



WHN Updates*

Published Friday, September 14, 2012

On the Record with Dianne Kiehl, Executive Director, Business Health Care Group

As the executive director of the Business Health Care Group, Dianne Kiehl serves as the health care voice for nearly 1,200 employers and employer groups in southeastern Wisconsin.

In a recent interview with Wisconsin Health News, Kiehl talked about the area's rapidly changing health care market, the increasing prevalence of wellness programs, and what Aurora Health Care's new insurer partnerships mean for her organization.

WHN: What health care issues most concern your members?

DK: Cost containment, obviously, and how to engage consumers. [They are also concerned with] how to improve the general health of their employees, because it affects their productivity. The bottom line is they are concerned about their ability to continue to offer affordable health care coverage to their employees. In general, they see the connection between health care and the economic viability of the region.

WHN: Do your members view the federal health reform law as something that will help them tackle these issues? Or make it worse?

DK: It's really hard to make a blanket statement on whether the law was good or bad. Obviously it has driven some things that are positive. Through CMS, it's driving the provider community to look at how to change health care delivery. It depends on the size of the employer on how they look at it. There's a lot more protection on the small employer side. It offers opportunities, but it also offers challenges. In some cases it might offer both.

WHN: How many of your members have implemented wellness programs?

DK: Pretty much all of our employers have access to a wellness program. The growth in wellness has really been over the past two to three years. They have gone from being pretty minimal programs to much more sophisticated. There's a lot more focus and a lot more expectation from the employees.

WHN: What would you attribute that to?

DK: It's finally clicked that the cheapest claim is no claim. If you can keep healthy employees in the healthy zone and maintain their low risk factor, and if you have people with risk factors that you can improve and shift them into a different bucket, there is a direct linkage to the cost of health care. It's very well documented. A healthy workforce is a productive workforce.

WHN: In 2011, self-funded member employers in the Business Health Care Group experienced a 6.2-percent increase in employee medical costs, lower than the overall southeast Wisconsin market trend. What's driving that?

DK: There's been a lot of effort on behalf of employers and providers to make progress in slowing health care costs in general across our market. There are several reasons why we continue to outperform the market. Our group is committed to having a unified voice. That's helpful, so that we send a consistent message. Our group is actively working on engaging consumers by providing them with tools on cost and quality and support programs to assist them in making better health care decisions. Benefits are being designed according to best practices that allow consumers to make the proper choices so that they have some skin in the game. The wellness programs are helping with that trend. We are very focused on

prevention. Our employers have made a major push on improving prevention screenings, and promoting having a primary care physician who is a key part of the team. If you have a primary care physician you have someone you can work with, instead of using the health care system in a haphazard way. And, we work with our administrative partner Humana to continue to develop programs that address problem areas. And that supports consumer engagement. It's important to note that over the six years we've offered in the market, our cost increases have averaged 2.3 percent annually. That's way below the market average of 8 to 10 percent.

WHN: A recent study from HC Trends found that Milwaukee-area health plan costs increased by an average of 5 to 7 percent in 2012, their slowest pace in at least a decade. Do you think this slowing of costs will continue?

DK: There are a lot of things that are working to do that. Trends tend to be cyclical. We had some very low trend years in early 2000. In general, the provider communities are focusing on efficiency and effectiveness. They are being pushed by CMS. Along with consumer engagement, benefit designs and programs that employers offer, are the most likely reasons for the current trends. And then I think we are lucky in Wisconsin to have a lot of statewide initiatives and organizations that are working with the provider community and with information to drive improvement. There are so many activities that are being done to help drive and support health care value. The focus on payment methodologies that support outcomes versus units of care will continue to have an impact. But we can't take our foot off the pedal. We still need to work on driving accountability across the spectrum.

WHN: Aurora recently announced new arrangements with Anthem and Aetna that guarantee specified savings for employers that switch over to their plan. Overall, what do you think of these emerging partnerships?

DK: It's good for health care. It increases competition if done right. The provider is the closest to the patient, the consumer. We are not against it. It keeps the provider focused on what's important - on having good practices and good outcomes.

WHN: Do you think the area will continue to see similar arrangements?

DK: I do. It's a national trend. I don't think our market will be exempt.

WHN: What do the Aurora partnerships mean for the Business Health Care Group? Do you anticipate losing members?

DK: It's so early in the process. That might be attractive to certain employers. Obviously, we are closely monitoring how that type of approach would fit in the employer strategy at large. What we do know is that, to date, we think they will instill good outcomes and encourage providers to be more engaged which will only produce better outcomes. We do know our strategy has worked. Our costs are below those of the southeastern Wisconsin market. We are going to continue to work together to respond to those market changes. And obviously we'll try to capitalize on anything that is good for our membership. We think it's good for the business community to be engaged. It's a major line item for them.

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