BHCG BUSINESS HEALTH CARE GROUP

Leading change. Creating value.

No One Employer

The Power of Alliance to Improve Health Care Value for **All**

Employers are acutely aware change is needed in our health care system – for they and their health plan members bear the burden of ever-increasing health care costs.

According to numerous studies[1] completed by national and regional research organizations, this is especially true in Wisconsin. For example, when considering both professional and hospital fees relative to Medicare, Wisconsin has some of the highest health care costs in the nation – with no clear correlation to quality.

How can we compete?

Historically, Wisconsin has been a great place to do business. However, rising health care costs have had a negative impact on recruitment and retention – currently top of mind issues for all employers. Health care coverage is a must-have commodity for employers competing for labor nationwide in a very tight market.

Employers just can't continue to push more and more health care costs (which have been outpacing both inflation and wage growth[2]) on employees who are paying an ever-increasing percentage of their income for health care coverage. When employee cost share becomes unaffordable, many of the insured really become the under-insured. As a result, needed health care services are deferred, impacting long-term health and productivity – and yes, increasing costs.

Win at the recruitment & retention game

Any sustainable solution must increase health care value, both quality and cost. Employers that embrace new strategies for health care and drive change that benefits both them and their plan members, come out ahead in the recruitment and retention game.

Responsible corporate citizenship – why employers must take the lead

According to Kaiser Family Foundation[3] data, about 158 million Americans receive health care coverage (both self-funded and fully insured) through employers – the largest single source of coverage. Whether employers appreciate their own power or not, health care providers surely do, for most of their bottom line comes from revenue received through employer-based coverage.

If there is one thing employers have learned over the last couple of decades, it's that health care is local – requiring local solutions. When local employers exercise their influence directly – without a middleman (read insurance company), local health care providers listen and engage. However, no one employer, regardless of size, can raise the value of health care delivered in the region. Employers must work collectively for effective change to raise the boats of all stakeholders.

The power of the collective employer voice

A coalition of employers acting together and speaking with one voice has the leverage and political "cover" to move the market toward the better, more sustainable health care system they (and their employees, dependents and the community) want to see. They can more effectively work with providers, health plans and other strategic partners to address pressing issues such as significant differences in cost-effectiveness not linked to measurable differences in quality, medical homelessness and the misalignment of incentives in provider payment models.

> " BHCG membership puts employers at the forefront of strategies that make a real difference – such as utilizing advanced data analytics to collaborate with health systems to increase health care value."
>
> *– Baird Chairman, President and CEO* **Steven Booth**

A prime example is the BHCG-commissioned GNS Healthcare Physician Value Studies[4] that identify how and where the best care is provided throughout the state of Wisconsin.

Says BHCG Executive Director Jeff Kluever, "This is among the most important initiatives BHCG has ever undertaken. Now health systems and provider groups have access to actionable data that will allow them to target physician performance improvement efforts for the benefit of all employers and other health care stakeholders."

Reimagining health care

Since 2003, the Business Health Care Group (BHCG) has been leveraging its purchasing power on behalf of the business community to create a powerful alliance of employers of all sizes to successfully drive health care change. BHCG has sought and secured partnerships at preferred rates and terms with best in class strategic partners in:

- Network development and claims administration
- Pharmacy benefit management
- Benefit analytics
- Consumer navigation and care coordination
- Informed decision-making.

The culmination of BHCG employer collaboration has resulted in the development of the first high-performance, primary care-centered health plan solution in Wisconsin (effective January 1, 2022) designed to transform the market. BHCG has partnered with innovative health plan developer and administrator, Centivo, to develop a high-performance health plan solution using the physician performance data produced by the GNS Healthcare Physician Value Studies.

Changing the system, improving care

The new plan is designed to give employers a stronger, more direct voice with health systems and provider groups to go beyond a focus on costs to actually change the system to create long-term value. Not only does the plan identify how and where the best care is delivered, it motivates patients to consume (and providers to supply) only necessary, high value services.

Says Dave Osterndorf, BHCG strategic consultant and Centivo chief actuary, "We have enough robust data to assess care value down to the physician level to give us practical insights into the marketplace and create opportunities for continuous improvements and unique payment models that align with employer objectives."

Explains Kluever, "The high-performance plan will deliver high quality, affordable health care by fostering more effective relationships between patients and providers to guide plan members to get the right treatment at the right time – letting them know their employer cares about the value of the care they receive. It represents a shared strategy honed by experience and knowledge and a turnkey administrative structure for member employers."

HOW DOES THE HIGH-PERFORMANCE PLAN WORK?

- Members are required to choose a high-performing primary care physician (PCP)
- Specialist referrals are guided by a PCP armed with data to direct patients to high-performing specialists

THE RESULT?

A much better health plan member experience, guided by a trusted PCP to help consumers navigate the complex health care world.

"Because of the power of our collaboration and collective support of our member employers and their c-suites, we have been able to develop a transparent, data-driven health plan solution custom-built for employers to help their members receive high value health care – something a single employer would not have the capability, resources or time to do on their own."

– **Jeff Kluever,** *Executive Director,* Business Health Care Group

"The Business Health Care Group provides the business community an avenue to come together and have a voice with providers, administrators and other health care vendors to continue to improve the quality of the health care in our community. As a member employer, we have access to networking and educational opportunities that have strengthened my understanding of employee benefits and helped me throughout my career."

– **Janet Lucas-Taylor,** *Senior Director Employee Benefits,* Northwestern Mutual

Join us!

For more information, contact BHCG Executive Director Jeff Kluever at **262-875-3312 ext. 1** or **jkluever@BHCGWI.org**

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[1] *BHCG-GNS Healthcare ("Physician Value Studies"); RAND 4.0 ("Nationwide Evaluation of Health Care Prices Paid by Private Health Plans"); National Academy for State Health Policy ("Hospital Cost Tool")*

[2] *Kaiser Family Foundation ("2021 Employer Health Benefits")*

[3] *Kaiser Family Foundation ("Health Insurance Coverage of the Total Population")*

[4] *"Business Health Care Group of Wisconsin Partners with GNS Healthcare to Improve Value of Care Across State," Wisconsin Health News, May 30, 2019*

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BHCG Member Employers:

- 5 Point Fabrication
- AFSCME Council 31
- All City Towing MKE
- American Roller Company
- American Transmission Company
- Andrew Motors
- A. O. Smith Corporation
- Baird
- Badger Alloys, Inc.
- Bemis Manufacturing Company
- BMO Financial Group
- The Boucher Group, Inc.
- The Brewer Company, LLC
- Burton & Mayer, Inc.
- Centers For Independence, Inc.
- Centivo
- Charter Manufacturing Company, Inc.
- Chortek LLP
- CH Coakley
- City of Kenosha
- Direct Supply, Inc.
- Edge Electric of Wisconsin
- Evergreen Retirement Community, Inc.
- FAIT Distribution
- Food For Health
- GE HealthCare
- Guardian Life Insurance Company
- Hein Electric Supply Company
- Holz Motors, Inc.
- HPS/PayMedix
- Kewaunee County Wisconsin
- Kohler Co., Inc.
- Kohler Energy
- Kohler School District
- Kohl's, Inc.
- Lake Country School District
- Masters Gallery Foods, Inc.
- Merton Community School District
- Mortgage Guaranty Insurance Corporation
- North Shore Healthcare LLC
- Northwestern Mutual
- Oak Creek-Franklin Joint School District
- O&H Danish Bakery
- Olympus Group
- Perlick Corporation
- Plymouth School District
- ProMach
- Quick Cable Corporation
- Richmond School District
- Rockwell Automation, Inc.
- Sargento
- School District of New Berlin
- School District of Oakfield
- Sendik's Food Market
- Sprecher Brewing Company
- SteelWind Industries, Inc.
- Stein Garden Centers, Inc.
- Stone Bank School District
- Swallow School District
- ThermTech, Inc.
- Uptown Motors
- Vermeer Wisconsin
- Waterford Graded School District
- Wellness Council of Wisconsin

"Health care is critical to all aspects of an employer's business and strategic direction. The value of employers collaborating to effect positive change in this vital area cannot be overstated."

– **Daniel Cahalane,** *President & CEO,* American Roller Company

"Moving costs to the employee is not really an option, given the current recruitment and retention environment. When we work together to find solutions to improve health care costs and better outcomes for our employees, we all benefit."

– **Aldo Bonfiglio,** *Vice President,* Boucher Automotive Group

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– **Steven Booth,** *Chairman, President & CEO,* Baird