

20 YEARS 20 ACCOMPLISHMENTS

1990  2010
From The Idea to The Alliance

1. Member growth and retention

The Alliance has grown from seven members covering 14,000 to one of more than 160 members covering more than 83,000 individuals. Of the seven founding members, four remain with The Alliance and two others who joined in that first year remain as well. In total, 36 percent of members have been with The Alliance 10 years or more.

2. Bringing members together to connect and share information

Since our first Annual Meeting in 1990, members have always learned from their cooperative peers. Activities include topic-based seminars explaining the implications of legislation such as HIPAA, Annual Seminars featuring the industry's best known speakers, and our new Alliance Learning Circles.

3. Network evolution in size, geography and composition

Our network has grown from 11 major providers, three hospitals and eight clinics to more than 7,000 professional service providers, 49 hospitals, 1,800 medical clinic sites, 360 chiropractic clinic sites, 280 mental health clinic sites and 140 home care agencies.

- » We added mental health and chiropractic providers in 1992, home health providers in 1994, skilled nursing facilities and ambulance services in 2004, and saw retail clinics join in 2009.
- » Our network has grown from Dane County to a primary service area that includes 14 southern Wisconsin counties and Dubuque County in Iowa, with a secondary service area of 24 additional counties in Wisconsin, Illinois and Iowa.

4. Steady savings growth

Over the past 10 years, average savings rates have nearly doubled from 15.7 percent in 1999 to 27.9 percent in 2008 - 2009, rising at least one percent each year.

5. Invested in helping providers offer high-value care

- » In 2000, The Alliance Provider Quality Investment Fund was developed and awarded more than \$750,000 over the life of the award.
- » In 2004 we started our first performance-based reimbursement pilot. Beginning with inpatient care areas, it now includes physician measures and during 2009, 67 percent of all Alliance charges fell under a contract with incentives for better care.

6. Preferred pricing for members

The Alliance negotiates preferred pricing relationships for members and offers special pricing on:

- » Stop-loss premium discounts from reinsurance carriers
- » Dental, vision, and prescription benefit coverage
- » Flu shots, free blood pressure screenings, health risk assessments and biometrics
- » Travel/wrap and workers' compensation networks
- » Literature and publications for employees and dependents
- » Discounts at area health clubs and fitness centers

In 2009 we added Quantum Health and Health Solutions, Ltd.[®]. As part of our new partnership philosophy, we receive no commissions, instead passing all of the savings on to members.

7. Bringing members and providers together

In 1991, the Quality Forum brought employers and participating providers together to work toward identifying issues and inefficiencies in the local health care environment, establish ways to work together to resolve them, and improve the quality of care delivered.

8. Accurate and efficient claims processing

We've been receiving claims electronically since 1991, when we received them from two clinics accounting for nearly half of claim volume. Today we receive claims electronically from more than 350 providers, or 79.3 percent of all claims.

- » In 1990 we received 250 claims a day, for a total of 36,664 claims a year. Today, it's 3,000 claims per day for a total of 766,000 per year.
- » Average turnaround time has shrunk from two days in 1990 to a 0.43-day turnaround for all claims and a 0.01-day turnaround for electronic claims today.

9. Exploring differences in health care quality and cost

The Alliance was one of the first in the nation to produce a report that showed the variations in the cost and quality of care. In 1999, the *QualityCounts™* report was released, providing information about five areas of care at 24 hospitals. In 2009, we made our reports available through our provider directory and released our first-ever *QualityCounts™* Outpatient Procedures and Tests report.

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10. Committed to engaging individuals in their health

Programs include BabyLove for those who are expecting, *QualityCounts™*, and other tools to help individuals become better health care consumers. Customer service provides assistance and information and, since 1999, offers service in Spanish.

11. Keeping members connected online

In 1998, we launched our first Web site, expanding it the next year and including cost and quality information. In 2006, we added the members-only Employer Resource Center. In 2008, in tandem with our new brand identity and tagline *Employers Moving Health Care Forward*, we redesigned our Web site, moving to our current site, www.the-alliance.org.

12. A recognized leader

Over the years, The Alliance has been presented with the following awards for our work in providing transparent cost and quality information:

- » The National Health Care Purchaser Award by the National Health Care Purchasing Institute in 1999.
- » The Ellwood Award from the Foundation for Accountability in 2001.
- » The Annual Quality Award by Florida Health Care Coalition and recognized as a Community Leader for Value-Driven Health Care by the U.S. Department of Health and Human Services in 2007.

13. A link for our members' business partners

The Alliance works directly with our members' partners, including nearly 50 agencies and more than 80 agents/consultants. We also work with any third-party administrator our members choose, currently more than 30.

14. Collaborating for better health care solutions

Since the very early days working with state employer coalitions, we have moved health care forward by collaborating with others.

- » In 2001 we began offering our repricing services for the Fond du Lac Area Businesses on Health (FABOH). Currently we process about 600 claims a day for FABOH.
- » In 2000, we became a member of The Leapfrog Group and a year later became a regional roll-out leader, coordinating activities in Wisconsin.
- » In 2001, we co-sponsored a meeting which would lead to the development of Wisconsin Health Purchasers for Quality (WHPQ).
- » In 2002, we were one of three groups to found WisconsinRx.
- » In 2005, we joined with other Wisconsin health care leaders to create the Wisconsin Health Information Organization (WHIO).

15. Information to choose providers

Our first provider directory was published in 1991, giving members accurate, up-to-date information about the broad choice of providers. In 1998, we put it online and in 2006 we updated it again and made it easier for members to find any one of thousands of providers through *Find a Doctor* at www.the-alliance.org.

16. A member-driven cooperative

Our Board of Directors objectively and constructively works together to advise and lead The Alliance. In recent years, a health policy committee was formed to take action on issues that are likely to impact Alliance members and a group purchasing committee chose a preferred wellness solution for members.

17. Helping members make health cost comparisons

The Alliance has put reports in our members' hands since 1993 when we first developed a Return on Investment Report. In 1997, members received their first Findings on Claims Utilization Statistics (FOCUS) reports comparing utilization information, which are now available on-demand through a secure Web portal. Our annual health benefits survey helps members benchmark their plan.

18. Listening to cooperative members, seeking feedback

Employers have always driven our direction, from the time of our first member survey in 1992 until our comprehensive market research initiative, Project 360, in 2007. Project 360 solicited feedback from members, and also business partners and providers and is being used to shape the next 20 years of The Alliance.

19. Keeping less money to run the cooperative

Over time, the share of claims savings we keep to run the cooperative has dropped from 32 percent in 1990 to 4.5 percent in 2010. In 1995 we added a second level of longevity retainage for members with The Alliance for four years or more, which has fallen from 16 percent to 3.5 percent in 2010.

20. Rising return on investment

Over the years, the value of belonging to the cooperative has increased not only in network size and reach, but also in return on investment (ROI). Beginning in 1996, the first year records are available, ROI has increased from \$4.70 for every \$1 invested in the cooperative to 2009 values of \$27.24 for every \$1.