



# WOMEN IN BUSINESS WEDNESDAYS INTERVIEW

ILENE WACHS

PRESIDENT

HORIZON CASUALTY SERVICES, INC., HORIZON BLUE CROSS BLUE SHIELD OF NEW JERSEY,

**WF: What was your mission at the outset?**

**ILENE:** When I joined the company, the corporate board had just approved initial capital financing. My mission was to create a successful profitable entity.

At the time and just as today, Blue Cross Blue Shield of New Jersey was the #1 health insurer in NJ. The company sought to expand and diversify its business portfolio, by, for the first time ever, venturing outside the health insurance market, and leverage its huge market presence and good will with medical providers by creating a contracted network of doctors and hospitals to provide healthcare services, at excellent price points, to people injured on the job whose care is covered under workers' compensation.

**WF: What difficulties did you face taking the company from concept stage to full maturity?**

**ILENE:** When I was hired to take the company from concept to full maturity, the company had no name, no employees, no clients, no computer system – nothing. I was comfortable in creating a successful business model that would produce deep value. However, first and foremost, it was important to secure our first customer – which is always difficult when you have nothing material yet created.

Fortunately, Horizon was wise in allowing the newly formed company to be led freely and without *operational* impediments. A key element was our flexibility to create our own IT applications which was critical to long term success. We made a decision to create proprietary modules, each with a distinct business focus, but then integrate all information on a single database. This turned out to be one of our most business savvy decisions in that still, to this day, we have no dependency on any IT vendor and can easily customize our applications to meet customer needs and create and execute on visionary solutions.

Our biggest challenges were those situations where the startup company had dependencies on the parent company – such as leveraging parent company's contractual relationships with doctors and hospitals. These difficulties arose because the new company was perceived a potential threat to the longstanding Horizon network of contracted physicians and hospitals. However, leveraging those in-force contracts and provider relationships was critical to company ultimate success.

Ultimately, we found a direction to enable the new company to contract with doctors and hospitals, while mitigating risk for all parties. However, the journey to get to that point was not easy and frankly, Horizon created many unnecessary obstacles that resulted in slowing the growth of the company in the early years.

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**WF: What made you choose this type of business?**

**ILENE:** My healthcare leadership career actually began in London where I successfully initiated a request for funding from the British National Health Service to finance the startup of a unique women's healthcare program at the Royal Free Hospital in London.

Then, after earning a Master's in Public Health Degree at Yale University School of Public Health, I launched a career in the hospital sector where I held positions of increasing responsibility at Montefiore Medical Center located in the Bronx. The most engaging parts of my job were the creation of new ventures. However, over time, I realized that new ventures were something that I sought to focus on – rather than leading day to day hospital operations.

Fortuitously, though I didn't realize it at the time, a new CEO was hired to run Montefiore. And because he sought to bring in his own team, this ultimately resulted in my boss – the hospital director - being laid off along with all of his direct reports – including me.

This resulted on a positive note, in my receipt of outplacement services and a long and difficult journey to change my career path out of hospital leadership. Ultimately, after a significant amount of networking, research and exploration and time, I identified an interesting opportunity arising in WC managed care because new laws in many states were supportive of that business model. One of my networking connections referred me to the Executive Medical Director of Blue Cross Blue Shield of NJ.

By pure serendipity, the board of directors of the company had just approved initial capital financing to form a WC managed care company and I was hired to build the company. Over time, the company expanded to also provide services to automobile insurers under the coverage provided to provide medical care to people injured in auto accidents (known as personal injury protection – PIP)

**WF: What are your company's goals?**

**ILENE:** Our company goals are to produce revenue and profit in accordance with our annual financial plan which includes growth in existing markets and expansion to new markets.

However, I strongly feel that we also have social responsibility and we do an excellent job at achieving results I am proud of.

In connection with this, we created a unique WC healthcare value program that in essence, enables WC insurer adjusters to assure that covered people injured on the job get to the right orthopedic specialists from the get-go. This enables the insurers to assist injured workers in getting the right care from the right doctors

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so that they can experience an optimal recovery and speedy/safe return to work so that they can continue to provide for their families.

At the same time, as top class medical care results in better outcomes at lower cost, the insurance companies benefit as well.

In essence, even doctors would not know which orthopedists to go to. However, because of our company's extensive dealings with these physicians and our data analytics which track results, we know who is best in class and we establish simple referral pathways to these doctors. In WC the most common injuries are shoulder, back and knee injuries. We know what orthopedists are best within these specialties. The doctors we select for our WC healthcare program are also cautious about recommending surgery and assure that treatment is seamless and right.

#### **WF: What do you do for encouragement or to be motivated?**

**ILENE:** I am continuously motivated and excited about the flexibility to be able to create new solutions for HCS clients that they never even realized they desired. For example, always focused on customer retention, we were thinking about additional value our company could create for insurance companies. We meet periodically with the key decision makers and continuously focus on articulating our value proposition and providing metrics that convince them that we are the best WC and PIP value offering.

However, we wanted to broaden our scope of influence within each client. So, to meet the challenge, we invented the concept of offering appointment scheduling services to the first orthopedic specialty appointment at no cost. Busy insurance adjusters have this job responsibility. However, they are challenged because they have so many cases to handle and they wanted deeper guidance on which orthopedic specialist to refer to. Because this would involve taking work off their hands at no cost and a better outcome for each claim, the adjuster team leadership consistently said Yes to the offer. And so we were successful in getting claimants to better doctors who we know will keep the injured workers in the Horizon Casualty PPO physician and hospital contracted network for their entire care path – resulting in better outcomes for claimants and optimized revenue for Horizon Casualty Services – a win: win for all stakeholders.

#### **WF: Who were mentors that encouraged you?**

**LORI:** I have had many mentors along the way starting with the amazing faculty member in my graduate program at the Yale School of Public Health, Kay Kaiser who was one of the founders of the Harvard Community Health Plan. She ignited my interest in the importance of healthcare value strategies to improving public health. Then there were incredible mentors during throughout my career at Montefiore Medical Center including the extraordinary David A Kessler, who I worked closely with in creating new ventures to improve healthcare outcomes and later became a ground breaking visionary Commissioner of the Food and Drug

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Administration under Bill Clinton. And when I joined Horizon, the head of New Ventures at the time, Donald Curry – was hugely inspirational in his freewheeling/freethinking approach to creating new businesses with outstanding results. And finally, and very importantly, one of my sponsors for many years and my good friend, has been the amazing Linda Willett who was a recent past President of the Women's Forum of New York. Linda continues to inspire me to aim high and to break barriers.

**WF: What is the most challenging aspect about your line of work?**

**ILENE:** The most challenging aspect of my line of work is to persist in creating new value offerings to Horizon Casualty Services insurer clients and to articulate those value offerings clearly so that we continue to succeed in retaining our in-force large insurance company and self-insured clients for the long term – which is extremely important to achieving our business plans. In addition, effective promotion is essential to successful growth through new client acquisition. Fortunately we have been very successful at firing on all cylinders thanks to my effective leadership and my outstanding and diverse leadership team.

**WF: What is some advice that you would like to give to other women in intrapreneurship?**

**ILENE:** Value diversity. Be willing to push the envelope. It is important to feel the freedom to and successfully create and execute on new industry leading ideas. Present visionary ideas along with visuals– if you do not; nobody will. Hard work is important, but what really matters is results. Take your vacation and travel to far off places to unwind, rewire and be inspired and encourage your staff to do the same. Be flexible – allow remote work as this is the way the world is going. Be strategic in recruiting talent – they are your key to success. Nobody does this alone. Be a leader that people admire for their success, integrity, walking the talk and achieving the results that your staff depends on in order to continue to thrive.

**What People Might Not Know About Me**

Every position I have ever had in my career has been a new position. This allowed me the green field opportunity to create tremendous impact and results with no roadmap. In addition to adoring the wonderful world of books, I am an adventure traveler and feel privileged to have experienced the wonders of Bhutan, Nepal, Ruanda, Tanzania, French Polynesia, New Zealand and have hiked almost all of the US National Parks.