

The Alliance Annual Report

2020



Letter from the Board Chair

Wendy Culver, Board Chair of The Alliance

Dear Members and Employees,

Since 1990, employers have been joining The Alliance to obtain High-Value Health Care for their employees. Since that time, there have been enormous changes in the health care industry, and in our region, driven by regulatory forces and natural market evolution. In response to those changes, and as the voice of more than 275 self-funded employers who want more control over their costs, the brand positioning of The Alliance has shifted to better align with employers and brokers who want to Self-Fund Smart.

Not only does The Alliance have a new look, but we've also rolled out some new and exciting services, too – like Smarter HealthSM – which further helps employers make sense of their data so they can find care that costs less without sacrificing quality.

Additionally, we unveiled The Alliance Premier Network – a customizable, multi-level benefit plan for employers. This offering allows organizations to incentivize patients to choose high-value providers without limiting their choice. What's more, is that all Premier Network provider options are part of our Smarter Networks, which now cover 90% of Wisconsin, and continues to further expand into the surrounding states. This tiered network option has the potential to save employers up to 10% on their total health costs.

The Alliance has continued to invest resources into our Reference-Based Contracting by The Alliance[®], which bases prices on a percentage of Medicare. Impressively, 80% of all contracts within our Smarter Networks are now calculated using this metric.

For 30 years now, The Alliance has been driving real change. And using our four core drivers of High-Value Health Care, we plan to continue expanding access to low-cost, high-quality care for employees and their families for another 30 years.

- Wendy Culver

Chief Human Resources Officer, Mead & Hunt



“Employers have the potential to change health care by using their role as purchasers to provide High-Value Health Care and transform the market.”

- Cheryl DeMars, CEO & President, The Alliance

Board of Directors

The Alliance Board is made up of employer-owners of the cooperative and elected by the membership at-large. Board members bring a range of perspectives from HR, Finance, and the C-Suite, and represent the breadth of industries and geographies served by The Alliance. Board members are elected by the membership of The Alliance and serve on a voluntary basis. Here are our current Board members:



Richard Campbell
Head of Human Resources
ABS Global, a division of Genus PLC
DeForest, Wis.



Jake Nolin
Director of Human Resources
Rice Lake Weighing Systems
Rice Lake, Wis.



Diana Clark
Benefits Manager
Promega Corporation
Madison, Wis.



Brad Olm
Vice President of Human Resources
Gordon Flesch Company, Inc.
Madison, Wis.



Wendy Culver
Chief Human Resources Officer
Mead & Hunt
Madison, Wis.



Craig Parsons
President
Palmer Johnson Power Systems
Sun Prairie, Wis.



Mick Gronewold
Executive Committee Member
Owner
Fehr Graham – Engineering & Environmental
Rockford, Ill.



Kyle Reading
President
Spuncast, Inc.
Watertown, Wis.



Lisa Henke
Benefits Manager
County of Walworth
Elkhorn, Wis.



Shirley Reif
Secretary-Treasurer
Crest Foods Company, Inc.
Ashton, Ill.



Tena Hoag
CFO
Advanced Laser
Chippewa Falls, Wis.

30 Years of Driving High-Value Health Care

High-Value Health Care happens when individuals have access to higher-quality care that costs less. By utilizing strategies from our four core drivers, The Alliance helps self-funded employers provide high-quality care for their employees, reduce their plan spend, and ultimately change the way health care is purchased for good.



Watch the video

Transparency:

The Alliance is a leader in hospital price transparency initiatives – like Reference-based Contracting by The Alliance – to create cost and quality measurements, efficiency metrics, and patient-centered health outcomes. Additionally, we continually monitor both state and federal health policy legislation and serve as the voice for employers to influence health policy.

Smarter HealthSM Data Reporting

In health care, cost and quality are not correlated; high-cost providers do not necessarily deliver the best results, nor do low-cost providers deliver poor care. Our custom Smarter Health analysis helps employers provide their workforces with smarter health care options that cost less without sacrificing the quality of care.

Health Policy Advocacy

We are evaluating quality information from both publicly available and commercial sources and investing in new, meaningful quality indicators to add to our comparative price information used by employers. Our health policy advocacy at both the state and federal levels aims to advance and accelerate these efforts. Visit our [public health policy page](#) to learn more.

Payment Reform:

By offering employers tools like bundled payments and QualityPath[®], The Alliance is refining payment methodology to reward cost-effective, high-quality care rather than volume of care, bringing down the total cost of health care and positively influencing the way it's purchased.

QualityPath[®]

This customizable, high-value health care program identifies physicians and hospitals that meet proven standards for delivering high-quality, fairly priced care for selected procedures. It also offers a warranty that protects patients against the high costs of complications or repeated tests due to quality issues.

Reference-based Contracting by The Alliance

We've implemented Reference-based Contracting (or Medicare-based pricing) in over 80% of our contracts. Medicare is the single largest purchaser of health care and has established base rates for various services, adjusting them by provider to factor in geography, patient mix, and quality metrics. Using this method to pay providers not only gives us an appropriate benchmark by which we can measure relative value, it also enables employers to use benefit plan design to incentivize employees to utilize low-cost, high-quality providers.

Benefit Plan Design:

By helping employers develop incentives that encourage patients to choose high-value providers, like offering tiering options using The Alliance Premier Network, we can further improve health care outcomes while driving down costs.

The Alliance Premier Network

Providing financial incentives that reward enrollees for choosing higher-value health care is the most common benefit design strategy that employers utilize today. Network leveling (or tiering) is an example of this, where high-value health care providers are made to be more affordable for plan participants. The goal of the Premier Network is to move business to high value providers, and in the process, create a market that rewards better price and quality. Additionally, employees are incentivized to save the plan money because it saves them, too. The Alliance offers custom multi-level benefit plans to suit the unique needs of any employer.

Find a Doctor by The Alliance

We're empowering employees with an all-inclusive resource to make smarter health decisions using this newly renovated online tool.

Provider Network Design:

The Alliance contracts directly with providers on the employer's behalf using our continually expanding and completely customizable Smarter NetworksSM to encourage competition on price and quality.

The Alliance Comprehensive Network

The Alliance network is ever-expanding as we continue to add new providers throughout the Midwest to meet our member's needs.

The Alliance & Trilogy Health Networks

For employers who want even more provider options, we offer a seamless network to access both The Alliance Comprehensive Network and Trilogy Health Networks.

The Alliance Premier Network

For more sophisticated network design, you can incentivize your employees to use low-cost, high-value providers while still offering them the flexibility to choose within a broad network of providers using multi-level benefit plans. Our Premier Network offers customized provider levels – all of which are within our Smarter NetworksSM.

Smarter HealthSM Custom Data Reporting

Utilizing data for evidence-based benefits is what Smarter Health analysis is all about. The Alliance helps employers make sense of their claims data to see where they can save the most money, and then employers adjust their plan accordingly. It's a simple concept: charge less for actions you want enrollees to do more of – like preventative care – and charge more for undesirable, low-value treatments and medications.

Direct Primary Care

On-site or shared-site clinics that offer Direct Primary Care combine convenience, performance, and cost-savings into a single package. These low or no cost providers build real relationships with and educate employees, improve access to high-quality care, and refer care only when absolutely necessary – and when they do, it's referred to high-value specialists.

The Alliance Provider Networks

The Alliance has negotiated contracts with many major hospitals, health systems, and physician groups to give our members wide-ranging access to high-value health care throughout the Midwest. We continue to grow rapidly, and currently cover roughly 90% of Wisconsin.

The Alliance Provider Networks Includes:



135+
Hospitals



27,000
Medical Doctors and Professional Service Providers



6,500+
Clinic Sites



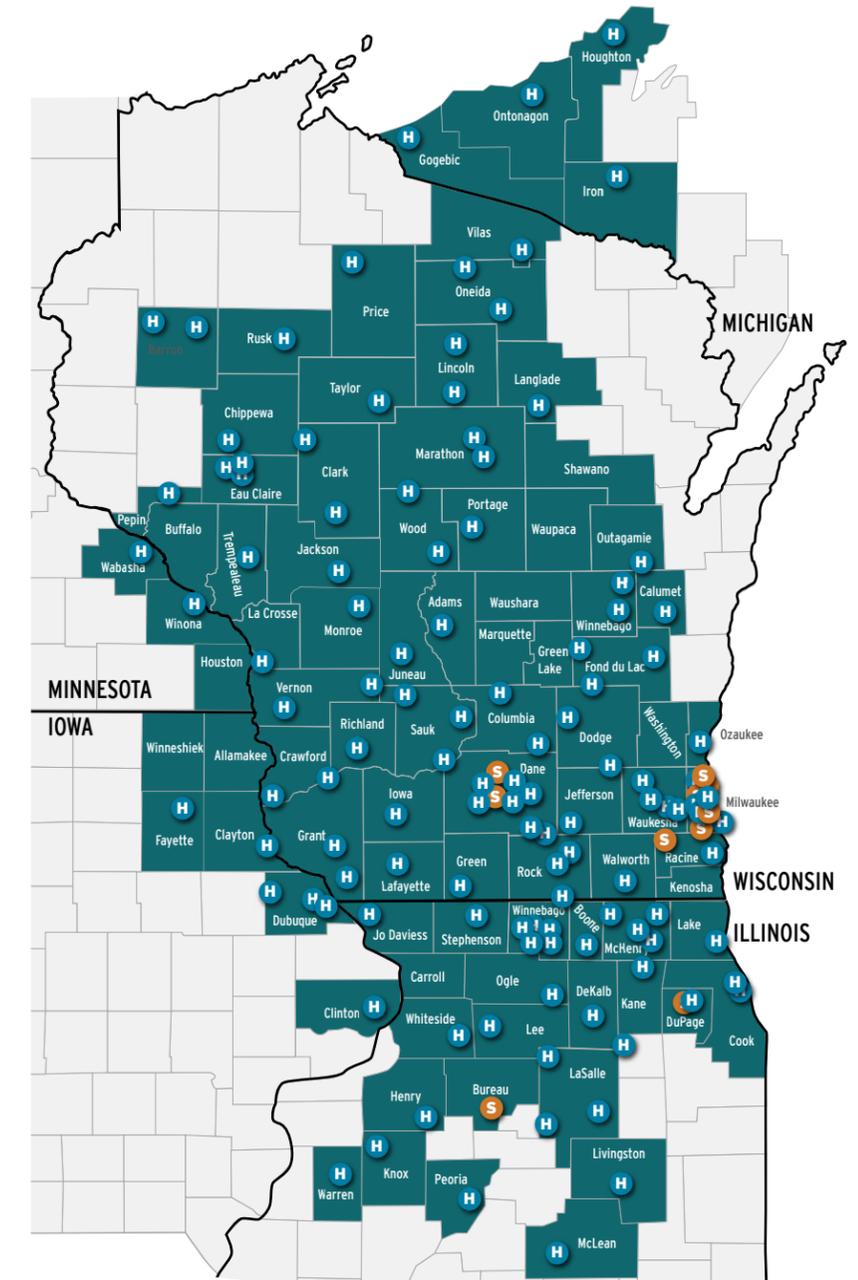
300+
Home Health/DME Locations



H Hospital Locations



S Specialty Hospital Locations
Offer specialty care for children, rehabilitation, surgery, or other services



Health Policy

The Alliance Board of Directors uses the following health policy platform to guide decision-making by The Alliance staff, members, and health policy consultants on specific legislative issues.

Plank 1: Cost and Quality Transparency

Resolution 1.01: Empower Consumers and Employers with Actionable Cost and Quality Information

Resolution 1.02: Promote Fair Prices for Prescription Drugs to Ensure Appropriate Care and Predictable Health Care Expenses

Resolution 1.03: Support the Wisconsin Health Information Organization

Resolution 1.04: Ensure Cost Transparency in Billing Practices

Plank 2: Aligning Incentives for Providers

Resolution 2.01: Promote Health Care Value Through Robust, Transparent Data

Resolution 2.02: Promote Policies that Reduce Opioid Misuse and Addiction

Plank 3: Supporting Consumers

Resolution 3.01: Promote Telemedicine

Resolution 3.02: Promote Behavioral Screening and Intervention

Resolution 3.03: Promote Evidence-Based Pain Management Strategies

Plank 4: The Health Care Marketplace

Resolution 4.01: Ensure That Health Care Acquisitions and Service Expansions Promote Value

Resolution 4.02: Reform Workers' Compensation

Wisconsin Governor Tony Evers' Task Force on Reducing Prescription Drug Prices

Pictured left to right are: Jerry Ward (Seats Inc.), Paul Meyer (The Alliance), Josh Bindl (National CooperativeRx), Dan Ludwig (Brakebush Brothers Inc.), and Tena Hoag (Advanced Laser).



The Alliance was invited to speak to the task force in Oshkosh on Feb. 19, 2020. The Alliance brought forth three employer-members and partner organization, National CooperativeRx, to speak on behalf of employers regarding the rising costs of prescription drugs.

[Read more about the hearing](#) ▶

[Watch the entire hearing](#) ▶

Your voice matters!

Make sure your elected representatives know where you stand on public policy issues that matter to employers. The Alliance Health Policy Committee plays a key role in charting our course toward effective advocacy work at both the state and federal level.

[Learn more about Health Policy](#) ▶



Events

The Alliance hosts numerous events throughout the year that are designed to provide a forum to learn, discuss, and network with other employers. The pandemic couldn't stop us from having plenty of events – and record participation numbers – so thank you to all who attended.

Recent Events

October 8, 2020 – Health Policy Webinar by The Alliance

October 1, 2020 – The Alliance Fall Symposium & Annual Meeting: A Virtual Event

August 25, 2020 – Direct Primary Care Webinar Part 3

June 25, 2020 – Direct Primary Care Webinar Part 2

June 8, 2020 – Direct Primary Care Webinar Part 1

May 13, 2020 – RAND Hospital Price Transparency Project – Briefing for Purchasers

April 27, 2020 – Employer Town Hall by The Alliance

April 14, 2020 – Pave Your Own Path: Taking Control of Prescription Drug Costs

[Sign up here to stay apprised of upcoming Alliance events](#) ▶

Did you miss an event?

Most event materials are available for download. Review presentations, photos, handouts and recordings on the events section of [our website](#) or check out [our blog](#) for article recaps based on speaker presentations and more.



2020 Health Transformation Awards

An extraordinary accomplishment in the health care marketplace

In 2015, The Alliance Board of Directors established the Health Transformation Awards program to recognize people and organizations that demonstrated alignment with The Alliance mission of moving health care forward by controlling costs, improving quality, and engaging individuals in their health.

Today, the awards have shifted to align with our High-Value Health Care initiative and are awarded upon the following criteria:

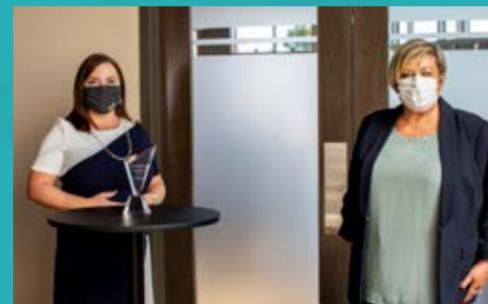
- High-Value Health Care: Taking action to significantly improve the quality and/or affordability of health care
- Transparency: Achieving significant gains in the availability and/or use of meaningful information to compare price and quality
- Payment Reform: Developing, testing or implementing value-based payment approaches to encourage high-quality, affordable care
- Provider Network Design: Developing, testing or implementing approaches to make high-value health care providers easily accessible to employees
- Benefit Plan Design: Developing, testing or implementing approaches to support the appropriate use of high-value providers and treatments by consumers

[Watch the overview video](#)



The Wisconsin Health Information Organization (WHIO) helps improve the value of health care through its all payer claims database, an information resource that is used to identify and address variations in the quality, safety and efficiency of care. The non-profit organization provides a unique and valuable perspective on health care that is otherwise unavailable. As Wisconsin’s All-Payer Claims Database (APCD), the WHIO data set is used by health systems to benchmark and improve delivery of care. It also helps health plans and employers identify high-value providers to include in networks and feature in benefit plans.

[Watch the video](#)



Tena Hoag has dramatically expanded her 160 employees’ access to high-value health care through no- and low-cost solutions – including physical therapy, mental health therapy, and prescription services – using a shared-site clinic she helped create. Additionally, Hoag has continually supported and educated other employers and local government entities through speaking engagements, radio segments, and other hosted events. In February, she spoke on behalf of employers to Governor Evers’ Task Force on Reducing Prescription Drug Prices.

[Watch the video](#)



Traci Rothenburger has been pioneering health care transformation for three decades by creating high-value health care programs and clinics throughout her career. At Nordic PrivateCare, she’s made health care more affordable and accessible by offering medical, prescription, chiropractic, massage therapy, physical therapy, and mental health services through an on-site clinic setting. Additionally, the success of her clinic has significantly reduced health care spending by an overall reduction in emergency and specialty care.

[Watch the video](#)



Matt Ohrt has greatly expanded high-value health care accessibility and delivery at Merrill Steel through implementing an on-site clinic, a company-sponsored mobile clinic, and getting his predominately blue-collar workforce to engage in their health benefits programs – all while saving his organization \$4 million in health care costs over four years. In addition to no-cost prescription fulfillment and physical therapy, the clinic offers MRI’s for just \$100. Matt also started a Local Best Practices group to help bring employers together and learn from one another.

[Watch the video](#)

The Alliance serves as [the voice for self-funded employers](#) who want more control over their costs. We provide transparent, creative approaches to network and benefit plan design to unlock savings where others can't – or won't – using Smarter NetworksSM and sophisticated data mining and analysis. As a not-for-profit cooperative, The Alliance is employer-owned and remains a trusted, objective partner for employers and their brokers who seek improved access to high-quality healthcare.

