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ACCELERATING ENTREPRENEURIAL SUCCESS PODCAST

EPISODE
46

David Berg

Show Notes at: <http://www.aesnation.com/46>



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We are thrilled that you have joined us here at AES Nation, where we're dedicated to accelerating entrepreneurial success—your success.

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Thanks for being part of the AES Nation community. We'll see you online.

Best of success,



John Bowen
Co-founder, AES Nation

John Bowen: As entrepreneurs, we face all kinds of challenges. That's what we're about at AESNation.com is helping you accelerate your success. We've got a really big challenge today, it's one that we all face. How do we take care of our key employees with healthcare, with escalating cost, all kinds of evolving, I'll use the word evolving regulatory requirements? If we do it right, we can gain unfair competitive advantage, boost the productivity of our employees, gain real clarity on our budget, and really make a difference.

We have a very special guest that is going to help us. David Berg, he was able to redesign his own healthcare for his employees, and to increase dramatically their productivity and reduce the cost by about 30% right off the bat. Think of 30% on healthcare where this is a big thing. In today's podcast, we're going to go over exactly how you can have healthier employees and reduce the cost of your health care. I'm John Bowen and we're at AESNation.com. Stay tuned, because this is going to be extremely valuable.

David Berg, I am so excited to have you here joining us with the power of Skype. You're in Phoenix, I'm in Silicon Valley, and we are here to make a difference with our fellow entrepreneurs. Thank you for joining us

David Berg: Hey John.

John: It's always a pleasure. You and I are in a couple of mastermind groups together. Dan Sullivan from Strategic Coach, who's really one of the co-founders of AES Nation, was telling me, and I'm going, "Who are some of the remarkable people out there?" Dan goes, "You've got to talk with David. David is on the verge of transforming the healthcare industry." If there ever was an industry that needs transforming ... This is one of the few things almost everybody agrees inside and outside of an industry. There's a need with that escalating cost, just the benefits, the whole health issues that we all face.

David, before we go into the solutions, because you're doing some pretty amazing things, I want to go into your background. I want to ... Everybody knows who you are, what you're doing, and how you reach to this. You don't wake up one day and say, "I'm going to transform the healthcare industry" when you're a young man. It takes a lot of things going on. Share with me. How did you get here?

David: The truth is I went to the Chiropractic College in Toronto, because I can't think of anything else to do. It was just the lack of creativity if I really tell them the truth. I got to say I

probably recognize, a year before I graduated, that maybe it's not quite what I want to do. I started realizing that I was more of a process guy and I love business. I've been accused many times of being more like an engineer than a doctor, mainly by my engineer friends. I grew up in Toronto and studied there.

We moved to Phoenix in 1995. When we came down here, we really didn't know anybody, didn't know anything about the healthcare system. I knew quite a bit about the Canadian healthcare system, stuff that was good about it, stuff that was awful about it. There are some things terrible, some things are pretty good. Then I moved down here. I just didn't have a clue what was going on, and there is just no way to figure it out from reading books or talking to people. It seemed like everybody was telling you a different story.

Everybody had a different agenda, whether it was an insurance company, or hospital administrator, or a specialist, or a primary care doctor, other chiropractor, everybody, the patients. Everybody had a different take on what they needed out of the system and how to do it. The one group that we found that always told the consistent lie to us was our patients. They always told the same thing. It wasn't true, but it was the same things. They tell us things like, "You're supposed to answer your phone when we call you, and you're supposed to return your calls, and you're not supposed to make you wait in the waiting room too long."

We decide to figure out ways to make that happen, create process to make those things happen. They complain that they didn't like walking from the end of the parking lot. It creates a process that make sure the best parking was at the front. We just over and over again just listen to the customer, because they were the only ones giving us consistent answer what we need to do. Coming from Canada, dramatically different system. We had no idea how to work the American system. We're with a huge disadvantage for us for about 2 years. We learned how to adapt, and how to learn, and how to listen to a customer, and apply process to it, to a point now where we're significantly bigger.

John: Let me stop you here David, because this is important for all entrepreneurs. We get all this market research and everything. Our firm, I've got 2 PhDs doing all this research. A lot of times -

David: You got to have money to do that.

John: You have to have some money to do that, but it's ... It really ... What you're doing is you're just listening to clients and future clients on what they want. I'll tell you, this is just so invaluable, having the market search. The simplest way is just asking your clients or customers. They're going to give you some amazing feedback over and over again as entrepreneurs. Tell me, David, the business you have now ... I know you have 2 businesses. Go with how you got started in Phoenix and opening one, and then multiple locations. As you listen, what was working? I always love the term nail and scale.

Nail, meaning you're delivering the client experience, the clients want from you. You're going to be able to deliver profitable everything else. Then you scale up. You did both. Why don't we start? You covered a little bit of the nail. Tell me how you finish that off and then scaling up to multiple locations. As entrepreneurs, we're always looking how can we grown best to support, not only our customers, but build a great quality of life for ourselves and all the stakeholders.

David: Sure. One of the things that our customer told us over and over again is, "Hey." When we moved in Phoenix, a lot of people moved here, and a lot of people bring their families here, their extended families. They said, "Hey, when they need it ... My family comes here and they need a doctor, you got to be their doctor." We didn't know that it was okay to close your panel and stop accepting patients like everyone else is doing. We just didn't know it. We just had to figure out a process to keep expanding. Originally, we just kept expanding in the same place. Got bigger, and bigger, and bigger. From 5,000 square feet to, I think we got to about let's say 22,000 square feet. Just kept adding on, adding on, adding on.

In about 2007, I was getting killed with my healthcare cost. Every year I've seen 20% increases, it seemed like at least. I think I had one year at 15%. Everyone told me I should be happy with that, but usually it's 20, 23, 25% increases. I was doing what everyone else is doing, trying to hang on. I was raising what the employees had to pay and their deductibles, their premiums, their co-pays. More and more, we are just knocking heads on. It was an adversarial situation. Quite truthful it wasn't working for me. It wasn't working for my employees either. At 2007, we decided to just tear it down and start it all over again.

John: Let me stop you hear. A lot of us are at this point now. You got there at 2007, but so many of us ... Healthcare cost are raising pretty significantly. We're asking our employees to pay a larger and larger share, which for some reason, they don't really like. All of that, the

quality of care seems to be going down in so many places. Many of the healthcare groups are no longer taking patients, are restrictive, and that affecting the overall productivity. These are all bad things, David, that you were facing in 2007. All of us now know that feeling. We're there. What did you do?

David: All right. We only had the one center at that time. I'm going to fast forward, because I know you're getting there. We know have, I think we got 9 centers, going on 10. I lost track of them. We got a 10th one. I think it's the 10th one coming on board in about the next 3 months. We've used all of our healthcare savings in order to fund that. Think of that for a second. In an industry where everybody is contracting in healthcare, joining hospitals and consolidating, we've got from 1 clinic to 10 clinics in about 3 and half year period. I'll tell you I funded the entire thing with my healthcare savings.

2007. Let me back up. We are spending the same money today as we spend in 2007, and we're covering way more employees. In 2015, when we redo our new health plan, we will have 100% coverage for all our families, for full-time employees, and for all our employees who are part time. The reason we can do that is because last year we saved about \$700,000.

John: I want to stop here. One of the things we get asked ... I'm really on the financial side as you know, David. Many entrepreneurs are looking for capital to really expand and so on. You're saying, "It's there already."

David: It's there already. It's there already. Any time you can get rid of waste and inefficiency, that capital is ready to be deployed, whether it's to expand your business, hire more people, give raises, buy a boat, whatever you want to do with it. Over the course of 2007, we just figured out how to save more and more money every single year, and improve the benefits, and improve the health of our people. Quite frankly, healthcare is a tool for us, at this point, to help us grow our business. When I say it's a tool, I would say that our employee base, the majority of it is anywhere from \$12 an hour to \$18. That's the majority of our employee base.

To that wage, that wage scale, healthcare is a very important thing. When you can offer free healthcare essentially, unlimited free healthcare that's excellent quality, that's accessible and available to them, you get a lineup of people who want to work for you. We have hundreds of people. We put an add out for a receptionist, we got hundreds of people who

want that job right now. It's just because they buy in to the values, but because they want the healthcare. When we can provide \$10,000 with a healthcare and it only cost us 1,500, \$2,000 to do it, that's a huge competitive advantage, not just in others in our industry, but for those people that could work in other industries as well.

John: This is great. Let me go to this segment here.

David, what I'd like you to do is to share the big breakthrough. This is huge. One of the things I love is unfair competitive advantages. This is only for our community here at AESNation.com. You've encountered the challenge, this escalating cost, the whole healthcare thing, you overcame it, and you took your business to a much higher level. You went from 1 growing business to now 10. What were some of the key things that entrepreneur, your fellow entrepreneurs need to know that they can do right now to help them achieve the same things you did, so they can accelerate their businesses.

David: Okay. The very key thing is they have to think differently. They have to think the unthinkable. They have to stop listening to the experts. When I say stop listening to the experts, I don't mean that the experts have nothing of value, but we have to stop letting the experts decide for us. That's the problem that I had when I was having 20% increases, is I was letting the experts decide what I should do next. When I started realizing that I'm the person who had to make that decision, that was the first things. When I started demanding that I understood where the money was going, dramatic things changed.

The first time I wrote a check and I realized that a baby cost \$6,000, that was eye opening to me. I didn't know what a baby cost before. When I Was able to create a system where I got to write the checks and see what things cost, I could figure it out form there. Then the next baby cost me \$15,000. To me, for everything I could tell, it's the same baby. It could have been the same doctors, just different hospital, different facility. I'm going, "Hey, something's wrong here." Something is wrong. The first thing is just think the unthinkable, just understand that the experts are never going to be aligned with the entrepreneur, never. There's never a change they're going to be totally aligned.

Used them for their knowledge, because they have very valuable knowledge, but don't use them to make the decision for you. That is the mistake that I made, and I think many entrepreneurs make, and is the biggest shift we got to get people to make first. Once we do that, that's when a whole bunch of things open up. Until they do that, nothing I went talking

about now really even matters. It's not so much about giving this information to people who need it, because everybody needs it. Every company needs it, but only someone ... What we're experiencing is that medium small size entrepreneur or business also want it.

When you start talking to bureaucratic bigger corporate government entities, they really don't want it. They might need it, but they don't want it. First think that I -

John: Let's assume that everybody listening on the audio podcast or watching us on video podcast, they want to be successful on purpose. They're there, they value experts. They can make their own decisions. They understand that not all the government, experts are aligned with them. They're ready to go. What should they be doing now that they're with you, David, and they go, "I'm going to make some changes that are going to be great for my employees, great for my business, and it's going to increase our productivity so we can serve our clients well"?

David: John, that's the problem, there's nothing for you to do first. There's things for you to think first, things for you to understand first. Everyone's trying to jump in to doing with healthcare, before they really figured out what the strategy is that makes sense for their company. There's 2 main problems. There's a thousand problems in healthcare, but there's 2 main ones that if we fix them, all the other ones really don't matter too much. Let's think it out, what are those 2 problems that we want to solve?

If we're busy solving, putting energy and allocating resources into problem, 3, 4, 5, 10, 30, 1005, but we don't address 1 and 2 first, we're wasting time. That's what I see happen with entrepreneurs is they're focusing on things like wellness programs. I got to get my smokers to quit smoking, or I'm going to only hire healthy people. They're focusing on the wrong things, because they're not thinking right about it. Dan Sullivan says it best. He says, "The problem is never what you think it is, it's always where you're thinking about it." It's not about doing something differently first. It's about thinking about it first.

Let me tell you the 2 problems that if a business would solve, it takes care of almost all the rest. That's really what Redirect Health fit, is it just realize that only a couple of things matter. We need to get excellent in a couple of those things, at those things. Here's the first one. It is impossible to be a great healthcare consumer in the existing system. Meaning that there's non-transparency of pricing, and there's huge price differentials. Somebody can get a Lipitor, the most common cholesterol-lowering medication. It can cost \$14.14 at the

Safeway a mile and a half from here. At the CVS across the street, it can cost double that, more than that. It's \$40 I believe.

There's a great app I shared with you earlier that can tell you what those prices are. Similarly, that same Lipitor, put in a shiny box and give it a brand name, exact same drug, can now go from \$14 to \$256 in the same store, in the same pharmacy. Those kinds of price differentials are all over the place. The worst one that I've seen is amoxicillin, which is the most common antibiotic. Anyone that had had ear infection, or pneumonia, or strep throat has been prescribed it. The differential on that is \$18 to \$960. Think of that difference.

How can you possibly, a healthcare consumer, if that differential exist in the market place and you don't know that it exists, and somebody else is paying the bill? You're not the purchaser. You're a user, but you're not the purchaser of it. What about hospitals? All day long, we see that MRIs can ... If people don't know, they don't know. They're going to pay 2,000 \$3,000 for an MRI at the local hospital emergency room. That same MRI is only \$400 across the street, where babies, like I mentioned earlier, go from \$6000 to \$17,000 in my Phoenix market. Knowing what those price differentials are, all the first step to being a great healthcare consumer. Would you agree to that?

John: I had a little walking pneumonia earlier this year. I took the drugs and a couple ... just all the healthcare. Part of that, never really been sick. Just seeing the difference in cost, it's an amazing dealing with that transparency. We're going to talk about ... I'll bring up the app in a little bit. I think just that simple illustration is so powerful.

David: First thing is ... Here's the big problems we saw. People cannot be great healthcare consumers. They can even be marginal healthcare consumers; the way the system is set up. Here's the second problem. Even if they could figure it out with apps, with knowledge, if we gave them the data, it wouldn't matter, because the system is designed right now, to not benefit them or the employer, the purchaser or the user healthcare.

Those are the 2 main problems that if you solve them, if we create a system, if a company, an entrepreneurial company creates a healthcare system for themselves, such that if smart decisions are made, the company and the employee gets rewarded for it. Right? They do that first, and then secondly, they facilitate great decision making.

John: David, help me out with ... I just want to this system. I want to make sure all of us are together on this. When you say the system isn't designed for the consumer, give me a couple of example where you think it's really broken.

David: All right. Let's say that you purchase insurance from a traditional payer. I'm not going to mention any names, but you know who they are. Your employee makes a poor decision or no decision, and they end up going to a hospital for their MRI and it cost them \$2,500. The truth is it might only cost them \$100, or \$25, or \$400, because of their co-pay or the deductibles, how that sets. Somebody's going to pay the other amount. Let's say they make a poor decision, meaning they could've gone for \$400 price for an MRI, but they end up going for the \$2,500 one. The insurance company is going to pay that, right?

John: Definitely.

David: They're going to raise your premium next year. Who's going to win in that deal? Are you going to win?

John: No.

David: You're not going to win. The insurance company is going to get more money next year from you. They're going to give you a 20% increase, 15, whatever it is, to pay for it. They're going to put you in a pool and do with everybody else. Let's say that your employee makes the right decision, a smart decision. They know that why would I go to a hospital get a \$2,500 MRI when I can get a \$400 one? It might even be a little cheaper for the employee. Let's say they did that, let's say they went there. Who's going to benefit from your employee going for the less expensive, higher value MRI? Are you going to value it? Are you going to benefit from that as the employer?

No. Your insurance company will have a higher profit that year. Your insurance company either this year or next year.

John: The consumer for the most part is usually indifferent because of the co-pays and so on. It's not as a big of savings. The system is broken.

David: Or they don't know.

John: Yeah. In many cases ... I'm in a concierge service, and I know that it's so broken. The doctor in my generalist is just a great guy. He's a good entrepreneur. He asks always, "Okay, what kind of health insurance do you have?" You have these options. He's going through some of the things that you are going through. You can go to the hospital his affiliated with that's across the street and get the MRI for X, or you can go down to the place, it's a few hundred hours. It probably doesn't make that much difference to you or your company. They get going in this. I see where most people shut down.

One of the things I love about what you're doing David is you didn't shut down. I want to go to the next section, which is passion. I want to share ... You took this and like many entrepreneurs, you see a problem, you experience it personally, you've dealt with it in your business, and now you're building a business to share it with other entrepreneurs.

The key that I'm looking for here, David, is what are you doing now that you're really passionate about. I'm thinking about the Redirect Health. What are you doing in that to make this work?

David: I freed up all my time from my main company. I've got a CEO running it now. It's self-managing. Dan Sullivan was instrumental in helping me get that done in the last year. Now, all my time is on the Redirect Health. We are reaching out to the broker community and educating them. We're reaching out to the business community. We have had several meetings with governments and larger corporations. They all agree they need it, but there's really no mechanism for them to deploy it. All our efforts right now are with the smaller and medium sized entrepreneurs, so companies anywhere from, say 20 is the smallest we've gone to. I think the highest we've gone to is about 2,500 employees.

John: What do you do? We know the problem now. You've been really articulate in this, David. What's the solution? How does your group help other entrepreneurs?

David: Step 1 is we get them thinking differently about it. Step 2 is we build them a system. We build them a system with real insurance in it. There's a bunch of components to the system. We don't have time to go into all the components that are there, but I will tell you that the most important part is not the components in the system. It's how the components connect and touch each other and interact with each other. There is a self-insurance component to it. Meaning that of course you've got to have catastrophic coverage, but we don't have to have first dollar coverage.

Things are much less expensive if we pay for them as they're happening than if we pay an insurance company then ask to pay them later, remove just dollars, and dollars, and dollars, and percentage of inefficiencies and administration in that system. First things we do is we build them a system. That's the first thing. It's the system that's there, we're there at the center of it, not their insurance company, but they use insurance. Insurance is very important in their system. We put them in the center of it.

Then the second part of it is we set up, we facilitate learning for their employees. We help them understand where the best prices. There's big data analytics play when we get to the execution. We have a data analytics platform that helps us identify the 10% of the people in an organization, and that could be kids and spouses as well, who are going to spend about 90% of the money. 10% are going to spend 90% of the money. Think about that for a second. If we can identify the 10% who are going to spend that money, we already know that they have 80% of those, that 10%, they have diabetes, they have asthma, they use narcotics, they have anxiety and depression issues.

There's not a whole lot beyond that. Of course we have some other things that can drive our cost as well. We just hit 80% of the 10% that are going to account for 90% of all the money. Think of that for a second. If we can take those 10% of the people, and we could lower their cost by a third or even a half, which is what we're experiencing, that frees up a lot of cash that then serve the other 90% of the people who are only spending 10% of the money. It's about understanding where the money is being wasted, and where it would be beneficial to redeploy it, all the stuff we do in business all ready.

I don't want to focus on the overweight smoker who's spending 2% of the money, that's a lot of effort for no return. I'd rather focus on the employee who has 4-year old little girl with asthma and make sure that they always have their asthma inhaler, so they never have to go to the emergency room. That's \$100 investment that's going to save me potentially \$10,000 over the year. We don't have to do that a lot of times, we just have to do it excellently, the 4, or 5, or 6 times that it presents itself during the year. That's the biggest strategy. There's a lot more obviously, but that's the most important one.

John: You're being too logical for healthcare. We all know Pareto principle, 80-20 at healthcare. I wouldn't be surprised if there's 90-10, or even that top 5% doing even over 90 on some plans. This is going to be very logical pulling it together. I want to go to the next segment, because this is a great example of that cost containment you're talking about.

This is the application of the day. David, you started to talk about one on the prescription side. Tell us about those.

David: GoodRx is just a free app. At least it's free today.

John: I'm going to pull it up on the screen. For those of you who are not on the video side, remember you can always go and get the transcription, all the link that David and I talk about, as well as the show notes at AESNation.com. This is GoodRx.com. I've got it up on screen, and they're showing some pretty big difference in prices here. David, how does this work?

David: I can't see what you're looking at right now.

John: We won't go over the prices, but you know the site. What are they doing?

David: What you do is you pull up the medication that you would need, whether it's Lipitor or amoxicillin. Those are the 2 very common ones, Lipitor for cholesterol, amoxicillin for upper respiratory infections. You'll see that in the same store, the same mile, but the differential can go between \$14 for Lipitor to \$250 in the same store in the same mile. Similarly, for amoxicillin, in Phoenix anyways, goes from \$18 to \$960. It's just crazy. You wouldn't see that in a pair of shoes, or TV, or anything, your loaf of bread, you just don't see those differentials. Plus, if you did, everybody would know about it.

John: These are commodities too. Clearly they have to be same.

David: Yeah. They're generic, they're all patent. There's just ... You and could set it up in our basement, and create, and do this I think. I'm sure there's some FDA regulations around it, but we get around them.

John: To see that kind of price differences ... When we see something broken, capitalism does work. It has free markets have free hand free hand. This is a great example.

David: There's no free market in healthcare. It's all about non-transparency and fooling people. Quite frankly, it looks like trickery to me when I look at it, now that I know how to get around it. I see the obstacles that others are facing from the other side of it and go, "Wow, there's some firewalls here to stop the entrepreneur from even -

John: Yeah. There's a shell game going on, plus certainly there's not an invitation for entrepreneurs to come in and change what has been a pretty good game for an awful lot of people for a long time.

David: As soon as the entrepreneur decides to get together with their employees and work as a team, healthcare gets remarkably easy for them. Unfortunately, what happens is we are pulled apart from our employees. We have the insurance companies and the brokers saying to us, the employer, "Hey, give us your trust. Don't trust your employees, they're over utilizing care. They're smoking, whatever, they're abusing their medications. Don't trust the doctors or the hospitals, look at how much they're charging."

Then at the other side of it, our employees, the doctors, and the pharmaceutical companies are saying, "Hey, give us your trust. Don't trust your employer, they're the ones who got you this crummy insurance policy that raise your deductible that raise your premium, and don't trust the insurance company. They're the one trying to deny your care. Give us your trust." We all have to realize that the healthcare system and the insurance system never have a best interest, cannot be financially aligned with the purchaser and user of health care.

John: This is so good, because I mean -

David: It never can be, but when the purchaser and user come together they want exactly the same things. They want quality care, they want lower pricing, they want accessibility, they want availability, they want it to be easy, they want increased productivity. They don't want to have to go into the doctor to find out their lab results were normal. They want to hear it over the phone.

John: This is so good because you're building consensus. We're talking about creating high performing teams. This is one of the best ways. You're giving something of real value to them. You're aligned together against something that everybody knows is broken, and you're doing it as a benefit, instead of a takeaway type of things. Telling them that they have to do this or they have to do that. It's like we're all in this together. It's great, David. Let me go to the next segment.

This is the book of the day. You're an entrepreneur. I know you're out there. I'm in the masterminds group with you. We have a virtual mastermind here in AES Nation. You've got

books behind you. I've got books behind me. What's one that really made a difference in your thinking and you want to share with other entrepreneurs, your fellow entrepreneurs?

David: I actually all of Dan Sullivan's stuff and I've read it all so many times and have been part of coach for a long time. I'm going to skip that one right now, because I'm sure everyone listening to this has read his stuff. I really like Clay Christensen stuff. Steven Spears was the student of Clay Christensen. Clay Christensen Disruptive Innovator, or Innovators, Dilemma Innovators Solution. He did one called Innovators Prescription too, that I think was right on. I got some tips for him though if you ever want them, where I think he's off just a little bit. Steven Spears studied under him. He wrote a book called Chasing the Rabbit. Now he's rewritten it. It's called High Velocity Edge.

Excellent books, all my managers have read it. We've done it. It talks about the importance of a lot of the stuff that we just talk about today, just the strategy and process, and just thinking out what we're doing before we do it. Using a lot of Clay Christensen's perspective on things. If I can give you one quick example, not necessarily from the books, but just an idea, is we talked about listen to the customer earlier. That is something that goes through our whole organization and it's a filter that almost every decision goes through is understanding who is the true customer in any one situation and understanding their articulating needs, needs they can tell us about.

Then more importantly understanding those non-articulating needs that they can never tell us that they want. There are always needs around confusion, or isolation, or powerlessness, or guilt. For instance, when one of our clinics sees a little child and a dad brings him in, guess what, the child is not the customer, the decision maker. The dad is not even the decision maker. Dad is just the taxi. The real customer is at home or at work really, is the mom. The real non-articulating need that we need to take care off is mom feeling guilty that she's prioritized her career over taking her child to the doctor's office.

We find ways to satisfy our customer, and that could be a phone call to her and say, "Hey, I just want to update you of what's going on with little Sally and blah, blah, blah." It makes the husband, the taxi, look at hero too. We're always thinking about how's decision maker beyond just the patient, the user of the service, and bring them together and make them, so they all get what they need. Clay Christensen talks about always understanding the real job our customers are hiring us to do.

He's got a famous milkshake example, where the milkshake has a different meaning in the afternoon when you're trying to get the kids to quiet down, and in the morning when you're last 20 minutes and feed you on your way in to work. It's the same milkshake, might have a different job you're hiring it to do. Steven Spears takes that just a little bit further into the business world with Chasing the Rabbit.

John: I will ready that. Let me go to the next segment.

David: Sure

John: Resources, David. I'm going to put up on the screen your Arrowhead Health Center. It's ArrowheadHealth.com if anybody wants to take a look at David's core business. I think the real resource for the entrepreneurs is that Redirect Health. I particularly like the about section. Are there any other resources? Anything you should point out to them on either of those websites?

David: I think that the main thing ... We've covered the main things. We really have. Too often we make it too complicated. There really are only 2 things to solve in healthcare for the entrepreneurial business and get excellent at solving. If you solve these 2 things excellently, all the other thing just goes away or becomes, I don't want to say irrelevant, becomes so unimportant, you can get back to building your widgets, or servicing your widgets, or creating new widgets.

Just understand, if you can build your own healthcare system ... Redirect Health is awesome at helping people do it. It's easy for us, and I understand it might be hard for an employer to do it, but once it's built it's built. Then the tweaking part is where it becomes fairly easy. The hard part is just building it the first time, but it's not insurmountable. The stuff that a business owner deals with every day is way harder than building their own healthcare system, they just don't know how to do it.

Then the second part of it is getting a mind-set of continually teaming up with your employees to conquer this dragon, to beat this monster up, by making smart decisions. It can't tolerate smart decisions. Smart decisions by consumers is its kryptonite, there is no doubt about it.

John: Let me go over this last ... This is the key takeaways, David. Let me just share with you what I'm taking away from this presentation. I got tons of notes here. Number 1, it's impossible to be a great consumer of healthcare. They've made it very difficult to do. Just the one app example on pharmaceuticals. We're talking about this one part of healthcare. It's hard. We need to recognize that this a little bit of a shell game. Second is that all the providers, whether that's insurance companies or different medical groups, the system is not designed to support that increase in productivity and really reduction of cost that we want.

That's number 1. Number 2, what I really love is that thinking strategically. We got to think differently, will not get caught up in the experts there. Focus on what's important. These are all the strategic things that we all know that we need to do. What are the most important things? Then putting the systems in place. The third, and I think really equally important, is building consensus with your employees. We want high performance teams, this is a great incentive, by enrolling them, enlisting them, building consensus. We can make a huge difference.

David, I'll tell you, I really appreciate this interview and all the work you're doing to make a huge difference. Thank you for sharing your insights.

David: You're welcome John.

John: This is one where you've got ... This is so important, particularly when we talk about David funding his business growth by just making these decisions and doing it in a way that made his team even more productive. Your clients, your future clients, and all your employees, they're counting on you, don't let them down. We wish you the best of success.

A Second Opinion on Your Finances

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