

## Actuaries Utilize SpreadsheetWEB to Develop Web-Based Modeling Tool for Insurance Advisors and Brokers to Analyze Employers' Costs under the Patient Protection and Affordable Care Act (PPACA)

### The Business Challenge

Under the PPACA, employer sponsored health insurance benefits for employees must meet certain minimum standards for plan affordability and features, or employers will face “penalties” starting in 2014. Health actuaries from Verisight, Inc. developed several sophisticated spreadsheet based models, in order to analyze employee profiles and employers’ current plans. These models are used to estimate the future costs under key PPACA “Play or Pay” provisions starting in 2014 and throughout 2018. Verisight actuaries decided to make these models available to the middle market brokerage community for a fee. While they wanted to provide advisors the option of executing the models themselves, Verisight also wanted their intellectual property and business intelligence protected. Tracking each advisor’s usage of the model was also necessary, in order to accurately charge their customers. Therefore, providing direct access to the spreadsheet models was out of the question.

The frequent, complicated changes in the PPACA regulations and rulings provided an additional challenge. Verisight actuaries required the ability to develop enhanced features over time in response to market input, and to modify the migration logic and assumptions in their models, while delivering the changes to users efficiently and affordably.



### The Solution

Verisight actuaries evaluated a number of options, including custom coding a web-based application. They quickly ruled that out, however, due to the long development times and lack of flexibility. A true solution would have to incorporate the spreadsheet models as they stood, and give actuarial staff the ability to make changes without depending on software developers.

Verisight identified SpreadsheetWEB as the optimal technology solution in the market that met all the requirements.

SpreadsheetWEB’s most important feature was its ability to transform spreadsheet based models into complete web-based applications. This included user interface, consistent calculation logic, and back-end database connections that allowed advisors and brokers to save customer data records. Verisight actuaries could continue to enhance calculations and adjust the user interface, all through a familiar spreadsheet environment. They could then redeploy the application by themselves, giving them unparalleled responsiveness to meet their customer’s requests for customized applications.

## Case Study

### The Results

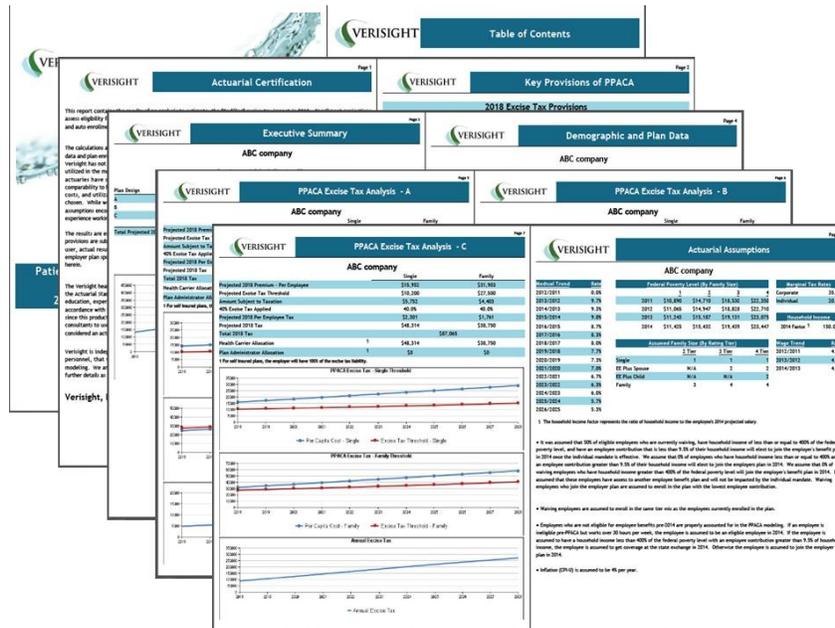
Using SpreadsheetWEB, Verisight actuaries were able to deploy their spreadsheet models to insurance advisors and brokers efficiently and affordably.

Since the solution was deployed on Pagos data centers and fully managed by Pagos, Verisight was freed from both the hassle of dealing with the technology required and maintaining an IT team. They could concentrate on their core competencies.

Having balanced the comprehensive modeling capabilities with ease-of-use and affordability, along with the tremendous need in the market, the

solution quickly achieved a very high adoption rate in the brokerage community. Due to built-in scalability features, Pagos was able to add new server capacity as needed, to handle the growing number of users with no break in service.

In addition, Verisight's actuaries were able to take over the maintenance of the SpreadsheetWEB system after the initial deployment. Adjustments are made on the models as needed and the applications are then republished through SpreadsheetWEB's administrative interface. In most cases, this process can be completed within hours and without further assistance or IT support.



Verisight Managing Director and Health Actuary, Brian Blalock stated, *“We recognized the opportunity of providing the insurance advisory community with helpful tools necessary to add value to their employer clients. Pagos provided us the technology and business support solution that “checked all the boxes” of providing our spreadsheet based consulting applications to a much broader marketplace in a manner that made sense for our clients and customers.”*

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