

# CoreSource REPORT

**CORESOURCE**  
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## THIRD QUARTER 2009

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Contact [Amanda Richter](#).

### Points From Paul

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#### How Far Will Our Values Take Us?

Earlier this year, many of you participated in the companywide Values Exercise, where you were able to reflect on and crystallize the values that are most important to you in your daily life.

[Read full story.](#)

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## Points from Paul

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### How Far Will Our Values Take Us?

Earlier this year, many of you participated in the companywide Values Exercise, where you were able to reflect on and crystallize the values that are most important to you in your daily life.

I went through the exercise last year, and when I realized how these values define my approach to work and my personal life, I developed a credo of sorts:

Life is a journey, I hope to have the **creativity** to see all of the paths that can move me toward my goal. I hope to have the **wisdom** to know which paths are best for reaching the goal. I hope to have the **honesty** and **integrity** to know which path is right. I hope to have the **courage** to travel the path, regardless of the challenges and obstacles. And, I hope to have strong **relationships** with others, so that I may help them, and they may help me, as we travel down the path together.



*Paul Lotharius*

CoreSource employees hold many of the same values and use them to make everyday business decisions, as well as ones that affect the direction of our company. The values are in the bold words above, but you can also recognize them in some of the biggest strategic decisions from CoreSource in the past few years.

When we gave our offices local control, we used **creativity, wisdom, courage** and the strength of many **relationships** to reorganize successfully. As we reshaped our value proposition with our YourCare health management programs, we called on our values again. **Creativity, wisdom** and **courage** guided us in developing a sharper focus on improving the health and wellness of each and every plan member, regardless of their health status. Then, we relied on these same values to execute plans that ultimately will provide better cost control for our clients.

When we faced the challenges of reducing expenses, we relied on **honesty** and **integrity**. And, we look to strong **relationships** for support as we enter new geographies and market segments. Along the way, it's become clear that we're doing the right thing, and the industry is recognizing our commitment to excellence.

As we near the end of this year and start preparing for a successful 2010, I hope you'll continue to reflect on your values, and use them to guide the work you do everyday on behalf of our clients.

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## CoreSource News

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### Research Shows *YourCare* Moving Participants In Healthier Direction

Since it was introduced in January 2008, the *YourCare* (formerly CoreCare) suite of health & wellness programs has been one of the most successful products in recent CoreSource history. The goal of *YourCare* is to increase member compliance with evidence-based standards of care for certain chronic conditions, encourage appropriate utilization of the healthcare system and promote preventive screenings to keep members as healthy as possible. A [comprehensive analysis of the program's first-year results](#) showed that *YourCare* has accomplished these goals.

According to the analysis, compliance for members with chronic conditions increased; proper use of the healthcare system increased, leading to decreased hospital stays and emergency room visits; and member compliance for preventive screenings increased. All these findings result in decreased costs for clients and a healthier direction for members.

"When we rolled out this program to our clients almost two years ago, our goal was to maximize the health potential of their plan members, regardless of health status," said Paul Lotharius, President and Chief Executive Officer, CoreSource. "Now, with more than a full year of data under our belts, we're very pleased that the early results seem to indicate that we've accomplished exactly what we set out to do."

In its analysis of *YourCare*'s first-year results, CoreSource reviewed medical claims data for 16 self-funded employer clients (with a total of 13,687 employees and approximately 29,120 covered lives) that implemented one or more *YourCare* programs during the first quarter of 2008 and had the programs in place through March 2009.

*YourCare* programs are driven by a CoreSource analysis of employer's medical and pharmacy claims using VeriskHealth's D2Explorer data analytics engine. The analysis focused on members with one or more of five chronic conditions targeted during the initial rollout in January 2008: diabetes, coronary artery disease, congestive heart failure, asthma and chronic obstructive pulmonary disease.

Highlights of the analysis include:

- On average, nearly 50 percent of the members diagnosed with one or more chronic conditions closed at least one gap in care during *YourCare*'s first year. An analysis of the CoreSource book of business showed that long term, members with chronic conditions who are compliant with recommended standards of care cost 4 percent to 13 percent less than those who are non-compliant.
- Compliance with preventive testing for cancer increased throughout the year for members in potentially at-risk demographic segments. Mammogram compliance increased 6 percent, Pap smear compliance increased 5 percent, and colorectal screening compliance increased 4 percent.
- While groups in *YourCare* programs saw a 12 percent increase in office visits during the first year, they had a corresponding decrease in more expensive emergency room visits (down 6 percent) and hospital admissions (down 17 percent).

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“To reduce the use of expensive healthcare services, we recognized that physician office visits would have to increase so that members and their physicians could best manage chronic disease,” said Donna Heiser, Vice President, Healthcare Management, CoreSource. “We created a program to improve the health status of our members and to reduce healthcare costs for our clients, and we’re so pleased that we seem to be heading in the right direction on both counts.”

Effective January 2010, CoreSource will enhance *YourCare* with an even sharper focus on prevention, said Sean McManamy, Vice President, Product Development and Marketing, CoreSource. Next year, additional benefits will be offered through *YourCare*:

- Unlimited access to health coaches for lifestyle management and health advice;
- Outbound health coach calls to members who may be at high risk for serious conditions, based on data available to CoreSource;
- Discounted memberships to more than 2,000 gyms nationwide; and
- Biometric screening options and Health Risk Assessments to give *YourCare* nurses a better understanding of the health status of each and every member.

“We believe these program enhancements will help our members stay healthier, which ultimately leads to better control of our clients’ healthcare spend,” McManamy said. “At a later date, we’ll analyze the results of these program upgrades, and we’ll share how they affected the health of *YourCare* participants.”

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## CoreSource News

### Employees of CoreSource, Other Trustmark Businesses Share Same Values

Employees of CoreSource and other Trustmark businesses share the same values, according to the results of an exercise designed to help employees explore their personal values. Results also showed “family” at the top of the list, with the greatest number of employees in both groups identifying it as one of their five most important values. Trustmark rolled out this activity companywide earlier this year as part of the Renaissance.

The 90-minute Values Exercise encourages people to clarify their values, consider what drives and motivates them, and to think about how their values tie to those of their coworkers. During the activity, employees use a deck of cards with a different value printed on each card to whittle down a number of important values to the five values they consider most important. The majority of CoreSource employees have completed this exercise, while others are scheduled to complete it in the near future.

The alignment in values, so far, between employees of CoreSource and other Trustmark businesses becomes clear upon reviewing the top selections from each group. The greatest number of employees in both groups selected “family” among their top five values. “Happiness, health, honesty/integrity and spirituality/faith” were the next four highest selections by both groups, but the number of employees who selected each value varied by group:

CoreSource Values	Overall Trustmark Values
<b>Top 5 for CoreSource</b>	<b>Top 5 for Trustmark</b>
<ul style="list-style-type: none"><li>• Family</li><li>• Health</li><li>• Spirituality/Faith</li><li>• Honesty/Integrity</li><li>• Happiness</li></ul>	<ul style="list-style-type: none"><li>• Family</li><li>• Honesty/Integrity</li><li>• Health</li><li>• Happiness</li><li>• Spirituality/Faith</li></ul>



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## CoreSource News

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### CoreSource Announces New Leadership in Detroit and Chicago Offices

CoreSource has named new leadership at the Detroit and Chicago offices. Kim Fiori has been appointed President of NGS American in Detroit, and Dave Parrish has been named President of the Chicago/West region, according to Paul Lotharius, President and Chief Operating Officer, CoreSource.

Fiori had previously served as Senior Vice President of Operations. She joined NGS in 2004 as Vice President, Managed Care Strategies, with more than 12 years' experience in the managed care industry. She earned a Master's Degree from Walsh College.

"There is a strong tradition of local leadership at NGS, and we felt that Kim Fiori was the best person to continue that tradition," Lotharius said. "NGS has always been one of the main engines for innovation within the CoreSource family. I'm confident, that under Kim's leadership, NGS will continue to provide industry-leading customer service and customized solutions to our valued clients in the Midwest."

Parrish has more than 20 years' of experience in the group benefits industry. Most recently, he served as Vice President, Product Development and Risk Solutions, in the Lake Forest office. Parrish joined Trustmark in 1996 when Trustmark acquired the large group life and health business of Washington National Corp. Parrish earned a Bachelor's of Business in Marketing from Western Illinois University.

"Since moving from Trustmark Group Insurance to CoreSource over five years ago, Dave has become an increasingly valuable member of our leadership team," Lotharius said. "Dave is a seasoned industry professional who brings a unique set of capabilities to managing our most geographically diverse office."

Both Fiori and Parrish will have responsibility for all aspects of the business in their respective locations, including client management, sales, claims, operations and administration.

"Strong local leadership is the foundation of our success as a personal, flexible and trusted partner to our clients," Lotharius said. "It's important for our clients to know that the 'buck' stops with someone in a local office who is empowered to make important decisions. Dave and Kim are uniquely qualified to continue that tradition in Chicago/West and Detroit."



Kim Fiori



Dave Parrish

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## CoreSource News

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### CoreSource Welcomes Back An Old Friend

Lancaster General Health, a well-known health system in central Pennsylvania that was twice a CoreSource client in the 1990s, once again selected CoreSource to administer its employee health benefits plan. In deciding to return to CoreSource for a January 1, 2010 effective date, Lancaster General became the first CoreSource client to select the *CareChampion* product, which provides guidance on health issues and benefits as part of an around-the-clock “concierge” service for employees and their families.

Lancaster General, which was named among the top 50 hospitals in the country by *U.S. News & World Report* for the sixth time in 2009, based its decision primarily on CoreSource’s highly integrated capabilities, which were not fully developed in the 1990s. In addition, CoreSource demonstrated how it would customize services to fully support the employee health plan while meeting the other business needs of the health system.

“When Lancaster General identified its need to enhance customer service for health plan members, a 24/7 telephone concierge desk was at the top of its list,” said Jason Dennis, Sales Executive, CoreSource Lancaster. “We explained how we would set up a single, dedicated toll-free telephone number that members will contact at any time of the day or night, which is an attractive feature for handling service calls, regardless of what shift an employee works.”

CoreSource worked with Health Contact Partners (HCP) to develop a solution that streamlines calls in order to connect each caller with the right person every time. When a health plan member calls the toll-free number, the call is routed through the HCP call center, which directs the caller to the appropriate resource. For example, a caller with a claim question will be directed to a CoreSource claims professional, a caller who needs to pre-certify an upcoming hospital stay will be directed to a nurse, and a caller seeking help with health issues, benefits or a claim appeal will be routed directly to advocates who staff the *CareChampion* program. “What CoreSource embeds into *CareChampion* really resonated with the health system,” Dennis said.

“Beyond service, we also showed Lancaster General how we will support the hospital’s provider strategy using the Aetna Signature Administrators network to save money on medical care that has to be performed outside the health system because a service is not available through Lancaster General or because the employee lives outside of Lancaster County,” Dennis said. “Aetna contracts with providers to offer a wide range of physician services at discounted prices. And, these savings are passed on to Lancaster General.”

The CoreSource team also explained how CoreSource’s robust capabilities for collecting, managing and analyzing claims data will enhance the hospital’s healthcare management programs. In addition, CoreSource’s proprietary *YourCare* health and wellness programs will be fully integrated with Lancaster General’s own initiatives resulting in even stronger programs.

“CoreSource’s healthcare management, integrated technology, and willingness to creatively partner with Lancaster General to accomplish the hospital’s wellness and benefit objectives, surpassed the proposals of competitors, such as Highmark Blue Cross and Health Assurance,” said Chip Sernyak, Regional President, Northeast, CoreSource.

“The milestone for me during this process was when leadership from Lancaster General, the principals from Stoudt Advisors, who is the broker and benefits consultant for Lancaster General, and the CoreSource management team sat together around the table discussing how we could work together to improve the delivery and funding of healthcare to benefit our local community,” Dennis said. “We are very excited to welcome Lancaster General back as a premier CoreSource customer, and we are looking forward to working with the hospital to accomplish their goals and to solidify our community partnership.”

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### CoreSource Expands Presence In State Risk Pool Market

CoreSource expanded its presence in the state health insurance risk pool market by winning the business of another state pool responsible for providing coverage to residents who need health insurance but who cannot obtain it through other channels because of health conditions. The Mississippi Comprehensive Health Insurance Risk Pool Association, which provides health insurance to about 3,500 people, becomes a new CoreSource client, with an effective date of January 1, 2010.

Last year, CoreSource was named the third-party administrator for the North Carolina Health Insurance Risk Pool, also known as Inclusive Health, and the business provided experience that helped secure the Mississippi account.

“Through our relationship with Inclusive Health, we learned a lot about the unique characteristics of state risk pools, particularly about administering a health plan based on an individual platform rather than a group platform,” said Lee Rufty, Regional Vice President, Sales, CoreSource Charlotte.

“The Charlotte office and NGS are working closely together to provide seamless service to the risk pool,” Rufty said. “Our new client expects a customized Web-based enrollment system and a premium collection system that accepts electronic debits. Charlotte led the efforts to secure the account, and NGS will provide online enrollment, eligibility verification, and billing and premium collection.”

In addition, CoreSource will provide claims administration, customer service and pharmacy benefits management, along with YourCare health and wellness services for members of the Mississippi risk pool.

“It’s been exciting to be part of a process designed to look for new sources of revenue and then to be successful with two new accounts in the same niche market within 18 months,” Rufty said. “As our experience in this market grows, so does our expertise. Thirty-five states have health insurance risk pools, and we’re actively pursuing other accounts right now.”



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### CoreSource New Sales Update

CoreSource welcomes the following new clients to its growing book of business. Congratulations to all who played a role in getting the new clients to choose CoreSource as their next TPA!

Name of New Group	Office	Sales Executive
Regional Health	NGS and Columbus	Foltz
Bay-Arenac Schools	NGS and Columbus	Ellwood
Memorial Hospital	NGS and Columbus	Foltz
HCF Management	NGS and Columbus	Foltz
Mercer St. Louis	FMH	Frisch
Wallsworck Publishing	FMH	Frisch
Soloman Corp	FMH	Frisch
Florida Blood Centers	FMH	Kuehn
Mercer Ancillary	FMH	Frisch
Phelps County Regional	FMH	Frisch/McDonnell
Tribune	FMH	Frisch
City of Independence	FMH	Schath
AMCOL	FMH	Dulaney
City of Olathe	FMH	Rushton
Mississippi HR Pool	Charlotte	Rufty
Kirk Rudy	Charlotte	Schafer
Hendrick Automotive Group - upsale	Charlotte	Earle
Lancaster General	Lancaster	Dennis
Summit Medical Group	Lancaster	Polly
Lancaster Newspaper	Lancaster	Magrann
Atlantic General	Baltimore	Curtiss
Celotex	Chicago/Tucson	Ockington
Rural Hospital Acquisition, LLC	Chicago/Tucson	Tamanaha