



***New Health Insurance Option
For Businesses and Others***

Broker Presentation

May 28, 2009



Welcome & Intro

□ **Steve Healy**

- Interim President
- Cooperative Health Choices of Western Wisconsin (CHC)

□ **Linda A. Hines, ACBC**

- Interim Board Member
 - Cooperative Health Choices of Western Wisconsin (CHC)
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History of CHC

- State Laws Passed in 2003 and Expanded in 2005 Allow for Health Co-ops**
 - Wisconsin Statutes 185.99**
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History of CHC

- ❑ **Championed by State Senator Sheila Harsdorf**
 - ❑ *An organization formed by one or more person for the purpose of being a health benefit purchasing cooperative and providing health care benefits for its members.*
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Timeline of CHC

- Sen. Harsdorf and St. Croix EDC Co-Sponsored A Workshop On The Basics of Health Cooperative**
 - Friday, April 18, 2008 From 12:30 to 2 pm**
 - Attended By Just Over 100 People**
 - Bill Oemichen, President of the Wisconsin Federation of Cooperatives Presented Information on The Basics of Forming A Health Co-op**
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Timeline of CHC

- Town Hall-Type Setting
 - Conclusion: Let's Go!
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Next Steps

- Steering Committee Was Formed**
 - Benchmarking and Best Practices from Healthy Lifestyles**
 - Working Name: Cooperative Health Choices of Western WI**
 - Branded As "CHC"**
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Next Steps

- ❑ **Regional Model Adopted – 17 Counties
In Western, West Central, and
Northwest Wisconsin:**

Ashland

Barron

Bayfield

Burnett

Chippewa

Clark

Douglas

Dunn

Eau Claire

Pepin

Pierce

Polk

Price

Rusk

St. Croix

Sawyer

Washburn



Next Steps

- **Eligible Members of the CHC Co-op:
Membership shall be open to**
 - self-employed person
 - for-profit corporation
 - non-profit corporation
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Next Steps

- Eligible Members of the CHC Co-op: Membership shall be open to (cont.)**
 - **rural utility cooperative**
 - **trade or labor organization**
 - **Municipality**
 - **or any partnership located within the 17-county region**
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CHC Mission

- **Cooperative Health Choices (CHC) strives to create cost effective, meaningful health care solutions for small employers that improve the health of individuals, businesses and local economies by:**
 - **Promoting Wellness and Healthy Behaviors**
 - **Leveraging group purchasing power by combining and pooling employer groups**
 - **Negotiating with health care carriers for quality coverage**
 - **Managing vendor relationships with fiscal responsibility to ensure positive patient outcomes**
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History of Cooperatives

Cooperatives In Wisconsin

- Wisconsin Is The #2 Co-Op State In The Nation
 - Wisconsin Co-ops Report Sales of \$5.6 Billion
 - Employ over 23,000 Residents
 - Nearly \$700 Million In Wages & Benefits
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History of Cooperatives

Examples:

- ❑ Think: WESTconsin Credit Union, Cenex Harvest States, Land O' Lakes, St. Croix Electric Cooperative
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Cooperative Health Insurance

- Cooperatives Are Now Being Formed to Provide Insurance Benefits To Its Members**
 - Health Cooperatives Are Created Through Contracts With Insurers**
 - Health Cooperatives Are Viewed as a Large Group (Increased Bargaining Power and Economies of Scale)**
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Cooperative Health Insurance

- **Examples of Health Cooperatives:**
 - **Farmers Health Cooperative Of Wisconsin**
 - (Health insurance to farmers and agri-businesses)
 - **Brown County Healthy Lifestyle Co-op**
 - An Initiative Of The Green Bay Area Chamber Of Commerce
 - Expanding Its Membership Base Throughout Northeast Wisconsin
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A Successful Health Cooperative

□ **Healthy Lifestyles Cooperatives**

(Greater Green Bay Area, Brown County, and
Northeast Wisconsin)

□ **Randy Connour**

- Brown County Healthy Lifestyles Co-op
 - Executive Director
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Healthy Lifestyles Cooperative

An Effective
Small Employer Approach
To Minimizing Health
Insurance Costs



We've Learned A Lot . . .

Premium Levels are driven by a
Person's Recent Claims History

PLUS

Forecasted Claims History

SO



We've Learned A Lot . . .

**Best Chance Of Creating Change
In People That Reduces
Claims/Premium Trends?
WORKSITE Culture Change!**



We've Learned A Lot . . .

What Needs To Happen

- Healthier Lifestyles (BMI, Fitness) derived from:
- Greater Personal Accountability derived from:
- Working and Sharing Together



Who Are We?

- Stand alone entity
- Sponsored by NPRG/GB Chamber
- A health insurance cooperative under
WI Coop Care law
 - Formed two years ago
- 172 insured member companies with
3200 insured lives



Our Program

- Health Risk Assessments
 - Yearly for all covered adults
- Personal Development Plans / Coaching
 - High Deductible Insurance
 - Rate caps tied to wellness program
 - Rewards For Healthy Lifestyles
 - Medical Price Reporting
- Professional Staff / Committees To Keep Improving Performance



Three Key Stats

- Engagement above 90%
- 60% made it to Silver
- 6% improvement in risk scores

All in one year.....



Our Vision: “Community of Focus”

- Individual Responsibility
- Joining together to be effective
- Transparency
- Education and reporting that
 - motivates healthy lifestyles and
 - improves utilization decisions
- Selection of the most responsive providers
- An increasingly efficient health care system
- Resulting in:
 - Long term stability of health care costs



WHY Consumer Driven?

THE Key to Success Is:

**The Consumer
Taking Charge of Their own Health!**



Why a Three Year Commitment?

- Allows insurer to predict risk and stabilize pricing with greater certainty
- Eliminates adverse selection
- Required by Coop Care law

If you decide to opt out later, there will be a penalty of 20% of your premium for remainder of 3 year term.



What Organizations Will Benefit?

Those Willing to
ACTIVELY Promote
Healthier Lifestyle Behaviors
to Employees,
INCLUDING Required Participation
in Wellness Programming



Information, Support & Tools

- www.healthylifestylescoop.org
- Personal experiences
 - group emails
 - online forum
- Tactics for
 - Health Improvement
 - Employee Engagement
- CEO Meetings
- Champ Meetings
- Online Community Forum
- Humana web tools



Information, Support & Tools

- Understanding the “System”
 - How it works, and doesn't work
- Medical Systems Pricing
- Employer level information
 - HRA completion
 - Wellness Program engagement
- Co-op wide information
 - Claims, Health Risks



Setting the Stage for CHC

- CHC Members Sign 3-Year Agreement
 - High Deductible Health Plan with Health Savings Account (HSA)
 - First Dollar of Coverage
 - Informed and Engaged Consumer
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CHC Website

- Review information at website:
www.unitedscv.com/chchealth.htm
 - Posted Material (cont):
 - Confidential Health Questionnaire
 - Employer Checklist and Acknowledgement
 - Frequently Asked Questions - Health Savings Account
 - Frequently asked Questions - High Deductible Health Plans
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Next Steps

- Complete/Sign Employer Checklist Acknowledgment
 - Have Each Employee Complete a Confidential Health Questionnaire
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Next Steps

- Review Notice Of Privacy Practices (HIPAA)
 - Review/Sign Business Associate Contract
 - Return Above Forms to CHC

 - CHC Board Will Submit A Request For Proposals (RFP) to Major Carriers
 - Carriers Will Review Health Questionnaires & Pool of Applicants
 - Coverage starts October 1, 2009
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Brokers

- **As CHC is formed to be a purchasing cooperative of health care benefits for its members:**
 - **Act as a 'Large Group' plan**
 - **Contract with insurance brokers to help communicate and put the plan in place with members**
 - **Help to administer and work with members in a proactive manner to uphold a successful plan**
 - **Members Research Accredited Broker List**
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Role of Broker

- Brokers Play An Important Role**
 - Link Between CHC and Members**
 - Brokers Become Accredited**
 - Contract with insurance carrier chosen**
 - Commissions will be paid by insurance carrier to broker at market rates**
 - These commissions are non-negotiable**
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Role of Broker

- Actively find new members
 - Assist members with plan choices and service
 - CHC will provide administrative support
 - Actively support the goals and purpose of CHC
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Role of Broker

Health Benefits

- Plan options for members to choose from
 - Rate tables created for the range of members
 - Flexible choices for networks and other services
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Role of Broker

- **Wellness Benefits**
 - **Plan to create healthy lifestyle changes that will help success of the coop**
 - **Incentives for members to become and/or remain healthy**
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Role of Broker

- Assist with the education and marketing of the plan to prospective members**
 - CHC will help conduct consumer education meetings that you will assist with
 - Actively promote CHC ongoing**
 - Community
 - Social activities
 - Marketing
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CHC's Role

- **Support to the broker**
 - **Leads**
 - **Membership meetings**
 - **Information support**
 - **Support to the members**
 - **Promote wellness (i.e. CHAMPS) to members**
 - **Information support**
 - **Membership meetings**
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Becoming a Broker

- Must be licensed in WI
 - Must be contracted with chosen insurance carrier
 - Pay an initial fee \$250
 - Automatic membership
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Becoming a Broker

- Must meet the guidelines of CHC**
 - 12 hours of CE on CDHP every 2 years of which 3 hours are Ethics**
 - Complete Accreditation by July 15th**
 - Apply by July 1st**
 - 3 hours of CE Ethics and CDHP**
 - June 17th or July 8th**

 - E & O must be proven**
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Q & A

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- ❑ **Steve Healy For More Information**
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- ❑ **Website: www.unitedscv.com/chchealth.htm**

Thank You!
