to work with some of the brightest data scientists in the world to advance actuarial science in the health industry, which is an amazing opportunity for me.

3. You’ve had a pretty varied career path, what attracted you to BST?
A: One of the highlights of my career was helping to build an innovation center in Singapore to enhance analytical capabilities for benefits consultants around the world. This experience illustrated how a small, focused team can make a huge difference – even in a mature industry. The company culture at Benefits Science is similar to what I loved most in this prior role, but the potential value we can create is even larger. Our data science expertise is industry-leading and the analytical focus of this team is incredible. BST is the tip of the spear when it comes to advancing health analytics for risk-bearing entities, and I knew I wanted to be part of this team. It all comes down to helping employers, and ultimately employees, make smarter healthcare choices. The capabilities that we bring to bear today, and the ones being developed are leading the industry and represent how future healthcare decisions will be made. There is nowhere else I’d want to be.

4. How is the role of the actuary changing the healthcare arena?
A: Healthcare spending is anticipated to rise by an average of 5 to 6 percent per year over the next decade, and most employers do not want to pass on these increases to their workers. The cost-shifting strategies of the past are unsustainable, as well as wildly unpopular with employees, and can lead to unintended health consequences. As such, companies have tried to combat rising costs in diverse and creative ways, including disease management programs, wellness initiatives, behavioral health coaching, and even corporate sleep disorder programs. While all these programs are enacted with the best of intentions, unfortunately, they often don’t produce results for a given population.

This is the perfect environment for a health actuary to add value. Through a detailed analysis of an employer’s claims and health plan membership, we can not only determine what conditions will generate future claims, we can also recommend solutions to reduce these claim costs and improve health proactively. We also need to continually review the performance of each vendor our clients implement to ensure the health program remains optimized. In this way, we can truly bend the cost curve while ensuring employees receive the very best care.

5. Interesting, can you give a specific example of how this helps solve a real-world problem?
A: When I was consulting with employers, most of my clients had invested in claims data warehouses and descriptive analytics. These analytics could identify some health problems retrospectively. In one client situation, we observed that the diabetic population had been slowly increasing over the past two years and had become a large driver of overall spend. As such, we recommended some diabetes management vendors to help manage costs and improve employee health conditions. Together, we conducted an extensive RFP and implemented a program the following year. Ultimately the program proved to be successful, but I could not help but wonder how we could have moved faster. Today, using BST’s predictive analytics, we would have been able to identify this issue in advance of it even becoming a cost driver. As importantly, we can use our prescriptive technology to narrow down the potential solutions and focus on those vendors whose solutions work best for a given employer’s population. Ultimately, we’ll be able to help employees stay healthy while creating substantial cost savings for employers.

6. How do you see these types of advancements impacting the future of healthcare analysis?
A: The data warehouse movement in employer health care opened up the “black box” of health costs and gave employers the ability to understand and react to cost drivers. However, this was only the first step in the journey. We need to transform this sea of claims data into predictive and actionable insights, so that employers and consultants can proactively build optimized health plans for their employees. This is the mission of Benefits Science – to drive incredible value for employees and employers through predictive and prescriptive analytics using the most advanced data science and actuarial techniques.

About Benefits Science Technologies
BST provides data analytics software/analysis to help manage the risk of self-funded health plans. Plan holders improve their connection to data, empowering optimal decisions to control costs, and improve the quality of care for plan members. The company distributes these capabilities to employers directly, through brokers/consultants, or by association with carriers (stop-loss and voluntary benefits providers), benefits administrators, PEOs, TPAs, PBM’s, and/or cost-containment providers.

Founded in 2012, the company is recognized as a world-leading research and applied science team, applying advanced analytics and Robust Optimization to complex health insurance decisions. Led by a 30-year MIT professor and Co-Director of the Operations Research Center, the MIT-trained team combines world-class technical knowledge and practical financial experience.
Contact Information
Mark Hufham
mhufham@benefitsscience.com
http://www.benefitsscience.com
+1 770 757-6225

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