



Wichita Business Coalition on Health Care

Newsletter

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www.WBCHC.com

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From the Executive Director

Bridging cost and quality is key

The Wichita Business Coalition on Health Care has been organized by leading employers, health care providers and other stakeholders who recognize the need to address health care issues in our region in a substantially new way. Fundamentally, this effort is about reducing the cost of health care to the region's employers.

To date, most strategies pursued by employers are cost-reduction strategies either through attempts to reduce demand for health services among their employees, or to negotiate with the health plans on the basis of price and network. The efforts to reduce demand include wellness and prevention initiatives as well as instituting various cost-shifting strategies in an attempt to have employees bear more of the cost burden for their health care choices.

While some of these efforts, including corporate wellness programs, are showing promising results in managing costs for some employers, overall health care costs continue to rise every year at a rate faster than inflation. In addition, while cost and demand-reduction strategies are important, it is critical that quality of care be included in these strategies to avoid unintended consequences.

Cost-shifting strategies must not result in delaying needed care or making appropriate care too expensive. Near-term gains quickly can be overwhelmed by the long-term cost of delaying or avoiding necessary care.



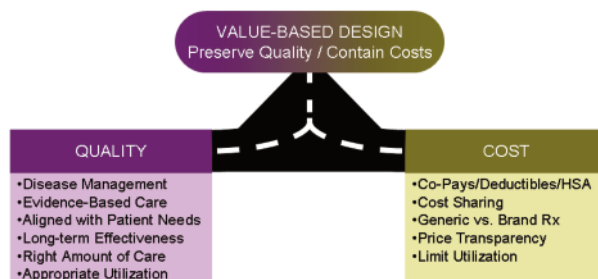
This bridging of cost and quality strategies is not easy for most employers. Health care is exceedingly complex and quality of care is assumed to be in the realm of doctors and hospitals. In order to create sustainable change in health care costs that also produces the best outcomes for patients, benefits design should address both reducing inappropriate utilization and maximizing health outcomes. This creates the best "value" for purchasers of health care. This "value-based" benefit design is the bridge between cost and quality strategies.

Employers in Wichita could benefit from strategies and tools that help them design and implement benefits that are "value-based." Such strategies and tools should be developed through an approach that in-

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VALUE-BASED BENEFIT DESIGN

The Bridge Between Quality and Cost in the Design of Health Care Benefits



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CALENDAR

Jan. 12, 2009 -- at the University of Kansas
School of Medicine-Wichita
Feb. 9 at KU
March 9 at KU
April 13 at KU

All board meetings begin at
4 p.m. For latest listings,
visit www.WBCHC.com

Spotlight on...

The Alliance (Madison, Wis.)

Highlighting successful and innovative coalitions around the country

WHO THEY ARE

The Alliance moves health care forward by controlling costs, improving quality and engaging individuals in their health. An employer-owned, not-for-profit cooperative, the group's 160 members cover more than 83,000 individuals in southern Wisconsin and neighboring counties in Iowa and Illinois.

WHAT THEY DO

As a cooperative of employers, The Alliance is in a unique position to help members learn from one another about successful health care strategies and to provide timely and locally relevant information and tools to help employers manage costs while improving employee health.

- Maintains a large PPO network
- Measures and reports on cost and quality
- Established a performance-based reimbursement model
- Processed 783,605 claims last year

KEY PROGRAMS AND INITIATIVES

• In 2008, The Alliance took action on the results of **Project 360**, fully exploring the insights uncovered by this unprecedented market re-

THE ALLIANCE
Employers moving health care forward



search and member survey. Using this important data, we were able to begin new initiatives as well plan for those that will increase member value and create a vibrant new future for our cooperative.

• We expanded upon our **Performance-Based Reimbursement** models, which reward providers for high-quality care. When patients are given the right treatment the first time, employees and employers

win in the form of lower health claims and healthier outcomes. In the past year, we have expanded performance-based-reimbursement so that now 60 percent of

all charges incurred by Alliance members fall under a contract with incentives for better value care.

• We continued our work toward raising awareness of quality and cost differences with a more robust version of **QualityCounts™**. The report was expanded greatly, from three areas of care to 15, and includes a number of new measures, as well as more information for consumers.

LEARN MORE: Visit the group online at www.the-alliance.org

Our strategic priorities

The Wichita Business Coalition on Health Care will focus on the following priorities:

- **Framework for Common Understanding and Improvement** – developing common understanding and common language among the members of the Coalition
- **Utilization** – understanding and addressing regional variations and implications for cost, quality and value
- **Transparency** – understanding the basis and drivers of both cost and quality
- **Disease Management/Risk Identification** – understanding and addressing specific health issues among employees, including wellness, prevention, early identification, and chronic disease management.
- **Value-Based Benefit Design and Purchasing** – increasing accountability better aligning incentives for each component of the health system (patient, employer & provider)
- **Infrastructure and Participation** – the Coalition will also focus on expanding participation and funding to support a strong and sustainable organization which can accomplish the vision and mission.

Valued-based, cont'd.


Continued from Page 1

cludes employers, health plans and providers in productive dialogue and collaborative planning.

The difference between this strategy and strategies of the past is the need for a higher level of engagement on the part of employers. We can no longer treat our health care system as some kind of black box – concentrating only on making sure we can purchase access to the box for employees. We have to work collaboratively to open the box, look at how it works (or doesn't) and together define better processes and outcomes.

“The difference between this strategy and strategies of the past is the need for a higher level of engagement on the part of employers.”

Membership in the WBCHC means you are part of the solution. This dynamic group of employers, providers and multiple other stakeholders is committed to finding ways to control costs, improve quality and help individuals make informed choices that lead to better health. We believe employers should be in control of their health care dollars and providers should be rewarded for providing high-quality, efficient health care. We can't get different results by doing the same things over and over. In 2009, let's try to be part of a different kind of conversation than we ever have had before. Maybe by approaching the problem differently we can get different (and better!) results.


Ron Whiting
Executive Director
Wichita Business Coalition on Health Care

YOUR COALITION AT WORK

Organization

We are off to a great start. The beginning of a new year is a good time to look back and see how far we've come. The Coalition isn't quite a year old and here are just some of the things we've accomplished so far:

- ✓ Incorporated
- ✓ Hired Executive Director
- ✓ Completed By-Laws
- ✓ Elected Full Board
- ✓ Filed for Recognition as 501(c)3
Currently in process with IRS
- ✓ Established Office/Infrastructure
- ✓ Branding with Logo/Identity
- ✓ Web site
- ✓ Newsletter
Mailed to Top 300 Chamber membership, all board members
- ✓ Relationships and Presentations
KHPA/Data Consortium
Health Care Roundtable
WIBA/Legislators

Membership

20 employers, **13** providers -- including physician groups, hospitals and health plans -- and **5** other stakeholders, who represent more than **50,000** employees and approximately **115,000** covered lives.

Common framework

This strategic priority lays the groundwork for effective communication among our members. Through constructive dialogue, this group builds a common foundation on which to address key health care issues.

Held two forum events in 2008

Utilization and disease management/risk identification

Data strategy and claims data analysis

The University of Kansas School of Medicine-Wichita is contributing time and expertise to overall data strategy; there is potential for leveraging additional research and grant opportunities. We are beginning the process of requesting health plan data to help us understand and address utilization and disease management issues in our community.

Data strategy group

This multi-stakeholder group provides input and discussion of data needs. Work has focused on:

- KU Partnership -- IRB Protocols
- Data Request in Process
(Health plans / Insurance Department/Kansas Health Policy Authority)

New models of care

Pilot project analysis

This multi-stakeholder group is exploring potential pilot project(s) demonstrating new models of care with a focus on the concept of patient-centered medical homes. A concept paper is in development. **Calendar:** Meets at 7:30 a.m. third Wednesday of each month at the Medical Society of Sedgwick County.

Transparency

Transparency work group

This multi-stakeholder group focuses on transparency issues, particularly in understanding the drivers of both cost and quality. Members provide input to guide focus groups and quality reporting initiatives.

Web-based aggregation of available quality data

We are working with various resources

to develop a Web-based aggregation of quality data for hospitals in this region.

Focus groups

We developed a proposal for structured interviews and a funding request. Multiple employers are ready to participate.

Calendar: Meets at 1:30 p.m. second Wednesday of each month at the Wichita Metro Chamber of Commerce.

Valued-based benefits design

Strategy for value-based benefit project

We will be seeking to use a variety of strategic tools to help employers design and implement value-based benefits. We had a presentation on eValue8, which establishes performance goals and measures quality based on leading-edge purchaser expectations. We will be engaging in specific activities to increase collaboration between purchasers and health care providers to design benefits which address both quality and cost.

Infrastructure, partnerships and relationships

Powerful partnerships

We are establishing the Coalition as an entity capable of convening multi-stakeholder groups for substantive discussions of regional health care issues. The Coalition represents the interests of regional employers on health care issues.

Lasting relationships

We are building relationships between the Coalition and other organizations, including the University of Kansas School of Medicine-Wichita, the Medical Society of Sedgwick County, the Kansas Health Policy Authority and the Kansas Health Institute.

National resources

We became members of the National Business Coalition on Health with access to its resources and tools, and connections with coalitions across the country.



Wichita Business Coalition on Health Care

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ADDRESS SERVICE REQUESTED



A Mission That Matters

The Vision of the Coalition is to achieve substantive and sustainable improvement in the value received for the health care dollars spent by the region's employers, to enhance the health of employees and their families, and to increase the quality of health care for the community.

The Coalition will engage in substantive and actionable discussions about the region's health care resources in a collaborative model involving all of the key stakeholders.

Members will identify and pursue innovative strategies to decrease health care costs and improve health care quality and efficiency.

The Coalition will help employers understand the cost drivers of health care and develop strategies to increase the value they receive from their health care expenditures.

We will increase information sharing and transparency among and between employers, health plans, physicians, hospitals, and other key stakeholders.

Members

Employers

Butler Community College
Cessna
City of Derby
City of Wichita
Commerce Bank
Conco Construction, Inc.
Elrick & Associates
Foulston Siefkin, LLP
Hawker Beechcraft Corp.
IMA of Kansas
Intrust Bank
U. of Kan. School of Medicine- Wichita
Sedgwick County
State of Kansas
Syndeo
USD 259
Wescon Products
Wichita Metro Chamber of Commerce
Wichita State University
Youthville

Providers

BlueCross BlueShield of Kansas
Coventry Health Care of Kansas
Delta Dental
Galichia Heart Hospital
Kansas Heart Hospital
Medical Society of Sedgwick County

Mid Kansas Physicians Association
Preferred Health Systems
ProviDRs Care Network WPPA
Via Christi Health System
Wesley Medical Center
West Wichita Family Physicians
Wichita Clinic

Other stakeholders

Hardman Benefit Plans, Inc.
Harrington Health
Hilb Rogal & Hobbs
Merck & Co., Inc.
Pfizer, Inc.

Join us as we move forward!

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Health Care**

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