

*better strategies. better solutions*



# 2016 ANNUAL REPORT



*To provide a forum and a voice for the business community on healthcare through collaboration among stakeholders.*

As I reflect back on 2016, I realize that we have accomplished a lot this year. We could not have done it without you and for that you have my thanks! Our online education initiative kicked off in February and we hosted 10 events over the course of the year. Attendance was strong at our 3 signature events – The Legal Alert held in February, the Health Summit held in May and our Forecast Breakfast held at the end of September. We hosted an innovation fair and discussion in August, a Well Workplace Roundtable in September, and in collaboration with the Lancaster Chamber released the Executive Summary for the 2016 Survey of Healthcare Benefits. This was in addition to a traditional networking breakfast for employers in January and a session in June sponsored by Merck on Population Health Management.

2016 also saw the launch of our new data analytics platform. This initiative was instigated by discussions held early in the year with our Strategic Development Committee and a desire to create a strategy for dealing with the ever-increasing cost of healthcare in our community. As we began our data journey, the message from our Board of Directors was clear - any initiative we launched had to do more than just produce data for data's sake. Additionally, the Board felt that the Business Group on Health was uniquely positioned to act as the repository for health care data because we are the forum and voice for healthcare collaboration for businesses in our community.

After consideration and evaluation of several offerings, we formalized our relationship with Innovu, a Pittsburgh based data analytics firm in September. Innovu gives our member employers and their broker consultants' insight into the cost-drivers of healthcare for a particular set of employees. The tool has the ability to integrate data from a variety of sources that have traditionally reported in silos. Imagine if you will, being able to see your medical claims information, your pharmacy claims, biometric screening data, workers compensation data, EAP activity and 401(k) information all on one platform and having the ability to benchmark this data against your peers! Getting a clearer picture of all activity will allow employers to better manage their human capital and make educated decisions about future offerings.

The data will also give the Business Group on Health insight into what is happening in our region and how we compare to the broader universe. This will allow for informed discussions around cost and quality. It will help us understand better the needs of the community and focus accordingly. Additionally, this new revenue stream will help make us more sustainable so we can continue to support the efforts of our membership.

Our goal for 2017 is to work smarter, using our better tools, as we continue in our role as advocate. By providing you with better strategies and better solutions, you will have the ability to meet the healthcare needs of your employees and your clients in the most cost-effective manner possible. As we continue this journey, we again challenge you to use our resources, attend our events and make your voice heard. Collectively, we will make a difference.

Best wishes for a happy and healthy 2017!

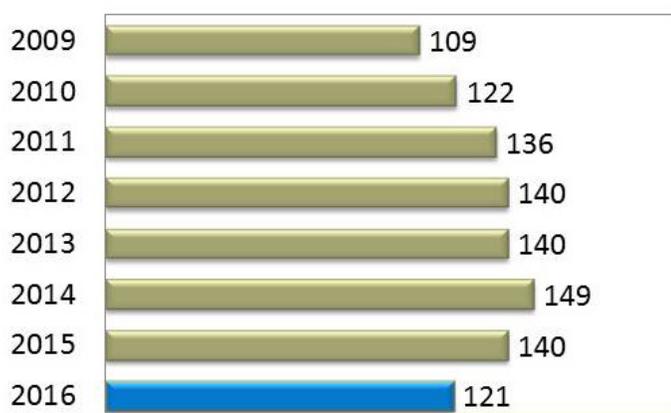
Diane N. Hess, CLU CEBS,  
Executive Director

## OUR MISSION

Balance between costs and quality

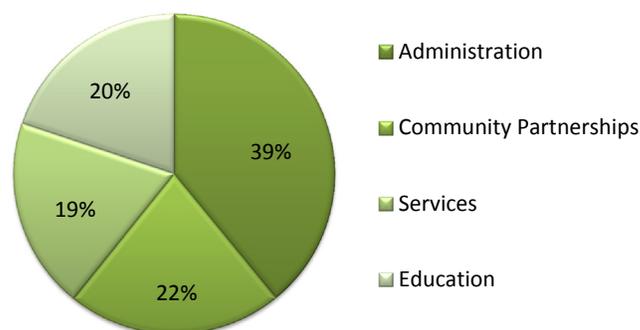
### NUMBER OF MEMBERS

The Business Group on Health saw a slight decline in membership in 2015 due to the discontinuation of one of our programs designed to support smaller employers with their healthcare needs. We continue to receive strong support from our broker partners and anticipate an uptick in employer engagement with the launch of our new data analytics platform.



### STAFF ACTIVITY

At the Business Group on Health, we track all of our activity so our membership knows exactly how we are spending our time. Although administration takes up a significant portion of our time, we continue to focus on delivering high quality educational events and innovative programs and services. We also value our relationship with our community partners and devoted significant resources to these collaborations in 2016.



## 2017 STRATEGIC INITIATIVES

Engage

### Collaboration & Partnerships

Promoting dialogue and partnerships among stakeholders — businesses, healthcare providers, insurers, payers, project funders, social service agencies, brokers, consultants, and government — helps keep healthcare effective and affordable. Working together, by utilizing individual organizational strengths, maximizes our impact which benefits the entire community.

Empower

### Education & Advocacy

Providing educational events yields opportunities for the community to learn about leading trends in healthcare. Through formal events, member-only networking events, local surveys, newsletters, webinars, and strategic vendors, our members learn compelling strategies that directly impact their employee benefit plans. The Business Group on Health continues to advocate for the appropriate balance between quality and cost of healthcare.

Execute

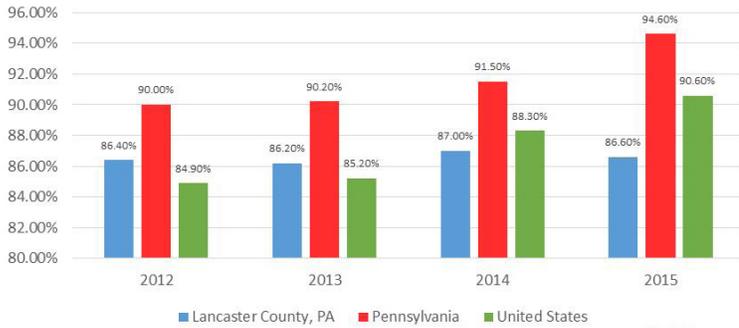
### Products & Services

The Business Group on Health seeks to find or develop unique cost-effective products and services that promote the optimal well-being of our membership. We will accomplish this by filling market voids where the Business Group on Health can play a unique role without directly competing with existing services in the marketplace.

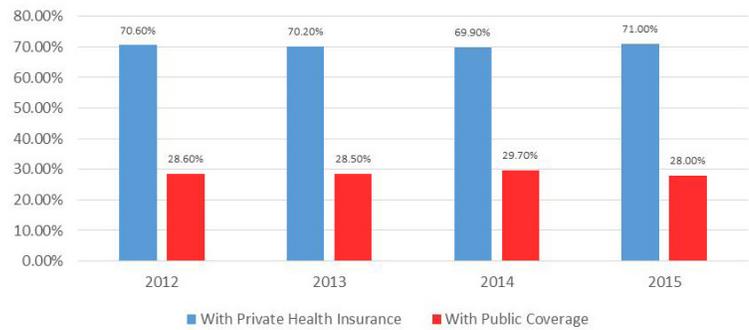
# HEALTHCARE TRENDS: Local Numbers

## WHO HAS COVERAGE

National Health Insurance Coverage

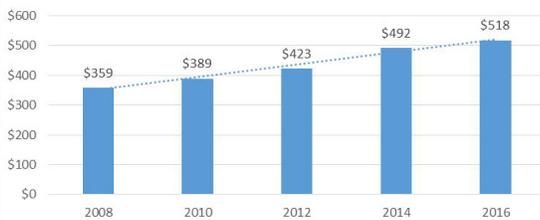


Lancaster County Health Insurance Coverage

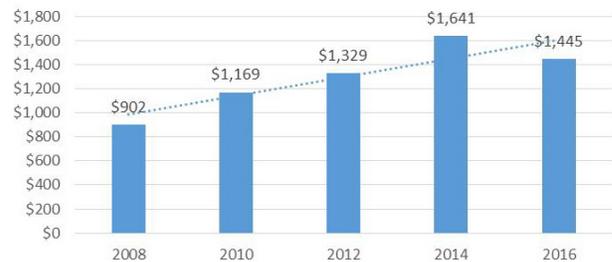


## HOW MUCH DO THEY PAY? (LANCASTER CITY)

Single Premium Rate

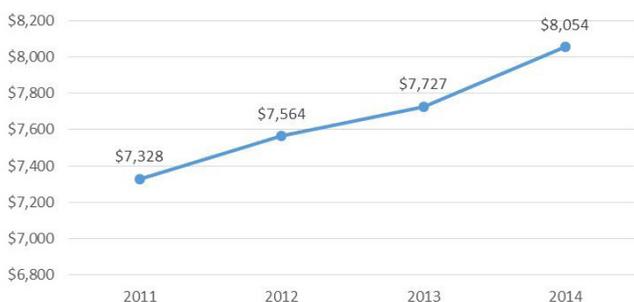


Family Premium Rate

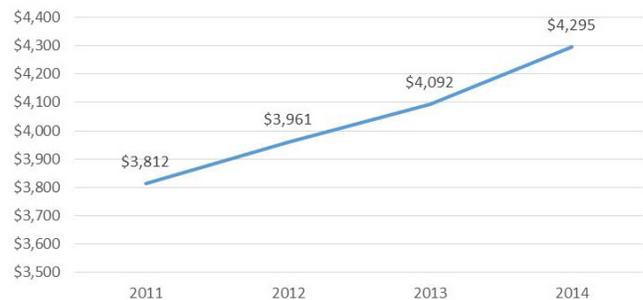


## OUT OF POCKET EXPENSE

National Personal Health Expenditures Per Capita (nominal)



Total Lancaster County Personal Health Care Expenditures (in million)

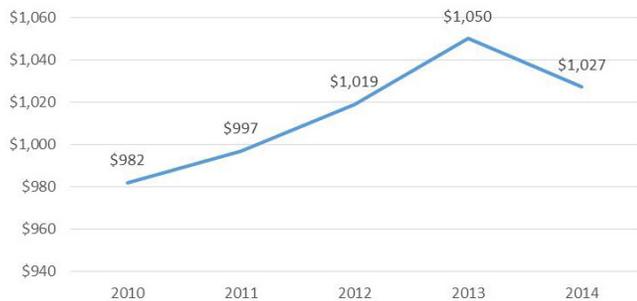


Source: U.S. Department of Health & Human Services; U.S. Census Bureau ACS 3-year Estimates

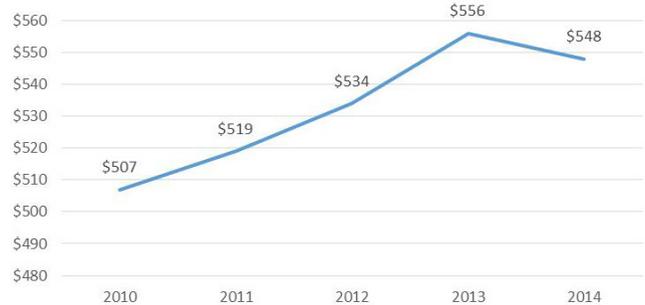
# HEALTHCARE TRENDS: Local Numbers

## TOTAL HEALTHCARE SPEND—

National Out-of-Pocket Personal Health Care Expenditures Per Capita (nominal)

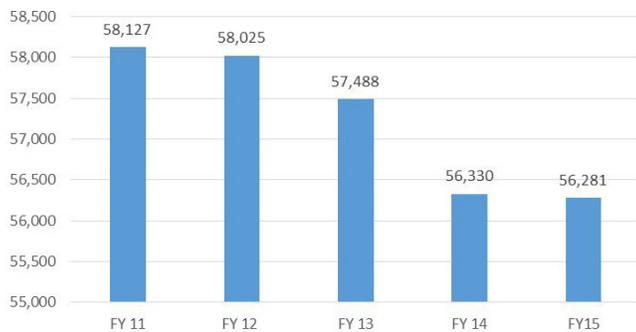


Lancaster Out-of-Pocket Personal Health Care Expenditures Per Capita (nominal)



## HOSPITAL SERVICES UTILIZATION—

Lancaster County Inpatient Hospitalizations

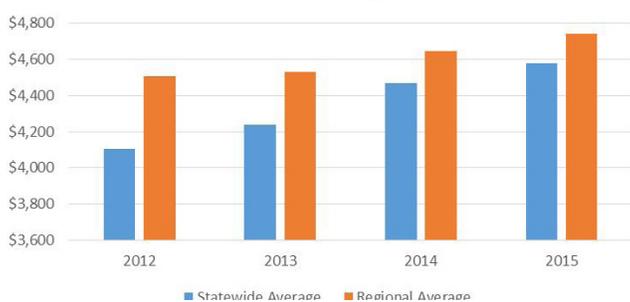


General Acute Care Hospitals Revenue and Operating Margin



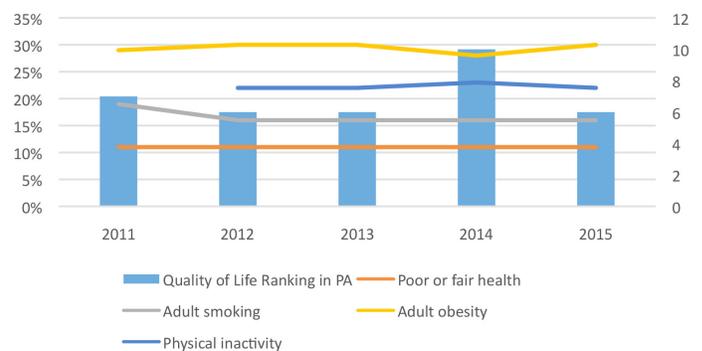
## OUTPATIENT SERVICE UTILIZATION—

Ambulatory Surgery Center: Revenue (in thousands)



## STATE OF HEALTH—

Lancaster County Health Ranking and Indicators



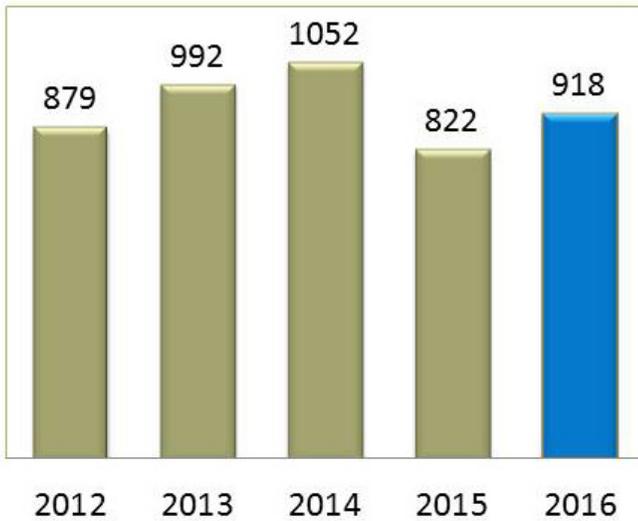
# 2016 KEYNOTE EVENTS

2016 saw an uptick in attendance at our three keynote events. We started the year with a focus on compliance with ACA, challenged our community to focus on the issues associated with substance abuse/misuse and introduced our attendees to some of the new models of healthcare developed in response to the ever-increasing cost of care. With a new administration taking office and a renewed focus on healthcare, 2017 brings with it the need for updates and expert analysis.

**HEALTHCARE Forum/Health Summit**

**HEALTHCARE Legislative/Legal Update**

**HEALTHCARE Forecast Breakfast**



**2016 HEALTH SUMMIT**  
 SUBSTANCE USE/MISUSE SUPPORTING SOLUTIONS  
 THURSDAY, MAY 12, 2016  
 7:30 AM TO NOON  
 THE MARK CENTER  
 42 N PRINCE STREET, LANCASTER  
 Title Sponsor: WELLSPAN HEALTH

The 2016 Health Summit will focus on substance abuse and its impact on the workplace and our community. This event is designed to provide attendees insight into the issue and foster discussion about solutions.

Hear from Gary Tennis, the Secretary of Drug and Alcohol Programs for the State of Pennsylvania, as he shares with us what is happening at the State level. Our keynote speaker, Kevin Sabert, will frame a discussion around effective policy and considerations for treating those with substance abuse problems. Participants will attend sessions targeting all facets of the substance abuse issue.

Also help us celebrate those employers in our care who continue to foster a culture of health in their workplace. We'll see you at the summit!

Gold Sponsors:

**17th Annual HEALTHCARE FORECAST BREAKFAST**  
 Forecasting THE FUTURE!  
 SEPTEMBER 30, 2016  
 8:30 a.m. – 11:00 a.m.  
 Bent Creek Country Club  
 \$45 Members; \$70 Non-Members  
 Register On-line at: www.businessgrouponhealth.org  
 Thank you to our Title Sponsor— stoudt advisors

**2016 HEALTHCARE LEGISLATIVE/LEGAL UPDATE**  
 Business GROUP ON Health  
 Presented by Stephen F. Kern and Eric N. Alvey, McNeess Wallace & Nurick  
 February 25, 2016  
 7:30 a.m.–10:00 a.m.  
 Lancaster Country Club  
 \$45 Members; \$75 Non-Members  
 Register On-line at www.businessgrouponhealth.org  
 Thank you to our Title Sponsor— stoudt advisors

## ANNOUNCING BGH DATA INITIATIVE

**innovu**  
 Empowering the Data-Driven Organization  
 Using Data to Drive ROI

**innovu**  
 Innovu Empowers You to Use Data Differently  
 Providing visibility and clarity to better manage costs and mitigate risk

**The Reality**  
 Healthcare costs are projected to rise 6.5% through 2017, forcing you to continue adding more of your costs to employees. But with health-care costs continuing to outpace inflation, you could actually be increasing your overall expenses and risk by adding more burden to employees through a high-visibility health plan or implementing a defined contribution strategy.

**Markets We Serve**  
**Employers**  
 Take control of your company's benefits and risk programs with innovative analytics to improve employee health, control costs, and mitigate risk.

**Advisors**  
 Gain a holistic view of your entire client base with predictive analytics and planning tools that empower you to more intelligently address client benefits and risk program needs.

**Communities**  
 Engage your stakeholders in real-time analytics to drive long-term sustainable change with employee engagement and access to affordable and high-quality healthcare.

**Innovu's Solutions**  
 Innovu's secure, cloud-based solutions empower you to make data-driven decisions that improve the cost, quality, and efficacy of your benefits and risk programs.

**The Value of Integration**  
 The 360-degree view of your population gives you the visibility and clarity you need to:

- Discover trends and deeper issues within your population.
- Identify, for the first time, correlations across different programs, such as how medical copayments impact workers' compensation costs or how switching to a high-deductible plan may impact your employees' ability to contribute to their 401k plans, which would delay their ability to retire.
- Compare your program performance to peers nationally, regionally, and within your industry.

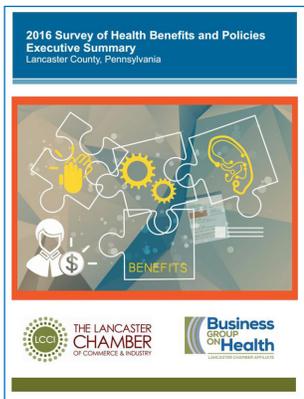
**Integrating your data is the key to unlocking hidden cost drivers and other issues adversely impacting your costs and the health and productivity of your employees.**

## BUSINESS GROUP ON HEALTH Implements strategy to create a regional employee benefits benchmark

The Business Group on Health has launched a new, region-wide strategy to provide employers with an unprecedented level of transparency through the aggregation of their members' employee benefits data. The goal of this initiative is to provide employer members with a robust analytics tool that will allow them to understand the cost drivers, health issues, and regional health priorities in order to make more informed decisions for both their employees and the region. The Business Group's partnership with Pittsburgh-based Innovu, will provide BGH employer-members access to the Innovu CommunityLens™ solution. CommunityLens aggregates health and other benefit program data from individual member companies into a trusted digital security vault.

Once the individual member data is secured with Innovu, a de-identified copy of the data will be aggregated with other BGH members' data to create a robust set of regional benchmarks and dashboards. This insight will help us create programming designed to meet the needs of our members and improve the overall health of our community.

# RESOURCES & SOLUTIONS



## 2016 Benefits Survey

In cooperation with The Lancaster Chamber of Commerce and Industry, the Business Group on Health conducts an annual Policy and Benefits Survey. The survey asks the county employers about their healthcare benefits, including employee contributions, strategies to contain costs and their views on healthcare issues. The results provide a benchmark for county employers to assist them in evaluating the competitiveness and appropriateness of their benefit package. An executive summary of the survey is available to Business Group on Health members at no cost and is on the Business Group on Health Website in the Members Only section.

## Consumer Reports: Choosing Wisely Campaign

The Business Group on Health has partnered with Consumer Reports to allow members access to their Choosing Wisely® materials. Materials can be accessed via our website and give member's additional resources to help them communicate about healthcare with their employees. The goal of this partnership is to provide members with educational tools and resources, written both in English and Spanish, to help employees understand the benefits they have, best practices for use, and general guidelines for monitoring their own health.

Announcing: **Making HEALTHY Choices**

A turn-key program from Consumer Reports for healthier, happier employees!

**3 Tools. 100% Turn-Key.**  
Choose which tool is best for your employees.

- Easy-to-read information** helps employees become active participants in their health care, reduce costs, and improve outcomes.
- Short, compelling videos** help staff understand the questions to ask their doctors, and medical tests that medical practice or local "Good" choices!
- An iPhone app** that answers health questions, tracks the health need, that medical practice or local "Good" choices!

**HOW CONSUMER REPORTS' MISSION CAN HELP YOUR EMPLOYEES**  
Consumer Reports is an independent, nonprofit organization committed to protecting the safety, health and well-being of consumers. Millions of Americans trust Consumer Reports for their unbiased ratings of everything from cars to insurers. They can also trust Consumer Reports for important health and medical information to help make decisions.

Member e-Newsletter Summer / 2016

**In This Issue**

- Executive Director Report
- Forecast Briefing
- Wall Workplace Round Table
- Knowledge Daily Value Medical Care
- Action Brief
- U.S. Chamber of Commerce
- NBCU

**From the Executive Director**

In the beginning of 2016, we challenged you to join us in our renewed focus on improving the cost and quality of care in our market. We continue to look for new ways to drive evidence healthcare innovations through our online learning series and also through our live events. Our Innovation Fair brought new technologies, new vendors and new products to event attendees. Our Forecast Briefing will include the results of the most recent Benefits Survey, a joint venture between the Business Group on Health and the Lancaster Chamber of Commerce, as well as an introduction to new models to health care. These models are coming from both traditional providers of care and also new entrants to the field. The bottom line is to provide you with access to the resources you need to stem the tide of your rising health care costs without sacrificing quality.

**Calendar of Events**

- Wall Workplace Round Table September 21, 2016
- Forecast Briefing September 30, 2016
- Click Here to Register

**Quick Links**

- More On Us
- Calendar of Events
- NBCU Website

**We've Gone Social!**

Check us out!

- Facebook
- Join us on LinkedIn

**17th Annual Healthcare Forecast Breakfast**

Forecasting the Future: Models in Healthcare

Still worried about the rising cost of healthcare? You're not alone! The good news is that as healthcare costs have continued their climb,

## Business Group e-Newsletters

Quarterly, "news you can use" is sent via email to our members.

## Action Briefs

Each Action Brief centers on a specific topic of interest highlighting why employers should care and providing action steps and strategies employers can take to improve health and healthcare delivery. This information documents make great educational pieces employers can share directly with employees so they have knowledge they can use.

**NBCH action brief**

**Combating America's Great Killer: CARDIOVASCULAR DISEASE**

Heart disease accounts for one of the deaths in the United States each year. Over 35 million U.S. adults have a form of heart disease caused by buildup in the arteries, heart, or other cardiovascular conditions or diseases (CVD). These conditions can lead to coronary artery disease, stroke, or heart failure. One of the most significant risk factors is high cholesterol (specifically LDL, or "bad" cholesterol). High cholesterol can lead to heart disease, stroke, and other cardiovascular conditions. There are many factors that can contribute to high cholesterol, including genetics, diet, and lifestyle.

**WHAT'S THE ACTION?**

- Get a cholesterol test every 4-6 years (or more often if you have a family history of heart disease or other risk factors).
- Eat a heart-healthy diet (low in saturated fat, trans fat, and cholesterol; high in fruits, vegetables, and whole grains).
- Exercise regularly (at least 150 minutes of moderate-intensity aerobic activity per week).
- Don't smoke or use tobacco products.
- Limit alcohol consumption.
- Manage stress.
- Take medications as prescribed.

**WHY SHOULD EMPLOYERS CARE?**

- Heart disease is a leading cause of disability and death in the United States.
- High cholesterol is a major risk factor for heart disease, stroke, and other cardiovascular conditions.
- Employers can help reduce the risk of heart disease by providing resources and support for their employees.

**MEMBERED UP**

Business Group on Health is a member of the National Business Group on Health (NBCH). NBCH is a national organization of business groups that work together to improve the health and well-being of the workforce.

## BOARD OF DIRECTORS 2017

### Executive Committee:

**Tom Williams**, InteriorsHome, Chair  
**Regina Deel**, Conestoga Wood Specialties Corp., Vice Chair  
**Jason Dennis**, CoreSource, Inc., Secretary  
**James Maurer**, R.W. Sauder, Inc., Treasurer  
**Timothy Shrom**, Solanco School District,  
Immediate Past Chair

### New 2017 Board Members:

Paul Barber, Listrak; Joan Enoch, Lift-All Company, Inc.; Scott Labrecque, StoudtAdvisors; Lee Meyers, Physician's Alliance Ltd; John Roda, Burnham Holdings, Inc.; Brooks Turkel, Lancaster Regional and Heart of Lancaster Regional Medical Centers; Annette van Eeden, Highmark Blue Shield; Barb Wilkerson, Aetna, Leslie Wireback, Lancaster County Solid Waste Mgmt Authority

### Retiring 2016 Board Members:

Shannon Clark, StoudtAdvisors; Kyra Melleby, Highmark Blue Shield

### Business Group on Health Staff:

**Diane N. Hess, CLU CEBS**, Executive Director  
**Laura Mscisz**, Project and Events Coordinator  
**Jenna Komensky**, Intern

### Directors:

**Eric Athey**, McNeese Wallace & Nurick  
**Paul Barber**, Listrak  
**Eric Buck**, LGH Community Care Collaborative, LLC  
**Joan Enoch**, Lift-All Company, Inc.  
**Kelly Fasnacht**, Kalas Manufacturing  
**Liz Ford**, High Company LLC  
**David Kreider**, WellSpan Health  
**Scott Labrecque**, StoudtAdvisors  
**Lee Meyers**, Physicians' Alliance Ltd  
**Richard Migash**, Capital BlueCross  
**Lora Regan, M.D.**, Lancaster City & County Medical Society  
**John Roda**, Burnham Holdings, Inc.  
**Brooks Turkel**, Lancaster and Heart of Lancaster Regional Medical Centers  
**Annette van Eeden**, Highmark Blue Shield  
**Barb Wilkerson**, Aetna  
**Leslie Wireback**, Lancaster County Solid Waste Management Authority  
**Heather Valudes**, The Lancaster Chamber

## UPCOMING EVENTS IN 2017

### WHAT DATA ANALYTICS CAN TELL YOU ABOUT YOUR PRESCRIPTION BENEFITS

**Date:** January 25, 2017  
**Location:** Southern Market Center/  
Lancaster Chamber  
**Time:** 8:00 a.m. to 10:30 a.m.  
**Cost:** \$15 BGH Members / \$30 Non-Members

### MEMBER NETWORKING BREAKFASTS

**Date:** February 3, 2017 and August 2017  
**Location:** Southern Market Center/  
Lancaster Chamber  
**Time:** 8:00 a.m. to 10:30 a.m.  
**Cost:** Free for BGH Employer Members

### HEALTHCARE LEGISLATIVE/LEGAL UPDATE

**Date:** Thursday, February 23, 2017  
**Location:** Lancaster Country Club  
**Time:** 7:30 a.m. to 10:00 a.m.  
**Cost:** \$45 Members; \$75 Non-Members

### 2017 HEALTH SUMMIT

**Date:** Thursday, May 11, 2017  
**Location:** The Lancaster Convention Center  
**Time:** 7:30 a.m. to 12:00 p.m.  
**Cost:** \$45 Registration Fee; \$20 Non-Profit Rate

### 18th ANNUAL HEALTHCARE FORECAST BREAKFAST

**Date:** September 2017  
**Location:** TBD  
**Time:** 7:30 a.m. to 11:00 a.m.  
**Cost:** \$45 Members; \$70 Non-Members



## SPONSORSHIP OPPORTUNITIES

Join others in getting your firm in front of 100's of key decision members while supporting BGH in it's mission to hold cost down and create efficiency by working collaboratively with all sectors of the healthcare system.