



BUSINESS HEALTH CARE GROUP
2014 ANNUAL MEETING



Welcome!

BUSINESS HEALTH CARE GROUP
2014 ANNUAL MEETING

“THE PRICE IS RIGHT – OR IS IT?”

- Added **dimension** to the purchasing of health care
- **Value** – the intersection of price and quality
- Payment **Reform**



AGENDA

- BHCG Highlights
- Driving Meaningful Change Award Presentation
- Broker and Sponsoring Organization Awards Presentation
- The Price Is Right Game
- Keynote: Buying Value in Health Care
 - Dr. David Nash, founding dean of the Jefferson School of Population Health at Thomas Jefferson University
- iPad Drawing & Closing Remarks
- Dialogue with Dr. Nash





MANY HANDS
LEADERSHIP &
GOVERNANCE

BUSINESS HEALTH CARE GROUP
2014 ANNUAL MEETING

CEO EXECUTIVE COMMITTEE

- **Keith Nosbusch**, Rockwell Automation
- **Paul Purcell**, Robert W. Baird & Company
- **Steve Smith**, Journal Communications



2014 EXECUTIVE STEERING COMMITTEE MEMBERS

- **Teri Carpenter**, Rockwell Automation
- **Bobbie Honesty**, ManpowerGroup
- **Jeff Kluever**, Journal Communications
- **Lisa Mrozinski**, Robert W. Baird
- **Paul Prickett**, Briggs & Stratton
- **Dennis Salentine**, BMO Financial
- **Wendy Salmon**, Brady Corporation
- **Deb Yahnke**, Northwestern Mutual



2015 EXECUTIVE STEERING COMMITTEE MEMBERS

- **Teri Carpenter**, Rockwell Automation
- **Bobbie Honesty**, ManpowerGroup
- **Jeff Kluever**, Journal Communications
- **Lisa Mrozinski**, Robert W. Baird
- **Frank Pacetti**, City of Kenosha
- **Paul Prickett**, Briggs & Stratton
- **Dennis Salentine**, BMO Financial
- **Candace Strebe**, Direct Supply
- **Deb Yahnke**, Northwestern Mutual



STATE INITIATIVES

- Wisconsin Collaborative for Healthcare Quality (WCHQ)
- Wisconsin Health Information Organization (WHIO)
- Wisconsin Statewide Health Information Network (WISHIN)
- Statewide Value Committee

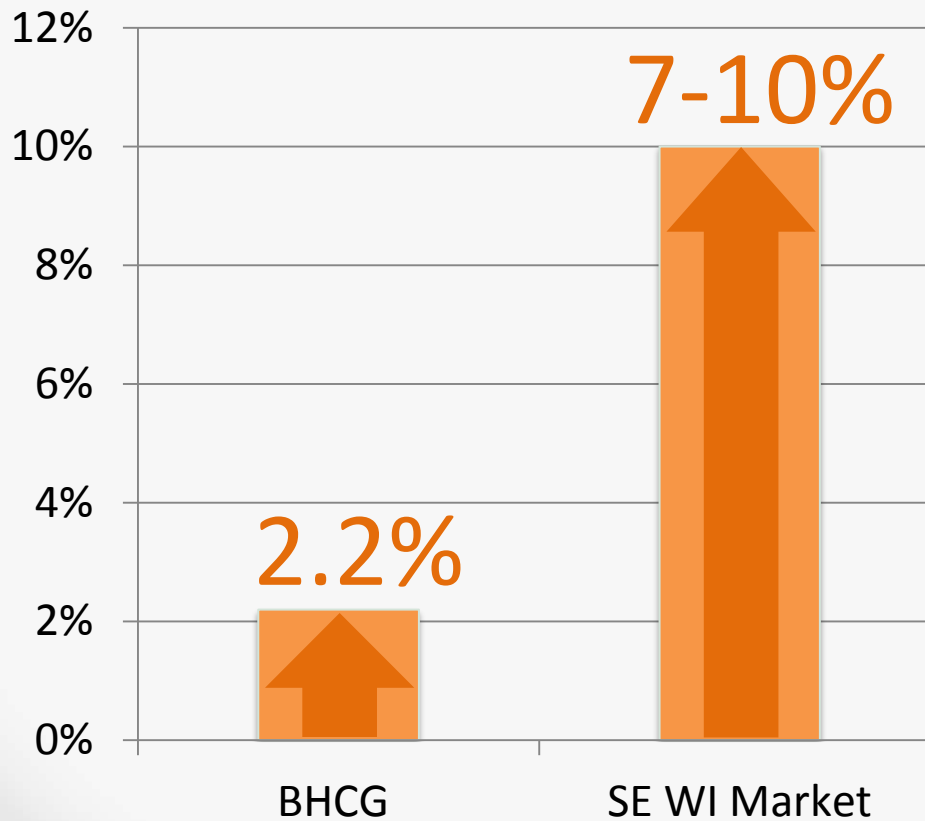




OUTPERFORMING THE MARKET
FINANCIAL
RESULTS

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AVERAGE ANNUAL TREND FOR BHCG SELF-FUNDED EMPLOYERS COMPARED TO SOUTHEAST WISCONSIN MARKET: 2006-2013



BHCG SELF-FUNDED EMPLOYER RESULTS

Total Savings:

\$957 million





2014
MAJOR INITIATIVES

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2014 MAJOR INITIATIVES

1. Informed Decision Making – Best Doctors
2. QualityPath™
3. Advance Care Planning
4. Behavioral Screening & Intervention
5. Determining Strategic Direction



BEST DOCTORS®

- Informed Decision
Making vendor since 2012
- More than 104,000 employees and their dependents have access to the program

Services offered:

- InterConsultation
- Ask the Expert
- Explore My Options
- Find a Best Doctor



BEST DOCTORS® RESULTS

- Utilization *(based on first 18 months of the program)*
 - **539** calls received:
 - **55** InterConsultations
 - **17** Ask The Expert calls
 - **303** Find a Best Doctor referrals
- Clinical Impact
 - Diagnosis Change/Clarification – **31%** of the cases
 - Treatment Change/Clarification – **58%** of the cases



BEST DOCTORS[®] MEMBER QUOTES

“ Very positive experience and painless. They took control of the situation and efficiently gathered all of the necessary paperwork and information. I don't know how they got the records so quickly but I was very relieved that Best Doctors took the responsibility to gather the information and documentation. The report was very thorough and timely provided. All of the Best Doctors employees I talked with were extremely professional and customer focused. I would definitely recommend Best Doctors and view it as a valuable benefit provided by my employer.”

“ It was really great. My Member Advocate was so helpful and had great follow up. I was very impressed to have a time to talk to a doctor through my report and go over questions. It felt really wonderful to be heard, and taken seriously after going through so many doctors and not getting any results or diagnosis ideas. I'm recommending Best Doctors to everyone I know.”



QUALITYPATH™

- A quality initiative in collaboration with The Alliance in Madison
- Facility and physician performance is being measured in combination
- Targeting three procedures initially:
 - Knee replacement
 - Hip replacement
 - Coronary artery bypass graft (CABG)
- Quality thresholds have been determined with provider input
- Many hospitals and associated physicians have applied
- Providers pairings meeting QualityPath quality standards for those who applied will be announced in December



ADVANCE CARE PLANNING

- Honoring Choices Wisconsin – Wisconsin Medical Society initiative
- Designed to educate providers
 - System improvements
 - Ensure patients make well-informed decisions and communicate wishes
- More than a document
 - Process of understanding and discussions
- 2013 pilot results
 - More than 1,000 patients have worked with trained facilitators
- More organizations participating in 2014



ADVANCE CARE PLANNING

- 2013 SE Wisconsin Pilot Participants
 - ProHealth Care
 - Fort HealthCare
 - Community Care, Inc.
- 2014 SE Wisconsin Provider Pilot Participants
 - Froedtert and the Medical College of Wisconsin
 - UW Health Partners Watertown Regional Medical Center
 - Journal Communications (in collaboration with ProHealth Care)



BEHAVIORAL SCREENING & INTERVENTION (BSI)

- Behavioral risks and disorders impact health care costs, productivity, workers' compensation and disability
- We have:
 - Educated member companies
 - Worked with Humana to ensure proper payment
 - Worked with the provider community to encourage the adoption of BSI as a standard of care
- GMBFH provided grant to Partnership for Healthcare Payment Reform



BEHAVIORAL SCREENING & INTERVENTION (BSI)

- Key BSI Supporters
 - The Alliance
 - Wisconsin Department of Employee Trust Funds
 - Wisconsin Department of Health Services
 - Business Health Care Group



STRATEGIC DIRECTION

- Improve value of dollar spend
- Support payment reform to drive accountability
- Drive consumer accountability through plan design
- Provide tools to support consumer accountability
- Maintain choice for the consumer
- Support the Triple Aim – better care for individual, better health for populations and reducing the per capita costs





2014

DRIVING MEANINGFUL CHANGE AWARD

BUSINESS HEALTH CARE GROUP
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AWARD WINNER:
**WISCONSIN HEALTH INFORMATION
ORGANIZATION (WHIO)**

**BUSINESS HEALTH CARE GROUP
2014 ANNUAL MEETING**



The Power of WHIO



WHIO is Mission Driven

To improve the quality, affordability, safety, and efficiency of health care delivered to patients in Wisconsin

Purpose

We will make high quality, reliable, integrated data available to all stakeholders seeking to transform healthcare

Who We Are

Trusted partners devoted to transforming healthcare, enabling improvement, reducing costs and promoting health through engagement of all stakeholders, innovation and effective use of data



WHIO Members

- Greater Milwaukee Business Foundation on Health
- Humana
- The Alliance
- United Healthcare of WI
- Anthem BC/BS of WI
- WEA Trust
- WPS Health Insurance
- Wisconsin Medical Society
- Gundersen Lutheran Health Plan
- Mercy Health Plan
- Physicians Plus Insurance
- Group Health Cooperative of Eau Claire
- The Wisconsin Collaborative for Healthcare Quality
- Wisconsin Department of Health Services
- Wisconsin Department of Employee Trust Funds
- Wisconsin Hospital Association
- Group Health Cooperative South Central Wisconsin
- Health Tradition Health Plan
- Unity Health Plan
- Dean Health Plan
- Security Health Plan
- Network Health Plan



WHIO Subscribers

- Aurora Health
- Aspirus
- ThedaCare
- Froedtert Health
- Children's Hospital of WI
- Centene
- Meriter Medical Group
- Prevea
- WI Primary Healthcare Association



WHIO model is unique among APCDs

- **Voluntary, private-public, 501 c3**
- **Not legislatively mandated, not government controlled**
- **Data Access not restricted to government users**
- **Aggregates all claims data from participating data contributors**
- **Contains claims data on almost two-thirds of WI residents**
- **Aggregates Medicaid data with commercial data**
- **Aggregates claims data to evaluate efficiency & quality**



Valuable Asset – For Many

For Providers –

- Competitive Benchmarking
- Identify Quality Improvement Opportunities
- Determine ACO “partners”
- Identify “leakage” from the System
- Identify Patient Compliance Issues

For Payers –

- Identify Practice Variation Resource Use
- Identify Best Practice in Following Quality Measures
- Identify High Value Providers
- Align Benefit Plan Design



Valuable Asset

For Employers –

- Identify High Value Providers
 - Primary Care
 - Specialty Care
- Align Benefit Plan Design

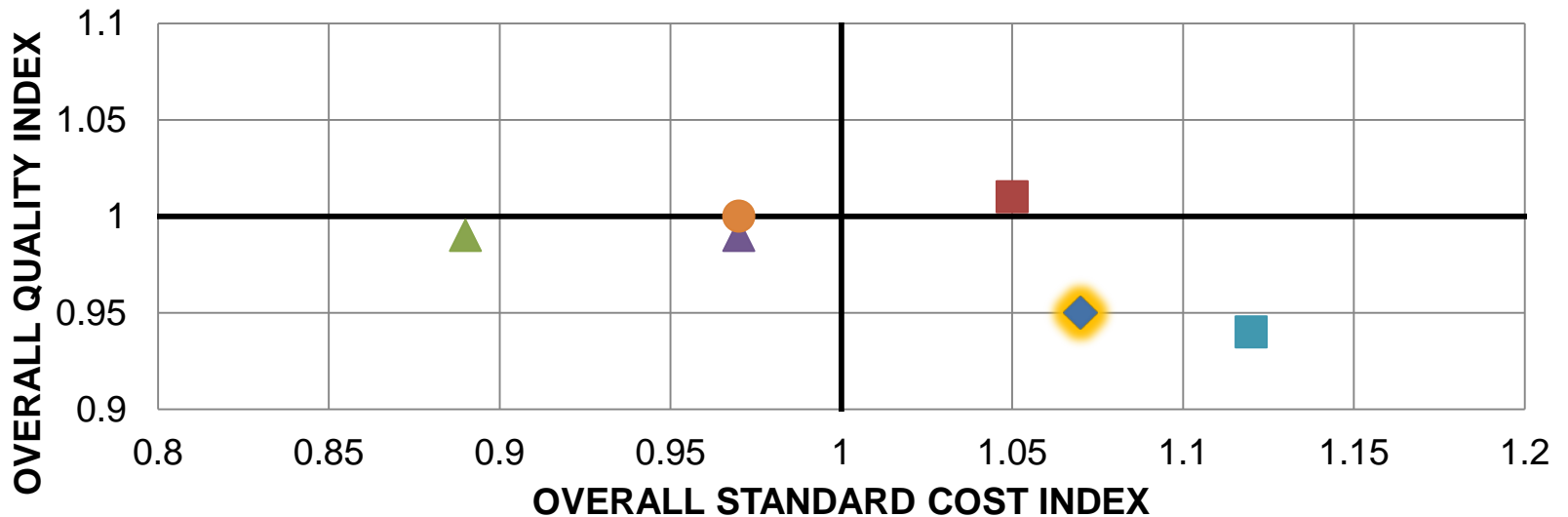
For Policy Makers –

- Supports Transparency
- Engages Consumers
- Measures Impact of Healthcare Policies
- Manage Medicaid Benefit Design and Networks
- Informs Public Health Decisions



Family Practice

PROVIDER NETWORK ASSESSMENT FAMILY PRACTICE PEER GROUP
DATAMART RELEASE OCTOBER 2011
MILWAUKEE, RACINE, AND WAUKESHA COUNTY
HEALTH SYSTEM PROVIDERS

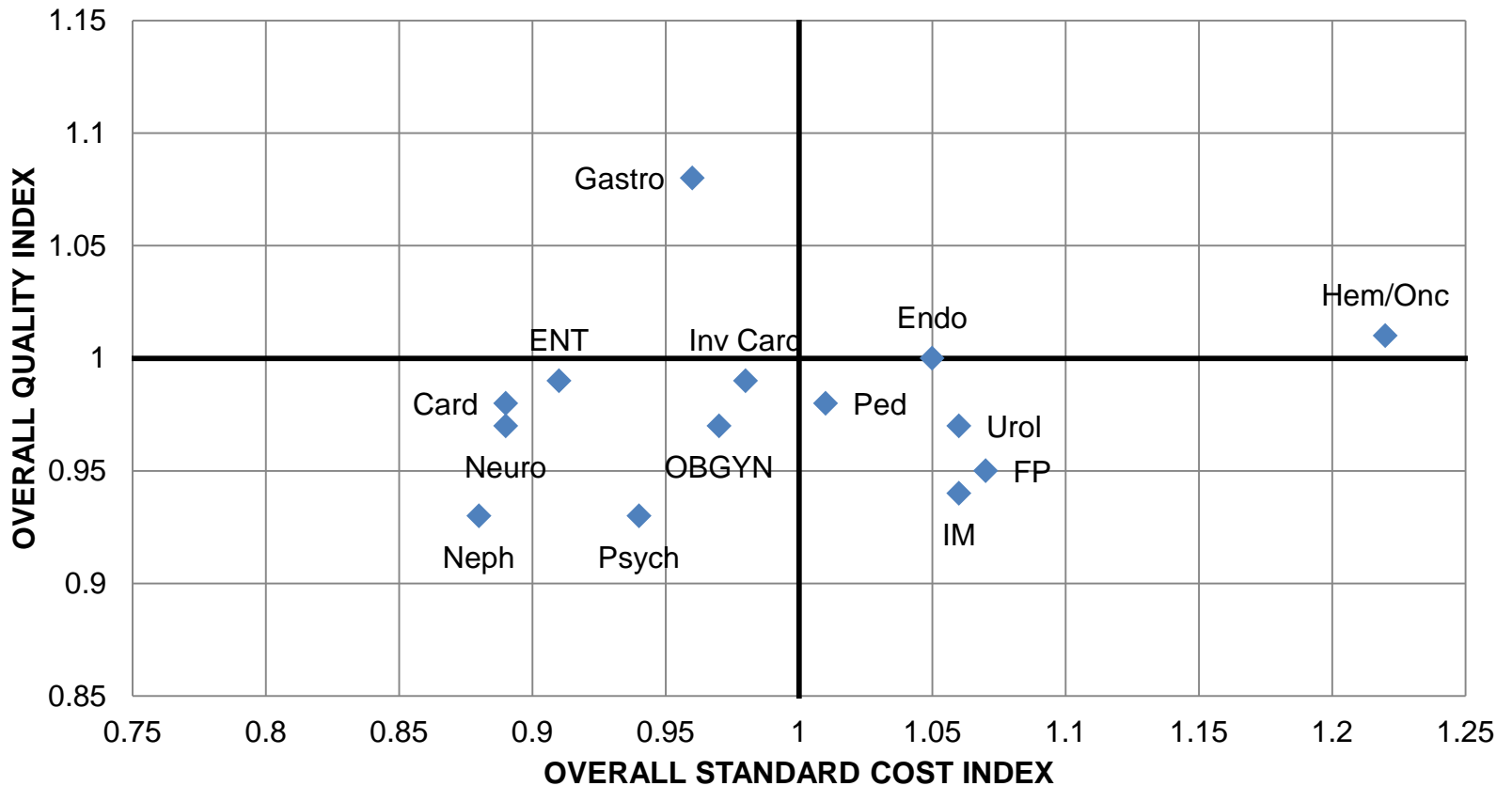


- ◆ WHEATON FRANCISCAN HEALTHCARE - SOUTHEAST WISCONSIN INC
- AMG AURORA MEDICAL GROUP CORPORATE OFFICE
- ▲ AURORA ADVANCED HEALTHCARE INC
- ▲ COLUMBIA ST MARYS INC - COLUMBIA CAMPUS
- FROEDTERT HEALTH
- PROHEALTH SOLUTIONS LLC



Wheaton Franciscan

**WHEATON FRANCISCAN HEALTHCARE
PROVIDER NETWORK ASSESSMENT
WHIO DATA MART RELEASE OCTOBER 2011
QUALITY AND COST INDEX BY PEER DEFINITION**



Affiliation Group Profile
Presented by WHIO

Specialty Patterns of Care

For the 12 Months
Ending 9/30/2008

Affiliation Group

Affiliation ID: 123456
Affiliation Description: Buck E. Badger Medical Group-Algoma

Peer Group

Peer Group Number of Episode: 184,724
Peer Group Name: WHIO PCP (Internal
Medicine)

INTERNAL MEDICINE

Number of Providers: 12
Number of Episodes: 2,984
Case Mix Episodes: 0.73

Key Statistics

Overall Quality Index: 0.90
Overall Cost Index, Episode: 1.08

Confidence Intervals for the Index

Overall Quality Index: 0.89 to 0.91 **
Overall Cost Index, Episode: 1.04 to 1.11 **

Statistical significance of difference between
index and peer group average: * p<0.10; ** p < 0.05



Compare Standardized Total Cost of Care PMPMs by Condition Patient County to Statewide Average WHIO Datamart v7

Member County	Hypertension	Back & Spine, pain or condition	Diabetes	Depression	Asthma
WI, Milwaukee	\$4,547	\$3,362	\$4,634	\$3,363	\$2,005
WI, Kenosha	\$4,585	\$3,602	\$3,979	\$2,645	\$2,523
WI, Waukesha	\$4,550	\$3,403	\$3,368	\$2,471	\$2,532
WI, Walworth	\$4,911	\$2,747	\$3,647	\$2,453	\$2,042
WI, Brown	\$4,356	\$2,830	\$3,477	\$2,310	\$2,437
WI, Racine	\$3,859	\$3,068	\$3,389	\$2,507	\$2,218
WI, Dane	\$4,525	\$2,654	\$3,312	\$2,220	\$2,090
WI, Waushara	\$4,099	\$3,061	\$2,617	\$1,903	\$2,845
WI, Marinette	\$4,337	\$2,868	\$2,696	\$2,252	\$2,352
WI, St. Croix	\$4,264	\$2,706	\$2,481	\$2,144	\$2,780
*					
*					
*					
WI, Monroe	\$3,273	\$1,695	\$2,646	\$1,848	\$1,944
WI, Waupaca	\$2,759	\$2,316	\$2,317	\$1,930	\$1,892
WI, Trempealeau	\$3,044	\$2,059	\$2,412	\$1,870	\$1,620
WI, Grant	\$2,898	\$2,122	\$2,233	\$1,618	\$1,740
WI, Door	\$3,168	\$1,470	\$2,200	\$1,506	\$1,776
Summary	\$4,096	\$2,772	\$3,431	\$2,382	\$2,097



Drill down to Service Categories: Overall Resource Use Index

		ER	Hospital Services	Laboratory	Pharmacy	Primary Care Core	Radiology	Specialty Care	Summary
AMG AURORA BURLINGTON CLINIC	DR. A	1.55	1.89	1.44	1.00	1.18	2.17	1.41	1.49
	DR. B	1.26	1.17	1.04	1.06	1.17	1.61	1.08	1.16
	DR. C	1.15	1.36	1.13	1.26	1.13	1.28	1.11	1.21
	DR. D	0.94	1.01	1.05	1.50	0.92	0.91	0.86	1.02
	DR. E	1.02	1.38	0.99	1.09	1.09	1.26	1.22	1.21
	DR. F	0.51	1.06	1.22	0.66	0.88	1.90	1.46	1.19
	DR. G	1.62	1.11	0.74	0.66	0.89	1.37	0.99	0.98
	DR. H	1.44	1.11	1.15	0.56	0.93	1.26	1.18	1.04
	DR. I	0.57	1.11	1.23	2.20	0.81	1.66	1.21	1.32
	DR. J	0.90	1.44	1.45	1.36	0.98	1.64	1.18	1.30
	DR. K	0.54	1.54	1.41	1.47	0.84	1.56	1.28	1.33
AMG AURORA BURLINGTON		1.11	1.35	1.20	1.14	0.99	1.49	1.17	1.21



More to Come

- Add the Medicare claims data
- Add data elements such as socio-economic variables
- Add select EMR data such as BP, blood sugar levels
- Report publications on healthcare in WI
- Strategic partnerships to turn the data into practice transformation
- Help agents and brokers bring valuable information to employers



THANK YOU!

Caring for Populations

How WHIO data helped Aurora Health Care
move forward

The Vision

The Aurora Network

Care for populations in our communities

Provide long term measurable
improvement in health and wellness

Use an Integrated Delivery System to
achieve the vision

WHIO Data helped us to understand:

- How we performed in different markets
- Where we had room to improve our efficiencies by Major Practice Category
- Where to focus our improvement efforts
- The timeline by which we could create a network to achieve our vision of improved health and wellness at a price that employers, payers and people could afford.

Phase 1 Comparison of Efficiency Indices

By MPC & Market Region WHIO DMV 4

MPC	Market Region									Overall		
	Mid			North			South			Aurora	Non-Aurora	Community
	Aurora	Non-Aurora	Community	Aurora	Non-Aurora	Community	Aurora	Non-Aurora	Community			
Cardiology	0.65	0.65	0.65	0.59	0.82	0.72	0.63	0.64	0.64	0.64	0.68	0.66
Chemical Dependency	0.63	0.79	0.75	0.57	1.02	0.90	1.00	0.64	0.74	0.92	0.75	0.79
Dermatology	1.29	1.47	1.41	1.76	1.28	1.43	1.34	1.35	1.35	1.33	1.42	1.40
Endocrinology	0.68	0.78	0.76	0.74	0.85	0.83	0.69	0.81	0.79	0.69	0.81	0.78
Gastroenterology	1.01	1.22	1.16	0.92	1.11	1.05	1.03	1.21	1.16	1.02	1.18	1.13
Gynecology	0.91	0.91	0.91	0.74	1.15	1.00	0.94	0.96	0.95	0.93	0.95	0.95
Hematology	0.58	0.62	0.60	0.69	0.60	0.63	0.60	0.65	0.63	0.59	0.62	0.61
Hepatology	1.03	0.91	0.95	0.91	0.75	0.80	1.03	0.78	0.87	1.03	0.81	0.88
Infectious diseases	1.67	1.26	1.46	2.10	1.29	1.70	1.43	1.85	1.64	1.50	1.61	1.56
Isolated Signs & Symptoms	1.40	1.49	1.44	1.53	1.43	1.48	1.46	1.47	1.46	1.44	1.47	1.46
Late Effects, Environmental Trauma & Poisonings	0.96	1.82	1.39	0.75	2.08	1.41	1.26	1.52	1.39	1.18	1.60	1.39
Neonatology	1.06	1.88	1.63	0.71	2.05	1.63	1.35	1.48	1.44	1.24	1.75	1.59
Nephrology	0.50	0.53	0.53	0.50	0.54	0.53	0.50	0.50	0.50	0.50	0.53	0.52
Neurology	0.82	0.82	0.82	0.68	0.91	0.84	0.73	0.92	0.86	0.76	0.88	0.84
Obstetrics	1.15	1.03	1.07	0.65	1.25	1.07	1.30	0.99	1.08	1.26	0.99	1.07
Ophthalmology	1.16	1.07	1.08	1.87	1.24	1.37	1.35	1.08	1.13	1.27	1.16	1.18
Orthopedics & Rheumatology	0.92	1.18	1.08	0.89	1.11	1.02	0.96	1.14	1.07	0.95	1.13	1.06
Otolaryngology	1.79	1.81	1.81	1.97	1.71	1.77	1.88	1.91	1.90	1.86	1.82	1.83
Preventive & Administrative	1.98	3.08	2.53	2.39	2.56	2.48	2.09	2.79	2.44	2.06	2.91	2.49
Psychiatry	0.70	1.30	1.18	0.90	1.02	1.00	0.79	1.23	1.15	0.77	1.20	1.12
Pulmonology	0.99	1.06	1.04	1.02	1.23	1.17	1.06	1.15	1.12	1.04	1.11	1.09
Urology	0.99	1.08	1.05	1.47	0.79	0.98	0.97	0.88	0.91	0.98	0.99	0.98
All MPCs	1.09	1.22	1.18	1.10	1.26	1.21	1.16	1.20	1.19	1.14	1.21	1.19

* Note: 'Overall' for community excludes zipcodes outside the 'North', 'South' and 'Mid' designations.

More "efficient" within group / subgroup
Less "efficient" within group / subgroup

WHIO Data helped us to understand:

- How our integrated care model currently provided efficiency benefits to employers, payers and people.
- What geographic areas were more efficient than others.
- Where to focus our work to become more efficient
- That the integrated care model is the right model to help us move forward as we learn how to care for populations

Phase 2 & 3 Aurora Market Analysis

- Data from Wisconsin Health Information Organization
 - Statewide standard cost data grouped into episodes of care
 - Commercial and Medicaid

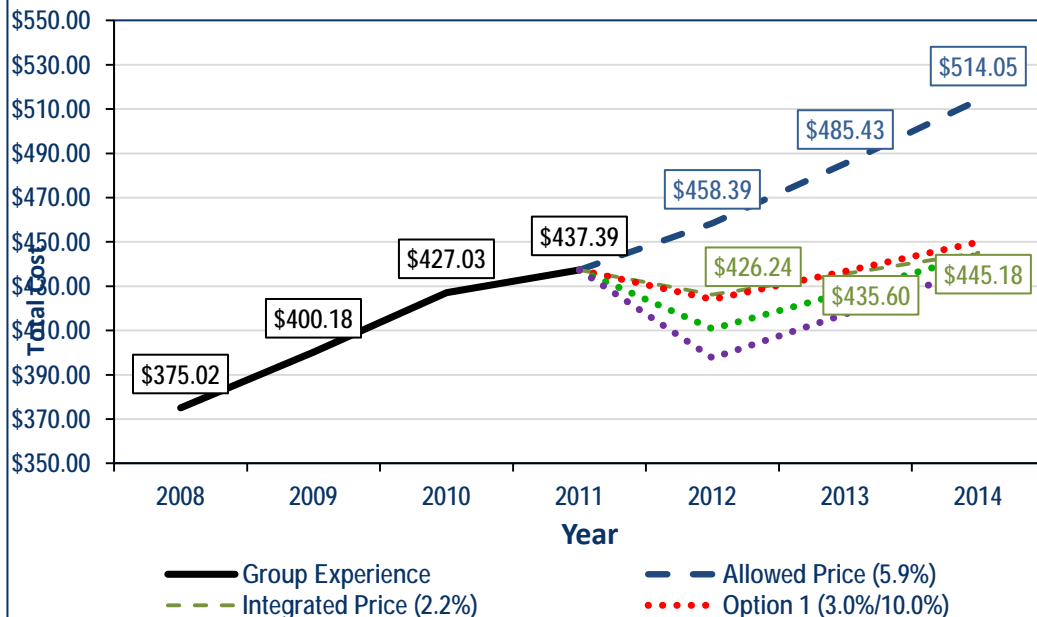
	Value of Integration*		
	2008-2010 (v4)	2009-2011 (v6)	2010-2012 (v8)
Burlington and Walworth	4.9%	1.6%	3.2%
Greater Green Bay	-5.4%	-5.5%	-5.6%
Greater Milwaukee East	-11.7%	-11.7%	-9.8%
Greater Milwaukee South	-7.3%	-7.0%	-7.3%
Greater Milwaukee West	-8.6%	-8.0%	-9.6%
Manitowoc	-3.5%	-3.0%	-2.8%
Marinette	-6.9%	0.2%	-0.9%
Oshkosh and Fond du Lac	-5.4%	-5.5%	-5.7%
Racine, Kenosha, and Northern IL	-4.9%	-4.3%	-5.4%
Sheboygan and Calumet	-2.3%	-2.7%	-2.8%
Waukesha and Jefferson	-10.0%	-9.5%	-1.6%
Overall	-7.5%	-7.3%	-7.4%

WHIO DMV 8

Chart I: Financial Implications

The chart below is a graphical illustration of Exhibit I: Financial Implications whereby the relational indices from Exhibit I are translated into the prospective employer group's experience PMPM values.

Year	Group Experience	Allowed Price (5.9%)	Integrated Price (2.2%)	Option 1 (3.0%/10.0%)	Option 2 (4.0%/12.0%)	Option 3 (5.0%/14.0%)
2008	\$375.02					
2009	\$400.18					
2010	\$427.03					
2011	\$437.39	\$437.39	\$437.39	\$437.39	\$437.39	\$437.39
2012		\$458.39	\$426.24	\$424.05	\$410.70	\$397.58
2013		\$485.43	\$435.60	\$436.77	\$427.13	\$417.46
2014		\$514.05	\$445.18	\$449.87	\$444.21	\$438.33



The WHIO Data helped us to Bend the Cost Curve

Trend without change is unsustainable.

Needed data to help us see this.

Meaningful Change

- Rethinking how we provide care to populations that we service
- Partnerships across caregiving organizations, payers, and employers that could not have existed even a few years ago

WHIO is the catalyst that moved us all forward



CONSULTANT/BROKER AWARD

Most membership lives placed with the BHCg in 2013

Johnson Insurance

Most cases placed with the BHCg in 2013

Johnson Insurance



SPONSORING ORGANIZATION AWARD

Most groups joining the BHCG in 2013 through a
Sponsoring Organization

Racine Area Manufacturers
and Commerce



THE PRICE IS RIGHT – OR IS IT?

What is the percentage of variation between the lowest billed charge and the highest billed charge among Wisconsin providers for an MRI of the lower extremity (all inclusive fee)?



THE PRICE IS RIGHT – OR IS IT?

The approximate percentage of variation between the lowest and highest charges?

1,050%

750%

50%

The range - **\$600 to \$6,900**





THANK YOU!



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