

2020 Annual Report

Reach New Heights



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Despite the enormous changes we have endured over the past months as a result of COVID-19, we have persevered, pivoted and responded quickly when needed to finish a successful fiscal year 2020. It is a testament to the strong, committed leadership of our Board of Directors, the resiliency of our staff and the steady implementation of our strategic framework that we continue to improve in building a purposeful and sustainable organization.

During the first half of the fiscal year, Health Action Council renewed and advanced its strategic framework to improve the relationship between business and health. The renewal process was inclusive — engaging members, supporters, sponsors, non-members, partners, and the board. The updated framework was adopted prior to American life and business taking a collective pause. As a result, Health Action Council continued to offer, present and refine our value-driven products and services without interruption. We were further able to stay our course of creating connectivity among members and stakeholders and supporting a culture of health within organizations and communities.

Despite the challenges we've faced, this past year gave us reason to celebrate. We enjoyed record engagement with members and increased attendance in our virtual and live programs. In fact, our Annual Conference & Expo in Cleveland proved to be truly invaluable because it was one of the last live events of that scale held in the United States in 2020. Regardless of venue, our events continued to create opportunities to build and enrich relationships while our team continued to drive towards quality, growth and savings for the benefit of members.

As spring arrived, our efforts in the COVID-19 space began to rev up. Knowing that many of our members would have questions, we collaborated with partners across the provider, carrier, vendor and legal landscapes to bring our community of benefits professionals the information they needed. We brought our members the most up-to-date insights, solutions, and strategies related to the impact, consequences and legal issues created by COVID-19. In addition, we continued to direct conversations toward total health and developed increased awareness about social determinants of employment to create opportunities to communicate and respond proactively during these unprecedented times.

Working together for the collective benefit of our membership is a key differentiator of the organization. It's also one of our major strengths. After 37 years of doing business, even under the most difficult of circumstances, Health Action Council continues to create synergies to meet and exceed employers' needs. We are committed to building on our value and mission through agile leadership and resourcefulness. With persistence and innovation, we will continue to overcome the challenges of today so that we may reach new heights tomorrow.

Best Wishes,



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

Patty Star
President & CEO
Health Action Council



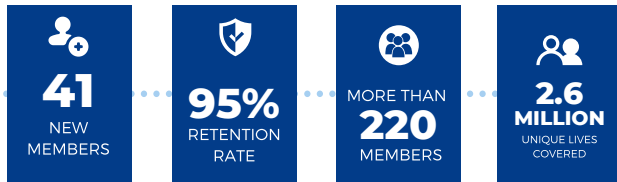
A handwritten signature in blue ink that reads "Don Bell".

Don Bell
Chairman, Health Action Council
Director Compensation & Executive
Rewards at OhioHealth

The Health Action Council

As an organization that courts collaboration to advance its mission and vision, Health Action Council convened multiple stakeholders to evolve its current strategic framework for the next five years. At a glance, we shored up every aspect of the organization’s identity and purpose, from the value proposition to our strategic objectives. This move will allow Health Action Council to continue to provide value to its members by enhancing human and economic health through thought leadership, innovative services and collaboration.

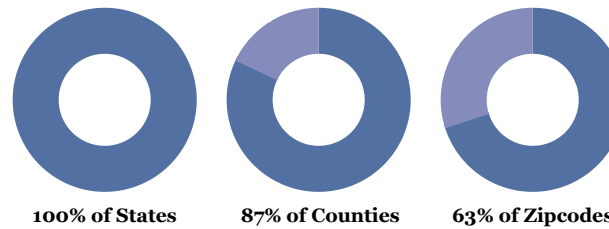
The core of what defines our organization and makes it truly unique has and will always remain the same — Health Action Council was created by members for members and is first and foremost a member-driven enterprise. Our board of directors is entirely comprised of members. This year we’d like to recognize two board members who’ve stepped down: Thomas Tercek and Kelley Korte, after serving 25 years and more than 11 years, respectfully. Their expertise and experience helped guide the organization’s growth to what it has become today. We thank them for their service and commitment.



With the board’s guidance, fiscal year 2020 saw our consortium add 41 new members while carrying a 95% retention rate. With over 220 active member companies and an estimated 2.6 million covered lives, Health Action Council’s strength and size held steady.

Our current membership is made up of approximately 46% public / 54% private organizations. This composition continues to be representative of the communities in which we live and work. That diversity, coupled with a national footprint covering 100% of states, 87% of counties and 63% of zip codes, has allowed us to continue to expand our coalition’s reach far beyond the borders of the midwestern states. With more expansion, more organizations are coming to recognize Health Action Council as a national leader in group purchasing, education and health improvement initiatives.

Our Members Represent



Today more than a third of our members are headquartered outside of the state of Ohio. Through expansion across key strategic regions, Health Action Council consolidates purchasing power to drive the creation of value-driven products and services. This is done for the express benefit of our members and further allows our group to invest in the advancement of new approaches and new strategies in the delivery of healthcare and benefits to our employee populations.

Thank you to our Annual Supporters!

Premium

- Accolade
- American Hearing Benefits
- Amgen
- DS Benefits
- Health Cost IQ
- Naturally Slim
- Pfizer
- Physera
- Quantum Health
- WINFertility

Classic

- AbbVie
- Aetna Inc.
- Anthem Blue Cross and Blue Shield
- Aon
- Businessolver
- CareATC
- Castlight Health
- Cigna
- Ciuni & Panichi
- ConsumerMedical
- Contigo Health
- CVS Caremark
- EyeMed Vision Care
- Fedeli Group
- finHealth
- Gallagher
- Hylant
- LabCorp Employer Services
- Livingo Health
- Merck & Co. Inc.
- mySugr
- NFP Corporate Services
- Novo Nordisk
- OptumRx
- RetireMEDIQ
- Risk International
- UnitedHealthcare
- VSP

Education in Action

The Go-To Resource for Members

Health Action Council continues to be an unbiased and member-driven educational resource in the employee benefits space. Recognized as a thought leader, we continue to create synergies between our employer members and experts across the carrier, provider, vendor, academic and community spaces. It is through these collaborations that we have been able to consistently present our members with authentic, relevant and quality content that balances the practical with the strategic.

The ultimate success of our education program is directly attributed to the efforts and commitment of our members. Our programming is based on member interests coupled with industry trends and emerging market information. With our members' feedback as the guide, our education initiatives are designed to create quality opportunities and content for benefits and wellbeing professionals.

As COVID-19 changed the face of American business, Health Action Council collaborated with partners in the legal, carrier and provider spaces to provide the most timely and up-to-date coronavirus information for our benefits teams. We modified our in-person thought leadership sessions to accommodate a remote audience and we continued to drive our social determinants of employment discussion via virtual channels. We also saw record engagement with our informative and engaging webinars. All told, the organization held more than 30 virtual events over the course of the last fiscal year.

IN-VALUE-ABLE Conference Series

Our premier educational and networking event for benefits and wellbeing professionals took place this past January and February in Columbus and Cleveland, respectively. In attendance were human resources professionals, business leaders, executives, members of the medical and legal community and community leaders. The events combined brought in a total of 760 registered attendees.

At our sold-out Columbus Symposium, Mark Bertolini, former Chairman and CEO of Aetna, captivated more than 300 people with his evolutionary stories of overcoming adversity while asking us the question — what can we as employers do about health and poverty? Followed by Craig Kramer, Mental Health Ambassador from Johnson & Johnson, the event proved to be a powerful and relevant experience for all in attendance.



Education in Action

Not to be outdone, our Annual Cleveland Conference & Expo brought together nearly 400 attendees. The first day of the event featured a panel discussion focused on the social determinants of employment, an important employer conversation we've continued all year. With an electrifying second day anchored by keynote Jason Silva and featured speaker Tamara Ghandour, Health Action Council and its membership felt poised to steam through the rest of 2020.



Shaping the future
of health and benefits



invaluable
2020 conference series
Presented by Health Action Council

Virtual Medicine

This past February saw the unveiling of our white paper “Virtual Visits: Trends, Implications and Recommendations for Your Organization”. Between 2017 and 2019, telehealth usage by Health Action Council members had risen more than 100%. This led Health Action Council to conduct a telehealth usage study to better inform employers on usage and utilization patterns. When COVID-19 closed the country one month after the paper’s release, employer members had insight in hand at the exact moment the demand for telehealth services skyrocketed.

Key Takeaways from “Virtual Visits: Trends, Implications and Recommendations for Your Organization”:

- Virtual visit usage is significantly higher among urban dwellers v. the slightly larger rural working population.
- Millennials and Generation X are the most active virtual visit users.
- Common infections, such as those of the respiratory system and urinary tract, along with eye and skin concerns, are among the top reasons for Health Action Council members to seek virtual care.
- 85 percent of the time, a virtual visit was the only treatment required.
- A user’s virtual visit utilization mirrored that of their traditional physician visits.

The bottom line is that appropriate utilization of telehealth services results in overall lower costs, increased engagement and increased productivity for employers. Although the coronavirus forced most people to embrace telemedicine, virtual visits remain a convenient and cost-effective way for employees and their dependents to get quality care wherever and whenever they need it.

Group Purchasing Mitigates Member Costs

Pharmacy

Health Action Council exercised its annual pharmacy market check process, resulting in an additional 3.0 percent savings for members beginning January 1, 2020.

The financial guarantee payments resulted in \$5.7 million being returned to our members. Health Action Council initiated its annual independent audit of both PBM endorsed vendors.

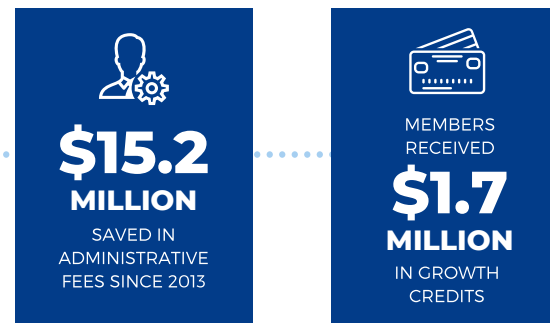
Audits and market checks are vital to successful management. Since 2013, they have saved Health Action Council members over \$130 million in pharmacy drug spend. The independent audit of the 2018 plan year generated \$460,000 in additional financial guarantees payments and more than \$270,000 in additional rebate payments to members.

Our pharmacy program continues to perform better than the market. We achieved our 17th consecutive year of either single digit or negative trend. Despite this success, Health Action Council issued a PBM request for proposal for a pharmacy program effective January 1, 2022. The results will be ready next year.

Medical

Since 2013, our medical program has saved members more than \$15.2 million in administrative fees. In fiscal year 2020, Health Action Council members utilizing the UHC and UMR medical programs received \$1.7 million in growth credits. These credits are unique to Health Action Council's book of business and represent our commitment to continued savings for members. With more employers joining our coalition, these growth credits continue to increase, compounding year-over-year savings for member organizations.

This commitment to improvement also led to the design and implementation of our Innovative Health Model. Also known as the "Buddy" model, this proactive approach to employee care is being piloted by member company Nationwide. With comprehensive outreach, care management and support, the "Buddy" model is the realization of our member organization's innovative ideas and passion for a better model of care.



Member Driven Design

Under the guidance of our Board of Directors and member organizations, our Group Purchasing Program continues to evaluate current and potential products and services. Health Action Council issued an RFP for Health Navigator & Advocacy Services at the behest of Health Action Council members. Through research and vendor partnerships, this space was revealed as an opportunity to improve the health care experience for plan participants and deliver value to our member organizations. Another area of interest focused on stop loss applications and captive risk pools. Health Action Council is currently evaluating its next steps on these potential Group Purchasing products.

Committed to Health Improvement

Health Action Council continued to serve as a catalyst and convener for those organizations working to affect positive change in health and healthcare, including health improvement initiatives across our employer, provider and community spaces. Supporting partners in the health and wellbeing space provides an opportunity to work together to achieve our common goals. This in turn allows Health Action Council to advance its mission to enhance human health and create healthy communities where business thrives.

Community Partners

Health Action Council is proud to report that we remained steadfast in our commitment to our community partners through the form of continued support and presence.

As a founding member of Better Health Partnership, an organization bringing healthcare providers and other stakeholders together to share best practices and data-informed improvements in population and community health, we continued to back their mission and vision through financial support and board presence. Health Action Council is proud to support Better Health Partnership's tireless pursuit of improved and equitable health and community conditions with a focus on primary care in adults and children with chronic conditions as well as the advancement of quality, appropriate care for all stakeholders.

Although Health Action Council is at its core, an apolitical consortium, we continue to support those policy-focused organizations working towards improving health value at the state and federal level. As Ohio's only nonpartisan organization solely dedicated to informing state health policy decisions, we continue to support Health Policy Institute of Ohio both financially and with a presence on their Board of Directors. Their State Health Improvement Plan, released in June 2020, serves as a guidepost to strengthen state and local efforts to improve health, wellbeing and economic vitality. Also of interest to employers is their Health Value Dashboard which tracks Ohio's progress towards health value. The dashboard is a composite measure of Ohio's performance on population health outcomes and healthcare spending. Through our collaboration with HPIO, we created a similar tool for the state of Indiana, which is an emerging market for Health Action Council.

Find The Right Care

A 2019 analysis estimated that \$8.3 billion was spent on preventable Emergency Department (ED) visits. These inappropriate trips to the emergency room are still far too commonplace in the United States and can lead to other high-ticket medical services. Oftentimes, the decision to enter an ED is made because of a lack of information on appropriate care.

Committed to Health Improvements

For the third year in a row, Health Action Council expanded its Find the Right Care education campaign to include the state of Ohio as well as several major cities including Indianapolis, Charlotte, Oklahoma City, Houston and San Antonio. The intent of the campaign is to help educate employees and their communities on how to find the right care setting to avoid costly, unnecessary emergency room visits.

As an additional benefit, the site serves as an educational resource for health literacy, increasing the user's capacity to obtain, process, and understand their health information so that they may make more appropriate health decisions.

Health Action Council is committed to helping individuals better navigate their entry point into the healthcare system. That is why we partnered with Buoy Health, an organization focused on helping people understand their symptoms and care options. Through the use of their AI-powered chatbot, Buoy Assistant, individuals who click on findtherightcare.org are able to input and receive feedback on their symptoms and are then provided with the best care option available based on the condition.

In tandem with this partnership, Health Action Council and UnitedHealthcare completed a targeted ER redirection campaign aimed at those Health Action Council members that had an inappropriate visit to an emergency department. Since the campaign's inception in 2017, ED utilization has reduced across member organizations that participated in the program, creating savings for employers and employees alike.

Leapfrog

Health Action Council's partnership with Leapfrog continues to demonstrate marked improvement in hospital system quality. As a Regional Leader for Leapfrog, the Health Action Council's territory includes Minnesota, Ohio and Oregon and covers an area with 248 hospitals. During the last fiscal year, 105 regional facilities participated in the 2019 Hospital Survey and Leapfrog enjoyed a record-breaking 2,162 survey responses from hospitals across the country. Sixty-seven hospitals in our region received an A rating and one received Top Rural Hospital status.

Through Leapfrog's Hospital grading system, Health Action Council is able to provide plan sponsors a Hospital Scorecard which helps employers identify the highest quality health systems in their area and breaks down employee hospital utilization. This information allows plan sponsors to review and encourage their employee population to utilize the highest-graded hospitals.

Step-It-Up Challenge

Organizations had three opportunities to participate in our popular Step-It-Up Challenge. Hosted in partnership with Fitbit, these two-week step challenges have proved a great way to engage employees, get everybody moving and bring personal health to the forefront.

This year's challenges yielded a total of more than 1,000 participants across nearly 80 companies with an average per person step total of more than 11,000 steps per day. For context, the average US worker takes about 5,000-7,000 steps a day.

In addition to improving the health and fitness levels of our employee populations, the events also raised money for local charities. Winners of the Step-It-Up Challenge received a healthy lunch for up to 50 people as well as a \$500 donation made in their name for either their local Ronald McDonald House or school garden. The winner of the September 2019 challenge was Soul Steppers from the City of Toledo and they donated to Ronald McDonald Charities of Northwest Ohio. The winner of the March 2020 Challenge was Dewey Decimators from the Beachwood Board of Education and they donated to the Beachwood Schools school garden. The winner of the June 2020 Challenge was Stroller Runners from Horizon Science Academy who donated to Crestwood Intermediate school garden.

Five Ways to Maximize Your Membership

Stewardship

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 our employees and their communities.



2021 IN-VALUE-ABLE Conference

Register for the 2021 conference. It's free for members.



Group Purchasing

Explore how our innovative group purchasing solutions could help you reduce benefits costs while supporting the optimal health of your employees.



Education

Gain strategic insights and learn about tactical solutions while accessing free continuing education credits.



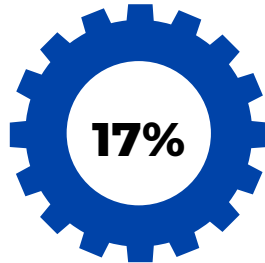
Decision Tools

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



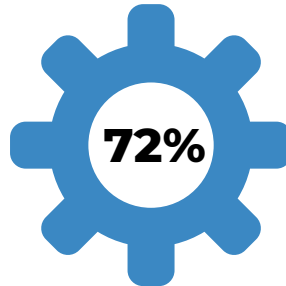
Wellness

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



Employer Membership Dues

Employer membership dues contributed to the vitality and evolution of Health Action Council by generating 17% of FY2020 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.



Group Purchasing Programs

Funds generated through group purchasing accounted for 72% of Health Action Council revenues. These funds are reinvested to manage our medical, prescription drug, vision, and flu shot programs, as well as fund research of new purchasing programs and purchasing initiatives including contract negotiations, legal reviews, and audits.



Annual Supporters and Event Sponsorship

The generosity of our Annual Supporters and Event Sponsors represented 11% of Health Action Council revenue in FY2020. Through this financial commitment, Health Action Council developed and delivered a successful symposium and conference, live workshops, and webinars to help increase knowledge and fulfill our mission.

Health Quality Forum

Monetary funding from charitable contributions is spent entirely on quality initiatives that benefit employers and employees. Through the Health Quality Forum (HQF), Health Action Council is able to support critical projects, including emergency room redirection and initiatives by The Leapfrog Group, Better Health Partnership and Health Policy Institute of Ohio.



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HealthActionCouncil.org