

**Keeping Health Care Affordable
 For Workers And Their Families**

COMMITMENT TO COMMUNICATIONS

Because we work in the rapidly-changing world of benefits and health care, we're mindful of the fact that member communications are more important than ever. That's why HCCMCA is pleased to introduce our new website (www.hccmca.org) and this inaugural issue of our new quarterly newsletter.

"Our hope is that the information we provide will give our member health plans what they need and will complement the services they provide," said Larry Bell, president of HCCMCA. Bell also serves as co-chair of the Alaska Electrical Workers' Trust Fund and business manager for IBEW Local 1547.



"The single biggest problem in communication is the illusion that it has taken place."
 George Bernard Shaw

Website Features

The new website provides:

- Easy access to details about HCCMCA's programs and services
- Better information about how HCCMCA works and the value we offer
- Links to timely news coverage about important health care issues
- Insights from industry leaders through our 'One on One With' feature
- Details on how to become an HCCMCA member

Newsletter Features

Our quarterly newsletter will feature stories about key industry topics, such as the Alternative Dispute

Resolution (ADR) process for workers' compensation story featured in this issue. It will also provide an opportunity to introduce new and returning HCCMCA members.

Tell Us What You Think

Our goal is to help you understand the valuable benefits associated with membership in HCCMCA. Let us know what you think and tell us what topics you'd like to see covered in future newsletters or website features by sending an e-mail to information@hccmca.org.

"Our new website and this newsletter are both part of a broad effort to improve our member communications," added Bell. "We want to make the benefits that the Coalition provides more tangible, and improved communications will help us accomplish that goal."

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STREAMLINING ALASKA'S WORKERS' COMP

HCCMCA Proposing Carve Out / Alternative Dispute Resolution (ADR) Process

The State of Alaska has the highest workers' compensation premium rates in the U.S., and 75 percent of Alaska's workers' compensation costs are due to medical expenses.

To reduce the cost of workers' compensation-associated medical care, HCCMCA is encouraging adoption of a bill to allow a carve out / alternative dispute resolution (ADR) process for workers' compensation issues.



Quicker Resolutions Benefit Everyone

Workers' compensation is currently administered through the Alaska State Department of Labor, Workers' Compensation Division. The bill would give unions and management the ability to agree to 'carve out' a workers' compensation program that would function outside the state's regular system.

ADR Benefits

ADR allows employers and employees to settle workers' compensation disputes more quickly than through a traditional dispute resolution process. The program works by using workers' compensation experts (selected jointly by labor and management) to

intervene in any claim dispute. Their job is to resolve the dispute in a few hours or days, avoiding costly litigation and medical expenses. The ADR process is binding on all parties, and discourages the use of attorneys in the early stages of the dispute. In addition, the ADR process encourages faster return-to-work and faster claims settlement.

The ADR process offers a number of tangible benefits:

- Saves money; research shows that when parties communicate, they avoid excessive medical and litigation costs and they improve the rate of return to work
- Provides faster resolution, with an eye toward returning the injured worker to gainful employment as quickly as possible
- Complements the employer's safety and insurance program, giving the participating organization the freedom to obtain insurance coverage at the most competitive rates
- Reduces the number of disputed claims

"All of our trust funds are impacted by workers' compensation medical bills," said Fred Brown, director of HCCMCA. "At least 12 states have passed legislation granting authority for collectively bargained groups to participate in the ADR program, and we're confident the process would benefit us here. That's why our Board passed a resolution to support a similar program for Alaska. Already, a bill has been drafted which we stand ready to support when the Alaska State legislature convenes in January 2011."



Modeled for Success

HCCMCA's proposed plan is modeled after one recently passed in Nevada, and based on similar programs used successfully in Minnesota and California. "The Ironworker Management Progressive Action Cooperative Trust (IMPACT) worked closely with labor, management, and insurance carriers to provide testimony to the Nevada Senate regarding the benefits of collectively bargained workers compensation programs" added Brown. For background information on IMPACT, go to www.impact-net.org/Aboutus.aspx. "Since the ADR process was implemented in Minnesota, they have lowered their workers' compensation-associated medical costs by 37 percent," said Brown. "The potential advantages to Alaska from this program are significant."

Brown added, "The key point here is that the system we currently have is so frustrating and expensive that an alternative should be allowed. Other states have demonstrated success with this program and we think it should be available in Alaska as well."

To learn more about the Carve Out / Alternative Dispute Resolution (ADR) Process for Workers' Compensation, visit www.hccmca.org. ■

The Power of Numbers

HCCMCA WELCOMES RETURNING MEMBER ALASKA TEAMSTERS EMPLOYER WELFARE TRUST



HCCMCA is pleased to welcome the Alaska Teamsters Employer Welfare Trust back to the Coalition. The group has about 3,100 members, plus dependents.

HCCMCA caught up with Rose Kalamarides, their Administrator, to talk about the Alaska Teamsters' decision to rejoin HCCMCA.

HCCMCA: What appealed to the Teamsters in terms of rejoining?

Kalamarides: Oh, that's simple—it's about saving money. For us, that's the bottom line.

Anytime we can join a PPO or do something that reduces our benefit costs, it means there's more money to spend on other benefits, put into our reserve fund, or keep our plans healthy. Plus, we wanted to benefit from the economies of scale that HCCMCA membership provides. When members join together, it makes it so much easier to negotiate. Really, it's all about the power of numbers.

HCCMCA: What HCCMCA program or service will provide the biggest benefit for your members?

Kalamarides: Membership in the Coalition certainly improves our PPO arrangements. We already had a good PPO agreement with Alaska Regional Hospital, but we'll have an even better deal through HCCMCA. For example, HCCMCA's PPO

arrangement with Alaska Regional Hospital is more comprehensive than we now have because HCCMCA's agreement covers charges from Denali Emergency and Pathology Associates in Anchorage, which ours does not. Therefore, it reduces the out-of-pocket expenses our members would have to pay when they visit the Emergency Room at Alaska Regional Hospital.

HCCMCA: Do the Teamster's service philosophies align with those of HCCMCA?

Kalamarides: Yes, we have very similar philosophies, particularly in terms of providing services to our members and working hard every day to save money. We try to make things easy for our members because as a general local, we have a varied membership. So we have to work hard, like the Coalition does, to communicate with our members. ■

HCCMCA is expanding, and is pleased to welcome a number of new members from the Pacific Northwest. Meet one of these new member Trusts in our next issue.

Calendar

- Look for HCCMCA's booth at the Washington State Building & Construction Trades Council's 54th Annual Convention, **July 29 – 30** at the Hotel Murano in Tacoma. www.wabuildingtrades.org



- HCCMCA will exhibit at the Washington State Labor Council's 2010 Constitutional Convention, **August 9 – 12** at Tacoma's Hotel Murano. www.wslc.org



- HCCMCA will co-sponsor with IFEBC a one-day Health Care Reform Workshop on **August 30** in Seattle. Nationally-recognized speakers will provide perspectives on what you need to know now and what is on the health care reform horizon. This workshop is for all who will be impacted by the new legislation. Space is limited. Find details and registration information at www.hccmca.org.

Do you have an upcoming event that you want people to know about? Send us the details; information@hccmca.org. ■

Do You Know The FABs of a PPO?



When it comes to the features, advantages and benefits (FABs) of a Preferred Provider Organization, cost savings is one of the biggest. PPOs typically cost consumers less than traditional health care models.

The number of people now enrolled in PPOs proves the value of this FAB. According to the 2009 Employer Health Benefits study by the Kaiser Family Foundation and Health Research & Educational Trust, the number of covered workers enrolled in a Preferred Provider Organization (PPO) health plan is now three times the number enrolled in a health

PPOs give our member health plans access to quality medical care at discounted pricing.

maintenance organization (HMO) plan. In fact, 60% of covered workers across the country are enrolled in PPOs; HMOs cover 20%, followed by point-of service (POS) plans (10%), high deductible health plans with a savings option (HDHP/SOs) with 8%, and conventional plans at just 1%.

HCCMCA has negotiated multiple PPO agreements with outstanding health care providers: Alaska Regional Hospital in Anchorage, the Beech Street nationwide PPO network, Chugach Physical Therapy, Alaska Hand Rehabilitation, and Ascension Physical Therapy in Anchorage.

These PPO agreements give HCCMCA's member health plans access to high quality medical care at discounted pricing.

Learn more about the FABs of a PPO at HCCMCA's website, www.hccmca.org.



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WE'RE IMPROVING OUR COMMUNICATIONS!
HCCMCA is pleased to introduce our new quarterly newsletter.

Since 1994, the Health Care Cost Management Corporation of Alaska, Inc. (HCCMCA) has been helping member health plans control health care costs by negotiating better pricing on health benefits and services than these same plans could achieve on their own. Current member health plans include 17 headquartered in Alaska and 10 headquartered in Washington State.