

Employer Health Care Alliance Cooperative _____

Annual Meeting Minutes | October 25, 2022

Welcome

Cheryl DeMars, President and CEO of The Alliance, welcomed attendees to the Fall Symposium and Annual Meeting. Prior to the business meeting, Steve Rick, Ph.D., Director and Chief Economist at CUNA Mutual Group, gave a presentation on the economy, focusing on what to expect in the future and its impact on businesses.

Approval of Minutes

Diana Clark, Alliance Board Chair, sought a motion to approve the minutes of the September 16, 2021, Annual Meeting. Brad Olm moved approval of the minutes; Jake Nolin seconded. The motion carried.

Board Remarks and Election Results

Ms. Clark welcomed the nearly 50 employer members that joined The Alliance during fiscal year 2022, as well as the 21 that have joined thus far in fiscal year 2023. She then announced the results of the board election, which was conducted electronically prior to the meeting. The following candidates were elected to the board by the membership:

- Richard Campbell, ABS Global, a division of Genus PLC (full term through 2025)
- Diana Clark, Promega Corporation (full term through 2025)
- Kyle Reading, Spuncast, Inc. (full term through 2025)
- Mike Tomsyck, Kolbe & Kolbe Millwork Co., Inc. (full term through 2025)
- Jim Beier, Fall River Group, Inc. (filling vacant seat through 2024)

Continuing board members include:

- Dan Ludwig, Brakebush Brothers, Inc.
- Jake Nolin, Rice Lake Weighing Systems
- Brad Olm, Gordon Flesch Company, Inc.
- Craig Parsons, Palmer Johnson Power Systems

Treasurer's Report

Doug Benzine, Board Treasurer and Vice President of Finance and Operations at The Alliance, presented the financial results for fiscal year 2022. In his first Treasurer's Report since joining The Alliance staff, Mr. Benzine thanked Ms. Clark and the board for their support during the transition.

Mr. Benzine provided an overview of the organizational structure as a cooperative. He then shared a trend analysis of revenue and expenses. In FY22, net revenue was \$10.4 million with net expenses of \$8.5 million. The growth in net revenue was primarily derived from the normalization of health care utilization following the pandemic. Expenses increased slightly due to the end of pandemic-related expense controls and the subsequent resumption of those expenses. Mr. Benzine reported that of the \$1.9 million in net proceeds, the board approved returning 43% to members in cash, with 57% remaining on The Alliance books as allocated equity for future strategic investments and reserves. In closing, Mr. Benzine stated that The Alliance's financial position remains very strong.

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CEO's Remarks

Ms. DeMars provided highlights from the past fiscal year, focusing on four key areas:

- Transparency of price and quality information and compliance with the Transparency in Coverage Act: The Smarter Care AdvisorSM tool launched, and staff worked with third-party administrators to meet machine-readable file requirements.
- Provider network design: The provider network grew significantly, including the addition of innovative providers that provide cost-effective in-home urgent care and virtual primary and urgent care.
- Payment reform: Financial incentives are being realigned to reward doctors and hospitals for providing high-quality care in the most cost-efficient way.
- Benefit plan design: Care can be shifted to doctors/hospitals that do a good job and cost less through benefit plan design, thereby creating a functional market that rewards health care value.
- In closing, Ms. DeMars noted that an employer satisfaction survey would be launched in mid-November and encouraged participation.

Healthcare Transformation Award Ceremony

On behalf of the Board, Ms. DeMars presented Healthcare Transformation Awards to:

- Gloria Sachdev, PharmD, Employers' Forum of Indiana
- Walker Forge, Inc.

In addition, she presented the inaugural Lifetime Achievement Award to:

- Mike Tomsyck, Kolbe & Kolbe Millwork, Co., Inc.

Adjournment

There being no further business, the meeting adjourned. A panel discussion of innovators in healthcare, who are finding new ways to deliver better care and a better patient experience at a lower price, followed the business meeting.

Prepared by Wendy Collins, Board Secretary - The Alliance