The Rochester Business Alliance Health Care Initiative

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Rising health care costs consistently lead the list of issues that members say hamper their business success. Since 2001, health insurance costs have risen more than 60 percent for Rochester-area employers. With the state imposing more than $850 million in new taxes and assessments on insurers, we could likely be looking at double-digit premium increases ahead.

Numerous factors contribute to rising health insurance costs, including costly medications and technology, inefficient administration and delivery of care, mandated benefits, taxes and fees, and too little focus on preventative measures. The question is what can be done.

Several years ago, the Rochester Business Alliance convened a group of its board members to discuss how business could play a larger role in health care, specifically in improving quality and access, while reducing cost. From this meeting, a Health Care Planning Committee was formed, with representatives from Wegmans, Xerox, Paychex, Rochester Institute of Technology, Kodak, Bausch & Lomb, and RBA.

Under the direction of Sandy Parker, RBA president and CEO, board members and Planning Committee chairman Paul Speranza from Wegmans, this group has been hard at work and is pleased to be able to report some initial results:

**Generics:** Employers, providers and insurers collaborated on an effort to increase the use of generic drugs where appropriate. Between the first and third quarters of 2008, the community realized $57 million in savings.

**Lean Six Sigma:** Principles and practices were applied within Rochester’s three major hospital systems for initial reported financial benefits of approximately $1.2 million.

**Physician Compensation:** To help with recruitment and retention, Excellus and the hospital systems agreed to share with employers the cost of a physician reimbursement increase. Work is continuing, but initial “offset” savings have been reported.

**Rochester RHIO:** The Rochester Regional Health Information Organization, a community-wide health information technology effort, was recently cited as the leading RHIO in New York by the state Commissioner of Health. RBA raised nearly $700,000 in corporate donations to help launch this effort.

**“eat well live well”:** The RBA partnered with Wegmans to offer the “eat well live well” challenge to local employers with the goal of improving the health of employees. Over the past three years, more than 300 organizations and 44,000 employees have participated in at least one challenge.

For more details on these initiatives, click here (http://tinyurl.com/lou8f4).

The planning committee seeks to broaden community involvement and is developing a chronic disease management initiative that focuses on high blood pressure, which has been linked to heart disease, diabetes, obesity and other chronic health conditions. Effective treatment in the earliest stages can significantly improve an individual’s quality of life and dramatically reduce health system costs. We are working with physicians, community health organizations, government, insurers and others to build a collaborative approach to tackling this prevalent, costly medical condition.

A fundamental goal of creating the Rochester Business Alliance Health Care Initiative was to help business regain its voice in health care matters important to employers and the community.

We continue to actively lobby on health care issues at the state and federal levels. In June, Sandy Parker testified before an Assembly committee in Albany about a series of steps the state should take to make health care more affordable. In upcoming articles, we will share additional information on Rochester Business Alliance health care efforts at the community, state and federal levels. We also are creating a health care resource section (click here) among the Public Policy pages of our website with more information.

Stay tuned for more information. In the meantime, if you have any questions, please contact me at (585) 256-4626.

Update on State, Local and Federal Initiatives

**Unshackle Upstate - Gridlock**
The recent leadership tug-of-war in Albany has left many to ask who is in charge and which party they should support. Unshackle has refused to choose sides in this debate, focusing instead on the issues that matter most to employers and taxpayers - reducing state spending and eliminating regulations and mandates that hurt job creation and hamper economic growth. For more information on Unshackle initiatives and priorities, go to www.UnshackleUpstate.com.

**Rochester Community Coalition**
The results are in from the efforts of the coalition this year. The coalition successfully secured $490,000 for the Hillside Work-Scholarship Connection and nearly $8 million for a Child Care Initiative vital to low-income, working families. To see a complete summary of the initiatives and the outcomes, click here (http://tinyurl.com/nwuef4). Over the next several months, the RBA will meet with community leaders to begin work on developing priorities for the 2010 Agenda.

**Federal Health Care Reform**
Proposals are beginning to take shape and debate will continue to heat up over the summer. President Obama has asked Congress to deliver a bill to him by this fall.

Options under consideration to reform the system and raise funds to pay for the changes include: a single-payer plan run by the government, health care exchanges and cooperatives, employer “pay-or-play” mandates, eliminating the tax exclusion for employers, an employee benefit tax, and a national value added tax.

For updated information on the federal health care debate, click here.