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Correspondence Memorandum

Date: May 3, 2016
To: Group Insurance Board
From: Lisa Ellinger, Director
Office of Strategic Health Policy
Subject: Wisconsin Health Insurance Market: Recent Developments

This memo is for informational purposes only. No Board action is required.

The purpose of this memo is to make the Group Insurance Board aware of two recent developments that are relevant to the state group health insurance program.

Wisconsin Collaborative Insurance Company

On April 20, 2016 Anthem Blue Cross and Blue Shield Wisconsin (Anthem) and Aurora Health Care (Aurora) announced a partnership to form a new, joint venture health insurance company, the Wisconsin Collaborative Insurance Company (WCIC). WCIC plans to offer a commercial health insurance product called "Well Priority." The announcement indicated that Well Priority will provide access to care in 45 counties, and include the following health systems: Aspirus, Bellin Health, Children's Hospital, Gundersen Health System, ProHealth Care, ThedaCare, UW Health, and UnityPoint Health – Meriter.

Unity and Gundersen Merger

On April 21, 2016 the Office of the Insurance Commissioner approved the merger of Unity Health Plans, an affiliate of UW Health, and Gundersen Health Plan, a subsidiary of La Crosse-based Gundersen Health System. Leadership from both health plans have indicated to ETF staff the intent to participate as separate offerings in the state group health insurance program for 2017.

Attachment A: Unity Health Plans Insurance and Gundersen Health Plan Merger Approved
Attachment B: Anthem Blue Cross and Blue Shield and Aurora Health Care Announce Unique Joint Venture Health Insurance Company

Reviewed and approved by John Voelker, Deputy Secretary

Electronically Signed 5/9/16

Board	Mtg Date	Item #
GIB	5.18.16	2B



Unity Health Plans Insurance and Gundersen Health Plan Merger Approved

SAUK CITY, WISCONSIN - Unity Health Plans Insurance Corporation and Gundersen Health Plan announced today that the two companies have closed the merger agreement.

Boards of Directors of both companies have unanimously approved the Agreements after recently clearing the regulatory process.

Unity Health Insurance, an affiliate of UW Health, and Gundersen Health Plan, a subsidiary of Gundersen Health System, will be operated by a consolidated management team, with exciting changes that will benefit our members and customers to be announced in the future. As a consolidated organization, customers will continue to be serviced from existing health plan offices located in Middleton, Onalaska and Sauk City, Wisconsin. Customers should call their respective health plan as they do today.

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About Unity Health Plans Insurance Corporation

Formed in 1994, Unity Health Plans Insurance Corporation, an affiliate of UW Health, provides community-based managed care products and services to more than 186,000 members throughout 21 counties in southwestern Wisconsin. Unity Health Insurance focuses on community-based health care and direct access to UW Health, a world-class academic medical center. More online: unityhealth.com

About Gundersen Health Plan

Founded in 1995, and with more than 83,000 members in Wisconsin, Minnesota and Iowa, Gundersen Health Plan is a non-profit subsidiary of Gundersen Health System. With an extensive provider network, Gundersen Health Plan offers a variety of plans, including its five-star-rated Senior Preferred HMO, to meet the needs of the communities they serve. More online: gundersenhealthplan.org

Media inquiries, please contact:

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Attachment B



Anthem Blue Cross and Blue Shield and Aurora Health Care Announce Unique Joint Venture Health Insurance Company

Article published on April 20, 2016

Anthem Blue Cross and Blue Shield in Wisconsin (Anthem) and Aurora Health Care (Aurora) today announced the two companies are partnering to form a new, joint venture health insurance company, Wisconsin Collaborative Insurance Company, which will offer a commercial health insurance product called [Well Priority](#).

The unique 50-50 joint venture partnership combines Aurora's best-in-class care delivery system with Anthem's insurance expertise to create a new and better way of delivering health care to consumers. The plan – which utilizes a patient-centered approach to care – is designed to deliver lower overall cost of care, healthier consumers and higher patient satisfaction.

"A high-touch, enhanced experience is the foundation on which Well Priority is based. We'll be focused on keeping consumers healthy and actively engaged in their care to help them live well," said John Foley, Aurora's senior vice president of business development and president of the new joint-venture company. "And when patients do need care, we'll make sure that they receive the right level of care and in an appropriate setting through individualized care plans."

Well Priority products will feature:

- Access to quality care in 45 Wisconsin counties, where more than three-quarters of the state's residents reside;
- Coverage focused on keeping people well, which in turn reduces incidents of illness and reduces patients' potential out-of-pocket care costs;
- A network of doctors and hospitals that not only includes Aurora Health Care, but also health care systems that routinely rank as some of the most efficient and high quality in the state of Wisconsin;
- National and international in-network coverage through providers participating in the Blue Cross and Blue Shield Blue Card® Program;
- Doctors and hospitals committed to utilizing electronic medical records so that a patient's information travels with them;
- Around-the-clock care and treatment options, including a 24-7 Nurseline and LiveHealth Online* telehealth services;
- On-site nursing options for large employers; and
- Facilitated cross-system referrals between providers and hospitals participating in the product.

Well Priority products will utilize Anthem's Blue Priority network. Health systems participating in Blue Priority include: Aspirus, Bellin Health, Children's Hospital, Gundersen Health System, ProHealth Care, ThedaCare, UW Health, UnityPoint Health - Meriter in Madison, and select clinics and physicians to ensure access across the entire geography covered by the network.

"For years now, Blue Priority has been creating the right kind of health care competition by advancing issues of cost and quality," said Larry Schreiber, recent president of Anthem Blue Cross and Blue Shield in Wisconsin and CEO of the joint venture. "Now, through Well Priority, we are working to further simplify health care so our members can focus on their health and live well."

The new joint venture will be operated day-to-day by employees of both Aurora and Anthem. Anthem Blue Cross and Blue Shield and Aurora Health Care each own a 50 percent stake in the new company, which is licensed by the Wisconsin Office of the Commissioner of Insurance. Products sold through the joint venture will be marketed as "Well Priority – Anthem Blue Cross and Blue Shield in Collaboration with Aurora Health Care."

Well Priority product sales will begin in mid-2016 with most new group plans starting January 1, 2017, with initial sales focused on medium to large size employer groups. Product details and plan options are currently being finalized and will be shared with health insurance brokers and employer groups in meetings over the next few months.

To learn more about Well Priority, please visit www.wellpriority.com.