

Business

QualChoice looks to grow

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QualChoice is laying the groundwork to expand in the Richmond area.

The Albemarle County-based health maintenance organization owned primarily by the University of Virginia and its Health Services Foundation, as well as Martha Jefferson Hospital, announced its new regional alliance Thursday.

QualChoice established a partnership with the James River Physician Network, LLC, and hospitals of the Columbia/HCA Healthcare Corp., specifically, Henrico Doctors' Hospital, Johnston-Willis Hospital, Chippenham Medical Center, Retreat Hospital and John Randolph Medical Center, according to a statement released by QualChoice.

The James River Physician Network comprises about 500 doctors in Richmond and nearby cities and is physician-owned and administered.

Finding physicians who will accept QualChoice is the first step before wooing businesses and offering QualChoice's services, said Dr. Robert W. Cantrell, a member of the board of directors of the Blue Ridge Health Alliance, QualChoice's parent company. Cantrell is also vice president and provost for health sciences at UVa.

"You can't sign up subscribers if you don't have someone to take care of them," Cantrell said. "This is getting doctors to take care of them."

The HMO serves 111,000 people in central, northern and southwestern Virginia, along with Richmond and the Shenandoah Valley, according to the company's statement.

UVa employees — unlike other state workers — have no alternative but QualChoice for health insurance.

The Albemarle County-based health maintenance organization has established a partnership with a physicians' group in the Richmond area.

The new alliance will not affect QualChoice customers, Cantrell said, other than giving them more choices of doctors and other providers.

The new partnership also is not QualChoice's first foray into Richmond, Cantrell said. The Central Virginia Health Network in Richmond is already a QualChoice provider, he said, although the HMO hasn't marketed itself heavily in that area so far.

Since its inception in 1994, QualChoice has been plagued with financial problems.

Investors were told that first year that QualChoice would need only \$6.5 million to become self-sufficient, but they have contributed at least \$33 million since then.

QualChoice is expected to break even late this year or early next year, William E. "Nick" Carter, Jr., interim chief executive officer of QualChoice, said in January.

Carter, who is also executive director of the Health Services Foundation, could not immediately be reached for comment Thursday.

In the past, QualChoice executives blamed some of those losses on the fact that the HMO had expanded much faster than expected.

Cantrell said this is a different situation.

"This is provider groups, as opposed to individuals or companies," Cantrell explained. "A provider group is either physicians or hospitals."

New Windows

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Briefcase

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