

2011 Annual Report | Lehigh Valley Business Coalition on Health Care

Employers Working Together to Deliver Value
and Improve the Health of Our Communities



COALITION AFFILIATIONS

The Coalition and its members benefit from the resources and programs provided by these national organizations. It is a value-added benefit of Coalition membership that would otherwise not be available.



The National Business Coalition on Health (NBCH) is a national, membership organization of purchaser-led health care coalitions. NBCH and its members are dedicated to value-based purchasing of health care services through the collective action of public and private purchasers. NBCH seeks to accelerate the nation's progress towards safe, efficient, high-quality health care and the improved health status of the American population.

NBCH has a membership of nearly 60 member coalitions, across the United States representing over 7,000 employers and approximately 25 million employees and their dependents. The Coalition is a proud member of NBCH.



The Leapfrog Group is a voluntary program aimed at mobilizing employer purchasing power to alert America's health industry that big leaps in health care safety, quality and customer value will be recognized and rewarded. Among other initiatives, Leapfrog works with its employer members to encourage transparency and easy access to health care information as well as rewards for hospitals that have a proven record of high quality care.

The Coalition is a designated Leapfrog Regional Roll-Out Organization (RRO). Regional Roll-Outs are local efforts in markets where Leapfrog members work with other stakeholders to advance Leapfrog's mission by increasing the transparency of the quality of individual hospitals, or member coalitions are committed to community health reform, including an improvement in the value of health care employer-plans.



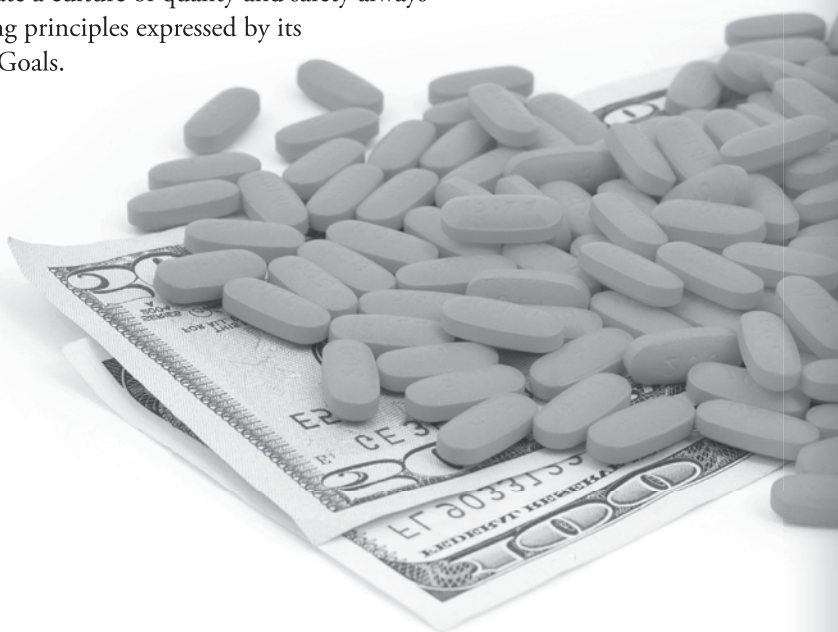
The National Quality Forum (NQF) is a nonprofit organization that operates under a three-part mission to improve the quality of American healthcare by:

- ▶ Building consensus on national priorities and goals for performance improvement and working in partnership to achieve them;
- ▶ Endorsing national consensus standards for measuring and publicly reporting on performance; and
- ▶ Promoting the attainment of national goals through education and outreach programs.

2011 ANNUAL REPORT OF THE LEHIGH VALLEY BUSINESS COALITION ON HEALTH CARE

The Lehigh Valley Business Coalition on Health Care is a multi-state, membership alliance of employers striving to provide the finest health care coverage possible for their employees, in the most economical fashion. The Coalition's mission is to improve the delivery, cost and quality of health care in all the communities we serve. The Coalition is also a member of the National Business Coalition on Health, the National Quality Forum and The Leapfrog Group.

As the Lehigh Valley Business Coalition on Health Care embarks on its fourth decade of service to the employer community (stretching from the Keystone State and beyond), we are proud to issue the 2011 Annual Report. This marks the 31st consecutive year the Coalition has reported to its members, and the employer community at large, on the work it does in the area of promoting quality medical care and affordable employee benefits. On these pages you will learn how the Coalition works to improve the quality of care while working with the provider community to cultivate a culture of quality and safety always guided by its founding principles expressed by its Vision, Mission and Goals.



VISION STATEMENT

The Lehigh Valley Business Coalition on Health Care will be the recognized leader in providing access to quality and cost-effective health care programs.

MISSION STATEMENT

The LVBCHC strives to improve the delivery, cost and quality of health care in our communities through:

- ▶ Collective employer action,
- ▶ Quality and data initiatives,
- ▶ Value-based purchasing, and
- ▶ By providing forums for the exchange of information, ideas and resources.

GOALS

- ▶ Encourage quality health care initiatives
- ▶ Expand educational initiatives by increasing opportunities
- ▶ Strengthen purchasing initiatives
- ▶ Increase membership in the organization

CHAIRMAN'S REPORT



ROBERT D. JOHNSTON
Chairman of the Board

This time last year my report to the membership was all about changes at the coalition. At the time, I was referring to our Coalition leadership changes and the changes dictated by the passage of the “Patient Protection and Affordable Care Act” referred to as “PPACA.” I concluded the 2010 annual report message with the phrase “with change comes opportunity.” Those words were simply a reflection of my optimism in the future of the coalition. The hard work of the Coalition’s dedicated staff and engaged volunteers truly have turned those “opportunities” into positive results. I am, therefore, pleased to report that the Coalition has become a stronger organization over the past 12 months.

As Tom Croyle’s message articulates, our membership continues to grow. The Coalition continues to offer tangible savings and value-added services to our members through pooled purchasing arrangements. The educational opportunities afforded by the Roundtables and Employer Forums have been exceptional. In addition, the educational content of many of these sessions is as good—if not better than—the content found in higher profile regional or national conferences.

I am particularly pleased to report that in addition to the successes in the areas of our traditional strengths, mentioned above, we have also made significant strides in two additional areas: enhanced collaboration between the Coalition and the provider community; and increased involvement with national and regional organizations that share our common purpose.

These newest developments for the Coalition are particularly important as we position ourselves as *the* employer voice *on* health care in the Lehigh Valley and surrounding areas.

The Coalition’s progress during the past year has resulted from finding opportunity in change while at the same time remaining true to the same mission we’ve had for more than 30 years; assisting employees of our member companies in accessing high quality, cost-effective health care.

It has been a pleasure serving as the Chairman of the LVBCHC during the past two years. Many thanks to those of you who have contributed to our successes. I am confident that as Brad Mains assumes the Chairmanship of the Coalition, he will be able to count on your ongoing support. It is essential that we continue to use our collective expertise to take on the challenges of the “new world” of health care.

Robert D. Johnston

Robert D. Johnston, Chairman of the Board, October 2011

PRESIDENT'S MESSAGE



THOMAS J. CROYLE
President

For more than thirty years, the Coalition has been devoted to high quality, affordable health care for our members, employees and their families. Propelled by our dedicated and engaged membership, we continue to accomplish our strategic objectives and all signs point to our continued success.

To ensure our continued success, the Board of Directors reviewed and updated our strategic plan last year. This plan continues to serve as our guide. Specifically, our emphasis is on four main goals:

- ▶ ***Build sustainable membership base.*** Without engaged employers and dedicated partners and associates committed to improving the health care system, there would not be a Coalition. The past year saw us become a significantly larger and more robust organization. Our list of members and associates grew by 20% reflecting the commitment of over 200 organizations to improve the health of their employees and families. Coalition employers represent 80,000 employees representing 200,000 lives throughout the region.
- ▶ ***Continue to increase health care quality and cost-effectiveness.*** We are the only Regional Roll-Out Organization in Pennsylvania authorized to conduct the Leapfrog Group's annual hospital survey. Because of our efforts, consumers, health plans and employers can compare major hospital systems in Harrisburg, Lancaster, Reading, Scranton and Allentown for quality and safety information. More importantly we have established relationships with providers in our communities who are willing to listen to our concerns and work with us to improve quality, safety and service delivery.
- ▶ ***Maximize member value through pooled purchasing opportunities.*** The value of our programs is the driver our membership gains. Our exclusive medical, pharmacy, dental, vision and mental health arrangements continue to offer employers flexibility and value for their dollars. We continually evaluate our programs and are currently evaluating additional member services.
- ▶ ***Continue to provide educational opportunities.*** Our renowned educational events and networking opportunities continue to address the latest topics and concerns of our members. The content of our programs rival national events for both their quality and content.

In addition, our relationships with the National Business Coalition on Health, the Leapfrog Group, the National Quality Forum as well as other employer coalitions provide opportunities for future growth, continuing education and access to resources for our members. More importantly, these on-going relationships help make the Coalition an integral part of the national health care reform efforts.

It's been an honor to lead the Coalition over the past year and to work with a great Board of Directors and staff. I continue to believe that employers acting together can move the health care system to improve both quality and costs. Our focus has been, and continues to be, to provide value to our members and the community. Together, we are making great strides in participating in health care reform efforts by collaborating with employers, health insurers, providers and other community resources to improve the quality and cost of health care in our communities.

Tom Croyle

Thomas J. Croyle, President, October 2011

2009–2011 BOARD OF DIRECTORS

Linda Deiter, *Aesculap*

Myrna Rivera, *B Braun Medical, Inc.*

Joe Lopes, *Buzzi–Unicem, USA Inc.*

Jeannine O’Callaghan, *CF Martin Guitars*

James Maley, *City of Allentown*

Linda Cassel, *Crayola, LLC*

Bob Johnston, *East Penn Manufacturing Co., Inc.*

Jeanette SanAngelo, *Elementis Worldwide, Inc.*

Paul Chuckalovcak, *Essroc Italcementi Group*

Celeste Coffey, *FLSmidth*

Jack Gross, *Gross McGinley, LLP*

Tim Hinkle, *Lehigh University*

Sheila Rulli, *kgb America*

Mark Younes, *LSI Corporation*

Joe Huxta, *Volvo Mack*

Brad Mains, *Olympus Corp of Americas, Inc.*

Steve Russo, *PPL Corporation*

Brenda Leader, *TE Connectivity*

2009–2011 BOARD OFFICERS

Chairman

Bob Johnston, *East Penn Manufacturing Co., Inc.*

Vice Chairman

Brad Mains, *Olympus Corporation of the Americas, Inc.*

Treasurer

Joe Huxta, *Volvo Mack*

Secretary

Jack Gross, *Gross McGinley, LLP*

President

Tom Croyle

Staff

Erica Solivan, *Business Manager*

Mike Donio, *Program Coordinator*

COMMITTEES AND OBJECTIVES

Executive Committee

Chair – Bob Johnston (*East Penn Manufacturing*)

The Executive Committee is comprised of Board Chairman, Vice Chairman, and Immediate past Chairman, Treasurer, Secretary and President. Provides oversight to the various standing committees of the Board and acts on behalf of the Board when needed.

Education Committee

Chair – Celeste Coffey (*FLSmidth*)

Develops a yearly schedule of Roundtable luncheons as well as other educational events for the membership. Identifies program resources for these sessions in conjunction with committee members as well as other non-business Coalition members. Associate members may participate on this Committee.

Government Committee

Chair – Paul Chuckalovcak (*Essroc Italcementi Group*)

Monitors ongoing developments related to the new legislation, regulations and their possible affect on the Coalition and its members. Distributes information to Coalition members directly by e-mail or through postings to the Forum on the Coalition's website, as provisions of the health care reform legislation are scheduled for implementation.

Health Care Purchasing Committee

Chair – Myrna Rivera (*B Braun Medical, Inc.*)

Plans and oversees the process of contracting with partner organizations. Initiates RFP process when needed, reviews responses and makes recommendations to the Board. Annually reviews all partner relationships and recommends any revisions; compares the market to our arrangements; and recommends to the Board further actions when needed. Establishes sub-committees to oversee specific partner arrangements.

Membership Communication Committee

Chair – Jack Gross (*Gross McGinley, LLP*)

Responsible for disseminating the Coalition's message to current and prospective members and others concerning the value of Coalition programs and activities through press releases, promotional materials, website updates and member newsletters. Plans strategies and produces informational pieces for the purpose of making the Coalition more visible to the community. Associate members may participate on this Committee.

Quality Initiative Committee

Chair – Bob Johnston (*East Penn Manufacturing Co., Inc.*)

Reviews the efforts being made in other areas of the Commonwealth and the nation to bring together local purchasers, providers and insurers to work together, using available data to improve the quality of health care in the Valley. A new assignment is the Leapfrog Group's Regional Roll-Out program.

Wellness Committee

Chair – Linda Cassel (*Crayola, LLC*)

Plans and coordinates wellness activities for the Coalition on an ad hoc basis including scheduling wellness forums. Also serves as a resource for member companies who are in various stages of offering wellness programs.

2010–2011 EDUCATIONAL INITIATIVES

Throughout the year, the LVBCHC Education Committee presents programs on diverse interests designed to meet the needs of its members related to employee benefits and public health policy.

30th Anniversary Annual Meeting:

“Improving the Value & Quality of Healthcare in our Communities.”

What do you get when you mix some 100 members and guests, with 16 partner-vendors and association provider members, four outstanding speakers, a visit from the Coalition’s founding chairman, the presentation of recognition awards, a riveting panel discussion and a PA Senate proclamation? Only the largest, and most enthusiastically received annual meeting in the 30 year

history of the Lehigh Valley Business Coalition on Health Care. As anniversary celebrations go, ours was first rate, and was a testament to the vision of the founding members of the Coalition. In addition, the program was well-received by all who attended; and our speakers did not disappoint as they shared their expertise on meeting the challenge of improving the quality of care.



2010–2011 EDUCATIONAL INITIATIVES

Education Roundtable Sessions and Employer Forums are a major aspect of Coalition programs throughout the year.

April Wellness Forum: April's Wellness Forum—*“How Employers Address Wellness: Initiatives that Work”* held at Lehigh Valley Hospital–Muhlenberg, was attended by a record number of members and featured an outstanding panel of experts including moderator Barry Carleton from Towers-Watson.

Linda Cassel, Crayola, LLP and **Mary Jo McNulty, Lehigh University**, opened the program by explaining what they are doing at their respective employers to encourage wellness among employees. It was a great opportunity for attendees to learn how each employer built their current programs. Linda explained how Crayola built its outstanding program, which was recognized by the Coalition at last year's Annual Meeting, while Mary Jo explained how Lehigh University is beginning to establish and build its program.

These presentations were followed by a panel discussion featuring **Jack Lenhart, MD, Valley Preferred**, **Carol Michaels, Health Educator, Valley Preferred**, **Steve Boccuzzi, Medco Health Solutions** as well as Linda and Mary Jo. Based on the evaluation reports, this program was extremely well received by attendees who indicated they learned a great deal about building wellness programs that work!

May Roundtable “Value-Based Benefits Come of Age”

As Roundtables go, the May program on value-based benefit design from theory to implementation scored big with attendees. On hand to open the program was Randy Vogenberg, *Institute for Integrated Healthcare*, a previous presenter at our May 2010 Roundtable. Vogenberg is one of the leading national voices on the design of VBB's. As Vogenberg explained, the concept behind VBB's is paying for medical services that produce the best outcomes for the dollars spent. Prior to this, most insurance plans paid for high-priced services after a medical crisis; whereas, with VBB's high-value services are covered because they lead to better health outcomes. Both Pitney Bowes, a pioneer in VBB's and the Asheville, NC Diabetes Program clearly demonstrate employees can adapt to VBB's without major disruptions.

Marcia Bondi, Director of New Product Implementation, for Highmark, accompanied by **Dara Smith**, from the program development team, were on hand to explain the basics of

Highmarks' Benefit Design Solutions. In short, Value-Based Benefit Designs use plan incentives to encourage member adoption of one or more of the following:

- ▶ Engagement in healthy lifestyles
- ▶ Remove barriers to appropriate use of and gain adherence to “high-value” services, thus improving health
- ▶ Promote access to and use of higher value providers, treatments and services.

According to Bondi, as members become compliant, office visits, screenings and prescription drug costs will likely initially increase while conversely, costly emergency room visits and inpatient stays will likely decrease. The end result is: overall care costs with Value-Based care will level off. Employee health will improve

through better management of chronic conditions. Value-Based care cost increases will likely be at a lesser rate than non-Value Based clients. Another advantage of VBB's is that employees can save money over traditional plans through the benefits buy-down strategy enabling employers and employees to tailor programs to individual needs.



May Roundtable Panelists (L-R): Marcia Bondi, Randy Vogenberg, Dara Smith and Celeste Coffey (FLSmith).

2010 – 2011 EDUCATIONAL INITIATIVES

Education Roundtable Sessions and Employer Forums
are a major aspect of Coalition programs throughout the year.

July Employer Forum

“What benefit changes are you making for 2012?”

On July 22, representatives from nine Coalition member employers convened at the “Farmhouse” on the grounds of East Penn Manufacturing. Coalition chairman **Bob Johnston** hosted the forum.

As with all employer forums, it was an opportunity to exchange information on how benefits managers are restructuring their benefits packages in light of legislative, regulatory and financial considerations. Each representative offered a perspective of the changes his/her employer is making for 2012.

Having the opportunity to meet in a small group enables employers to hear first hand and learn what their colleagues are doing to meet the challenges of providing benefits in an ever-changing environment. Forums are great for one-on-one discussions.

August Roundtable

“Update on the Patient Protection and Affordable Care Act (PPACA).”

Ever since the Obama Administration signed the “Patient Protection and Affordable Care Act” into law in March of 2010, employers have been scrambling to understand how they should deal with the impact of this legislation.

The panel at August’s Roundtable tackled the issues head-on in a discussion led by **Barry Carleton, Towers Watson, Lori Rothschild, UnitedHealthcare, Donna Sabol, St. Luke’s Health Network;** and **Paul Chuckalovcak, Essroc Italcementi Group.** Each gave his/her perspective on adaptive actions that were taken in order to be in compliance with PPACA. Since many of the final regulations are yet to be written, the panelists pointed out this is indeed a daunting task. Following the presentation, audience members were invited to quiz the panelists concerning further developments and prognostications for the future as everyone grapples with the impact of PPACA.



2010–2011 COALITION COMMUNITY INITIATIVES

In keeping with the theme of this annual report, “...*working together to deliver value and improve the health of our communities...*” the Coalition has undertaken a series of initiatives aimed at accomplishing both. Through involvement with our national partners, local and regional providers, the **Leapfrog Group** and the **National Business Group on Health (NBCH)**, we are giving employers and the community tools to address the quality and value of medical services.

Collecting, categorizing, analyzing and distributing quality and utilization data is essential for employers to act as informed purchasers of medical care for themselves and their employees. The Leapfrog Hospital Quality Survey provides employers and consumers with information on quality and outcomes that identify top performing medical centers. The NBCH “e-Value-8” tool enables employers to evaluate the services offered by vendors of medical and supportive services.

2011 Leapfrog Hospital Survey

Beginning in early Spring, the Coalition compiled a list of hospitals in and around Eastern Pennsylvania that were invited to participate in the 2011 Leapfrog Hospital Survey. In our capacity as the Regional Roll-Out Organization for Pennsylvania, we invited major hospitals from Delaware to the Susquehanna Valleys to participate in this year’s survey. In addition to these initial invitations, we also reached out to our employers in each hospital’s service area and encouraged them to contact their local hospital’s CEO to encourage participation.

Our health plan partners were also asked to contact hospitals—with whom they contract—to emphasize the importance of reporting on the quality of care that is so vital to employers. We received great support from Highmark Blue Shield and Capital BlueCross. As a result of these efforts, we had 9 major hospitals participate in the survey, up from 4 last year. Employers and consumers are able to access quality information on hospitals in the Harrisburg, Lancaster, Allentown, Reading and Scranton markets. Once all the data is collected, Leapfrog will review it and then announce its “Top Hospitals” for 2011. Last year Mike Donio had the honor of presenting the Lehigh Valley Health Network and University of Pittsburgh Children’s Hospital “Top Hospital” honors for Pennsylvania at Leapfrog’s annual meeting.

NBCH “e-Value-8”

Our membership in the National Business Coalition on Health is paying dividends in several ways not the least of which is the “e-Value-8” tool for the RFI-RFP process. For several months, the Board and Purchasing Committee have been preparing for next year’s RFI and RFP process given that our current contracts will have run their course. As we learned some two decades ago, gearing up for an RFI/RFP cycle can be very time intensive if you don’t have a process to collect all the data from potential vendors. This is why the NBCH “e-Value-8” tool is so critical.

The most recent iteration of the evaluation criteria provides employers with the type of information they need on health plan performance across a standard, level playing field. This is a uniform process for collecting data from various vendors and having it prepared and analyzed based upon national standards. In August, the Purchasing Committee held a series of information sessions with our existing partner-vendors and potential vendors to acquaint them with the e-Value-8 process. To their credit, some of the larger commercial insurers are already participating in the program. Two sessions have been held, one with the Purchasing Committee and one with health plans. We’re now in the final stages of preparation and will soon launch the program. Being able to use a tool such as e-Value-8 is one more benefit of our membership in NBCH.

2010–2011 COALITION COMMUNITY INITIATIVES

A major focus of the Coalition's mission is to be actively engaged with the communities in which our members are located and promote the positive aspects of corporate citizenship. An excellent opportunity for community involvement presented itself when the Coalition became involved with Lehigh University, a long time Coalition member. Because of our relationship with Lehigh University, we put together a project with undergraduate students from the Department of Economics and its "Community Consulting" program as well as a graduate study in cooperation with the Department of Sociology.

Employer PPACA Survey

The Coalition, in conjunction with Lehigh University's Community Consulting programs, conducted a survey of Coalition employers regarding the impact of the Patient Protection and Affordable Care Act. Employers responded to the survey during late March and early April 2011. The size of employer varied from under 100 employees to over 5,000 employees. However, the majority of employers ranged in size from 500 to 3,000. The survey has provided important insights into the perspective Lehigh Valley employers have on PPACA, and how it will impact them in the future. While the responses varied based primarily on size of employer, there was enough data to arrive at some general conclusions as to how employers are dealing with PPACA.

Generally, businesses expect health care costs to rise with employees carrying more of the burden of paying for those costs. Most plan to increase deductibles, co-pays and premiums for dependent coverage to offset the increasing cost. The government is hoping that PPACA's push for implementing wellness programs will help lead to healthier employees and work to offset the rising costs in the future. Employers were unanimous in their belief that wellness and prevention programs will have a positive impact on employee health and productivity. There appears to be an emerging trend toward consumer driven or high deductible plans as employers look to increase personal responsibility and lower their health care costs.

The PPACA's full impact may not be known until at least 2014 and beyond as the full effect of the rules and regulations of the law are being implemented. However, a clearer picture is now emerging as to employers' reaction, and strategic planning, in the wake of this important reform.

Employer Utilization Analysis

This study, "An Analysis of Factors Associated with High-Cost Health Insurance Claims," was completed on behalf of the Lehigh Valley Business Coalition on Health Care with assistance from the Lehigh University Department of Sociology and graduate student, Katie Benisz. It was also undertaken with the cooperation and support of Highmark Blue Shield. The purpose of this project has been to examine health insurance claims of our larger self-insured employers from 2009 and 2010 that exceeded \$50,000 in order to determine if any patterns existed among the costs, payments, demographic information and health conditions experienced by individuals within the Coalition. The expectation has been that this preliminary analysis of data would highlight trends regarding factors that influence cost and indicate areas that require further research.

There were a number of interesting findings to be taken from the completion of these analyses. The majority of members included in this study of high-cost claims were age 55 or older. It goes without saying that with age comes the increased possibility for health-related issues. The health conditions that were most prevalent across all groups and across both years were musculoskeletal, digestive, cardiovascular and reproductive and they occurred more frequently in the higher age ranges. While men were more likely to experience cardiac issues, reproductive issues were experienced, almost exclusively, by women. Employers can use this information to continue to stress education efforts on healthy heart care for both men and women, but then also reproductive health, and in particular—breast health—to women.

Another interesting finding was that one of the demographic/independent variables—location—exhibited no major connection to any other variables. There were a couple of relationships discovered between costs/services/ payments and county of residence, but its usefulness appears to be limited since a large majority of the sample for both 2009 and 2010 were from Lehigh and Northampton Counties.

COALITION MILESTONES—31 YEARS OF SERVING THE EMPLOYER COMMUNITY



BRAD MAINS
*Incoming Chairman
of the Board*

A Message from **Brad Mains**, Incoming Chairman of the Board

As I begin my second tour of duty as the Coalition's Chairman, I'm reminded of the song, "Everything Old is New—Again." I served from 2000 to 2001, and our membership at that time stood at a mere 55 companies. The year 2000 was also the first time national medical expenditures crossed the \$1.3 trillion mark, and by 2010, this figure had doubled to \$2.6 trillion! Unfortunately, according to experts, employers are facing another 6-8 percent increase on an annual basis. Expenditures for medical services increased from 13.8 percent of the GDP in 2000 to more than 17 percent in 2010. Employers and employees were spending around \$5,700 annually for coverage and by 2010 this figure grew to more than \$13,000 an increase of some 131 percent. While the percentage rate of increased spending has slowed somewhat, it's more a sign of the weak economy and recession than a reduction in the cost of medical care. We can point with pride to the unprecedented growth in Coalition membership which is reflective of the efforts of our professional staff, board, committees and our partner-vendors. Our membership has grown to an astounding 206 companies with some 80,000 employees representing 200,000 lives, this is quite an accomplishment for an organization that started locally and now has members in 18 states! With more members, we have more leverage and influence in the medical marketplace. We also created the first sustainable—and affordable—fully insured plan for smaller employers.

I've been a part of the Coalition for more than twenty years and as I review the members of the Board, I see Joe Huxta, Bob Johnston, Myrna Rivera and Jack Gross still serving the organization. This is a true testament that the Coalition never lost sight of its goal to be the "recognized leader in providing access to quality and cost effective health care programs."

With the support of our partner-vendors and associate provider members, the content level of our Roundtables, employer forums and annual meetings are on par with conferences offered nationally.

Even though difficult challenges lie ahead, the Coalition continues to work with the employer and provider communities to improve the quality of care. Our participation in the Leapfrog Group Hospital Survey reflects favorably on our mission: to strive to improve the delivery, cost and quality of care in our communities. To this end, we have member companies that serve on the board of the Pennsylvania Health Care Cost Containment Council, an organization the Coalition has supported since its creation in 1989.

I look forward to working with the newly installed Board of Directors as we continue implementing the action items identified following last year's Board retreat. In keeping with the theme of this year's annual report—"working together to deliver value and improve the health of our communities"—I am fully confident that as I assume my new duties, I can rely on the full support of the Board, its Committees and the professional staff in accomplishing our mission.

Brad Mains

Brad Mains, Incoming Chairman of the Board

LVBCHC MEMBER COMPANIES 2011

Our membership is comprised of many different types and sizes of companies. Some are international in scope, while others are regional or local employers.

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|-----------------------------------|-------------------------------------------|---------------------------------------|-----------------------------------------|
| ▶ A & A Limousine | ▶ Bangor Area School District | ▶ Bridge Gap Engineering, LLC | ▶ Carl R. Bieber |
| ▶ Adams Plumbing | ▶ Banyan Consulting, LLC | ▶ Broc Mechanical, Inc | ▶ Caruso Benefits Group, Inc. |
| ▶ Advantis Benefits Group, LLC | ▶ Ben Cook Racing, LTD | ▶ Brown Daub Dealerships | ▶ Catasauqua Area School District |
| ▶ Advertising Specialty Institute | ▶ Bethany Wesleyan Church | ▶ Brownstone Design Group, Inc. | ▶ Cedar Crest College |
| ▶ Aesculap | ▶ Bethel Bible Fellowship Church | ▶ BSI Corporate Benefits | ▶ Center for Allergy & Asthma |
| ▶ Aesthetic Surgery Associates | ▶ Bethlehem Christian School | ▶ Buckeye Partners, LP | ▶ Center Valley Pool Company |
| ▶ Aetna | ▶ Bi-State Construction Company, Inc. | ▶ Buzzi-Unicem USA, Inc. | ▶ City of Allentown |
| ▶ All Steel Service, Inc. | ▶ Bioscience, Inc. | ▶ C. F. Martin & Co., Inc. | ▶ Clair Miller & Associates, LLC |
| ▶ Allentown City School District | ▶ Black Horse Carriers | ▶ Cambridge-Lee Industries, LLC | ▶ Cliff's Autobody |
| ▶ American Hairlines | ▶ Block Insurance Agency, Inc. | ▶ Capital BlueCross | ▶ Computer Aid, Inc. |
| ▶ Apollo Unlimited | ▶ Borough of Freemansburg | ▶ Carbon Career & Technical Institute | ▶ Computer Troubleshooters of Bethlehem |
| ▶ Apprise Software, Inc. | ▶ Brandywine Heights Area School District | ▶ Carbon Lehigh Intermediate Unit | ▶ Connective Tissue Gene Tests |
| ▶ B Braun Medical Inc. | | ▶ Carl R. Bales Excavating, Inc. | ▶ Conrad Weiser Area School District |

- ▶ County of Northampton
- ▶ Crayola, LLC
- ▶ Creative Landscaping, Inc.
- ▶ Curtis E. Schneck, Inc.
- ▶ David B. Schwartz
- ▶ DeSales University
- ▶ Diocese of Allentown
- ▶ Direct Response Associates
- ▶ Drabenstott Communications, Inc. "Spark"
- ▶ Dun-Rite Electrical Services, Inc.
- ▶ E.F. Laudenslager
- ▶ East Penn Manufacturing Co., Inc.
- ▶ East Penn School District
- ▶ Eastern Telephone & Telecommunications, Inc.
- ▶ Elementis Worldwide, Inc.
- ▶ Emery Landscape Company
- ▶ Employee Benefits Consultants, LLC
- ▶ Essroc Italcementi Group
- ▶ Equinox Agency, LLC
- ▶ FLSmidth
- ▶ Fabtech Welding & Repair Corp
- ▶ First Commonwealth Federal Credit Union
- ▶ First Generation Visual Communication
- ▶ Flexcom, Inc.
- ▶ Flexicon, Inc.
- ▶ Follett Corporation
- ▶ George Connelly Mechanical Contractor, Inc.
- ▶ George J. Kratzer, Inc.
- ▶ Gillespie Printing
- ▶ Gipson Studio
- ▶ GlaxoSmithKline
- ▶ Green Pond Country Club, Inc.
- ▶ Gross McGinley, LLP
- ▶ Hampson, Mowrer, Kreitz Agency
- ▶ Hannabery Electric, Inc.
- ▶ Hartzell's Pharmacy, Inc.
- ▶ HealthAmerica
- ▶ HealthEquity
- ▶ Hecktown Glass
- ▶ Heyco, Inc.
- ▶ Highmark Blue Shield
- ▶ Information Systems Manager, Inc.
- ▶ Integrated Behavioral Health
- ▶ J.S.B. Industries
- ▶ Jim Dewire & Sons, Inc.
- ▶ Jim Thorpe Area School District
- ▶ Joanne Kostecky Garden Design
- ▶ K & M Associates, Inc.
- ▶ Keenan-Nagle Advertising, Inc.
- ▶ Keystone Precision Instruments
- ▶ KGB
- ▶ Khubchandani-Stasik-Rosen, PC.

LVBCHC MEMBER COMPANIES 2011

Our membership is comprised of many different types and sizes of companies. Some are international in scope, while others are regional or local employers.

- ▶ KidsPeace
- ▶ Koch Shredding, Inc.
- ▶ Kogelman Distributing Corp
- ▶ Kozak Enterprises
- ▶ LSI Corporation
- ▶ Lafayette College
- ▶ Larry E. Moyer, Chartered Financial Consultant
- ▶ Lehigh Carbon Community College
- ▶ Lehigh Career & Technical Institute
- ▶ Lehigh Retina Specialists
- ▶ Lehigh University
- ▶ Lehigh Valley Benefits Group
- ▶ Lehigh Valley Charter School for the Performing Arts
- ▶ Lehigh Valley Safety Supply Co.
- ▶ Lehigh Valley Urologic Associates
- ▶ Lehigh Area School District
- ▶ Liberty Healthcare Corporation
- ▶ Lutron Electronics, Inc.
- ▶ M-R Weaver Excavating, Inc.
- ▶ Mack Trucks, Inc.
- ▶ Marcon & Boyer, Inc.
- ▶ Medco Health Solutions
- ▶ Merck & Company
- ▶ Met Life
- ▶ Metro Fuel Injection
- ▶ Michelman-Cancelliere Iron Works, Inc.
- ▶ Mid-State Occupational Health Services, Inc.
- ▶ Milham Ford Toyota Scion
- ▶ Molinari Oswald, LLC
- ▶ Moravian College
- ▶ Motobella, Inc.
- ▶ Muhlenberg College
- ▶ NAI Summit
- ▶ National Commission for Health Education Credentialing
- ▶ National Footwear, Inc.
- ▶ National Vision Administrators
- ▶ Natural Light Window, Co.
- ▶ Neighbor's Home & Garden Center
- ▶ New Covenant Christian Community Church
- ▶ Northampton Community College
- ▶ Northern Lehigh School District
- ▶ Northwestern Lehigh School District
- ▶ Novo Nordisk, Inc.
- ▶ Odhner & Odhner Fine Woodworking
- ▶ Olympus Corporation of the Americas
- ▶ Opti-Mate, Inc.
- ▶ Orefield Cold Storage & Distribution Center, Inc.
- ▶ Ott Consulting, Inc.

- ▶ PPL Corporation
- ▶ Panther Valley School District
- ▶ Paragon Technologies, Inc.
- ▶ Parkland School District
- ▶ Penn Quaker Site Contractors
- ▶ Penn Windows, Doors & Siding
- ▶ Pfizer, Inc.
- ▶ Precise Graphix, LLC
- ▶ Professional Site Management
- ▶ Pulmonary Medicine, P.C.
- ▶ Quakertown Community School District
- ▶ Reading Area Community College
- ▶ Reading School District
- ▶ ReDCo Group
- ▶ Reeb Millwork Corporation
- ▶ Reynolds & Reynolds Electronics, Inc.
- ▶ Roberti & Roberti, LLC
- ▶ Salem Christian School
- ▶ Salisbury Township School District
- ▶ Savid Resource Corp
- ▶ Schlofer Auto Body
- ▶ Service Tire Truck Centers
- ▶ Shipping Plus Business Center
- ▶ Slatington Fabricators
- ▶ Solis Healthcare, LP
- ▶ Sorensen Construction, LLC
- ▶ Southern Lehigh School District
- ▶ Spectrum Administrators, Inc.
- ▶ Sperry Van Ness Imperial Reality
- ▶ Splitendz Salon
- ▶ Sproco Construction
- ▶ Stonewall Club, LLC
- ▶ TE Connectivity
- ▶ Taylor Rental
- ▶ Techo Bloc
- ▶ Tom Hall Auction, Inc.
- ▶ Total Marketing Resources, Inc.
- ▶ Twin Cedars Assisted Living
- ▶ United Concordia Companies, Inc.
- ▶ UnitedHealthcare
- ▶ Urology Specialists of the Lehigh Valley
- ▶ Valley Builders, LLC
- ▶ Valley Preferred
- ▶ Vision Service Plan
- ▶ Volvo Construction Equipment
- ▶ Volvo Trucks North America, Inc.
- ▶ Weatherly Area School District
- ▶ Wert's Cafe
- ▶ West End Associates, Inc.
- ▶ Whitehall Coplay School District
- ▶ Yeager's Custom Cabinetry
- ▶ Yeager's Fuel, Inc.
- ▶ Zipper Cord Corporation

2010 – 2011 COALITION PURCHASING PARTNERS

At times our partners may change as we strive to provide our members with the most competitive plans and rates available.



Self Insured PPO, POS, HMO



Self-Insured PPO and Indemnity Plans



Self-Insured Mental Health, EAP & WorkLife



National Vision
Administrators Vision Plans
Insured and Self-Insured



Valley Preferred



Insured Small Business Solutions PPO and POS

UNITED CONCORDIA®

Insuring America's Dental Health

Self-Insured Employer Designed Dental Plans
and Insured Dental Plans

medco®

Self-Insured Prescription Drug Plans

LVBCHC STAFF



Thomas J. Croyle has over 30 years experience in Human Resources, including labor relations and employee benefits. Prior to becoming President of the Coalition, Tom was Director of Employee Benefits at PPL. Tom served on the Coalition's Board of Directors and was Chairman from 2007 to 2009.

Tom holds a B.A. in Labor Studies from Penn State University and an M.A. in Human Resource Management from St. Francis University.

"I'm fortunate to be able to work with a great staff and Board of Directors. It's been an honor to lead the Coalition over the past year. I firmly believe that through collaborative efforts of employers, health insurers, providers and other community resources we can improve the quality and cost of health care in our communities."



Erica Solivan joined the Coalition in 2007 as the Business Manager. She handles the day-to-day office assignments, financial budgeting and tracking as well as organizing major Coalition educational programs. She is the main contact for the Coalition's small business product and the primary lead for the wellness program known as WellFirst Gold.

She supports Coalition membership growth by working with our vendors, brokers and members.

"Over the past year, I have seen some great changes to the organization and I am very excited to see what the future brings."



Michael A. Donio, BS, MPA, ACHE reports directly to the LVBCHC President and carries out or undertakes assignments in support of the mission of the Coalition. In this position he provides direct support to the Board of Directors and standing Committees as well as ad hoc task forces formed by the Board. He monitors legislative and regulatory developments that impact employers in the area of employee benefits; prepares materials for Coalition events including Roundtables and the Annual Meeting.

In addition, Mike oversees the production of the Coalition's official newsletter Newsnotes.

"Having been involved with the Coalition since the early 1980's, when I was part of the federal health planning program, it was very easy to transition and become a staff member of an organization that has shown not only longevity but innovation in the pursuit of its mission."



LEHIGH VALLEY BUSINESS COALITION ON HEALTH CARE
60 West Broad Street, Suite 105 • Bethlehem, PA 18018 • 610.317.0130

www.lvbchc.com

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