

BENDING THE COST CURVE WITH A PROVEN BUSINESS STRATEGY.



Using incentives to motivate employees and consumers is not a new concept in the business world. Employers commonly use financial incentives to improve performance and efficiency in the workplace, or to motivate consumer purchasing. To squeeze more value out of health plans, however, many employers today often increase cost-sharing and reduce benefits to achieve desired savings. While this approach can deliver short-term savings, it can also have a negative effect on employee morale and health. New health benefit strategies have emerged that help control health care costs while delivering higher quality care to employees and their families. Two of the most promising new concepts are *pay-for-performance* and *value-based benefits design*. The central idea behind each is the same: targeted incentives drive desired behaviors.

WPS Health Insurance and the providers in the Northeast Wisconsin Health Value Network (NEWHVN) have collaborated to offer an innovative health insurance plan, the *WPS Value Incentive Plan*. It incorporates both concepts, leading to:

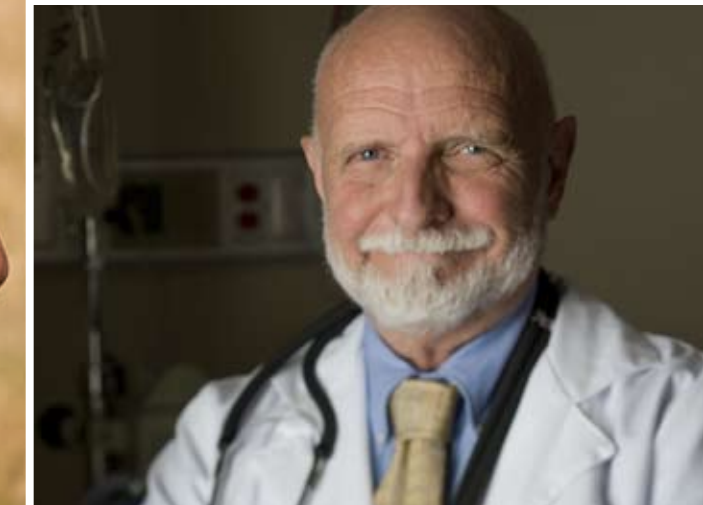
- Use of more cost-effective care channels;
- Higher rates of screening for catastrophic illnesses and prevention of their associated costs;
- Improved management of costly chronic health conditions;
- A healthier and more wellness-oriented workforce.

With a targeted, strategic approach, the *WPS Value Incentive Plan* leverages the power of incentives to drive higher quality care and motivate employees to live healthier, more active lives. What's more, you see your business's health care cost curve start to bend in a more favorable direction.



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WPS Value Incentive Plan

Rewarding Prevention, Wellness, and Clinical Excellence





EXEMPLARY CARE FROM QUALITY-FOCUSED PHYSICIANS.

The *WPS Value Incentive Plan* features an innovative new reimbursement model, known as pay-for-performance (P4P), that's designed to improve clinical quality and efficiency. Under P4P, physicians receive full payment for services only after they've exceeded certain pre-defined quality targets, driving increased compliance with national standards for clinical care. WPS and NEWHVN have agreed to a fee schedule that rewards physicians that exceed the performance of 75% of their peers for the treatment of chronic conditions such as diabetes, heart disease, and hypertension, and earlier diagnosis of serious illnesses including cancer.

By offering incentives to providers, your employees benefit from higher quality care, which can lead to lower health care costs for you over time.

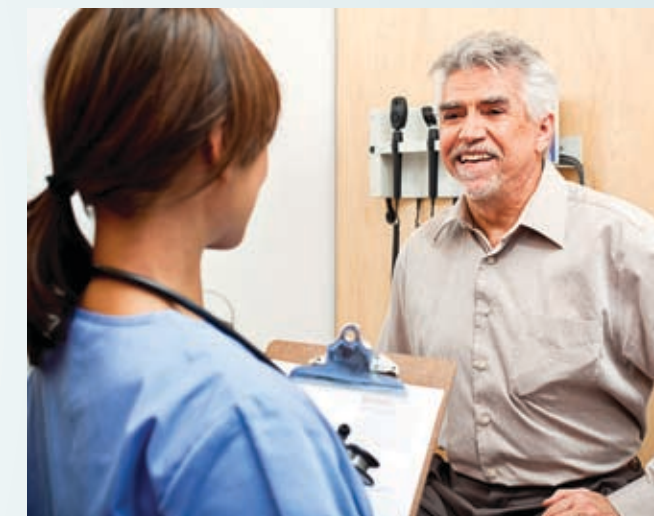


The *WPS Value Incentive Plan* offers a new, incentive-driven approach, featuring:

- **Pay-for-performance model** that pays physicians in full only after they've exceeded pre-set clinical quality targets;
- **Value-based benefits design** that motivates better disease management with \$0 or reduced drug copays for maintenance drugs;
- **Biometric Health Risk Appraisals** to raise employees' awareness of health risks and potential behavior changes that can improve health status;
- **First-dollar coverage for preventive care** to help motivate employees to get the care they need to stay healthy;
- **A low \$15 copay at network FastCare™ clinics** to encourage employees to choose more cost-effective care for minor illnesses;
- **A turn-key wellness campaign kit** with easy-to-follow guides and other materials to help you organize a variety of fun, engaging worksite wellness activities.

THE RIGHT CARE, AT THE RIGHT PLACE, AT THE RIGHT COST.

Receiving care for relatively minor illnesses in inappropriate settings, such as a hospital emergency room, is a significant driver of health care costs. The *WPS Value Incentive Plan* encourages your employees to use lower-cost care channels for minor illnesses such as colds, sore throats, fevers, and urinary tract infections. Employees pay a copay of just \$15 when choosing network FastCare™ clinics instead of urgent care or the ER. This simple incentive encourages your employees to seek more cost-effective care when life's minor emergencies inevitably arise.



AN OUNCE OF PREVENTION...

... is worth a pound of cure. Ben Franklin was right then, and he still is today. Regular check-ups help employees and their doctors catch serious illnesses early, when they're easier and less expensive to treat. Both the traditional PPO and the HSA-qualified high-deductible health plan options available with the *WPS Value Incentive Plan* feature first-dollar coverage for preventive care. It's an effective way of encouraging employees to get the care they need to stay healthy while keeping your company's long-term health care costs in check.

IMPROVING MANAGEMENT OF CHRONIC CONDITIONS.

Experts agree that one of the best ways to lessen the impact of the costs associated with chronic health conditions is to improve compliance with medication regimens. That's why the *WPS Value Incentive Plan* features a value-based benefits design for certain prescription drugs. The PPO option has \$0 copay on generic maintenance medications for diabetes, coronary artery disease, hypertension, and asthma. For the same conditions, the copay for preferred brand drugs is reduced to the generic-level copay. By targeting potentially high-cost conditions with incentives, this value-based benefit approach motivates those with chronic health conditions to improve management of their disease, while helping to reduce the use of costly medical services.



KNOWLEDGE: THE FIRST STEP ON THE ROAD TO BETTER HEALTH.

Another effective method for bending the health care cost curve is to help employees understand the health risks they face, and the changes they can make to improve their health status. As *WPS Value Incentive Plan* members, each employee will have the opportunity to receive a free, biometric Health Risk Appraisal (HRA).^{*} After completing the HRA, a health coach will follow up to review the results and offer guidance on how to improve the employee's health. This step helps your employees understand any health risks they may face, and provides them with the knowledge and tools to address risk factors.



INSPIRING EMPLOYEES TO LIVE WELL.

When you enroll in the *WPS Value Incentive Plan*, we provide you with a variety of resources to help your employees start focusing on making positive changes and healthier choices. You'll get e-mail-ready health and wellness tips, wellness promotion posters, and access to the online WPS Health Center—a valuable resource loaded with peer-reviewed health information and action-oriented decision support tools. You'll also receive a wellness campaign kit, with easy-to-follow guides and other materials to help you organize a variety of fun, engaging worksite wellness activities. Along your company's journey to better health, you'll have the support of the WPS Wellness team, whose expertise and counsel is always just a phone call or e-mail away.



INCENTIVES LEAD THE WAY TO AFFORDABLE, HIGH-QUALITY HEALTH CARE.

The time has come to stop the unsustainable trend of rising health care costs. With the strategic application of leading-edge health plan innovations, the *WPS Value Incentive Plan* is a promising new model of integrated health care that can deliver that elusive objective sought by employers and policy-makers alike—high quality, preventive-oriented care delivered at a lower cost.

For more information about *WPS Value Incentive Plan*, or to request a no-obligation quote, please contact your agent or call 1-800-950-0117 .

About NORTHEAST WISCONSIN HEALTH VALUE NETWORK



Northeast Wisconsin Health Value Network (NEWHVN) is made up of the Bellin Health and ThedaCare health systems, five major health care facilities, and 630 physicians. Together, members of NEWHVN work to create value through quality improvement and increased efficiency of care. Under the *WPS Value Incentive Plan*, NEWHVN serves smaller businesses in Brown, Outagamie, Shawano, Waupaca, and Winnebago counties. To learn more about NEWHVN, visit www.newhvn.com.

^{*}Free HRAs are available only from NEWHVN providers.