

ANNUAL REPORT

2018

Collaboration Among Stakeholders to Deliver
High Quality, Reasonable Cost, Healthcare Solutions



With 3 complete years under my belt as the Executive Director of the Central Penn Business Group on Health, I marvel at how quickly the time has gone by and how much has changed. Not only has the healthcare delivery landscape changed dramatically over that time with provider and carrier consolidations, but we have also seen a rise in demand for effective tools to help employers control their healthcare spend. Because the reality is that as much as things have changed, we still have healthcare costs rising at rates higher than overall inflation.

In response to all of this change and need, the Central Penn Business Group on Health has gone from annually hosting our 3 keynote events and 2 networking breakfasts to hosting our 3 keynote events, 2 networking breakfasts, 2 data reveal events and 8 to 10 online education events. We continue to strive to

provide the highest level of education possible; alerting our members to these market changes and opportunities to utilize new tools and resources to their advantage. It is quite a challenge!

One of the unique things about CPBGH is that we are the one place that all of the stakeholders in healthcare routinely gather to discuss the issues of the day. Our Board of Directors reflects the collaborative nature of our mission and vision in its composition. Around the table we have our health systems, our physician community, our carriers, advisors and of course our region's employers. The value in this collaboration is that we have the opportunity for candid discussions about healthcare in our region and come together and work to improve the quality and cost of care. I believe that no one market segment can fix all that ails us and the synergies of working together will create larger impacts in the region well into the future.

With good reason, CPBGH is still focused on being the healthcare data aggregator for our region and we continue to push for price transparency for medical services. With over 100,000 covered lives from over 100 employers on the Innovu platform, the insights we are gaining are helping to create new plan designs intended to provide high quality care in cost-effective settings. Examples of our success in this arena can be found in some of the recent plan design changes offered by our carrier partners. I applaud these efforts and look forward to continuing the dialog.

In 2019, health systems are now required to publish pricing for their services. Those prices do not necessarily translate to patient liabilities for care. Accordingly, it is still imperative that we strive for complete price transparency so patients can understand their own liabilities for care received. With over 64% of respondents to a recent 20/20 Research and CarePayment survey indicating that they have put off care because of concerns over cost, we need to do more to provide affordable options in a manner that is understood by the general public.

On behalf of Central Penn Business Group on Health I thank all of you for your continued support. Although we do not always agree on what needs to be done and how to do it, without collaboration between all stakeholders we would not be able to accomplish all that we have.

As always, I invite you to take advantage of all this organization offers to you. As we continue the journey, we again challenge you to use our resources, attend our events and make your voice heard.

Best wishes for a happy and healthy 2019!

A handwritten signature in dark ink that reads "Diane". The signature is written in a cursive, flowing style.

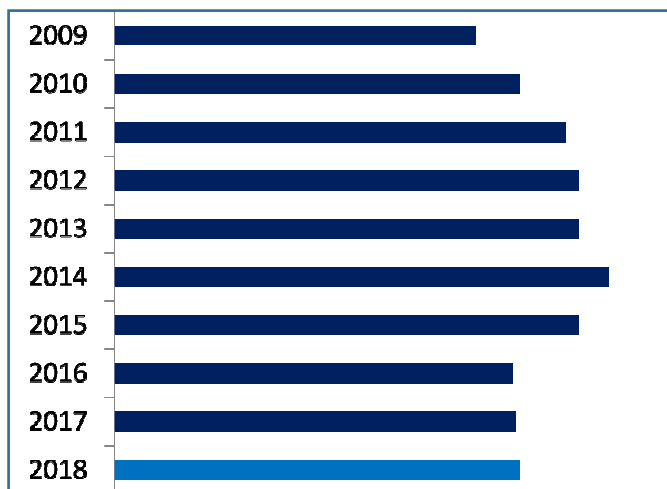
Diane N. Hess, CLU CEBS
Executive Director

OUR MISSION

Balance between costs and quality

NUMBER OF MEMBERS

The Central Penn Business Group on Health maintained a consistent number of members in 2018 although there have been changes in the membership itself. We continue to make inroads in the larger region we serve and with our initiatives around cost and quality, we anticipate membership growth in 2019.

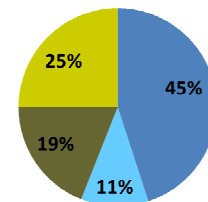


STAFF ACTIVITY

At the Central Penn Business Group on Health, we continue to track all of our activity so our membership knows exactly how we are spending our time. Although administration takes up a significant portion of our time, we continue to focus on delivering high quality educational events and innovative programs and services. Additionally, we value our relationship with our community partners and believe that continuing to grow these relationships will benefit us all.

2018 Staff Activity

■ Administration ■ Community Partnerships
■ Services ■ Education



2018 Strategic Initiatives

Engage

Collaboration & Partnerships

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

Empower

Education & Advocacy

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

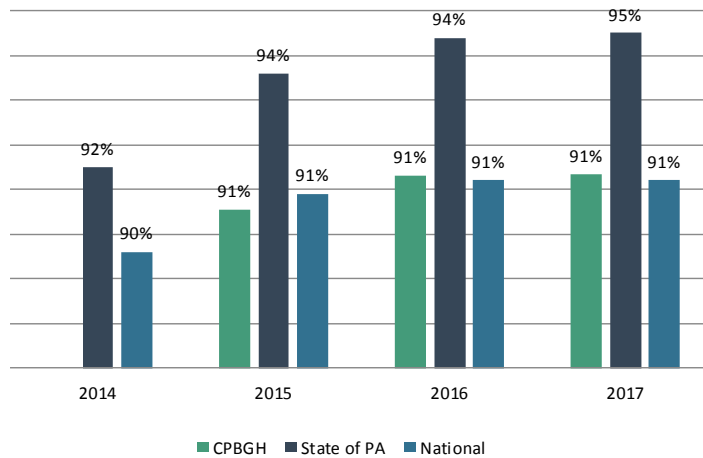
Execute

Products & Services

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

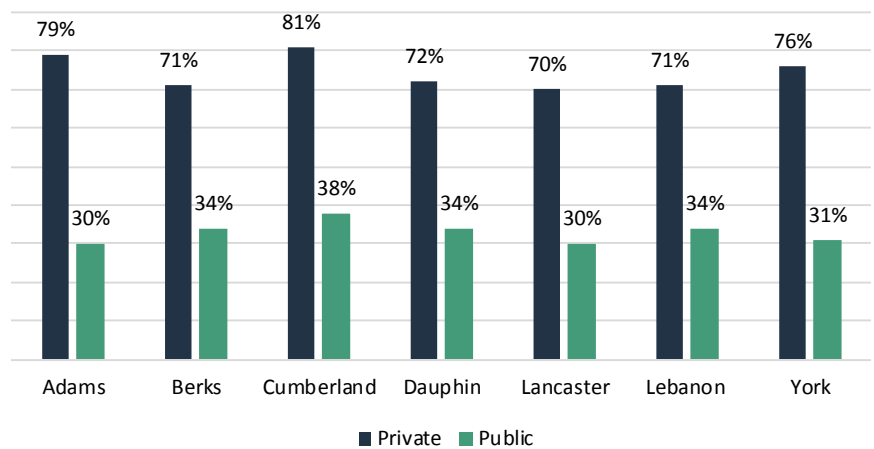
HEALTHCARE TRENDS:

Percentage of Individuals with Health Insurance Coverage



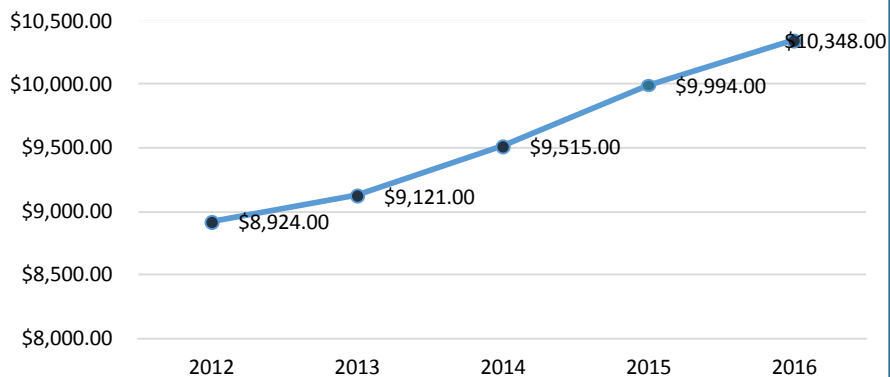
Data Source - US Census Bureau & Towncharts.com

Health Insurance Coverage Type



Data Source - Towncharts.com

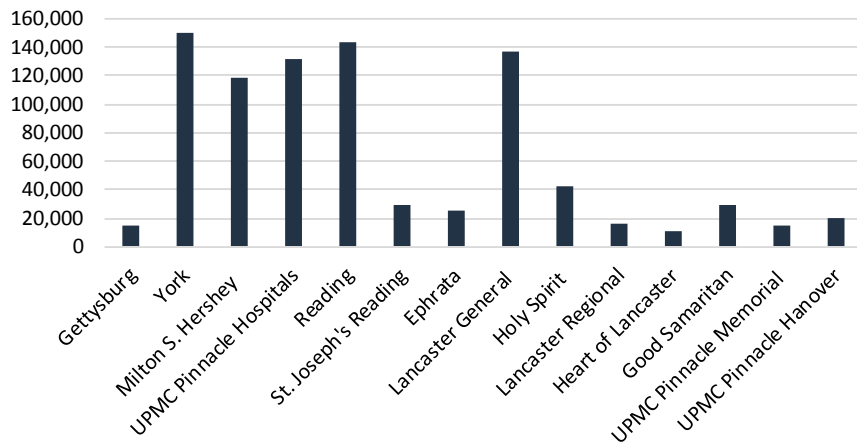
National Health Expenditures per Capita



Peterson- Kaiser Health System Tracker

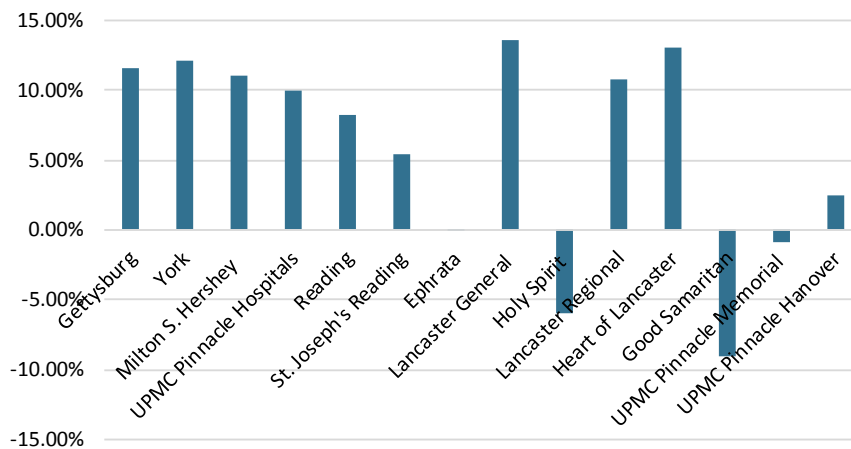
HEALTHCARE TRENDS:

Number of Inpatient Days for Calander Year 2017



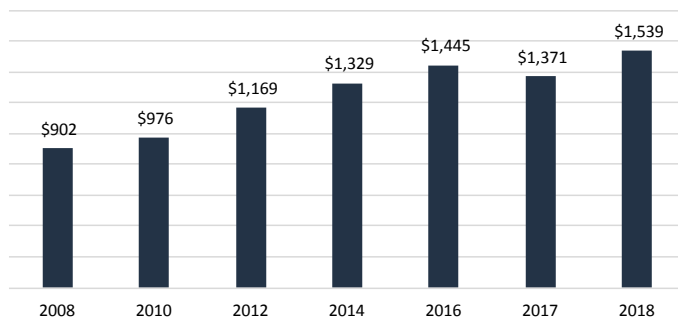
Data Source - 2017 PHCA Reports

2017 Hospital Operating Margins



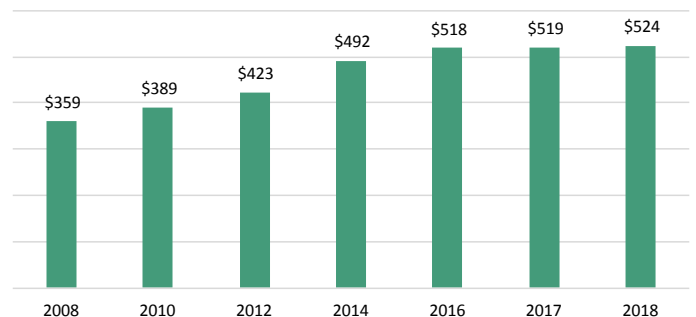
Data Source - 2017 PHCA Reports

Average Cost of Family Coverage in Central Pennsylvania per Month



Note: Data from Central Penn Business Group on Health / Lancaster Chamber Survey. Prior to 2017 data was from employers in Lancaster County only.

Average Cost of Single Coverage in Central Pennsylvania per Month



Note: Data from Central Penn Business Group on Health / Lancaster Chamber Survey. Prior to 2017 data was from employers in Lancaster County only.

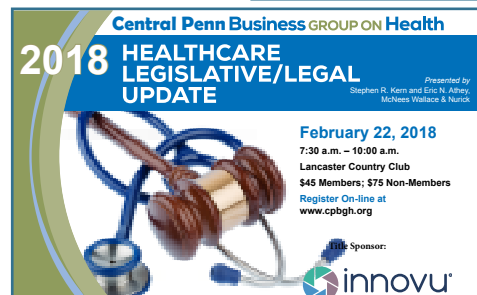
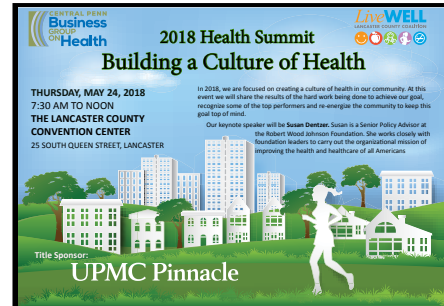
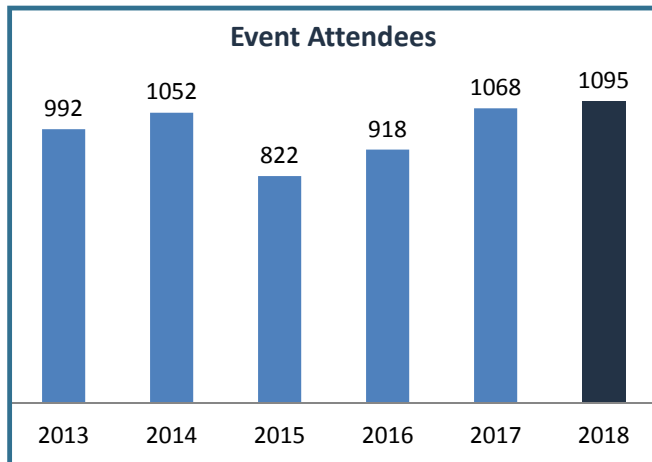
2018 EVENT RECAP

2018 saw an uptick in attendance at our events; both at our three signature events and at our online events and networking breakfasts. We began the year with a focus on health plan compliance and then challenged our community to build a culture of health at the annual Health Summit. The Health Summit segued into our annual wellness roundtable with strong attendance from the employer community looking for insights from the well workplace award winners on how to improve the health of their workforce. The annual Forecast Breakfast focused on consumerism in healthcare. At that event, we demonstrated the need for data analytics to help employees be better consumers of care.

HEALTHCARE Forum/Health Summit

HEALTHCARE Legislative/Legal Update

HEALTHCARE Forecast Breakfast



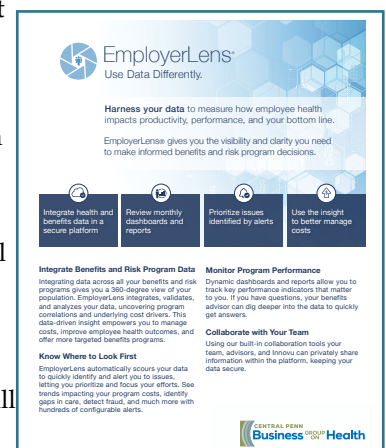
RESOURCES & SOLUTIONS

CPBGH Data Initiative:

The Central Penn Business Group on Health mission is to promote the continuous improvement in the quality and cost of healthcare in our region for our member companies, their employees and covered dependents. In order to accomplish this goal, the Board of Directors of the Central Penn Business Group on Health understood that we needed to have a better understanding of what we are paying for care and where there are opportunities for savings. In partnership with Innovu, CPBGH launched our data initiative in the fall of 2016.

Today, we have over 100,000 covered lives on the platform and the cohort is continuing to grow. In July of 2018, we hosted our first data reveal event sharing some benchmarks and initial findings with a crowd of over 75 interested employers, brokers and community leaders. These insights have already impacted the health plans offered in our region and we look forward to continuing the conversation with additional insights this coming January and July.

Although we have experienced good participation from our members and our region, we are still looking for employers interested in gaining insights into their own data and contributing to the regional cohort. Please call Diane Hess at (717) 239-6954 or email her at dhess@cpbgh.org if you are interested in participating or to learn more details about this initiative and its value.





2018 Benefits Survey

In collaboration with the Lancaster Chamber, the Central Penn Business Group on Health conducts an annual Policy and Benefits Survey. The survey is designed to provide employers in Central Pennsylvania with insights and benchmarks into plan design, costs and strategies for the healthcare benefits they offer.

CPBGH members can receive a free copy of the Executive Summary of Health Benefits and Policies by visiting the MEMBERS ONLY section of our website: www.cpbgh.org. A copy of our presentation on the topic from the Forecast Breakfast is also available. Employers who participated in the survey who are not members can receive a copy of the Executive Summary by emailing dhes@cpbgh.org. Survey participation begins in May of each year and the survey results are unveiled at the annual Forecast Breakfast.



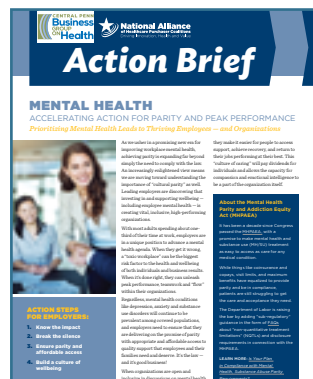
2018 Benchmarking Reports

An additional value-add service for employers who participated in the healthcare benefit survey is the ability to purchase a customized benchmarking report. These reports focused on all measurement benchmarks and compare the employer's data to our overall survey result and to the Kaiser Family Foundation findings. Reports are available for a nominal fee to members and for a slightly higher fee for non-members.



Central Penn Business Group on Health e-Newsletters

Quarterly "news you can use" is sent via email to our members. The newsletter also provides information about upcoming events and opportunities for engagement.



Action Briefs

Action Briefs are a bi-product of our membership in the National Alliance of Healthcare Purchasing Coalitions. Each Action Brief centers on a specific topic and highlights why employers should care about it. It also provides action steps and strategies employers can utilize to improve health and healthcare delivery. The documents make great educational pieces employer can share directly with employees so they have the knowledge they need to make educated decisions about their care.

BOARD OF DIRECTORS 2019

Executive Committee:

Joan Enoch, Lift-All Company, Inc., Chair
Regina Deel, Conestoga Wood Specialties Corp., Vice Chair
Jason Dennis, CoreSource Inc., Secretary
Maureen Putnam, OSS Health, Treasurer
James Maurer, R.W. Sauder, Inc., Immediate Past Chair

Departing 2018 Board Members:

Scott Labrecque, StoudtAdvisors; **Leslie Wireback**, LCSWMA

New 2019 Board Members:

Eric Athey, McNees Wallace & Nurick; **Jenna Roenne**, Herr Foods

Central Penn Business Group on Health Staff:

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

Directors:

Eric Athey, McNees Wallace & Nurick, LLC
Eric Buck, Preferred Health Care & Eliance Health Solutions
Kelly Fasnacht, Kalas Manufacturing
Liz Ford, High Company LLC
Robert Glus, Conrad Siegel Actuaries
George Ioannidis, Spring Grove School District
David Kreider, WellSpan Health
Jessica Lilly, Capital BlueCross
Steve Progin, Lancaster Chamber
Jenna Roenne, Herr Foods, Inc.
Lora Regan, M.D., Lancaster City & County Medical Society
John Roda, Burnham Holdings, Inc.
Brooks Turkel, UPMC Pinnacle
Annette van Eeden, Highmark Blue Shield
Tom Williams, InteriorsHome

UPCOMING EVENTS IN 2019

SEMI ANNUAL DATA REVEAL

Date: January 23, 2019
Location: Lancaster Chamber, 115 East King Street
Time: 8:00 a.m. to 11:00 a.m.
Cost: \$20 Members / \$40 Non-Members

FEBRUARY NETWORKING BREAKFAST

Date: February 21, 2019
Location: Lancaster Chamber, 115 East King Street
Time: 8:00 a.m. to 10:30 a.m.
Cost: Free for Members / \$20 Non-Members

PLAN DESIGN CONSIDERATIONS AND LEGAL UPDATE

Date: March 14, 2019
Location: The Eden Resort
Time: 7:30 a.m. to 10:00 a.m.
Cost: \$35 Members / \$65 Non-Members

CLASSROOM EVENT

Date: April 2019
Location: TBD
Time: 8:00 a.m. to 11:00 a.m.
Cost: \$20 Members / \$40 Non-Members

2019 HEALTH SUMMIT

Date: May 30, 2019
Location: PA College of Health Sciences
Time: 7:30 a.m. to 12:00 p.m.
Cost: \$45 Registration Fee / \$20 Non-Profit Rate

SEMI ANNUAL DATA REVEAL

Date: July, 2019
Location: Lancaster Chamber, 115 East King Street
Time: 8:00 a.m. to 11:00 a.m.
Cost: \$20 Members / \$40 Non-Members

AUGUST NETWORKING BREAKFAST

Date: August, 2019
Location: Lancaster Chamber, 115 East King Street
Time: 8:00 a.m. to 10:30 a.m.
Cost: Free for Members / \$20 Non-Members

20TH ANNUAL HEALTHCARE FORECAST BREAKFAST

Date: September 2019
Location: TBD
Time: 7:30 a.m. to 11:00 a.m.
Cost: \$50 Members / \$80 Non-Members

**SPONSORSHIP
OPPORTUNITIES**

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