

# Volume 13 No 2 • WWW.LVBCH.com • Summer 2017

President's Message by Carl Seitz.



For several years, I have been aware of the excellent work of the Lehigh Valley Coalition on Healthcare. Having worked in healthcare in the Lehigh Valley for most of my career, I first became aware of the Coalition from news articles and discussions with co-workers.

Later, after I assumed the role of Director of Occupational Medicine for St. Luke's University Health Network, I frequently attended LVBCH events. I was so struck by the quality of these offerings that eventually I joined the Coalition's Education and Wellness Committee. Here, over the past three years, I had the opportunity to contribute to the shaping of our educational programming.

From this inside view, I was impressed by the leadership provided by President Tom Croyle and members of the Board of Directors. Little did I know then that one day, the Board would honor me by selecting me to follow in Tom's footsteps.

I won't say that I will replace Tom because I know that would not be possible. Over the past seven years, Tom grew the Coalition's influence and reputation to the point that local healthcare systems are now willing to sit down and discuss the concerns of our member businesses.

Rather than attempting to replace him, I will work hard to continue to develop and provide affordable, costeffective employee benefits. Together, with our excellent staff, the Board of Directors, member employers and partner-vendors, we will continue to move the organization forward and nimbly adjust to the rapid changes in the healthcare and insurance industries for the benefit of our member employers.

Undoubtedly, new leadership brings change. I look forward to applying my skills and drawing from my experience to steer LVBCH in new directions. Initially however, I will develop a thorough understanding of the organization – its strengths, challenges, opportunities and threats. I will work on cultivating relationships on both a personal and organizational level. In this way, I will be ready to lead LVBCH in providing our employers even better services and guidance.

I look forward to hearing from you and listening to your thoughts, concerns and suggestions. If you would like to schedule an appointment, please contact our office at 610-317-0130. You can contact me via email at <a href="mailto:seitzc@lvbch.com">seitzc@lvbch.com</a>.

In closing, I thank you for the opportunity to serve you.

#### **Welcome New LVBCH Members**

We extend a warm welcome to the following new members of the Coalition and encourage them to become active in Coalition activities:

- Benefitfocus
- **Geisinger Marworth Treatment Center**
- Good Shepherd Rehabilitation Network
- PBS39
- Saucon Valley School District
- Wallenpaupack Area School District
- Wayne Highlands School District

## **Upcoming Events**

#### **LVBCH to Sponsor American Heart Association Heart & Stroke Walks**

LVBCH is a proud sponsor of two American Heart Association Heart & Stroke Walks this fall. You are invited to join our team - "LVBCH Walkers" - at one or both events. Have some fun, get some exercise and help us raise funds for the American Heart Association.



#### **Berks County:**

Date: Saturday, 09/23/17 Time: 8:30 -11:30 am Location: Gring's Mill Recreation Area, 2083 Tulpehocken Rd, Reading, PA 19610 (<u>Get Directions</u>) Team: LVBCH Walkers Click links to <u>Get More Info, Register to Walk</u> or <u>Donate</u>

#### Lehigh Valley:

Date: Sunday, 10/01/17 Time: 1:30 - 4:30 pm Location: SteelStacks, 101 Founders Way, Bethlehem, PA 18015 (<u>Get Directions</u>) Team Name: LVBCH Walkers Click links to: <u>Get More Info, Register to Walk or Donate</u>

The American Heart Association is the largest voluntary health organization dedicated to defeating heart disease, stroke and other cardiovascular diseases. The Heart Walk is the American Heart Association's premiere event for raising funds to save lives from this country's No. 1 and No. 5 killers - heart disease and stroke. Designed to promote physical activity and heart-healthy living, the Heart Walk creates an environment that's fun and rewarding for the entire family. We hope you can join our team!

#### **Save the Date**

#### LVBCH 38<sup>th</sup> Annual Conference - May 3, 2018 at DeSales University



#### Wishing Tom Croyle a Fond Farewell

Tom Croyle's retirement date (July 1, 2017) is just a few days away. Although we are pleased for him as he enters this new phase, we will miss his daily presence. Under Tom's leadership for the past seven years, LVBCH membership grew to a level that afforded the Coalition the ability to have serious discussions with local health systems regarding the cost and quality of healthcare. Tom also positioned the organization for future growth and created a visible presence not only in the communities we serve but nationally through relationships he has built with other coalitions, providers and vendors. Please join us in thanking Tom for his many contributions and wishing him good health and happiness in his upcoming retirement.

The collage below includes some of our favorite photos of Tom.



#### Welcome Carl Seitz, LVBCH's New President

Join us in welcoming Carl who will assume leadership of LVBCH on July 1, 2017

#### Meet LVBCH President Carl Seitz

Carl Seitz has extensive experience in employee health and is knowledgeable about insurance and contracting. Most recently, he was employed as Director of Occupational Medicine for St. Luke's University Health Network in Bethlehem, PA. Throughout his 20 years at St. Luke's, his various responsibilities have included occupational medicine, urgent care, primary care, internal medicine, sports medicine, rural health and college health.

Prior to joining St. Luke's, Carl worked for Hazelton-St. Joseph Medical Center as director of Physical Medicine and Rehabilitation. He earned his bachelor's and master's degrees in health and physical education from East Stroudsburg University and a master's degree in healthcare administration from Wilkes University in Wilkes Barre, PA. Carl serves as Vice President of the Lehigh Valley Industrial Park IV/V and is a member of the National Associates of Occupation Health Professionals and the Northeastern Pennsylvania Manufacturers and Employers Association.

Carl resides in Dallas, PA with his wife Anne. They have a grown son Carl Allen and a daughter Nicole.



Carl Seitz LVBCH President



Carl Seitz attends his first LVBCH Board meeting on June 15, 2017 at the Glasbern Inn in Fogelsville, PA. Pictured facing front (L-R): Jeannine O'Callaghan (CF Martin), Tom Croyle (LVBCH), Carl Seitz (LVBCH) and Andy Kantner (Talen Energy).

#### LVBCH Names Jeffrey Burtaine, MD, Executive Physician Consultant



Jeff Burtaine, MD LVBCH Physician Advisor

LVBCH recently appointed **Jeffrey Burtaine**, **MD**, as its new **Executive Physician Consultant.** Dr. Burtaine, who previously served on LVBCH's Quality Initiatives Committee, will advise the Coalition on issues and concerns important to member employers.

"The healthcare system is increasingly complex and constantly changing," said outgoing LVBCH President Tom Croyle. "Dr. Burtaine not only possesses medical knowledge, but also has extensive experience with LVBCH, employers and the community. He will help LVBCH interpret healthcare trends and identify gaps in care to improve the health of our members' employees and their families."

Dr. Burtaine will provide input on key issues such as health care cost containment, quality, patient safety, data analytics and new care delivery and reimbursement models. Please join us in welcoming Dr. Burtaine back in to the organization.

To read the entire news release about the appointment, click here.

#### LVBCH Releases New COPD Report

#### **Report Compares Regional Findings to State and National Benchmarks**

Patients with chronic obstructive pulmonary disease (COPD) in the Lehigh Valley, Reading and Scranton were more persistent in continuing maintenance medications than their peers in the state and in the nation, according to the **2017 Chronic Obstructive Pulmonary Disease** (COPD) Report released this month by LVBCH.

The 2017 COPD Report compares key demographic, clinical, pharmacotherapy and health resource utilization for COPD patients in the United States, the state and four LVBCH metropolitan statistical areas (MSAs): Allentown, including Bethlehem and Easton; Harrisburg, including Lebanon and Carlisle; Reading; and Scranton, including Wilkes-Barre and Hazleton. LVBCH created the report, in partnership with AstraZeneca and QuintilesIMS, with the goal of providing information to help healthcare providers better meet their patients' needs.

Understanding the characteristics of LVBCH members with COPD allows for early recognition and interventions for people at risk of COPD and its complications.



We thank AstraZeneca and QuintilesIMS for making this information available to our members and the public.

Read the News Release

Read the Report

# **2017 LVBCH Annual Conference**

LVBCH hosted 197 people at its 37<sup>th</sup> Annual Conference at DeSales University on Thursday, May 4, 2017. The title of the event was "**Healthcare in Transition: What's Next?**" To view the presentations from the six featured speakers at the event, simply click the links below.

- 2017: The Health Care Political & Market Landscape by Robert Laszewski, Health Policy & Strategy Associates
- Critical Thinking About Consolidation in Healthcare by Lawton R. Burns, Ph.D., MBA, Wharton School, University of Pennsylvania
- How Coalitions are Working Together to Drive Innovation, Health and Value by Mike Thompson, National Alliance of Healthcare Purchaser Coalitions
- Capital BlueCross Hospital Quality Recognition Program by Bridget Peck, MBA, RN, Capital BlueCross
- Choosing Wisely®: Better Communication with your Doctor, Better Health Care Value by Mark Wendling, MD, Lehigh Valley Physician Hospital Organization
- Helping Employees Choose Wisely by Dominic Lorusso, Consumer Reports



To view additional photos from the event, <u>click here</u>.

#### **Continued Change and Upheaval in Health Care Market Expected**



The United States is likely to experience unprecedented political change resulting in upheaval in health care markets, said **health care policy expert Robert Laszewski, President of Health Policy and Strategy Associates,** at LVBCH's Annual Meeting. In his discussion, "The U.S. Health Care System: A Market and Policy Update," Laszewski said 1 million Pennsylvanians gained coverage through the Accountable Care Act's (ACA) Medicaid expansion bringing total recipients to 2.7 million out of 12.8 million residents. Meanwhile, this expansion has helped to drive a 13% reduction in uncompensated care for Pennsylvania hospitals.

"The good news is we're covering a lot more people," he said. "The bad news is it's expensive. We have an entitlement we can't afford." The ACA is floundering because only about 40% of those eligible have signed up when you need about 75% for the plan to work. As income increases, premium rates rise and participation drops. Of those in the 100-150% of the Federal Poverty Level (FPL), 81% participated, compared with 2% with income over 400% FPL.

Laszewski gave the example of a 40-year-old Lehigh Valley couple with two children and an income of 400% of FPL (\$98,400). Their annual premium cost would exceed \$17,000 and they could choose one of three plans:

- Geisinger \$1,425 monthly premium, \$7,000 family deductible
- Capital BlueCross \$1,518 monthly premium, \$9,000 family deductible
- Highmark \$1,592 premium, \$5,800 family deductible

The Trump Administration's actions further undermine the individual health insurance market. Trump's IRS has indicated that it is not going to enforce the individual mandate penalties and uncertainty regarding whether the Administration will continue to pay subsidies is causing some insurers to exit markets. While the ACA benefitted lower income people through Medicaid expansion and premium subsidies, the House Republican plan would provide more generous premium subsidies for working and middle class people. It would cut taxes by \$800 billion for those making over \$200,000, as well as the drug and medical device industries and insurers.

The largely unpopular House bill puts pressure on the Senate. "If the Senate passes something that's not positive, they will have a real problem in the 2017 elections," he said.

Meanwhile, healthcare inflation is rising. The national health expenditure (NHE) as a share of gross national product (GDP) reached 17.8% in 2015. Specialty costs are driving the increase but generic drug costs are also rising. The attorneys general of 20 states have filed suit against at least six major generic drug makers alleging price fixing. Also, legislative reform is needed to create transparency in prescription drug costs. Health plans and pharmacy benefit management plans reap the benefits of discounts and rebates while patients pay higher prices. In response to this trend, a bill sponsored by Sen. Ron Wyden (D-OR) seeks to create more transparency and pass savings to patients.

#### **Consolidation Has Not Proven to Improve Value**

Evidence does not show that hospital consolidation has decreased costs and improved quality, said Lawton Robert Burns, PhD, MBA, Professor of Health Care Management at the Wharton School, University of Pennsylvania. Dr. Burns discussed, "Critical Thinking About Consolidation in Healthcare: The Curious Case of Hospital Systems" at LVBCH's Annual Conference.

Consolidation is an important consideration given that 33 cents of every dollar spent on health care goes to a hospital, he said. While healthcare reform has encouraged consolidation, evidence has indicated that the most efficient hospitals are those with less than 300 beds, where clinical costs account for 80-90% of total costs.

In 1965, there were 7,000 freestanding hospitals in the United States. From 1998 to 2012, the number of standalone hospitals decreased by 15.6%, while the percentage of systems with 21 or more hospitals grew by 17.9%. Integration is occurring both horizontally and vertically.

Horizontal consolidation occurs as systems add hospitals. Vertical consolidation occurs as systems acquire ambulatory and post-acute providers, such as physician offices, outpatient care, skilled nursing facilities and home health agencies. Also, systems are developing insurance products.



Hospital executives cite three benefits of consolidation

- 1. Reduced cost of capital through more favorable ratings and lower-cost debt
- 2. Scale economies by spreading fixed cost over larger volumes in the supply chain, IT, back office overhead, pharmacy and lab operations, physical plant management
- 3. Clinical standardization to reduce cost and improve quality

Overall, systems have higher credit ratings than standalone hospitals, reducing their borrowing costs. However, evidence on hospital consolidation shows that while physically merging two facilities lowers costs and can increase volumes, it doesn't necessarily improve quality. Further, consolidating more than two facilities under a system roof may actually increase costs as the system gets bigger or goes regional. It does not increase quality of care or lead to increased charity care.

Hospital systems and mergers fail to achieve scale economies because integration is restricted to administrative systems and group purchasing, but does not occur in clinical operations. In fact, hospitals in consolidated markets raise prices to private payers.

Consolidated systems were expected to facilitate new care models, such as accountable care organizations (ACOs), which would provide coordinated care through all phases: inpatient, outpatient and post-acute. Eventually, payment models would shift from volume payments to value payments for the entire episode, or bundle of care. However, developing a value-based payment system has proved difficult. Meanwhile, the quick turn over of doctors and patient creates problems for the ACO movement. In fact, some of the health systems that were leading the ACO trend have taken a step back.

## **National Alliance Represents Purchasers in Driving Improvements**

The National Alliance of Healthcare Purchaser Coalitions of which LVBCH belongs is driving improvements in health, well-being and value for companies and communities, said LVBCH Annual Meeting speaker and **National Alliance President Michael Thompson.** 

"Part of our values is that we represent the purchasers," Thompson said. "We try to bring together community interests." The alliance consists of about 50 healthcare purchaser coalitions across the U.S. serving nearly every major metropolitan area and multiple primarily rural states. They support more than 12,000 healthcare purchasers providing health coverage to over 41 million Americans.



The National Alliance:

- Informs, leverages and scales the efforts of the coalitions and supports efforts to evolve, align and guide purchasers.
- Provides access to resources, connections, and funding sources.
- Facilitates a collective national voice to create market change.
- Supports key initiatives related to networking, eValue8<sup>™</sup> and education.

Created by business coalitions and employers, eValue8<sup>™</sup> measures and evaluates health plan performance. The tool evaluates health plans on how they manage critical processes that control costs, reduce and eliminate waste, ensure patient safety, close gaps in care and improve health and health care.

#### **Capital BlueCross Rolls Out Leapfrog Hospital Recognition Program**



Capital BlueCross has rolled out a regional hospital recognition program that uses the Leapfrog quality survey to help employers and consumers in central Pennsylvania and the Lehigh Valley make more informed health care decision, said **Bridget Peck, RN, MBA, Senior Medical Value Consultant, Capital BlueCross.** 

Capital BlueCross had been seeking a standardized solution to quality measurement throughout its facility-based programs. Previous quality programs were largely based on CMS Hospital Compare data, which is outdated information, inclusive of only the Medicare population. Interest in Leapfrog hospital data by employer groups, such as LVBCH, led to Capital BlueCross exploring opportunities with The Leapfrog Group, which is a national nonprofit organization focused on health care quality and safety.

Hospitals will be incentivized by Capital BlueCross to participate in the annual survey with financial rewards that will depend upon quality, resource utilization performance and improvement over the past year's results. Capital BlueCross is the first health insurer in Pennsylvania, and the second health insurer nationwide, to partner with The Leapfrog Group on this type of health care quality recognition program. The company will work with the organization to evaluate hospital performance and provide consumer-friendly results.

The Leapfrog Hospital Survey Value Score is determined by:

- Volume score
- Patient harm score
- Resource management

It takes into account medication safety (15%), inpatient care management (20%), maternity care (15%), high risk surgeries (15%) and hospital-acquired conditions (35%).

## LVPHO Uses Choosing Wisely® to Educate Clinicians



Physicians who drive much of the cost of healthcare have little knowledge of fees and charges, said **Mark Wendling**, **MD**, **Executive Director**, **Lehigh Valley Physician Hospital Organization (LVPHO)**. Speaking at LVBCH's Annual Meeting, Dr. Wendling discussed LVPHO's relationship with LVBCH in using Consumer Reports' campaign to educate clinicians about the "appropriate" avoidance of certain tests and treatments.

Dr. Wendling credited LVBCH for introducing him to the effectiveness of Choosing Wisely® resources to spark conversations between patients and providers. By questioning certain practices, such as antibiotic use, together they can ensure that the right care is delivered at the right time.

Most physicians give little thought to costs, he said, and the EMR systems used by clinicians don't typically contain cost information, he said. Furthermore, it is difficult to even know what a medication or treatment might cost because pricing varies. Due to contract differences, different insurers are charged different amounts. But, most physicians are interested in reducing costs, and would consider the value of something if they had cost information available. For example, when deciding between medications with similar effectiveness, they might prescribe the less expensive option.

"Sharing cost information with LVPHO physicians has led to some very interesting discussions," he said. Dr. Wendling has begun informing his colleagues about costs and has shared some of Choosing Wisely® suggestions with his colleagues, including:

- Don't perform stress tests on low risk patients or as part of annual follow-up
- Don't prescribe antibiotics for children with apparent viral illness or for adenoviral pink eye
- Don't treat children with ear infections with antibiotics ages 2 to 12 unless they have severe symptoms

The LVPHO campaign began with strong physician leadership. Next, analytics and measurement capabilities were developed and a responsible improvement team was recruited. To educate physicians, 11 physiciandirected CME videos have been produced. Subsequently, six patient videos were created. "The Coalition directed us to where we needed to go," he said. "I'm very thankful for their insight and support. We look forward to our partnership in getting this information out to our community."

#### Help Reduce Healthcare Spending - Use Free Choosing Wisely® Tools

Approximately 30% of health care spending is squandered on wasted care, according to the American College of Physicians. This amounts to more than \$750 billion annually. This waste results from patients requesting tests, treatments and procedures they don't need and providers performing services that are unnecessary and may be harmful, said **Dominic Lorusso**, **Director of Health Partnerships, Consumer Reports.** 

To combat this trend, Consumer Reports launched the Choosing Wisely® campaign with the goal of getting people to question whether services are needed. Introduced in 2012, materials have been revised to make them shorter, clearer, more engaging and categorized. Tools available at no cost, include: co-branded microsites and collateral and wallet cards.

For more information about Choosing Wisely®:

- Videos: <u>https://vimeopro.com/consumerhealthchoices/portfolio</u>
- Implementation Guide: <u>http://consumerhealthchoices.org/implementation-guide/</u>
- Contact Dominic Lorusso: @DomL\_Health (twitter) or <u>Dlorusso@Consumer.org</u> (email)



## Thank You LVBCH 2017 Annual Conference Sponsors

LVBCH would like to once again acknowledge and sincerely thank all of our event sponsors. Without their enthusiastic support, this event would not be possible.



#### And the Raffle Winners Are...

Thanks to our generous sponsors and vendors, several people left the LVBCH Annual Conference with gifts.

Sponsor	Gift	Winner's Name	Winner's Company
Capital BlueCross	8 pack of tickets and 2 parking passes to the Iron Pigs game on July 13th	Tara Sperandio	Talen Energy
Capital BlueCross	Family four pack to Hershey Park	Lynn Sauerzopf	PPL
Capital BlueCross	Healthy cooking & good nutrition basket	Lisa Bogert	Schlouch, Inc.
Delta Dental	Oral-B Pro 5000 Smart Series power rechargeable toothbrush	Patti Florkowski	Lehigh University
Express Scripts	Apple charging station	Adrienne Nagy	Crayola
Express Scripts	Express Scripts Book Bag	Brett Last	Northampton Community College
Geisinger Health Plan	Healthy basket (first aid kit, BP monitor)	Melinda Stuck	West Shore School District
Highmark	2 tickets for Toby Keith @ Musikfest	Susan Grella	Buzzi Unicem
Key Bank	Echo Dot (2nd generation) hands-free voice-controlled device that uses Alexa	Dawn Wilson	Buzzi Unicem
NVA	\$25 Visa gift card	Lori Young	Crayola
NVA	\$25 Visa gift card	Cathy Martucci	Kids Peace
Populytics	Bag with hat, mug, pens, golf divot/ball	Eileen Zielinski	PPL
United Concordia	Electric toothbrush	Kim Drey	Lehigh University

# **2017 Healthcare Symposium**

## Health System CEOs Say Biggest Challenge Is Reducing Costs

The Presidents and CEOs of the region's two largest health systems stated that the biggest challenge facing hospitals today is the need to significantly reduce costs while maintaining the high quality of care that residents of the Lehigh Valley expect and deserve.

Rick Anderson of St. Luke's University Health Network and Brian Nester, DO, of Lehigh Valley Health Network participated in a panel discussion on May 16 at the Healthcare Systems Engineering Symposium, co-sponsored by LVBCH. Entitled, "The Rise of Mega Networks", the discussion was moderated by Tom Huntzinger of Emerson, Reid & Co.



LVHN CEO Brian Nester (left) and SLUHN CEO Rick Anderson

"The most difficult challenge we're facing today is not Obamacare or Trumpcare," said Anderson, referring to the recent legislation supported by President Donald Trump. "We will survive those things, but we must continue to find ways to cut costs by about 20% over the next five years. I don't know of any business that has to do that."

Nester agreed that economics poses the truest trial facing health systems as the number of Medicare beneficiaries increases. Between 2012 and 2030, the number of Medicare recipients is expected to increase by 65%. "The reality is there is no more money," Dr. Nester said. "The only way out of this problem is to keep the people whose care costs the most healthier."

In the U.S., approximately 20% of people are responsible for 80% of health care costs. Providing additional services to keep patients with multiple chronic illnesses well – and out of the hospital – is one way to lower costs, the CEOs agreed. Medical analytics, which uses data to identify and provide support to patients at risk, as well as to analyze community health problems, is an important cost control tool.

"You have to believe that quality care actually costs less," Dr. Nester said. "Then, everything else follows." He gave the example of a woman who delayed a diagnostic mammogram. By the time she finally had the test; her tumor had grown, resulting in costly treatment and a poor prognosis. And, because of high deductible plans, some people may delay obtaining needed care.

On a positive note, advances in medicine and technology are helping to drive down costs by shortening hospital stays, improving recovery and identifying problems in early stages when treatment is more effective. But, keeping pace with technology can be difficult, especially for small hospitals, Mr. Anderson explained. This reality encourages consolidation of hospitals and health systems at a faster pace than ever before.

In fact, Dr. Nester said that in his first 17 years at LVHN, the hospital didn't get any requests to merge. In the last two years, they have received 12. This is driven in part by the fact that half of Pennsylvania's 260 hospitals are losing money. Among rural hospitals, 70% lose money. But, acquiring hospitals usually requires an investment to upgrade structures and technology.

Mr. Anderson added that it's important to figure out the right way to grow a system while keeping costs down. St. Luke's has both built new hospitals and acquired existing ones. He compared merger negotiations to marriage, saying that if you have different values you can get married, but it probably won't last. "You shouldn't merge with an organization with a totally different organizational culture," he said. "Culture trumps everything."

## Health Care Experts Debate Ways to Pay for Healthcare Costs

Several pricing models currently being tested show some promise, but none have emerged as the "secret sauce" to end our nation's healthcare woes, said healthcare experts at the Lehigh Symposium on May 16.



The panel discussion, "How Will We Pay for Healthcare?" was moderated by LVBCH President Thomas Croyle and featured:

- Joyjit Choudhury, PwC
- Anne Baum, Capitol BlueCross
- Robert Laszewski, Health Policy and Strategy
- Donna Sabol, St. Luke's University Health Network

Laszewski said the cost of healthcare has reached its inflection point with nowhere to shifts costs. When the cost of caring for Medicare/Medicaid patients exceeded payments, costs shifted to employers. Then, about five years ago, employers began shifting costs to workers via higher cost shares, co-pays and deductibles.

"For years the healthcare system sucked in as much as it needed," he said. Now, however, unless we seriously cut costs, our healthcare system is in jeopardy. There's not a single day – say Tuesday at 3 pm – that it's going to collapse. Rather, like the proverbial frog in hot water, it will slowly get hotter until it is too late.

Baum said needed change has already begun. "Until recently providers and insurers were very adversarial," she said. "What's different is we're no longer pointing fingers at each other, rather we're working together to come up with solutions. We've taken a huge leap forward."

Ms. Sabol agreed that many hospitals are working with insurers, physicians and post-acute care providers to bend the cost curve. Working together on a bundled payment project, St. Luke's has experienced significant reductions in readmissions and the total cost of care from hospitalization through recovery. "There are some bright spots out there," she added. "Now we have to pick up our game and accelerate our efforts to reduce costs."

Baum added that the federal government must lead the way in requiring hospitals to participate in new payment and delivery models. "Capital BlueCross can ride on the shirt tails of CMS changes." Obstacles to adopting value-based and other new payment models include the difficulty of defining quality. Also, Croyle stated that providers are better at calculating reimbursements than the cost to provide care.

First we have to define value, Choudhury said. There are many different measures of quality, such as safety, infection rates, patient satisfaction, but not one that is consistent across providers and insurers.

"In the end," Laszewski said, "it all comes down to the cost to the community. If you bring down the cost of care, you've improved value." He added that we can't count on Washington to solve the problem or expect people to suddenly make better choices. "Thirty-five years ago, insurance providers developed health assessments," he said. "They told people don't do drugs, don't use alcohol in excess, don't smoke, don't get overweight, but it never got any traction because people know they're fat, shouldn't smoke or drink too much and do it anyway."

#### To view additional photos from the event, click here.

# **LVBCH Employer Forum**

#### Several Strategies Available to Curb Health Benefit Expense

Increases in employee health plans have far outpaced inflation, but employers can adopt strategies to manage rising costs, said **Kevin Davis, Senior Benefits Consultant, Univest Insurance.** Davis spoke at the LVBCH Employer Forum, **"Benefits Cost & Culture Strategies, What Your Business Needs to Know."** The event was held April 5 at the PBS39 TV studio in Bethlehem, PA.

Davis referenced the Kaiser Family Foundation's 2015 Employer Health Benefits Survey that stated health insurance premiums for employers have cumulatively increased by 65% from 2010 to 2015.

Several strategies have emerged in response to employers'



challenge of providing affordable health coverage for their employees. Most are available to employers of all sizes, while some are limited to large or self-insured employers. Many insurance carriers offer these tactics to their small group segments. These strategies include reference-based pricing, prescription drug carve-out, narrow network, telemedicine and price transparency tools. An engaged patient population is essential for these strategies to be effective. Employers must communicate the value of these strategies as personal cost savings, convenience and improved health and wellbeing.



#### **Systematic Plans Drive High Performing Culture**



While most companies have financial, strategic and sales plans, very few have culture plans, even though most CEOs rank organizational culture as very important, said **Bill Kaiser, Senior Consultant, High Performing Culture (HPC)**. Culture plans not only identify values, such as integrity, quality and respect but also behaviors like honoring commitments, practicing blameless problem solving and following up on everything.

Culture describes "the way things work around here." Specifically, it's the behaviors of our people on a day-to-day basis. Engagement describes "how people feel about the way things work around here."

It's easier to coach and provide feedback to employee about behaviors than values. Rituals reinforce behaviors in a systematic way. For example, preferred behaviors can be described in emails from the CEO, discussed during staff meeting and reinforced through e-tools, such as videos or quizzes.

# **Leapfrog Update**



#### How Safe is Your Local Hospital?

In April, The Leapfrog Group, a national nonprofit watchdog, released its Spring 2017 Leapfrog Hospital Safety Grades, marking five years since the inception of the grade. The Leapfrog Hospital Safety Grade assigns A, B, C, D and F grades to more than 2,600 U.S. hospitals twice per year. It is calculated by top patient safety experts, peerreviewed, fully transparent and free to the public.

In PA, 132 hospitals were graded, and 31 (23%) received an "A", the

highest letter grade, showcasing a dedication to safe care. To read the entire news release about the Spring 2017 Hospital Safety Grades and see the complete list of the 31 hospitals in PA that were graded an 'A' in this latest update, <u>click here</u>.

To find out the grade of your local hospital, visit www.hospitalsafetygrade.org.

#### **New Reports Released on Hospital Performance**

Each year, The Leapfrog Group asks every adult and free-standing pediatric general acute-care hospital in the U.S. to voluntarily complete the **Leapfrog Hospital Survey**. Results are publicly reported by individual bricksand-mortar hospitals. Leapfrog uses the survey data to track and share hospitals' progress on key issues of safety and quality. To present data on aggregate hospital performance on the Survey, Leapfrog has partnered with Castlight Health, an industry leader in providing tools to aid consumers in their health care decisionmaking. In the first half of 2017, Leapfrog released the following reports on the results of the 2016 Leapfrog Hospital Survey. To read the reports, click on the links below or visit: <u>http://www.leapfroggroup.org/ratingsreports/reports-hospital-performance</u>





## **Guest Articles**

## Facing Your Dental Phobia Head-On

Does just thinking about going to the dentist cause you to run for the hills? You're not alone. Between nine and 20% of Americans <u>avoid dental appointments</u> because they are afraid of the experience they think they'll have in the dentist's chair.

If you struggle with a dental phobia or even mild anxiety, here are some tips to help you <u>alleviate your worries</u> about seeing a dentist:

- If your anxiety is due to a bad experience from years ago, consider that modern dental offices are equipped to make visits more comfortable and less stressful than ever before. In fact, many people who were once frightened now describe their visits as surprisingly pleasant.
- Look for a dentist who is sensitive and works with fearful patients. Ask friends and family for recommendations, or call your <u>local dental society</u>. Use United Concordia Dental's Find a Dentist search tool to confirm the dentist is in-network.
- Don't be embarrassed: Talk to the dentist and staff about your fears.
- Schedule your appointment early in the day so you have less time to get nervous.
- Ask a friend to accompany you.
- Start out with easy procedures, such as exams and cleanings.
- Discuss anesthesia and sedation options before scheduling complex procedures.

Know that once you have good dental experiences under your belt, your fears will continue to lessen with each appointment. To get more information about LVBCH's dental program, contact Greg Fisher, Director of Sales, United Concordia Dental via email (<u>Gregory.Fisher@ucci.com</u>) or phone (610.276.2108).

#### Personalized Tobacco Cessation Program Available, BeneQUIT

Use of tobacco products, particularly smoking, is one of the most difficult habits to break. While there are products on the market that can assist someone who is ready to stop, combining these with personal support often leads to greater success in quitting. BeneFIT Corporate Wellness<sup>SM</sup>, the corporate wellness service offered by Populytics, Inc., the population health management and analytics subsidiary of Lehigh Valley health Network (LVHN), has launched **BeneQUIT**, a program uniquely developed for effective tobacco cessation.

**BeneQUIT** is evidence-based, and facilitated by Erica Fry, a Certified Tobacco Treatment Specialist (CTTS) and Health and Wellness Coach. The program approach is motivating, not aggressive. "As a tobacco quit coach, I am each individual's advocate, ready to guide him or her to prepare for, and embark on, the journey to being tobacco-free," says Fry. "I never tell a person when, how, or why to quit using tobacco. Rather, I listen to their vision of being tobacco-free and assist in creating the plan that works best for them."

Here is what the **BeneQUIT** program includes:

- Guidance from a Certified Tobacco Treatment Specialist (CTTS)
- Access to a coach for the remainder of the program year
- Informational and preparatory e-book
- Pre-recorded educational webinar
- Plans for care and support that are customized for you

For more information or to get started, call 484-862-3500; toll-free, 866-733-6158; or email us at info@populytics.com.



UNITED CONCORDIA® DENTAL Protecting More Than Just Your Smile<sup>™</sup>







## Your NVA Vision Benefit Comes with a Hearing Program

We have exciting news for LVBCH members with an NVA vision benefit! Your NVA vision benefit includes a hearing program through EPIC Hearing.

Hearing loss is a gradual process that can go unnoticed. The majority (65%) of Americans with hearing loss are below retirement age.<sup>(1)</sup> So it's important for people to get a hearing exam no matter their age. Most likely, your medical plan does not cover hearing aids. However, your NVA vision benefit program includes a value- add hearing program.

This value-add program includes some substantial benefits, such as:

 Access to the largest accredited hearing care provider network in the U.S. (including Audiologists and ENT physicians) According to the 2015 "Listen Hear, Live Well!" Employer Survey, 86% of employers agreed that they would integrate a hearing wellness component into their employee benefit.

- Savings on professional services and top-tier manufacturer brand hearing devices that may be required for proper treatment (such as hearing exams and a corresponding need for hearing aid devices)
- 30% to 60% below MSRP pricing on name-brand products
- Money-back trial periods Extended warranties and batteries, with purchase

# LVBCH Members save up to 60% off of retail prices on brand name hearing aids from major manufacturers.

See pricing table below.

Level of Hearing Aid Technology	Typical MSRP	EPIC HSP Pricing	AVERAGE MEMBER SAVINGS
Entry	\$1,400	\$495	\$905
Essential	\$1,650	\$999- \$1,199	\$601
Standard	\$2,250	\$1,299- \$1,499	\$901
Advanced	\$2,700	\$1,899- \$2,099	\$701
Premium	\$3,500	\$2,399- \$2,499	\$1,051

Interested? Contact EPIC Hearing at 1-866-956-5400 or register online at <u>www.epichearing.com/registration</u> and mention LVBCH to start the process to better hearing.

<sup>1.</sup> Basic Facts about Hearing Loss Statistics, Hearing Loss Association of America (<u>http://www.hearingloss.org/content/basic-facts-about-hearing-loss</u>)



To get more information about LVBCH's vision program, contact Christopher Maus, Sales Director, NVA via email (<u>cmaus@e-nva.com</u>) or phone (443.915.0808).

#### **Choosing Wisely® Helps Patients and Providers Change Patterns**



In recognition of 5-year anniversary of the Choosing Wisely® initiative, Consumer Reports has published <u>stories of how five doctors and one physician assistant</u> have used the Consumer Reports Choosing Wisely® materials in their practices -- and what happened.

One of the doctors featured was **Mark Wendling**, **MD**, **Executive Director**, **Lehigh Valley Physician Hospital Organization** who has been a practicing family physician in the Lehigh Valley for nearly 20 years. Dr. Wendling was also one of the featured speakers at the LVBCH Annual Conference on May 4, 2017 at DeSales University. To read Dr. Wendling's Choosing Wisely® story, <u>click here</u>.

LVBCH is proud to promote the Consumer Reports Choosing Wisely® campaign.

The campaign is an initiative of the <u>ABIM foundation</u> and is designed to **educate employers and their employees about the dangers and issues associated with the overuse of health care services**. The campaign helps employers encourage their employees to get involved in their health care so they can have informed conversations with their physicians.

To access more than 100 other guides (including videos) to getting better, safer, more cost-effective care, visit <a href="http://consumerhealthchoices.org/lvbch/">http://consumerhealthchoices.org/lvbch/</a>

#### **Geneia and LVBCH Provide Employers Advanced Analytics**

LVBCH partnered with Geneia to provide member employer groups with access to the Theon® Care Engager advanced analytics platform. In addition to providing employers with timely, actionable analytic insights needed to improve the quality and cost of employee healthcare, the data in tool can be used to support coalition-led initiatives to identify and mitigate healthcare trends impacting member employers.

The data currently in the tool is aggregated from ten LVBCH employer organizations representing nearly 55,000 covered lives, for which Capital BlueCross is the primary carrier.

To download the **Employer Group Overview** handout that was distributed at the LVBCH Annual Conference that summarizes some of the initial findings, click the image to the right or <u>click here</u>.





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Our affiliation with these national organizations is a value-added benefit for our members.





