



ALLIANCE ANNUAL REPORT: 2011 ACCOMPLISHMENTS

In its eighth full year in operation, the Alliance, like its members, continued to face tight resource constraints. Even so, and thanks to some funding support for selected educational initiatives from its sister corporation, the Institute for Advancing Nonprofit Health Care, the Alliance once again was able to significantly increase both its visibility, as well as the visibility and importance of nonprofit health care, on multiple fronts.

Note: A list of Alliance members is attached.

Public Education and Advocacy

- Held two “standing-room-only” sessions in a new series of Washington Briefings, co-sponsored by the Premier Healthcare Alliance, to educate health care-related Congressional staff, federal officials and the media about nonprofit health care and its leadership efforts to increase the value of health care and bend the cost curve. The first session showcased two medical home models while the second showcased two ACO risk-sharing arrangements. Both sessions included presentations by Alliance member organizations.
- Completed a campaign promoting transparency for consumers of the ownership status (not-for-profit or for-profit) of health plans offering coverage options in state health insurance exchanges:
 - In addition to submitting its own comments to the Department of Health and Human Services (HHS) on the proposed summary of benefits and coverage form to be completed by health plans participating in state exchanges, the Alliance secured the signatures of three Senators to a letter to HHS Secretary Sebelius urging such transparency, and also secured commitments from several other Senators to raise this issue in their discussions with HHS.
 - Moreover, through discussions with many other Senators or their staffs on this issue, the Alliance was afforded the opportunity to educate them as well about not only consumer views on health plan ownership but also our analyses of the annual quality and member-satisfaction rankings by respectively the National Committee on Quality Assurance and J.D. Power and Associates. Those studies consistently demonstrate superior performance by not-for-profit plans.

- Conducted a study, under contract with the Not-For-Profit Blue Plan Leadership Council of the Blue Cross Blue Shield Association, on the board compensation practices of selected for-profit industries, major nonprofit health systems and major non-Blue nonprofit health plans. The results of the study suggested that there may be an emerging trend toward compensation of independent board members in major nonprofit health systems and major "non-Blue" nonprofit health plans.
- Developed and began to advocate with HHS officials a position calling for the establishment of an organized health care coalition in every community involving key stakeholders to collaborate in improving care for the uninsured and low-income patients and in preventing chronic illnesses for all population groups.
- Had published in *Modern Healthcare* two commentaries, co-authored by the Alliance Board Chair and President, on nonprofit health care's role in helping to reduce the federal budget deficit and in protecting safety-net health care providers.
- Issued news releases to targeted media and Congressional staff on annual studies by the Alliance and others demonstrating superior quality and service performance by nonprofit health plans, with the most recent release generating coverage in four prominent Washington, DC publications.
- Earned media: In addition to the above, held numerous interviews with reporters of major health care and other news media.

Assistance to Members and the Broader Nonprofit Health Care Sector

- Completed a new Alliance governance guidance document, "Great Governance: A Practical Guide for Busy Board Leaders and Executives of Nonprofit Health Care Organizations," and distributed it to the CEOs of all nonprofit health systems and of all major nonprofit health plans. The Guide incorporated extensive advice by prominent governance experts in the field: Howard Berman, John Combes, Jamie Orlikoff, Ken Ackerman, Jim Rice, Richard Chait, Mike Roberto, Doug Brown, Sean Murphy and Larry Prybil.
- Conducted a roundtable discussion, co-sponsored by the health care journal *Inquiry*, on "Compensation of Nonprofit Health Care Board Members: In the Public Interest?" The proceedings will be published in the spring of 2012. The panel included: Ken Ackerman, Chairman, Integrated Healthcare Strategies, Minneapolis, MN; Doug Clark, Alliance Board member and retired President and CEO, Excelsa Health (PA), residing in Greensburg, PA; Mike Cascone, Alliance Board member and retired President and CEO, Blue Cross Blue Shield of Florida, residing in Jacksonville, FL; and Bill Kreykes, former Board Chair, Trinity Health System (MI) and retired President and CEO, Lifespan Health System (RI), residing in Cape Cod, MA.
- Conducted and published the proceedings of a second roundtable discussion, co-sponsored by the health care journal *Inquiry*, "Nonprofit Health Care Market Concentration and the Public Interest." The panel included: Howard Berman, Alliance Board Chair and retired President and CEO, The Lifetime Healthcare Companies, Inc, Rochester, NY; Arthur (Art) Lerner, Partner, Crowell & Mooring LLP, Washington, DC; Patrick Madden, retired President & CEO, Sacred Heart

Health System, Pensacola, FL (now residing in Nashville, TN); and Lawrence (Larry) Van Horn, Associate Professor, Health Care Management and Executive Director, Health Affairs, Owen Graduate School of Management, Vanderbilt University, Nashville, Tennessee.

- Published a third Alliance/*Inquiry* roundtable discussion, “The Promise and Pitfalls of the Federal Health Care Reform Law for Nonprofit Health Care Organizations and the People They Serve.” The panel included: Eli Feldman, President and CEO of the Metropolitan Jewish Health System in Brooklyn, NY; Pat Hemingway Hall, President and CEO of the Health Care Service Corporation in Chicago, IL; Laura Kaiser, President and CEO of the Sacred Heart Health System in Pensacola, FL; Steve Martin, President and CEO of Blue Cross Blue Shield of Nebraska in Omaha; and Alan Monheit, Ph.D., Professor of Health Economics at the University of Medicine and Dentistry of New Jersey in Piscataway and editor of *Inquiry*.
- Celebrated with the Alliance Board, as well as with the Alliance’s informal coalition of New Jersey consumer groups and health care organizations (the state hospital association, state medical society, and a health plan owned by some nonprofit hospitals and physician groups), the decision by Horizon Blue Cross Blue Shield to withdraw its application to convert to for-profit status.
- During the Alliance’s two in-person Board meetings, held eight (8) Discussion Forums led by expert presenters on major nonprofit health care policy or strategic issues:
 - “The Outlook for the 2012 Elections,” Alex Castellanos, Republican Party Media Consultant and Strategist, Washington, DC
 - “Progress in Implementing the Health Care Reform Law,” Rima Cohen, HHS Counselor to the Secretary for Health Policy, Washington, DC
 - “The Future of Nonprofit Hospitals’ Federal Income-Tax Exemption,” Russ Rudish, Vice Chairman, Deloitte and James Sowar, National Practice Leader for Taxes and Health Care Providers, Deloitte, Chicago, IL
 - “Nonprofit Health Care Leadership in Community Health,” Amy Schultz, MD, MPH, Director of Prevention and Community Health, Allegiance Health, Jackson, MI
 - “Regional Collaboration Among Nonprofit Health Care Organizations to Reduce Readmissions,” Patricia Yurchick, Senior Director of Quality Partnerships and Initiatives, Health Care Improvement Foundation, Philadelphia, PA
 - “Accountable and Coordinated Care: What We’ve Learned So Far,” Susan DeVore, President & CEO of the Premier healthcare alliance, Charlotte, NC
 - “Health Care Delivery Reform through the Analysis of and Interventions in Geographic Variations in Health Care,” Marianne Udow-Phillips, Director, Center for Healthcare Research and Transformation (a nonprofit partnership between BCBS of Michigan and the University of Michigan), Ann Arbor, MI

- "Health Care Delivery Reform for High-Risk Patients with Secondary Psychological Problems," Vice Presidents Lydia Galeon and Jay Gormley, the Metropolitan Jewish Health System, Brooklyn, NY
- Continued to support and participate in the annual national conference on community benefits and community health improvement sponsored by the Association for Community Health Improvement.
- Continued to also keep members and other friends of the Alliance apprised of important news about or affecting nonprofit health care through the monthly Alliance Bulletin, including opinions from the Alliance President and featuring examples of actions taken by nonprofit health care providers and/or nonprofit health plans to maximize their value to communities and reduce cost increases.

All in all it was a productive year, in a very tough environment. Looking ahead it is clear that nonprofit health care will be facing growing pressures. To fulfill its community mission, its voice must be stronger than ever.



Appendix

ALLIANCE MEMBERS

Alabama Blue Cross Blue Shield

Alliance of Catholic Health Care

Allegiance Health

Association for Healthcare Philanthropy

Conemaugh Health System

Continuing Care Leadership Coalition

Florida Blue Cross Blue Shield

Health Care Service Corporation¹

Henry Ford Health System

Hospital Alliance of Tennessee

Inova Health System

Jewish Guild for the Blind

Jewish Senior Life

Lifetime Healthcare Companies²

Metropolitan Jewish Health System

Michigan Blue Cross Blue Shield

Michigan Health and Hospital Association

National Association of Community Health Centers

Solaris Health System

UMass Memorial Health Care, Inc.

¹ Includes Blue Cross Blue Shield Plans in Illinois, New Mexico, Oklahoma and Texas

² Includes Excellus BlueCross BlueShield Plans in Upstate New York and Univera Healthcare HMO in Buffalo