



## 2019 annual report



health action council

Enhancing Business. Enlightening Lives. Enriching Communities.



# MEMBERS

## A

360Rx Solutions  
ACRT Inc.  
AeroVironment  
AK Steel Holding Corporation  
Aleris International Inc.  
American Electric Power  
American Greetings Corp.  
American Showa Inc.  
Amherst Exempted Village Schools  
Apex Tool Group LLC  
Ashland University  
Ashtabula County Educational Service Center  
Ashtabula County Joint Vocational School  
Ashtabula County Schools Council of Governments  
Ashtabula County Technical & Career Center  
Auburn Career Center  
Austin Powder Company  
Automated Packaging Systems Inc.

## B

Beachwood City Schools  
Bellevue Christian School  
Bendix Commercial Vehicles System LLC  
Blanchard Valley Health System  
Bowling Green State University  
Bricker & Eckler LLP  
Brookfield Properties  
Buckeye Local School District  
Builders FirstSource

## C

Catholic Diocese of Cleveland  
CEBCO (County Employee Benefits Consortium of Ohio)  
CIEE  
Cincom Systems Inc.  
City of Cleveland  
City of Columbus  
City of Corpus Christi  
City of Cuyahoga Falls  
City of Dayton  
City of Dublin  
City of Euless  
City of McAllen  
City of Middletown

## C

City of Painesville  
City of Texarkana  
City of Toledo  
Clearview Local Schools  
Clermont County Board of Commissioners  
Cleveland Clinic  
Cleveland Metropolitan School District  
Cleveland State University  
Colorado PERA  
Columbia Local Schools  
Columbus City Schools  
Columbus State Community College  
Commercial Vehicle Group Inc.  
Conneaut Area City Schools  
CreativeDrive  
Current Lighting  
Cuyahoga Community College  
Cuyahoga County  
Cuyahoga County Board of DD

## D

Décore-Active Specialties Inc.

## E

Eaton Corporation  
Educational Service Center of Lorain County  
Elyria City School District  
Emerald Performance Materials LLC  
Erie County Board of Commissioners  
Ernst Enterprises  
Exal Corporation

## F

Fairport Harbor Village Schools  
Federal Reserve Bank of Cleveland  
Ferro Corporation  
Firelands Local Schools  
Franklin County Benefits Cooperative Health Benefits Program  
Franklin County Board of DD  
Franklin International Inc.  
Fraternal Order of Police - Miami Lodge #20

## G

Gardner Denver  
GEHA  
Geneva Area City Schools  
Getty Images  
Gould Electronics Inc.  
GraffTech International Holdings Inc.  
Grand Valley Local Schools  
Greater Cleveland RTA  
Greif Inc.  
Griffin Hospital  
Grizzly Industrial Inc.

## H

Heidelberg University  
Helmerich & Payne  
Honda of America Mfg. Inc.

## J

Jefferson Area Local School District  
Jones Day  
JRB SF Gourmet Coffee

## K

Kent State University  
Keystone Local School District  
Kirtland Local School District

## L

Lake County Commissioners  
Lake County Educational Services Center  
Lake County Schools Council  
Lake Erie Regional Council (LERC)  
Lakeland Community College  
Lawrence & Memorial Hospital  
Lazer Spot Inc.  
Libbey Inc.  
Life Church  
Lincoln Electric Company  
Lorain County Community College  
Lorain County Joint Vocational School  
Lubrizol Corporation, The

## M

Madison Local School District  
Marcus Corporation, The  
Marion City Schools  
McAfee & Taft  
MD Building Products Inc.  
MetroHealth System  
Middlesex Health

“A consistent source of timely, leading – edge, and highly valuable strategic benefit thinking.”

-Ernest R. Smith  
AK Steel



## M

Midview Local School District  
Milacron Inc.  
Mitsubishi Electric Automotive America Inc.  
Mohawk Schools  
Montgomery County  
Mount Nittany Health  
MTM Recognition

## N

National Automotive Road & Fuel Association  
Nationwide Insurance  
NAVEX Global Inc.  
NCC Solutions  
Nippon Paint (USA) Inc.  
Noble Drilling Services Inc.  
Nordson Corporation  
North Central Ohio Trust  
Northeast Ohio Regional Sewer District  
Novetta Solutions

## O

Ohio AFSCME Care Plan  
Ohio Civil Service Employees Association (OCSEA)  
Ohio Police & Fire Pension Fund  
Ohio Public Employees Retirement System (Ohio PERS)  
Ohio State University, The  
Ohio University  
OhioHealth  
Oklahoma County  
Oklahoma Farm Bureau  
Old Fort School District  
Online Computer Library Center Inc. (OCLC)  
Optimal Health Initiatives  
Outrigger Enterprise Group

## P

Painesville City Local Schools  
Parker Hannifin Corporation  
Pernod Ricard  
Perry Local Schools  
Plumbers & Pipefitters Local 344  
PNC Financial Services Group Inc.  
Progressive Corporation  
ProMach Inc.  
Pymatuning Valley Local School District

## Q

Q Holding Company

## R

Richmond Heights Local School District  
Riverside Local School District  
Riverside Unified School District  
RPM International Inc.

## S

Sakura Finetek  
Seneca East Schools  
Sheffield/Sheffield Lake City Schools  
Sherwin-Williams Company  
Signet Jewelers  
SOPREMA  
Squire Patton Boggs  
State of Ohio  
State Teachers Retirement System of Ohio (STRS)  
Step 2  
STERIS Corporation  
Sundyne LLC (Previously Accudyne)  
Sutherland Global Services  
Swagelok Company

## T

Teamsters Local 293  
Pension/Welfare Fund  
Thompson Hine LLP  
Tiffin Schools  
Toledo-Lucas County Public Library  
Tucker Ellis LLP

## U

Ulmer & Berne, LLP  
Union Benefits Trust  
Unite Health Share Ministries  
University of Cincinnati  
University of Toledo

## V

Value Care Alliance  
Vancouver Clinic, The  
Vermilion Local School District  
Visual Comfort Generation Brands Holding Inc.

## W

Wellington Exempted Village Schools  
Western Connecticut Health Network  
Westfield Group  
White & Case  
Wickliffe City Schools  
Wiese USA Inc.  
Willoughby/Eastlake City Schools  
Wireless Vision LLC  
Wolff Brothers  
World Shipping Inc.

“I feel valued. Not as just a member, but on a personal level as well.”

-Nicholas Bowman-Glover  
Columbus State  
Community College

## THANK YOU TO OUR ANNUAL SUPPORTERS

### PREMIUM:

Accolade • EPIC Hearing • Findley • finHealth • McGohan Brabender  
Naturally Slim Inc. • Oswald • Quantum Health • Regenexx • Virta Health

### CLASSIC:

AbbVie • Aetna Inc. • Airrosti Rehab Centers LLC • American Specialty Health • Anthem BCBS • Aon  
Businessolver • CancerBridge • CareATC • Castlight Health • Cigna • Ciuni & Panichi • Consumer Medical  
CVS Caremark • EdLogics • EyeMed Vision Care • Fedeli Group • Gallagher • Health Design Plus • HealthWorks  
Hylant • Livongo • Maxim Healthcare Services • Medical Mutual of Ohio • Mercer • Merck & Co. Inc.  
Momentum Health • NFP Corporate Services • Novo Nordisk Pharmaceuticals • Optum • P&A Group • Pfizer Inc.  
Prescription Care Management • RetireMed IQ • Risk International • The Big Know • UnitedHealthcare  
Vision Service Plan (VSP) • Walgreens • Willis Towers Watson



## BOARD OF DIRECTORS

### CHAIRMAN

**Don Bell**  
Director of Executive Awards  
Ohio Health

### MEMBERS

**Cindy Kip**  
Sr. Director,  
Benefits Planning  
Nationwide Insurance

**Kelley Korte**  
Benefits Executive  
Step2

**Tim Kowalski**  
Chief Medical Officer  
Progressive Corporation

**Martha Lanning**  
Director, Health & Welfare Plans  
The Sherwin Williams Company

**Frank Mulvaney**  
Director of Benefits  
Signet Jewelers

**Keith Race**  
Director, Global Benefits & Admin.  
Parker Hannifin Corporation

**Ernest R. Smith**  
Director, Employee Benefits  
AK Steel

**Thomas Tercek**  
Director of Global Benefits  
The Lubrizol Corporation

## Shaping the Future of Health and Benefits

To shape the future of health and benefits, Health Action Council had to evolve and grow. What was once a grassroots, regional organization is now a national coalition with a presence in all 50 states. We have transitioned beyond a binary focus on pharmacy benefit costs and quality of care to become something bigger. Today's Health Action Council is a multi-faceted collaborative leading the way in benefit design, transparency, consumer experience, cost, and innovation.

This expansion was made possible by a strategic shift in our thinking and the ability to pivot in the rapidly evolving world of health and benefits. Internally, we've infused our work with passion, innovation, and continuous improvement to meet new challenges and ensure the employer's voice is represented at all tables. Externally, we've strengthened our relationships with our communities and vendor partners in an effort to create programs aimed at improving the health and experience of individuals, lowering costs, and improving medical-related outcomes.

Above all, and perhaps most important, we've remained member-driven. We've continued asking questions, pursuing answers, and driving conversations for the betterment of our entire coalition. It is because of our members, their voice, guidance, and demand for action that we have achieved this unprecedented success.

That success is evidenced by year-over-year increases in group-purchasing savings; by making sure annual cost increases inch closer to CPI or flat against inflation; by engaging members on topics that they are concerned about and meeting them where they are to discuss them. Today's successes are the direct result of relationships – those that benefit all stakeholders, including our sponsors, supporters, vendors, and provider partners, and the communities where our member businesses can thrive.

Our journey forward will require both a break from status quo and continued investment in partnerships, for it is only through collaboration that we will continue to shape the future of health and benefits.



A handwritten signature in black ink that reads "Patty Starr".

**Patty Starr**  
President & CEO  
Health Action Council



A handwritten signature in black ink that reads "Don Bell".

**Don Bell**  
Chairman, Health Action Council  
Director of Executive Awards  
Ohio Health



## A National Consortium

By adding 34 new members to our coalition last year and maintaining a 96.5% retention rate across the current membership, Health Action Council now represents more than 200 employers and union groups covering over 2.8 million unique lives. Our national footprint covers all 50 states, 89% of counties, and 62% of zip codes. What was once a “grassroots” Ohio organization, is now a national coalition focused on best-practice sharing, robust educational programming, and successful group-purchasing initiatives.

## Investing in Collaboration

As a member-driven organization, Health Action Council recognizes the value and role employers play in the healthcare spectrum. From the start, we have been an advocate for the inclusion of employers in collaborative health improvement efforts. In fact, this past year we successfully completed one of our efforts – the Primary Care Push Project.


### Employer Push

Better primary care leads to better patient outcomes, fewer hospitalizations, emergency department visits, and overall better health.

In 2014, we facilitated a project bringing together The Lubrizol Corporation, The Lake County Schools Council, The Progressive Corporation, Lake Health System, and Better Health Partnership to focus on improved primary care. The group piloted a program that brought coordinated, patient-centered care to employees who received care at Lake Health in Northeast Ohio. Introducing a new healthcare delivery model designed to show improved ROI for employers, the Primary Care Push Project was intended to deliver an enhanced care experience for employees.

And it did just that. Demonstrating the power of collaboration and committed relationships to positively shape the future of health improvement, at-risk patients with chronic conditions or behaviors were identified within the participating employer population. This gave coordinators the ability to work with patients and their families to better manage care across the continuum ensuring the right care, at the right place, at the right time. In addition, this drove health improvements for patients with diabetes and high blood pressure.

Lake Health Primary Care facilities achieved National Committee for Quality Assurance Patient-Centered Medical Home (PCMH) designation. PCMHs consistently demonstrate improved quality and patient experience, as well as reduced costs. Employers gained first-hand knowledge through this collaboration, a healthier employee population, and better care for the overall community.



“By being part of a larger block of business, we take advantage of even greater discounts and opportunities in health and wellness offerings.”

-Brian Lewis  
Shafley Plan Management Services



## Investing in Collaboration

### Right Care. Right Place. Right Price.

In an effort to mitigate costs to employers and employees, Health Action Council expanded the Find the Right Care initiative across Ohio, as well as zip codes in Charlotte, NC and San Antonio, TX. Partnering with Walgreens, CVS, UnitedHealthcare (UHC), and The Big Know, the second year of the program again reduced the misutilization of emergency departments across our membership. The overall program performed 2.1 percentage points better than the benchmark set by our vendor partner resulting in an estimated 44 fewer emergency room visits.



### Medical Mistakes

Medical mistakes have become the third leading cause of death in the U.S., which inspired us to partner with Mike Eisenberg, director of the patient safety documentary, "To Err is Human."

Health Action Council screened the documentary in Cleveland, Columbus, Minneapolis, and Denver giving our members, partners, and community leaders the opportunity to learn more about the rampant medical errors and the need for improved patient safety. The film successfully draws attention to the more than 400,000 preventable deaths that occur each year as a result of medical mistakes which employers should never pay for.

Each of these screenings was followed by a patient safety discussion involving stakeholders across the payer, provider, and patient continuum. These discussions are an integral step towards putting patients first and closing gaps in care.

find the right  
care



### Step-It-Up Challenge

Sponsored by Fitbit, this year's three Step It Up Challenges saw nearly 700 participants who averaged 10,452 steps per day.

Team-based step challenges provide health benefits from increased physical activity, as well as organizational camaraderie from friendly competition. As part of the prize package, back-to-back winner Team Toledo (of the City of Toledo) donated \$1,000 to Ronald McDonald House Charities of Northwest Ohio.

All in all, the Step It Up Challenge proved to bring together hundreds of employees working towards the betterment of their health while donating to their communities.





## Top Accomplishments

**Innovative Health “Buddy” Model**  
Health Action Council and UnitedHealthcare (UHC) designed and committed a capital investment to build the “Buddy” model, a pre-emptive service model approach to simplify health and motivate employees to take an active role in their health.

**Medical Contract**  
A new contract was negotiated allowing members to gain access to an enhanced customer service benefits model at no extra cost.

**2019 IN-VALUE-ABLE Conference Series & Educational Programming**  
Our annual conference and symposium attracted more than 48 sponsors and 550 HR and benefits professionals. In addition, we offered 30 live and virtual educational events resulting in nearly 1,000 registrations.

**“To Err is Human” Screenings**  
Partnering with the director of this in-depth patient safety documentary, Health Action Council hosted four prerelease screenings and leadership discussions in Cleveland, Columbus, Minneapolis, and Denver about the impact of medical errors.

**CVS/Caremark & OptumRx Contract Extension**  
Following an extensive market check, our pharmacy contracts were extended through 2021 and resulted in an additional member savings of 3.5%.

**New Members & Member Retention**  
Thirty-four employers joined our consortium while we retained 96.5% of our existing membership. We now represent more than 200 member organizations covering over 2.8 million unique lives. This growth has led to improved pricing, strengthened negotiating power, innovative benefit design, and more robust educational opportunities.

**Step It Up Challenge**  
Our signature employee health improvement project involved nearly 700 individuals over three, two-week challenge events. Combined average daily steps totaled 10,452.

**Health Action U**  
Through partnership with The Big Know, we provided members with Health Action U – a Netflix inspired benefits education and holistic wellbeing learning series taught by best-selling authors, celebrities, and industry leaders.

**Find The Right Care**  
Expanded the pilot program beyond seven zip codes to Ohio, Charlotte, North Carolina, and San Antonio, Texas. Health Action Council member cities and zip codes performed 2.1% better than the UHC book of business in the target markets.

**Leapfrog Regional Leader**  
More than 2,000 hospitals across the country completed the survey and two hospitals within our region received Top Hospital Awards.



## Cost Savings

### Pharmacy

This year the pharmacy audit resulted in \$7.7 million in savings. The market check yielded \$18.7 million in savings. Following our annual pharmacy audit and market check, Health Action Council exercised its option to extend its contracts with both CVS/Caremark and OptumRx through 2021. The extension garnered an additional 3.5% savings for members for a program running 5% below market trend.

### Medical

In the last year, our medical program saved members \$2.2 million in administrative fees. Since 2013, administrative fee savings total \$11.4 million. Our new contract with UnitedHealthcare, which commenced on January 1, 2019, brings even more savings to members.

As Health Action Council leverages the collective purchasing power of the entire coalition to drive healthcare improvements, we evaluate for better quality, value, transparency, and cost as we move through the RFP process. As a result of this due-diligence, our contract with UHC includes an enhanced customer service benefits model upgrade free of charge for all members. Proprietarily called the "Health Action Council Advocate4Me Elite" model, it allows members to get more from their health plan by engaging a team of health experts who provide focused, personalized support, and connect employees to a variety of resources.

We have also made our first significant capital investment in the medical space subsidizing the Innovative Health Model, also called the "Buddy" model. A member-pilot program is slated to begin January 1, 2020 with matching funds from UHC. The model is an advanced customer service model beyond any other product available in the marketplace.

With better staffing ratios and "Buddies" expanding the advocate role even further, the Innovative Health Model is the result of more than two years of ideation, negotiation, and design. It combines proactive outreach, a care management team, and digital and onsite support with a dedicated "Buddy" to coordinate across the entire benefit spectrum. With fee and trend reduction guarantees, the Innovative Health Model is our most ambitious innovation in the medical benefit space.

### Direct Contracting

Health Action Council proactively facilitated a closed door ideation session with doctors, employers, and industry consultants to discuss how we might delay and/or eliminate the onset of chronic disease through direct contracting.

Although just a preliminary look into a potential future opportunity, this collaborative ideation session provided an invaluable glimpse into a medical solution(s) that could benefit our members, their employees, and potentially the community at large.





## Action and Value

Health Action Council works to bring the latest, cutting-edge educational material to help members be knowledgeable and proficient in their positions. Based on best practices, data, the work of innovative thought leaders, and experts across industries, we hosted 30 live and virtual educational events drawing nearly 1,000 registrants.

### Invaluable Opportunity

Our premier educational and networking event for employee benefits and wellness coordinators, professionals, business leaders, executives, and community leaders is our annual IN-VALUE-ABLE Conference Series. It's an experience designed to provide the tools, inspiration, and strategy that benefits teams need to not only shape the future, but also better execute for today.

The 2019 IN-VALUE-ABLE Conference Series brought more than 550 attendees to Columbus and Cleveland offering high-level perspectives from nationally-recognized thought leaders, as well as granular, tactical insights from industry experts. Each year, the events provide unparalleled networking opportunities across peer groups and other stakeholders. The Conference Series creates a forum to learn in an unbiased, forward-thinking environment, and the occasion to both celebrate and share those best practices that could dramatically impact their employees and their bottom line.

### Holistic Education

This past year, we expanded our member education portfolio to include Health Action U, a Netflix-inspired learning series taught by best-selling authors, celebrities and industry leaders in partnership with The Big Know. The entire series of interactive, instructional videos is available free to all members.

Covering topics such as benefits education, financial wellness, purpose, Health Savings Accounts, and wellbeing, the video series delivers insights presented in a fun and engaging manner. Designed for any organization, the expertise contained within this video series is accessible and actionable for any employee population. In bite-sized, 10-minute videos, these lessons help employees understand their benefits, as well as strategies to improve their health, finances, and relationships.

In addition to hosting premium educational programming, we also invest in primary research for the betterment and edification of our members.

## 6 WAYS TO MAXIMIZE YOUR MEMBERSHIP

Are you taking advantage of all the opportunities that exist through HEALTH ACTION COUNCIL? If not, here is a good place to start.

### ENGAGE EMPLOYEES

Take advantage of tools that will help you engage employees to create a healthier, happier, and more productive workforce that is motivated to enhance their communities.

### 2020 IN-VALUE-ABLE CONFERENCE SERIES

Register for the 2020 Conference Series. It's free for members. An out-of-state travel grant is available.

### SAVINGS

Explore how our innovative group purchasing solutions could help you reduce benefits costs while still providing optimal care for employees.

### DECISION TOOLS

Examine the tools we've designed to help you make more informed benefits decisions. Topics include enhancing employee engagement, vendor support management, compliance navigation, and so much more.

### EDUCATION

Get access to free continuing education credits offered through our upcoming virtual and live events.

### WELLNESS

Recruit a team for one of our Step It Up Challenges.

## Action and Value

### The Future

Last February, Health Action Council unveiled a white paper entitled *Generational Analysis: Insights About your Workforce to Help Advance Your Success*. The paper focuses on the generational mix of employee populations with attention given to healthcare needs and utilization patterns. The analysis highlighted two key takeaways:

- 1) Depression is one of the top three common conditions for both Millennials and Generation Z, which indicates an opportunity for employers to adjust their benefit offerings to be more inclusive of mental health.
- 2) Younger generations are identified as at-risk or diagnosed with chronic conditions far sooner than previous generations.

More studies are demonstrating that mental health is on a trajectory to become a chronic condition like cancer or heart disease. It also proves that our younger generation is sicker than their contemporaries at the same life stage. This data compels action for investments in holistic wellbeing such as physical wellbeing programs, mental health initiatives, and financial wellbeing to help the core of our future workforce better manage their health.

## Stewardship In Action...

Health Action Council revenue is derived entirely from the support of employer members, annual supporters, conference and event sponsors, and revenue from group purchasing. In partnership with our Board of Directors, we manage our resources by investing wisely in solutions and initiatives that benefit members and enhance the health and wellness of their employees.

### EMPLOYER MEMBERSHIP DUES

Employer membership dues contributed to the vitality and evolution of Health Action Council by generating 18% of FY2019 revenue. Member dues support our operating expenses and allow us to leverage the strength and impact of national advocacy organizations such as the National Quality Forum (NQF) and American Benefits Council.

### ANNUAL SUPPORTERS / EVENT SPONSORSHIP

The generosity of our Annual Supporters and Event Sponsors represented 11% of Health Action Council revenue in FY2019. Through this financial commitment, Health Action Council developed and delivered successful annual conferences, live workshops, and webinars to help increase knowledge and fulfill our mission.

### GROUP PURCHASING PROGRAMS

Funds generated through group purchasing accounted for 71% of Health Action Council revenues. These funds are reinvested to manage our medical, prescription drug, vision, and flu shot programs, as well as fund new purchasing programs and purchasing initiatives including contract negotiations, legal reviews, and audits.

18%

11%

71%





## health action council

Enhancing Business. Enlightening Lives. Enriching Communities.

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