

July 17, 2009

Mr. Michael J. Brady
Employee Benefits Director
Department of Employee Relations, Employee Benefits Division
City of Milwaukee
200 East Wells Street, Room 701
Milwaukee, WI 53202

City of Milwaukee – Medical Benefits managed by UnitedHealthcare

Dear Mr. Brady:

The City of Milwaukee and UnitedHealthcare are making a difference together in harnessing health care costs and improving employee health. Next year, we hope to make even more of a difference.

We applaud you and the City for the progress over the last year couple of years by making great strides in Wellness. Your efforts with Well City Milwaukee, the City's Wellness Committee, our partnership in the Know Your Numbers biometrics campaign, the Fire Fighter Flu Shot project, and last month's Health Assessment campaign, all work together toward providing individuals with knowledge and tools to make better health care choices. Both the employees and the City benefit by improving employee health, well-being and quality of life, while lowering absenteeism, improving employee productivity and ultimately reducing health care costs.

Quality, cost and value information about providers and resources is critically important to consumers finding the right care for their needs. All UnitedHealthcare network physicians have the opportunity to receive quality and efficiency-of-care designation through the UnitedHealth Premium program. This demonstrates to consumers that these providers have met established guidelines for quality (based on national, evidence-based medicine standards) and efficiency of care. These physicians have lower costs per episode, on average, compared to non-designated physicians. Not a carve-out or a buy-up, UnitedHealth Premium is available to all UnitedHealthcare members.

Our hospital comparison program, available on our consumer Web site, myuhc.com, provides the City and its employees with credible cost and quality information in a straightforward manner. The program includes procedure-level information on quality and cost in more than 140 markets nationwide. Online physician profiles help members review a physician's professional training, languages spoken and other important details. And with over 2,200 registered, your employees are really using myuhc.com!

We believe personalization is the heart of health care. We can provide highly personalized clinical support to the City, which will help employees make better health decisions. New technologies have dramatically improved our ability to reach out to high-risk members earlier, with richer, more personalized information. Our new clinical technology platform helps us to prioritize health risks and intervene before a major health event occurs. It recognizes leading clinical indicators and can access pre-adjudicated claims data in as little as three to five days. More timely interventions can avoid high-cost claims and provide better, individually relevant information and support to members facing health concerns—before they make a health decision.

UnitedHealthcare initiated a focused case management program in late May 2008 to identify City members at high risk for hospitalization and readmission. Identification was accomplished through claim data and referral by nurse case managers. City of Milwaukee members were referred to a nurse case manager who individually assessed the patient and enrolled the patient in the appropriate care management program. Our goal was to identify and address gaps in care and to provide clinical support/case management to prevent hospitalization.

Attached is an exhibit which demonstrates the improvements to utilization we have achieved for the City of Milwaukee. The average length of a hospital stay (ALOS) has fluctuated over the year, but the Admission Rate and Bedday utilization has trended downward substantially. The dotted lines on the graph are trend lines. The results of UnitedHealthcare's efforts show that our programs are working for the City.

We know that in today's business climate, the City of Milwaukee must maximize the value brought by each health care dollar. Through a continued partnership with UnitedHealthcare, the City will continue to effectively manage costs and capitalize on new technologies to improve member health and productivity while preventing disruption. Thank you for this opportunity to continue to work together.

Sincerely,

Susan

Susan J. Bridges
Strategic Account Executive
UnitedHealthcare