



 **BHCG** BUSINESS
HEALTH CARE
GROUP
Leading change. Creating value.



A FORUM
FOR GOOD

2020 BHC ANNUAL MEETING

Today's Agenda

8:00-8:30	Registration/Breakfast
8:30-8:35	Opening Comments
8:35-8:50	BHCG Year in Review
8:50-9:00	WHIO: Overview
9:00-9:40	Physician Value Study: Results
9:40-9:50	Networking & Exhibit Break
9:50-10:00	Physician Value Study: Health System Perspective
10:00-10:10	BHCG Strategic Plan
10:10-10:40	Employer/Health System-Provider/GNS/WHIO Panel Discussion
10:40-10:55	Recognition: BHCG Leading Change, Creating Value Award; New Members & 2020 Executive Steering Committee
10:55-11:00	Drawing/Closing Comments



Sponsors/Exhibitors



Celebrating Success

- Growth and retention
- Statewide Physician Value Study
- Health system engagement
- Best in class strategic partners
- Delivering Value Series symposiums
- Medically homeless campaign
- Alignment with stakeholders



2019/2020 Data Focus

- Critical issue for all – data identifies opportunities and measures effectiveness
- Novel concept: ***“Employers’ data is theirs”***
 - Health Plans
 - PBMs
- Statewide Physician Value Study
- Wisconsin Health Information Organization (WHIO)
- Rand Study 3.0
- BHCG data warehouse 2020



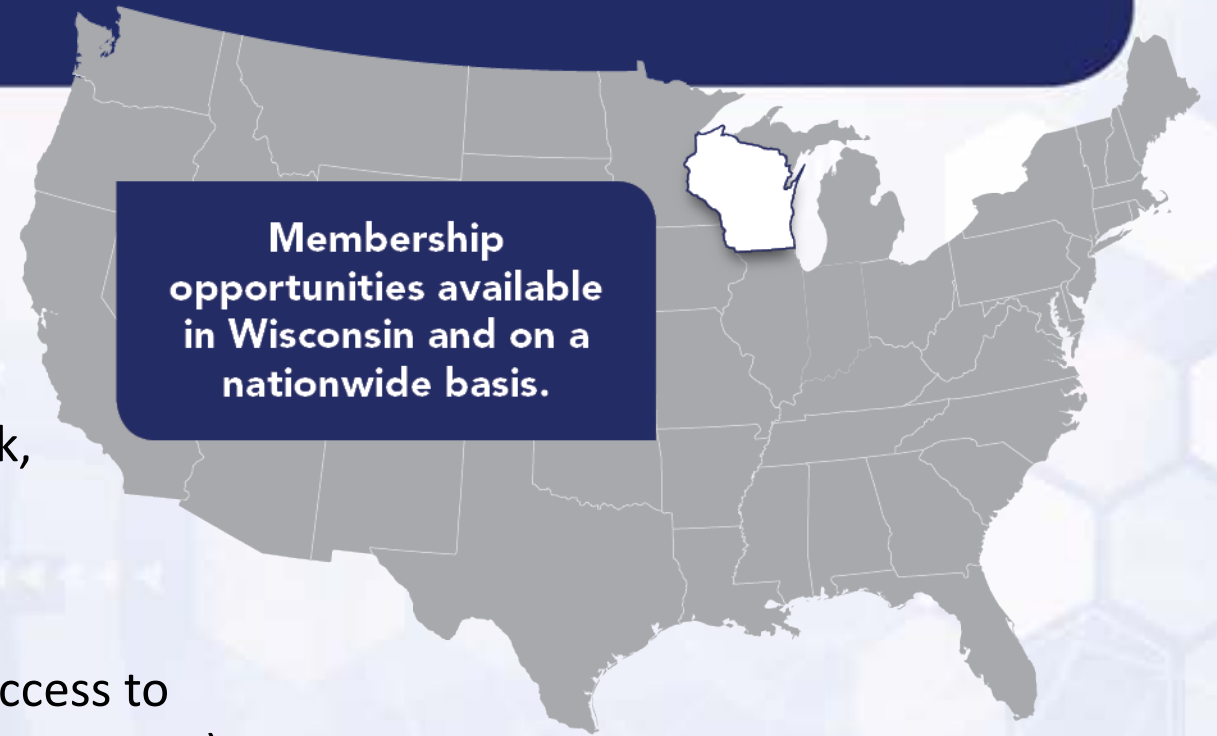
Demonstrating Responsible Corporate Citizenship

- Commissioned statewide Physician Value Study
- Data contributor for Rand Study 3.0
- Sharing Opioid Awareness & Prevention Communications Toolkit with member and non-member employers
- Providing substantial support for Sixteenth Street Community Health Centers (annual golf outing; event sponsorship)
- Offering free BHCG membership to all Federally Qualified Health Centers in eastern Wisconsin



Did You Know?

- Employers located in 22 eastern WI counties
 - Full BHCG memberships available (access to UnitedHealthcare® network, exclusive pricing and programs)
- Employers nationwide
 - Standalone memberships available (access to BHCG best in class strategic partners' contracts)
- All BHCG-related services and products are optional
- Membership numbers continue to increase, representing growth and retention



Business Health Care Group – Medically Homeless Campaign

- Medically homeless campaign to encourage PCP relationships
 - Value of having a PCP
 - PCP vs. other sites of service
 - Importance of regular preventive care
- Targeted multi-media marketing and communication strategies
 - Custom video
 - Home mailers (< age 40 & > age 40 versions)
 - Emails (< age 40 & > age 40 versions)
 - Newsletter content
- Continuing campaign
 - Second quarter - 2020



UMR Solutions

- UMR pilot for Key Account clients
 - Tiering benefit design
 - BHCg membership fee paid by UMR for one year
- Developing National Account UMR solution
 - Stand-alone opportunity
 - UMR/Quantum opportunity



UnitedHealthcare

2020 New BHCg Member Employers

- Cielo
- Plexus Corp.

200,000

BHCg membership accessing UnitedHealthcare
exceeds 200,000 covered lives



Navitus Health Solutions

2020 New BHCG Member Employers

“I have been in the benefits world for 30 years and experienced numerous implementations and the Navitus implementation was the best ever. Our Navitus Implementation Manager stands out as someone who is extraordinary, we have very much appreciated her competence, credibility, leadership and customer focus.”

- **Mike Singer**, Charter Manufacturing Co., Inc.

- AFSCME Council 31
- Charter Manufacturing Co., Inc.
- Cielo
- Nordco, Inc.
- Oak Creek School District
- Olympus Group
- Perlick Corporation
- Praxair, Inc.
- Sendik's Food Markets

53,000

BHCG membership accessing Navitus exceeds 53,000 covered lives



Quantum Health

2020 New BHCG Member Employers

“I have already used them 4 times for different issues and they have been so responsive in connecting you with the right person. They even stay on the line to make sure you get the right response from the other party. Very resourceful. It helps cut precious time from our previous ways of reaching out to providers.”

– BHCG member employer employee

- American Transmission Company
- Charter Manufacturing Co., Inc.
- Cielo
- Cooper Tire & Rubber Company
- Nordco, Inc.
- Northwestern Mutual

33,000

BHCG membership accessing Quantum exceeds 33,000 covered lives





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Year in Review:

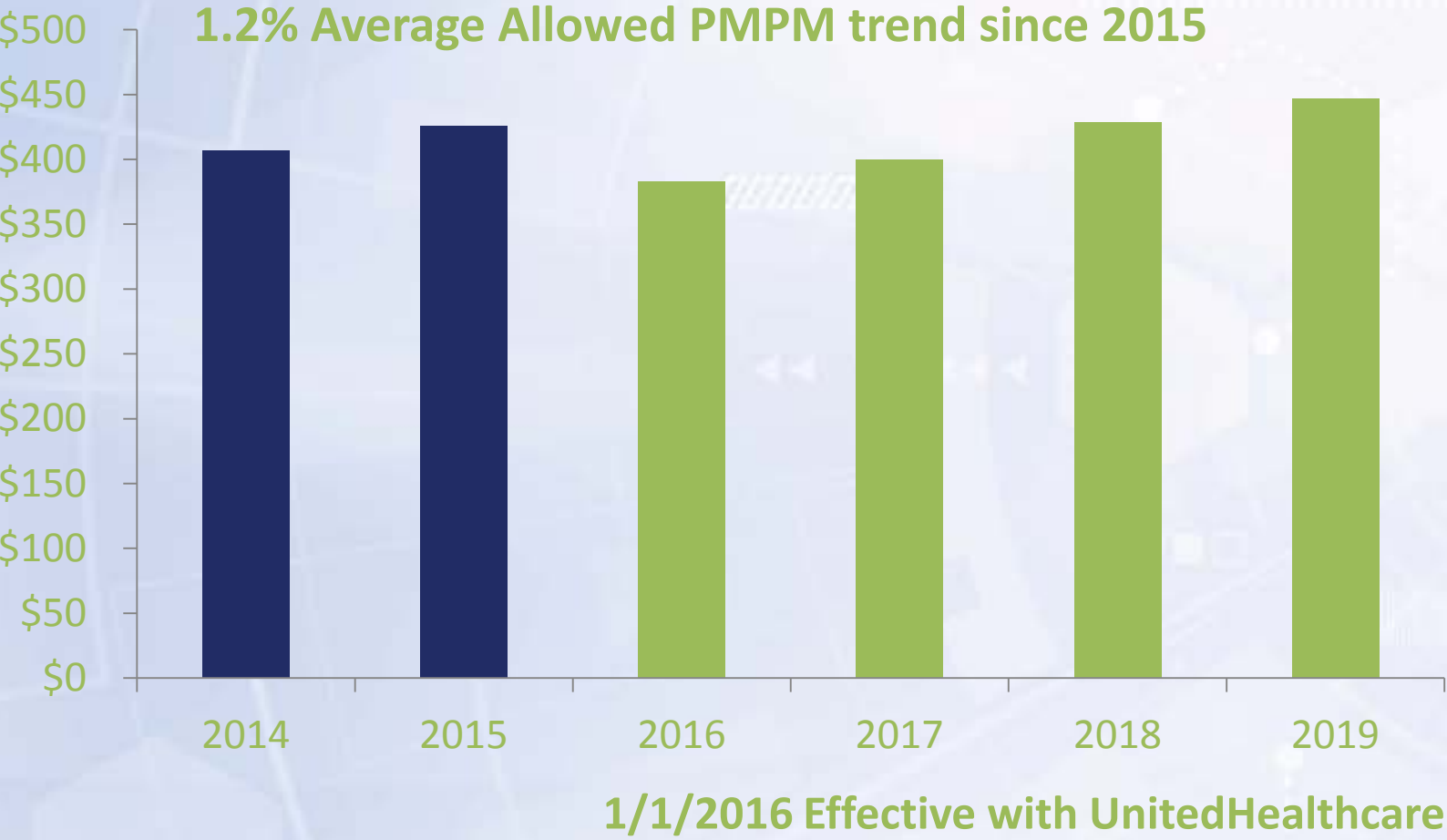
**Best in Class
Strategic Partners**

UnitedHealthcare: Single Medical Plan Administration

- Preferred pricing, credits and performance guarantees
- Vendor management and administrative oversight
- Exclusive access to innovative programs and solutions
- BHCG-dedicated/enhanced customer service and designated clinical team
 - Regionally based, single point of contact



Business Health Care Group Historical Results

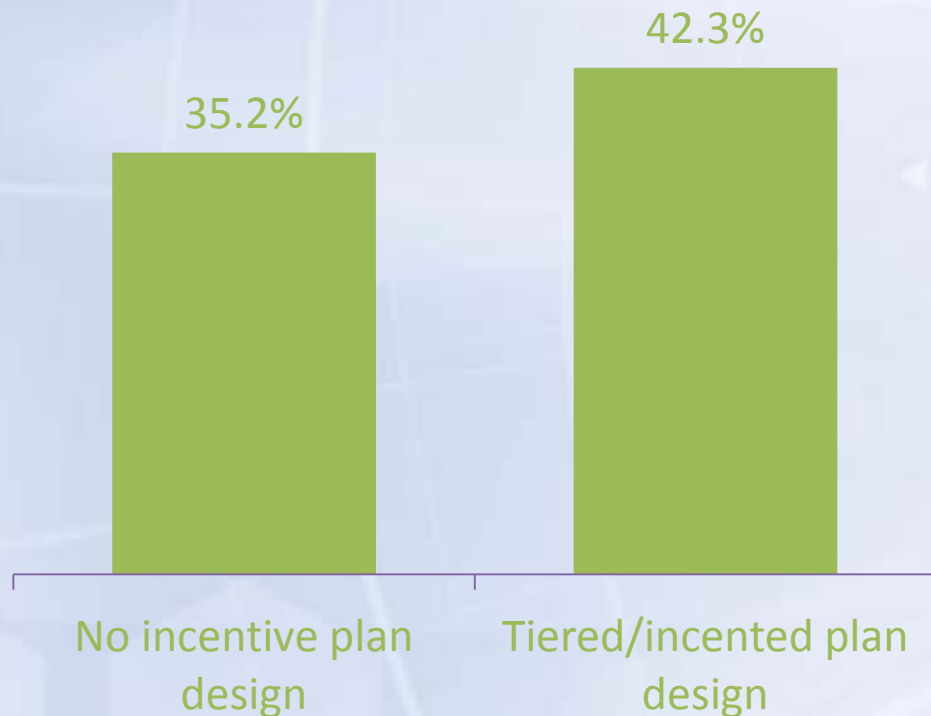


Notes:
Source: Third-party validation of Total ASO Group PMPMs. Core ASO Group trends calculated by Humana. Includes medical costs only, not pharmacy costs
*2015 estimated. Pulled from BHCG website. 2019 is estimated PMPM based on the trend through December.



Premium Utilization Employer Utilization

Employers with a plan design that supports greater use of Premium Physicians have higher utilization



Improve to 50.0%

\$6.9 Million

Annual savings if each BHCG group achieved at least 50.0% Premium Care Utilization

Premium Utilization
Employer Utilization

Estimated savings based on existing BHCG customers' Covered claims incurred and paid through December 2018 with estimated completion, based on BHCG's historical completion.



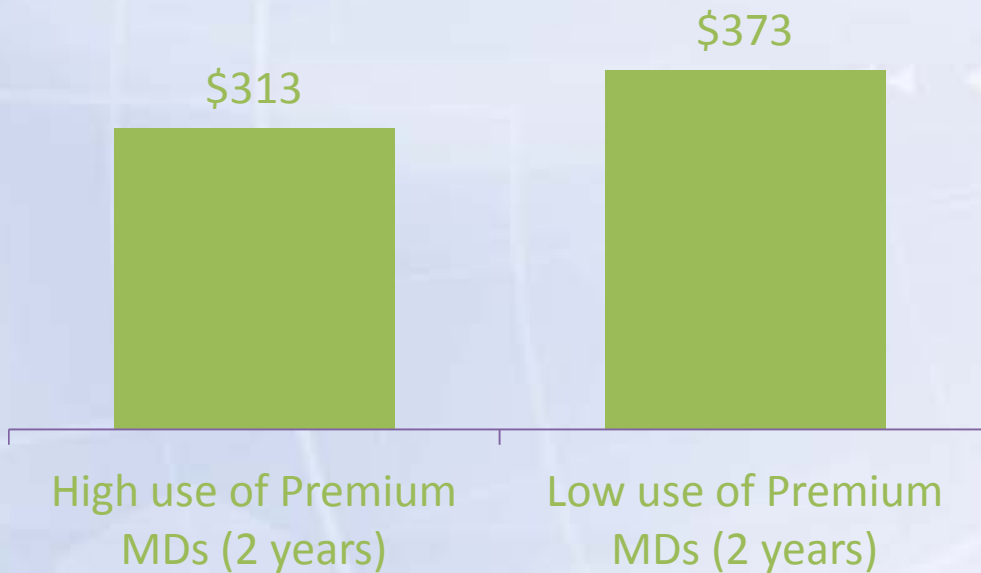
Premium Utilization

Member Utilization

Members with consecutive years of either:

- 'high use of Premium MDs' ($\geq 75\%$ of Premium spend)
- 'low use of Premium MDs' ($< 75\%$ of Premium spend)

Risk adjusted PMPM



Risk adjusted PMPM

is 16% lower

45% fewer admits

55% fewer inpatient days

46% fewer E.R. visits

Premium Utilization
Member Utilization

2 Years Low = Members with less than 75% of all eligible charges for Premium Care providers in BOTH the prior period and current period

2 Year High = Members with 75% or more of all eligible charges for Premium Care providers in BOTH the prior period and current period

Analysis includes Continuously Enrolled. Prior Period = 7/2017 – 6/2018 and paid through 8/2018. Current Period = 7/2018 – 6/2019 and paid through 8/2019



Navitus Health Solutions: Pharmacy Benefit Management

- Transformative pharmacy benefit management aligned with employer needs
 - 100% pass-through of all rebates and revenue
 - Lowest net cost in the industry
- Available to BHCG member employers and as a stand-alone membership locally and nationally
- Preferred pricing/performance guarantees
 - Optional services included as standard
 - Non-restrictive and fully transparent data sharing



Navitus Health Solutions: BHCg Member Employer Results

PHARMACY SPEND - 2019 VS. 2018

- **City of Kenosha**
 - 29% Decrease
 - Savings of **\$649,389** for the year
 - **Paragon Development Systems**
 - 55% Decrease
 - Savings of **\$142,472**
 - **Masters Gallery Foods**
 - 40% Decrease
 - Savings of **\$443,428** for the year
 - **Baird***
 - 11% Decrease
 - Savings of **\$396,657**
- *Represents 2nd half of 2019 savings*



Quantum Health: Consumer Navigation & Care Coordination

- Single point of contact
- Care and medical management
- Advocacy and customer service
 - Members and providers
- Consistent real-time guidance
- BHCG preferred rate and dedicated services
- Seamless integration



Quantum Health: Proven Results Aligned with BHCG Goals

UTILIZATION CATEGORY	YEAR 1
Primary Care Visits	+7.1%
Utilizing Primary Care	+11.3%
Preventative Services	+14.2%

INCREASED UTILIZATION

Proven results – the Quantum Health model boosts member health care engagement and reduces unnecessary costs from day one



Engagement Impacts Appropriate Utilization

DECREASED WASTEFUL SPENDING

UTILIZATION CATEGORY	YEAR 1
Inpatient Admissions	- 4.8%
Inpatient Length of Stay	- 8.1%
Inpatient Days	- 12.5%
Cost of Cases > \$25K	- 5.7%

Best Doctors & Welldoc

- **Best Doctors** – premier informed decision-making
 - Improves treatment outcomes
 - Reduces unnecessary procedures and encourages consumerism
 - Enhanced core offerings for BHCg member employers
 - Utilized by 10 BHCg member employers
- **Welldoc** – personalized diabetes management
 - Clinically validated digital therapeutic
 - Delivers measurable clinical and financial results
 - Pilot program
 - Kohler Co. & Sendik's Food Markets





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Physician Value Study

Rand Study

BHCG/WHIO/GNS Physician Value Study

- Evaluating the quality and cost effectiveness of Wisconsin physicians
 - Support from Greater Milwaukee Business Foundation on Health
- GNS Healthcare uses AI learning processes for health care
- Claims data through Wisconsin Health Information Organization (WHIO)
- Goals
 - Support health system performance improvement
 - Inform employer benefit plan design
 - Better health care decision-making; steerage to high value providers



Physician Value Study: Starting the Journey

- Presented results to WHIO Board & BHCG Executive Steering Committee (September '19)
- Presentations to key health care analytics leaders (Milwaukee/Madison - November '19); Wisconsin Hospital Assn., Wisconsin Manufacturers & Commerce; Wisconsin Medical Society
 - Shared results thus far
 - Open dialogue session; gathered input
- Presentations to executive health care leaders and media (Milwaukee/Madison/Wausau – December '19)
 - Shared methodology and high-level results
 - Gathered input, answered questions, took suggestions



Rand Study

- National hospital price transparency report (25 states, 1,600 hospitals)
 - Prices paid to hospitals for privately insured patients averaged 241% of what Medicare would have paid
 - Wide variation in prices among states
- BHCG is significant data contributor for 3.0 study
- The Alliance is also significant data contributor for 3.0 study
- Rand presenting at the BHCG Delivering Value Series in May





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WHIO: Overview

Physician Value Study: Results

Networking & Exhibit Break

*Physician Value Study:
Health System Perspective
BHCG Strategic Plan*



**WISCONSIN HEALTH
INFORMATION ORGANIZATION**

Improving Health and Health Care Delivery

BHCG Annual Meeting
January 28, 20200

Dana Richardson
Chief Executive Officer
Dana.Richardson@whio.org
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BETTER INFORMATION. BETTER DECISIONS.

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MISSION: To improve the quality, safety and cost efficiency of health care in Wisconsin.

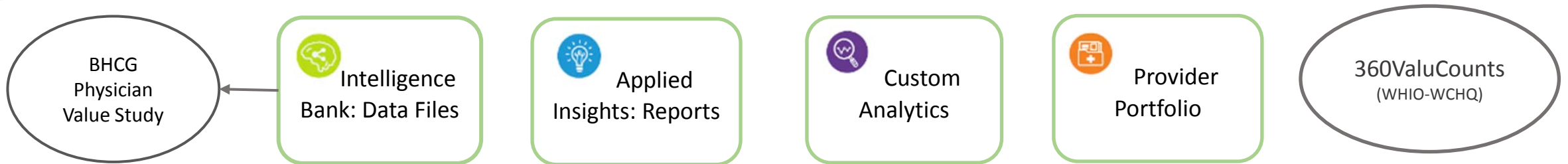
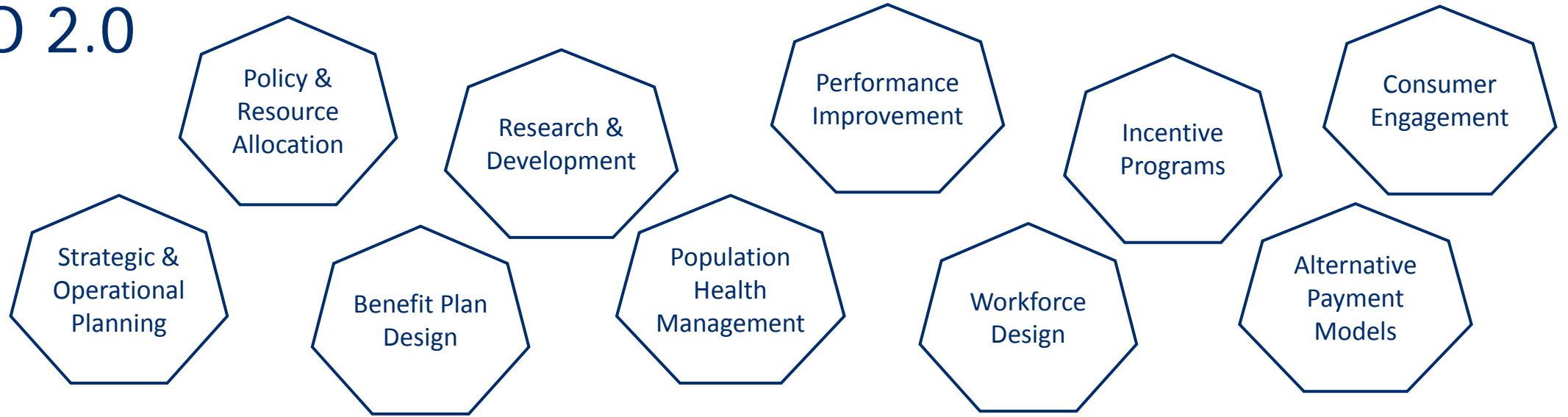
Voluntary, statewide, public-private collaboration governed by a **multi-stakeholder Board of Directors** with representatives from State agencies, providers, payers and purchasers.

WHIO provides unbiased data and information to policy makers, government agencies, health plans, employers, health systems, hospitals, clinics, nursing homes, associations, researchers, consultants, consumers and others.

- **Settings:** inpatient, emergency department, ambulatory surgery center, clinic, nursing home, home health, hospice
- **Services:** laboratory, radiology, durable medical equipment, pharmacy
- **Professionals:** physicians, nurse practitioners, physician assistants, psychologist, OT/PT/ST, chiropractors, etc.

Largest data source in WI, spanning the continuum of care, with about **4.2 Million covered lives \$100B in charges.**

WHIO 2.0



Big Data Technology
 - Ability to integrate multiple data types - Patient/member level longitudinal record

Expertise
 health care industry, performance improvement, product development, business intelligence,
 data science, analytics, measurement, reporting, data quality & big data technology



Intelligence Bank

Give Me The Data

- **Standard Integrated Data (SID)**
 - Essential data elements; patient-and provider-matched; de-identified
 - Short lag time; Smaller file size
 - Each release includes ability to integrate with prior releases, allowing you to build a longitudinal data set over time
 - Commercial, Medicare Advantage, Medicaid
- **Enhanced Data (ED)**
 - Essential data elements; patient-and provider-matched; de-identified
 - Plus episode grouping, episode risk and normalized pricing
 - Replacement files; each release is 24 months
 - Commercial, Medicare Advantage

EMPI-generated Member ID	EMPI-generated Member ID	EMPI-generated Member ID
Gender Code	Servicing Provider NPI	Pharmacy ID
Birth year	Billing Provider NPI	Prescribing Provider NPI
Member State Code	Quantity of Services	Metric Quantity
Member 3-digit Zip Code	Place of Service Code	Days Supply
Member County	ICD Admission Diagnosis Code	National Drug Code (NDC)
Member Relationship to Subscriber	ICD Diagnosis Code #1 thru #10	Requested Amount
Effective Date	Present on Admission Indicator #1 thru #10	Prescription Filled Date
End Date	ICD Procedure Code #1 thru #6	Coverage Class Code
Pharmacy Benefit Flag	Procedure Code	Claim Header ID
Product Type	Procedure Code Modifier 1 thru 4	Claim Line ID
Contract Type Code	Revenue Code	Denied Flag
	Type of Bill Code	Secondary Payer Flag
	Discharge Status Code	
	Requested Amount	
	Service Date	
	Payment/Process Date	
	From Date	
	To Date	
	Coverage Class	
	Claim Header ID	
	Claim Line ID	
	Denied Flag	
	Secondary Payer Flag	



Applied Insights: Provider Reports

Show Me the Way

- Secure, Web-based access to pre-built reports designed for management and non-analysts
- WHIO provides the data AND the analytics



Key Performance Indicators

Examine important utilization metrics focused on inpatient care, emergency department services, advanced imaging and professional services in a comprehensive view with your organization's performance compared to Wisconsin benchmarks.

Market Share

Choose a geographic boundary and identify the distribution of services by health care providers in that area. See volume by patient count or total charges for inpatient and ambulatory care treatments.

Outmigration Patterns

View the care location patterns of your primary care physician's patients, including care received outside of your organization. Alternatively, examine the degree to which your organization is capturing the full spectrum of care provided for high interest surgical procedures.

Pharmacy Utilization

Deep dive into WHIO's pharmacy information to compare your organization's performance against Wisconsin benchmarks for medication use and charges. This report also includes information on high cost medication use associated with select diagnoses.

Potentially Avoidable Care

Identify your organization's rates versus Wisconsin benchmarks for potentially avoidable care such as medical imaging and conditions for which treatment alternatives exist.

Physician Opioid Prescribing Coming Soon

Population Analyzer

Leverage pre-built, state-wide populations to create your own de-identified record sets for analysis in your technical environment. High interest populations include diabetes, chronic obstructive pulmonary disease, hypertension, asthma, oncology and opioid abuse.



Why WHIO data was used for this study

- Sufficient **volume** to benchmark physicians across the entire state
- **Breadth** of information including care provided by primary care & specialty physicians
- Capable of **evaluating quality & cost** simultaneously
 - Clinical quality (e.g., process of care measures)
 - Outcomes (e.g., readmissions)
 - Cost (e.g., resources use to obtain the results of care)
- Enhancements that facilitate analysis and **standardize results**
 - Evidence-based measures
 - Risk adjusted, episodes of care
 - Normalized price

How to obtain the study results

- Providers with physicians in the study: WHIO will contact you
 - Your results will be available through WHIO's Applied Insights report portal in February 2020
 - Agreement or agreement update
 - Fee
- Health plans who contribute data to WHIO: WHIO will contact you
 - Results will be available through WHIO's Applied Insights report portal at a future date
 - Agreement update
 - Fee
- Others who are not BHCG members: Contact WHIO
- Employers who are BHCG member: Contact Jeff Kluever

Physician leader perspectives on the GNS-BHCG study

Paul S. Mueller, MD

Regional Vice President, Mayo Clinic Health System

Professor of Medicine and Biomedical Ethics

Disclosure



What we all want

- **Value**

- High quality and safety
- Low cost
- Outstanding patient experience
- Cutting-edge
- Convenient

The US healthcare system

- Volume versus value
- Changing environment
 - ACOs
 - Narrow networks (limited patient choice)
 - Risk-based contracts
 - Penalties
 - Other

Evaluating physicians for value

- Until now, difficult and cumbersome

How physician performance is assessed (if done)

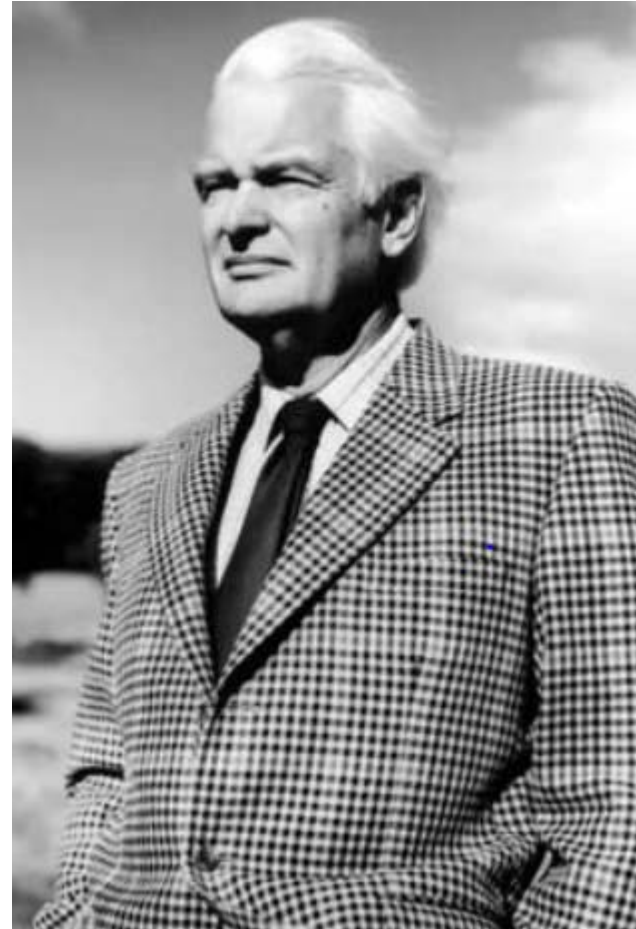
- Clinical productivity (e.g., outpatient visits, revenue)
- Fulfill CME and MOC requirements
- Patient experience
- Academic productivity (e.g., publications)
- More recent: professionalism; adherence to best practices advisories and quality measures

Challenges associated with assessing physician performance

- Assembling a meaningful portfolio is cumbersome
- What is the best measure for value?
- Physicians *always* question the data
 - “I see the most difficult patients...”
 - Confidence intervals
 - Unmeasured confounders
- Rewarding high performers and addressing low performers
 - Can be done
 - Transparency can be very helpful

Accountability of physicians

- Physicians generally are altruistic
- They are also competitive
- Can't leave to chance alone
- “People do what you inspect, not what you expect.”
- Failure to inspect sends conflicting messages
- Personal experience: dramatic change in behavior is possible



Other challenges

- The promise of the EHR has not been realized
- Compensation and reimbursement structures drive physician and system behaviors
 - Mayo's well-known salary culture does not apply to our health system
 - Surgical and procedural service lines
- There is a physician shortage (and it's growing)
 - Recruiting and retention

Opportunities associated with the GNS-BHCG performance study data

- Means of assessing physician performance regarding value
- Would compliment, not replace, currently-used performance data
 - Caveats
- Formative (and perhaps summative) feedback
 - Performance improvement plans
 - Reward exemplars
 - Link with licensure and MOC?
- Ultimately, better patient care

Opportunities associated with the GNS-BHCG performance study data

- Data more relevant as health systems and reimbursement structure pivot from volume to value
 - ACOs
- Medical education
- Generate hypotheses for research

Caveats

- Treatment and technological imperatives
 - Physicians tend to treat (“just do something”)
 - Physicians avidly use the latest technologies
- What to do about novel treatments and technologies?
 - Biological agents
 - Proton beam
 - Devices
 - Genomics

Conclusions

mueller.pauls@mayo.edu

Employer Perspective: Study Summary

- Three key questions employers wanted answered:
 - *Is there enough difference between physicians to support efforts to direct patients to higher value providers? **Answer: YES***
 - *What is the savings potential to steering to higher value providers? **Initial results: primary care: 30%; select specialty care: 15%***
 - *How do we capture this value improvement? **Answers:***
 - **Collaborative efforts with WI health systems – we need more high value providers**
 - **Plan design and operational incentives in employer plans – to make change worth it**
 - **Push towards pay for value approaches – to create complete alignment**
- Other observations:
 - Data matters – and we need better access and improved efforts from claims payers and other providers of data
 - This will be the start of a process requiring continuing efforts from multiple parties and stakeholders with employers having a clear voice

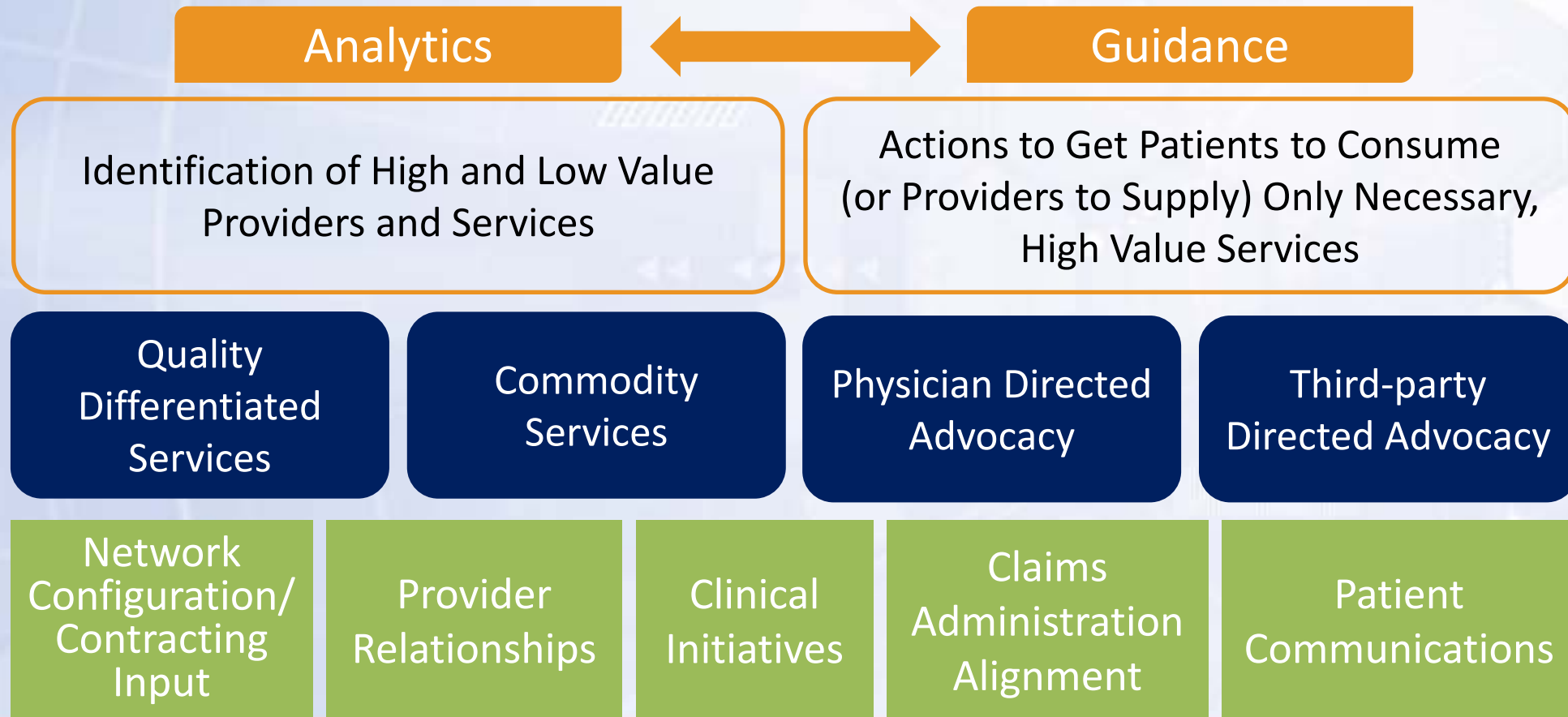


Strategic Plan



Alignment with Strategic Plan

Continuous Measurement and Refinement (BHCG and/or marketplace driven)





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Panel Discussion

Panel Discussion : Employer/Health System-Provider/GNS/WHIO

MODERATOR: Dave Osterndorf

BHCG Strategic Consultant, Partner & Chief Actuary, Health Exchange Resources

PANELISTS:

Janet Lucas-Taylor

Senior Director Employee Benefits, Northwestern Mutual

Paul Mueller, MD

Regional Vice President – Southwest Wisconsin, Mayo Clinic Health System

Asvin Srinivasan

Senior Director, GNS Healthcare

Dana Richardson

Chief Executive Officer, WHIO





Leading Change, Creating Value Award

Presenters:

Cara Olson –
Sendik's Food Markets

Tina Kowalczyk –
Schreiber Foods

Leading Change, Creating Value Award

**Congratulations to WHIO
members contributing data:**



**WISCONSIN HEALTH
INFORMATION ORGANIZATION**

BETTER INFORMATION. BETTER DECISIONS.



WHIO Data Contributors Recognized

- **Dean Health Plan**
- **Group Health Cooperative of Eau Claire**
- **Group Health Cooperative of South Central Wisconsin**
- **HealthPartners**
- **Medical Associates Clinic Health Plan of WI**
- **MercyCare Health Plans**
- **Navitus Health Solutions**
- **Network Health Plan**
- **NueGen, LLC**
- **Quartz Benefits**
- **Security Health Plan**
- **The Alliance**
- **UnitedHealthcare of Wisconsin**
- **WI Dept. of Employee Trust Funds**
- **WI Dept. of Health Services**
- **WPS Health Insurance**



WHIO Data Submission: Critical to Creating Value



- WHIO data set is strengthened with higher volume of data
- Encourage other payers in WI to submit data
- BHCG member employer data submission
- Non-BHCG member employer data submission





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Recognition:

BHCG Leadership

Executive Steering Committee

- **Candace Arentz,**
ManpowerGroup
- **Linda Bloomer,**
Bemis Manufacturing
- **Teri Carpenter,**
Rockwell Automation
- **Bethany Keller,**
Kohl's Department Stores
- **Tina Kowalczyk,**
Schreiber Foods
- **Janet Lucas-Taylor,**
Northwestern Mutual
- **Lisa Mrozinski,**
Baird
- **Cara Olson,**
Sendik's Food Markets
- **Dennis Salentine,**
BMO Financial Group
- **James Sheeran,**
Molson Coors Beverage Company
- **Ellen Vebber,**
Briggs & Stratton
- **Daniel Velicer,**
Kohler Co.
- **Sonya Vollmer,**
Charter Manufacturing



Join Us!

- A growing portfolio of employer solutions
- Significant support from member employers
- Active involvement of employer representatives drives BHCG success
- Community initiative
- Alignment with stakeholders



Thank You!

Hope to see you at upcoming BHCG Delivering Value Series symposiums:

May	Rand Study
June	BHCG Best in Class Strategic Partners
July	Health Insurance Options for Part-Time or Low-Income Employees
August	Opioid Crisis
September	Hot Topics in Benefits Law

Please watch for more information coming soon!

