ANNUAL REPORT

2019

PBGH

REPRESENTING THE HEALTHCARE NEEDS OF OVER 1 MILLION EMPLOYEEES AND FAMILY MEMBERS



LETTER FROM YOUR CEO AND EXECUTIVE DIRECTOR

Dear Member:

As a member of the Pittsburgh Business Group on Health, you know the sky's the limit for all of us as we work to improve healthcare for tens of thousands of people across our region.

You are building your business on passion and drive alongside a commitment to ensuring your customers have access to your organization's high-quality products and services. PBGH is no different.

In 2019, we advocated on your behalf on the regional, statewide and national levels to drive the discovery and adoption of innovative approaches to improving healthcare and ensuring access to quality care for your employees and their families.

There have been many achievements this year, including holding one of the most successful symposiums in our history, hosting the National Alliance conference right here in Pittsburgh and receiving a Health Value Award at the World Health Congress for our RightRx program, which has saved patients $948,410. More importantly, we've served as your advocate for prior authorization policies, surprise medical billing, and the Cadillac tax, among others - all alongside our instrumental work with the Office of the Attorney General as he brokered the new 10-year agreement between UPMC and Highmark. We also launched two Innovation Summits that awarded Naturally Slim and EMPOWER^3 for their work in disrupting healthcare and drove more than $22 million in total value for our member companies.

In 2020, PBGH is committed to helping you enhance your company, not hold it back. That's why we are focused on critical, community-wide initiatives, which have the power to improve your organization, including quality programs and outcomes, mental health initiatives and health equity.

Thanks to you, PBGH and its mission is strong. In this Annual Report see how engaged employer-members and associate and allied members played a role in strengthening the healthcare ecosystem in 2019.

Sincerely,

Jessica Brooks

Jessica Brooks,
CEO & Executive Director
Pittsburgh Business Group on Health

2019 BY THE NUMBERS



3 NATIONAL SPEAKING EVENTS

$22.5 million EMPLOYER-MEMBER VALUE THROUGH COST SAVINGS, ADVOCACY & GROUP PURCHASING

42% EMPLOYER ENGAGEMENT

131 TOTAL MEMBERS

42 ASSOCIATE MEMBERS

89 EMPLOYER & ALLIED MEMBERS

PBGH FOCUSES ON **FOUR PRIMARY AREAS** TO DRIVE ROI FOR EMPLOYER-MEMBERS:

GROUP PURCHASING
Cost-saving tools with performance guarantees

EDUCATION
Quality educational and training programs that inform, engage and empower

ADVOCACY
Giving employers a voice so they can influence market dynamics

TRANSPARENCY
To drive access, analysis, and leverage health care data

7 IN-PERSON EVENTS

13 VIRTUAL EDUCATION OPPORTUNITIES

12 SURVEYS

400+ ATTENDEES AT THE 2019 HEALTH CARE & BENEFITS SYMPOSIUM

$341,456 RIGHTRx PROGRAM MEMBER COPAY SAVINGS

$1,534,644 RIGHTRx PROGRAM TOTAL PLAN SAVINGS

53% RESPONSE RATE FOR ANNUAL EMPLOYER CONTRIBUTION SURVEY

2019

PROMOTING A BURGEONING INNOVATION ECOSYSTEM

In 2019, PBGH offered numerous startups the opportunity to share how their products and services can help employers drive value through the healthcare purchasing chain. We hosted not one, but two Innovations Summits this year, which vetted more than 60 disruptive products and services designed to make employers' lives easier.

A panel of ***Shark Tank***-style judges whittled those 60 down to just two grand prize winners:

natura)(yslim®

Naturally Slim – a program that teaches people how to change when and how they eat took the spring prize, and – **EMPOWER³** a disruptive primary care provider, based in Altoona, PA, took the fall Summit.

MEDICINE. KNOWLEDGE. YOU.
EMPOWER³
CENTER FOR HEALTH

In 2020, we will continue the Summits with a focus on increasing opportunities for emerging companies and revenue for PBGH.

2 INNOVATION SUMMITS

60 DISRUPTIVE PRODUCTS & SERVICES VETTED

2 GRAND PRIZE WINNERS



2019

A VIBRANT NETWORK OF ENGAGED EMPLOYERS

From Harrisburg to conference stages across the country, we've increased our visibility, implemented creative partnerships and brought employer issues to the forefront of conversations at the highest levels to give them a voice.

We spent time in Harrisburg in 2019 – continuing the fight to reform surprise medical billing, as well as voicing our support for protecting patients' rights and the ability to accurately determine the names of the healthcare professionals providing their care.

On numerous occasions, we provided testimony to the Pennsylvania House of Representatives Insurance Committee about the high cost of pharmaceuticals, the ongoing battle surrounding the Cadillac tax and identifying ways to introduce new programs to emerging and mid-market companies, including introducing PBGH to smaller companies at the Pittsburgh Business Show.

And, as your advocate, we represented you at the World Health Care Congress, where we were awarded a Health Value Award for our RightRx program, worked alongside Pennsylvania Attorney General Josh Shapiro as he mapped out a way for UPMC and Highmark to agree to a new 10-year agreement, hosted the National Alliance for their summer conference in Pittsburgh, and appeared in numerous media articles as experts surrounding the healthcare challenges facing us all.

HIGHMARK®
An Independent Licensee of the Blue Cross and Blue Shield Association

UPMC
LIFE CHANGING MEDICINE

WHCC19



2019 EMPLOYEE CONTRIBUTION SURVEY



PBGH EMPLOYEE CONTRIBUTION SURVEY

53% RESPONSE RATE

SINCE 2015, THE % OF EMPLOYER-MEMBERS OFFERING CDHP/HDHP PLANS HAS INCREASED ↑ **54%**

SINCE 2015, DEDUCTABLE AMOUNTS HAVE INCREASED ↑ **55%** FOR INDIVIDUALS, **48%** FOR FAMILIES

SINCE 2018, THE AVERAGE PPO IN-NETWORK DEDUCTABLES HAVE INCREASED ↑ **10%** FOR INDIVIDUALS, **8%** FOR FAMILIES

SINCE 2018, THE AVERAGE PPO IN-NETWORK OUT-OF-POCKET MAXIMUMS HAVE INCREASED ↑ **14%** FOR INDIVIDUALS, **11%** FOR FAMILIES

SINCE 2018, THE AVERAGE PPO IN-NETWORK OUT-OF-POCKET MAXIMUMS HAVE INCREASED ↑ **7%** FOR INDIVIDUALS, **11%** FOR FAMILIES

2019

PROTECTING YOUR ABILITY TO PROVIDE HIGH-QUALITY HEALTHCARE FOR YOUR EMPLOYEES

With PBGH, your business comes first.
As we look ahead, it will be important for PBGH to continue its efforts to activate C-Suite involvement in the healthcare and benefits decisions facing their companies. PBGH impacts the performance of local employers every day – just look at the award-winning programs, such as RightRx, our nationally recognized prescription drug management program, and our efforts to lead in transparency with partners from the Pharmaceutical National Alliance, a mong others.

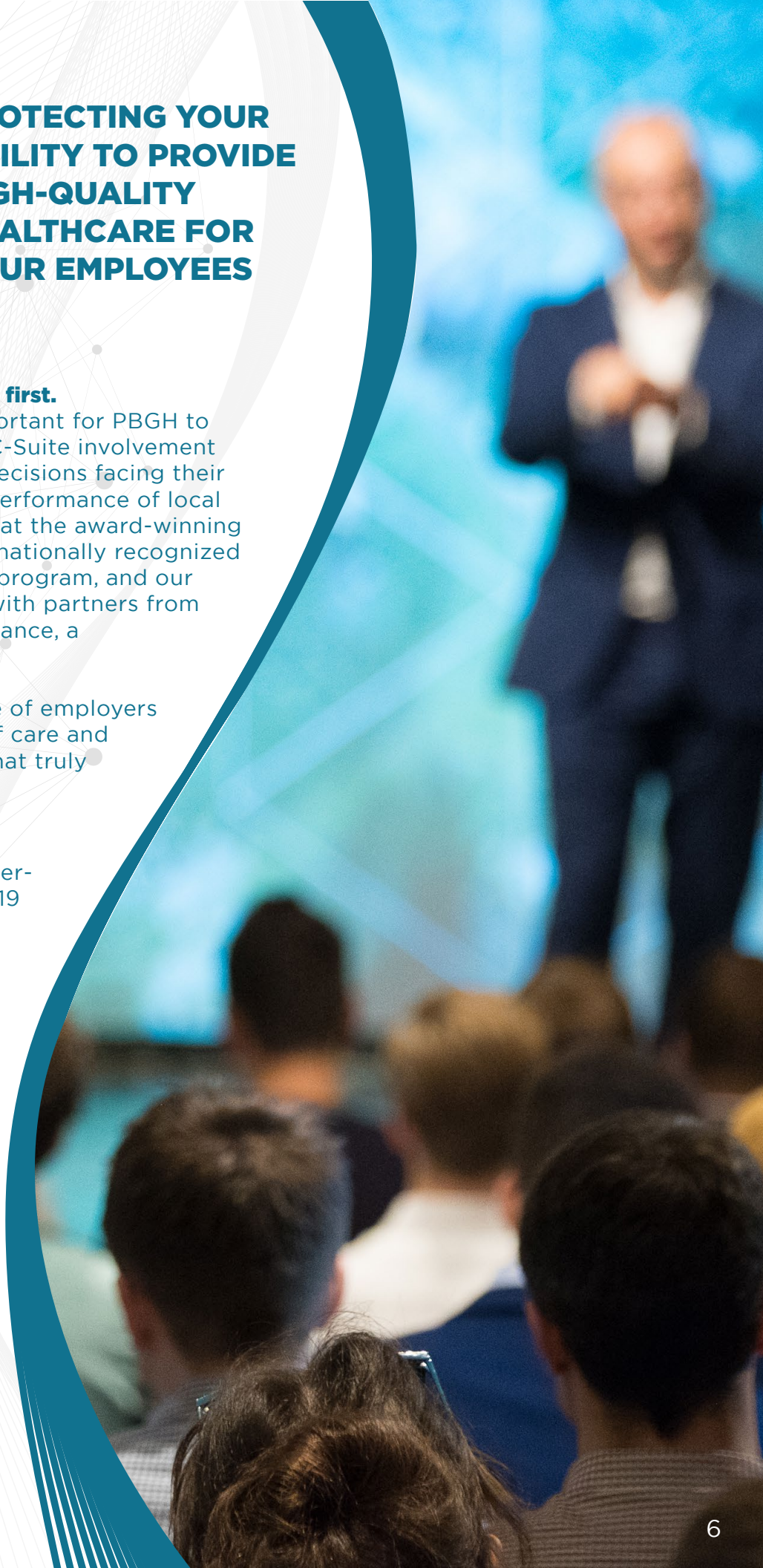
We will continue to be the voice of employers of all sizes to advance quality of care and safety and advance initiatives that truly change and save lives.

RAND 3.0

A variety of self-insured employer-members participated in the 2019 RAND study, which explored hospital pricing variations. We will continue this effort in 2020 with a focus on expanding employer participation in the study because it directly relates to our efforts to make healthcare more transparent.

GRANTS

In 2019, we advanced our goals around securing grants to help us drive our education and advocacy programming, which resulted in being awarded a grant from the Pharmaceutical National Alliance... with others still in the wings... And I expect our grant work to grow as we work to identify more opportunities in 2020.



2019

PROTECTING YOUR ABILITY TO PROVIDE HIGH-QUALITY HEALTHCARE FOR YOUR EMPLOYEES

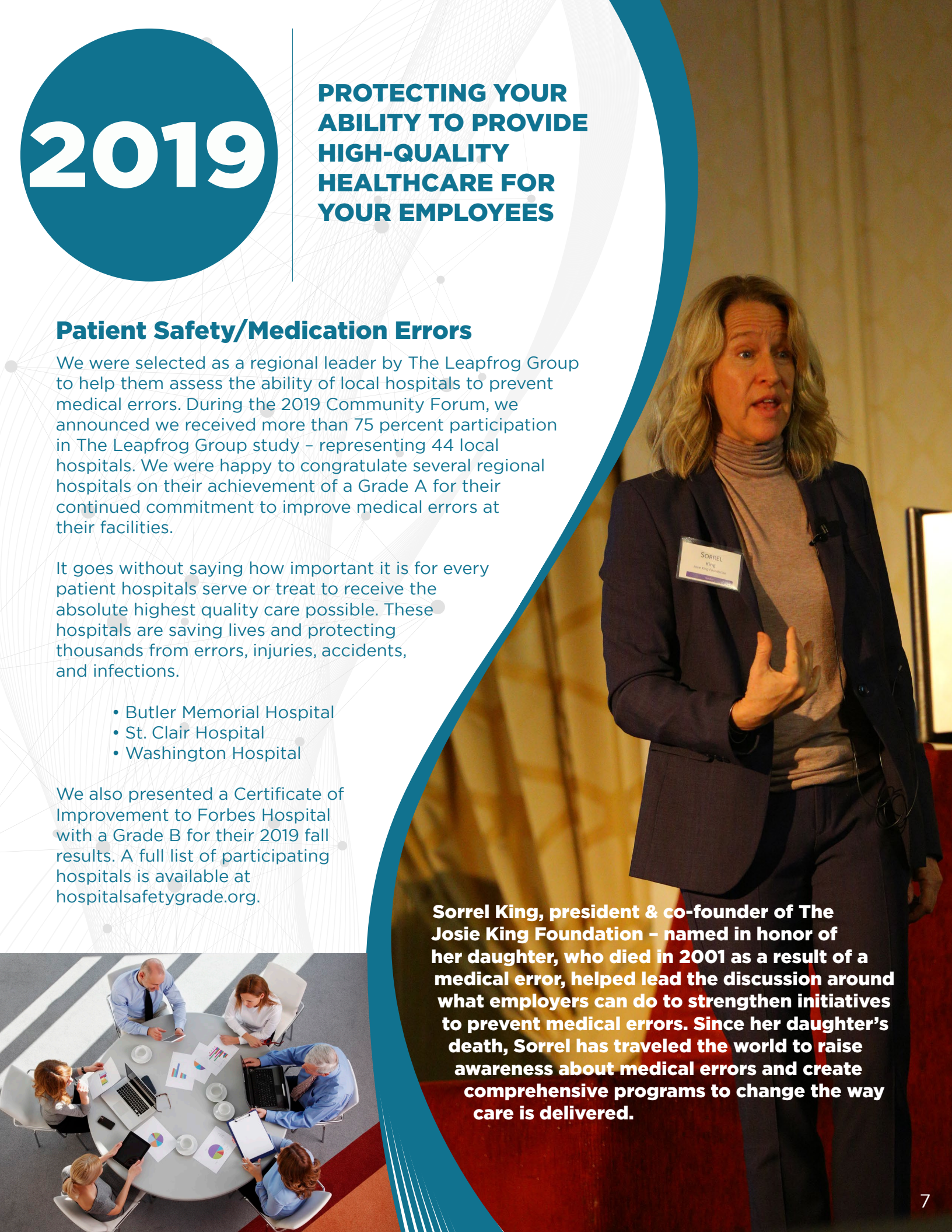
Patient Safety/Medication Errors

We were selected as a regional leader by The Leapfrog Group to help them assess the ability of local hospitals to prevent medical errors. During the 2019 Community Forum, we announced we received more than 75 percent participation in The Leapfrog Group study – representing 44 local hospitals. We were happy to congratulate several regional hospitals on their achievement of a Grade A for their continued commitment to improve medical errors at their facilities.

It goes without saying how important it is for every patient hospitals serve or treat to receive the absolute highest quality care possible. These hospitals are saving lives and protecting thousands from errors, injuries, accidents, and infections.

- Butler Memorial Hospital
- St. Clair Hospital
- Washington Hospital

We also presented a Certificate of Improvement to Forbes Hospital with a Grade B for their 2019 fall results. A full list of participating hospitals is available at hospitalsafetygrade.org.



Sorrel King, president & co-founder of The Josie King Foundation – named in honor of her daughter, who died in 2001 as a result of a medical error, helped lead the discussion around what employers can do to strengthen initiatives to prevent medical errors. Since her daughter's death, Sorrel has traveled the world to raise awareness about medical errors and create comprehensive programs to change the way care is delivered.

2019

PROTECTING YOUR ABILITY TO PROVIDE HIGH-QUALITY HEALTHCARE FOR YOUR EMPLOYEES



COMMITTING TO HEALTH EQUITY

In late 2019, we learned the City of Pittsburgh released the first in a series of reports aimed at gender equity across our region. The first report revealed a serious gap in the quality of care available for and accessible to African-American men and women. We must do better.

During our 2019 Community Forum, Anu Jain, executive director of the city of Pittsburgh's Gender Equity Commission, shared with us the important work the Commission is doing to identify and correct the health, societal and cultural inequities facing our neighbors. The PBGH board of directors approved health equity as one of our core focus areas beginning in 2020. PBGH can help lead this important shift in how the region provides the highest quality care for all residents.

The Diane McClune SCHOLARSHIP

In 2019, one of our trusted advisors and friends retired from her service to PBGH. To honor her service, particularly her work in establishing the PBGH student internship initiative aimed at young HR and benefits professionals, we established the, "Diane McClune Scholarship," which will award a $1,000 scholarship to a deserving student each year beginning in 2021 – the 40th anniversary of PBGH.

SUPPORT ACROSS THE COMMUNITY

While PBGH is a non-profit, we remain committed to helping other important organizations in our region in their effort to drive improvements in healthcare. In 2019, we supported a number of worthy organizations helping to change the trajectory of care, including:

- **American Heart Association – Pittsburgh Chapter**
- **Lending Hearts**
- **Urban Academy of Greater Pittsburgh**

American Heart Association®

lending hearts
enhancing • enriching • embracing
the lives of kids with cancer

URBAN ACADEMY
OF GREATER PITTSBURGH CHARTER SCHOOL

2019 SNAPSHOT



JAN — **PBGH kicks off 2019** with captive programs aimed at smaller and mid-sized companies seeking to leverage health care purchasing.

FEB — PBGH hosts its first event of the year: the **2019 Trends Forum** – setting the stage for critical shifts in the local healthcare landscape for employers.

MAR — PBGH invited to participate in PA **Attorney General's efforts** to strike a deal between UPMC and Highmark.



APR — PBGH takes **top honors at the World Health Care Congress** with the Validation Institute's Health Value Awards for its RightRx program - driving guaranteed performance for employers.

MAY — PBGH holds its **first-ever Innovations Summit** and awards Naturally Slim for its novel digital approach to improving nutrition choices among high-risk populations; participates as lead sponsor of the Pittsburgh Business Show for smaller employers, and hosts annual **Health Care Executive Leadership Forum.**



JUN — PBGH hosts the National Alliance of Healthcare Purchaser Organization's summer conference in Pittsburgh.

JUL — PBGH continues thought-leadership articles, including a series aimed at educating employers about the impact of obesity on productivity and health.

AUG

SEP



More than 400 employers and others attend the **2019 PBGH Health Care and Benefits Symposium** – featuring keynote speaker Scott Gottlieb, former U.S. FDA Commissioner.

OCT — PBGH aligns with other state business coalitions, including the **Pennsylvania Health Action Network**, to augment action on HB1862 to address and prevent surprise medical billing.

NOV — PBGH holds its second Innovations Summit – recognizing and awarding **EMPOWER³** for its commitment to patients with a disruptive care model.

DEC — Employer-members and others gather for the PBGH 2019 Annual Meeting: launches health equity platform and recognizes hospitals for preventing medication errors. Feature presentation by **PA Rep. Dan Frankel** explore efforts to mitigate surprise medical billing.



2019

JOIN OR RENEW NOW

PBGH membership is open to purchasers of health care services, including private employers and public agencies, as well as educational institutions. The majority of PBGH employer-members are located in Western Pennsylvania, although offices or employees can be located in any state.

Health industry organizations and suppliers may be considered for Allied membership, which provides various opportunities for participation with employer-members. Learn more about how you can help strengthen healthcare.

Visit www.pbghpa.org.



SPONSORSHIP

PBGH provided a number of unique sponsorship opportunities for companies serving employer-members. We are proud to recognize our Platinum partners for their commitment to improving the cost, quality and access of healthcare for thousands of area residents.



aetna®

Cigna®

CVSHealth

HIGHMARK®
An Independent Licensee of the Blue Cross and Blue Shield Association



Pittsburgh
Business Group
ON HEALTH

WWW.PBGH.ORG