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👉 Details: Hearing held in Madison, Wisconsin on September 27, 2006.

(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2005-06

(session year)

Senate

(Assembly, Senate or Joint)

Select Committee on Health Care Reform...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
 - (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
 - (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Stegall, Jennifer

Subject: FW: DHI and Kansas

Attachments: rg to brunner re term 29 Sept 06.doc; KS - KHPA to Godoy 2006 09 15.pdf

From: Tony Langenohl [mailto:tony.langenohl@capitolconsultants.net]

Sent: Tuesday, October 03, 2006 4:03 PM

To: Stegall, Jennifer

Subject: DHI and Kansas

Jennifer;

I wanted to get this to you and Sen. Roessler as soon as I received, this is a very unfortunate exchange taking place.

When you get a second if I could schedule a time to chat with you either by phone or in person and give you our (Bill and my) understanding/concerns with this situation?

Thanks,

Tony

Tony Langenohl

Capitol Consultants, Inc.

22 North Carroll Street, Suite 200

Madison, WI 53703

e: tony.langenohl@capitolconsultants.net

p: 608.258.8411

f: 608.258.1578

m: 608.444.5076

www.capitolconsultants.net

--
No virus found in this outgoing message.

Checked by AVG Free Edition.

Version: 7.1.407 / Virus Database: 268.12.12/461 - Release Date: 10/2/2006

↓
Antifraud
activity +
recoup
3rd party
to answer ques -
use of state
maximize savings -

JS -
left message
for Tony.
10/4



K A N S A S

KANSAS HEALTH POLICY AUTHORITY

MARCIA J. NIELSEN, PhD, MPH
Interim Executive Director

ANDREW ALLISON, PhD
Deputy Director

September 5, 2006

Richard Godoy
President, Digital Healthcare
P.O. Box 25275
Cleveland, OH 44125

RE: COB Audit Agreement

Dear Mr. Godoy:

This is in response to your August 29, 2006 e-mail about the Test and Deploy Agreement between the Kansas Health Policy Authority (KHPA) and Digital Healthcare Inc. (DHI). The purpose of the agreement is the completion of a third party liability audit. Subsequently, the purpose of the audit is to demonstrate whether KHPA is achieving maximum Medicaid third party liability recoveries.

On July 14, 2006, a teleconference was held between KHPA and DHI. KHPA advised DHI of concerns with the implications made in the June 1, 2006 correspondence distributed to insurance payors, third party administrators and HIPAA Privacy Officers as part of DHI's effort to access data for use in the Test and Deploy Program Agreement. KHPA advised DHI that the letter incorrectly implied that participation with this audit was a requirement for HIPAA compliance. Further, KHPA emphasized that the language in the Agreement indicated that "Digital Healthcare will test the KHPA's claims against 1) the available cost free gateways required under HIPAA...2) **voluntarily uploaded** eligibility records from other health plans, payors and providers..." [emphasis added] This language clearly states voluntary and not mandatory participation by providers. Additionally, there is no indication in the Agreement for this misrepresentation or for the imposition of fees upon providers participating in the audit.

Following the July 14, 2006 teleconference, a meeting was held on July 25, 2006 in which KHPA reiterated its concerns of the June 1, 2006 correspondence and the implications made within the letter. KHPA informed DHI that an amendment to the original agreement was needed regarding the publication of any results identified from this project. Additionally, KHPA requested a notice clarifying that the request for participation in the audit was voluntary and not required for HIPAA compliance. Further, DHI was informed that any future correspondence referring to the agreement would require review and approval from KHPA before distribution. Thus, on July 27, 2006, a draft of the requested Amendment and correspondence were provided to KHPA. On Aug. 7, 2006, the proposed documents were returned with revisions with the statement that "[o]ur intent is for this amended agreement and correspondence to be final and used as requested." Nevertheless, KHPA intended to continue taking reasonable efforts to assist DHI in data acquisition as necessary to accomplish the joint objectives set forth in the Agreement.

Medical Assistance Programs:

Rm. 900-N, Landon Building
900 SW Jackson Street
Topeka, KS 66612
Phone: 785-296-3981
Fax: 785-296-4813

State Employee Health Benefits and Plan Purchasing:

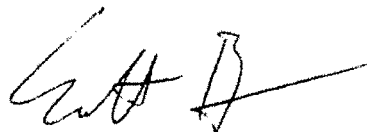
Rm. 900-N, Landon Building
900 SW Jackson Street
Topeka, KS 66612
Phone: 785-296-8280
Fax: 785-368-7180

State Self Insurance Fund:

Rm. 900-N, Landon Building
900 SW Jackson Street
Topeka, KS 66612
Phone: 785-296-2364
Fax: 785-296-0995

However, it has come to our attention that DHI distributed a subsequent correspondence to self-funded plan sponsors implying that participation with the audit is required for HIPAA compliance without the knowledge or approval from KHPA. While KHPA agreed to assist in a cooperative manner to obtain data it cannot condone or permit, while acting in furtherance of the Agreement, DHI to state that HIPAA requires third parties to provide health care data. Please be advised, if KHPA learns that DHI has continued to make such statements after receiving this letter it will terminate the Agreement.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Scott Brunner', with a long horizontal stroke extending to the right.

Scott Brunner, Medicaid Director
Kansas Health Policy Authority

cc: Roxie Namey
John Dixon
Chris Swartz
Tami Santiago-Gonzalez

DIGITAL HEALTHCARE, INC.

Enhanced Electronic Commerce

29 September 2006

Scott Brunner
Kansas Health Policy Authority
900 SW Jackson St., Rm 900-N,
Topeka, KS 66612

Dear Mr. Brunner:

I write in reply to your letter of 15 September.

You engaged this company, at our cost, to conduct an audit of Kansas' primacy for claims paid in 2005, on the common knowledge that the TPL program is superficial and that Kansas Medicaid is certainly paying claims that don't belong to its taxpayers.

Paying such claims is morally and legally wrong. It also **polls** badly.

I enclose a recent article from the press showing particularly that Medicaid's often err between one another on this subject.

The only hard data suggest Kansas' taxpayers lose \$500 MM per year to this systematic abuse, and your contract was intended to verify that figure in accord with 42 CFR 433.135, HIPAA, 18 USC 1035, and DRA 2005.

Pursuant to the letter of our agreement we have communicated in a letter, the text of which you approved in your contract, with the health plans bound under HIPAA to reply to e-messaging. It is true that various parties have chosen to misconstrue the plain English in those approved documents, but a candid reviewer will find that Digital Healthcare has done nothing that was not within the letter of our engagement. We asked nothing that was not consistent with the express intent of Congress, and done in prior consultation with the proper authorities. The broadly circulated reference to improper conduct on our part was ethically and legally improper.

Nothing in the record here supports the assertion that KHPA has been trying to impede our audit process *since July 14th*. The only communication we have that requests a cessation of notice to the market is dated *05 September*, to which I replied with the enclosed letter on the 11th. No mail or call or other effort has been sent by or for us since the end of August. There is, therefore, no 30 days of uncorrected cause that would justify termination.

In my letter of the 11th, I state that we are seeking the proper resolution of CMS' misconduct so that all parties can move along toward improved fiscal integrity without any further discord. Your silence in response to that message is taken as consent under the *qui tacet consentire* doctrine.

It is not appropriate to terminate an audit likely to uncover \$500 MM in taxpayer property when the legal foundation of the process is in dispute and the Congress favors your auditor's position, *especially* when hundreds of payers have complied with your instructions.

It is not appropriate to terminate an audit on the grounds that the auditor is too efficient.

9800 Rockside Road, Suite 1000
Cleveland, OH 44125
Phone: 216-520-1005 FAX: 216-447-3479
rgodoy@dhinc.biz

It is not appropriate to terminate an audit because of willful interference from another governmental unit. If you are under continued pressure from CMS to corrupt our work process, the remedies will continue irrespective of our current agreement.

We believe your termination notice is improper as a matter of law and public policy. We ask that you withdraw that notice for all the good reasons that KHPA signed the original agreement.

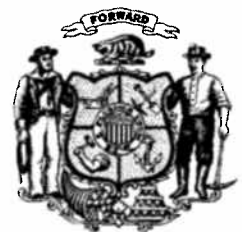
Yours,

Richard Godoy
President

Cc: Hon. Melvin Neufeld
Rex Beasley, Deputy Attorney General
State Governors
State Medicaid Directors



WISCONSIN STATE LEGISLATURE



Wagner, Mike

From: Malszycki, Marcie
Sent: Monday, October 02, 2006 8:05 AM
To: Wagner, Mike
Subject: FW: FDLAC OCTOBER NEWSLETTER 2006

CR email

Marcie Malszycki
Office of Senator Carol Roessler
608-266-5300

-----Original Message-----

From: FDL AC Newsletter [mailto:info@fdlac.com]
Sent: Saturday, September 30, 2006 11:21 PM
To: Sen.Roessler
Subject: FDLAC OCTOBER NEWSLETTER 2006

FOND DU LAC ASSOCIATION OF COMMERCE BEGINS PRESCRIPTION PROGRAM FOR MEMBERS

Businesses have become increasingly concerned about the increasing cost for their prescription coverage. With many seeing double-digit increases or more during the past decade, companies have been forced to alter health care plans or eliminate them altogether. Trends in health insurance coverage are toward higher co-payments or co-insurance for traditional prescription card programs and rising out-of-pocket expenses.

The Fond du Lac Area Association of Commerce recently entered into an agreement with a new company, BidRx.com, a patent-pending, free Web site that is changing the way prescription drugs are marketed, sold, distributed and dispensed in the United States. The Fond du Lac Association of Commerce believes this revolutionary program will be the answer for consumers to find the best medications at the best prices.

The Fond du Lac Association of Commerce has partnered with the newly formed Wisconsin-based BidRx, LLC, to provide prescription cost savings to employers and their employees of Association-member businesses. The Fond du Lac Association has signed a letter of intent for all of its 864 members to receive the benefit at a huge savings if they implement the program by January 31, 2007. Association members who implement the program after that time will still save money on prescriptions, but they will only see a 20 percent cost savings on administrative fees.

"This is a new program that utilizes technology and the free enterprise system in such a way that it creates web based competition for consumers' dollars," said Joe Reitemeier, president/CEO of the Fond du Lac Association. "It will allow buyers open access and transparency to pharmaceutical purchases."

"This is a benefit that companies can offer employees even if they do not have a company-sponsored health insurance plan. Even the smallest of companies can, at no cost, offer a BidRx prescription drug card to their employees. It is anticipated that for those individuals that require medication on a regular basis, they will be able to see savings of hundreds of dollars each year on medications."

BidRx.com has created an open and competitive marketplace for consumers to find the best medications for their needs, with savings up to 85 percent. Visitors to the web site can learn about similar medications, receive discounts directly from pharmaceutical companies, and then put their prescriptions out for bid to compare prices and services from pharmacies.

Several thousand pharmacies nationwide, including neighborhood and mail-order pharmacies, have signed contracts to bid for business on BidRx.com. In the coming weeks BidRx.com representatives will complete their contacts with area pharmacies to determine their interest in participating in the program. The Fond du Lac Area Association of Commerce will also be scheduling informational meetings for their members to learn more about the program, how it works and how they and their employees can use BidRx.com to save money.

"Consumers are demanding more information and better prices for their prescriptions," said Tom Kellenberger, vice president of BidRx, LLC. "Americans will save money by using BidRx.com to shop for their prescriptions, and they can still use their

local pharmacies if they are participating."

For Fond du Lac Area Association of Commerce members that require more information on the program, contact BidRx, LLC, at www.bidrx.com and click on "How it Works." Then you can log on and register to use the confidential and secure site. Enter a drug name, quantity and directions for use, and instantly obtain information and competition on medications, including prices, electronic coupons for discounts from pharmaceutical companies, and competitive bids on prescriptions and services from anywhere in the United States.

Education Committee: Growing a Workforce

The Fond du Lac Area Association of Commerce Education Committee is comprised of individuals from the business and education community that volunteer their time to develop cutting edge K-12 educational programs for schools in the Fond du Lac School to Work Consortium. Listed below are the activities that fall under the Education Committee's umbrella:

Business, Industry & Education (BIE) Day: designed for three primary reasons. Establish a partnership between business and education; provide high-quality training opportunities; and create an on-going network designed to prevent the significant decline of skilled workers in Fond du Lac County. The connections established between business representatives and educators through their interaction at BIE Day help to form bonds that focus both partners on solving the issues related to workforce development in the greater Fond du Lac area.

Consortium-Wide Eighth Grade Career Fair: held annually and features 50 exhibitors representing a variety of career paths and varying levels of post-secondary education. Eighth grade students have the opportunity to explore careers ranging from agriculture to health care and everything in between! Presenters discuss the ins and outs of their job and conduct a career related activity that provides students with a birds-eye view of their occupation.

Leaders as Readers: opens the doors to community and business leaders to read and promote literacy to over 6,000 students in grades K-5 in the school districts of Campbellsport, Fond du Lac, Lomira, North Fond du Lac, Oakfield and Rosendale-Brandon. In conjunction with the reading, FREE books are distributed to one grade level of children each year on a rotational basis. The strong connection between business partners and our local elementary schools helps to foster the realization that students will need to become lifelong learners if they are to be successful in the world of work.

Graduate Course: Creating Community Learning Connections (CCLC) is a partnership with Marian College and is offered annually in June. The three credit graduate course provides K-12 educators the opportunity to share in dialogue and tour local businesses to become familiar with leadership practices, workforce needs, successes, operational issues and the global economy. Businesses are invited to attend a "Best Practices" presentation by the educators. The presentations highlight the integration of the tour information into the classrooms. A great way to shape the future workforce!

Second Grade Coloring & Activity Book: Turtle Trax is not your ordinary coloring and activity book! Distributed annually to 2,500 second grade students, the coloring and activity book promotes early career awareness and highlights the relationship between school activities and the world of work. Turtle Trax includes local business names, communities and problem-solving activities that outline skill sets that are necessary for various careers and success in the workplace. A one-of-a-kind tool for area educators!

Kotter Program: offered as an in-service training that focuses on workforce development and its relationship to education at all levels. The program assists educators in preparing students for what the workforce will look like in years to come, the importance of class selection and how 100% of careers will require education/specialization in the future!

Education Committee Mission:

The Education Committee is a team of educational and business professionals who facilitate an ongoing connection between business and education for the purpose of preparing K-12 Fond du Lac area students for future success.

Business, Industry & Education Day

October 18, 2006 Marian College Stayer Center
. . . where educators and businesses connect

The Fond du Lac Area Association of Commerce Education Committee and Fond du Lac Area Human Resources Association are collaborating to host the 2006 Business, Industry & Education (BIE) Day on Wednesday, October 18, at Marian College - Stayer Center. Josh Shipp, of Jostens Speakers Bureau, will present this year's program entitled A Mess Into A Message. Shipp, a nationally renowned speaker, will entertain, empower and inspire attendees to overcome adversities with a sense of humor and an optimistic attitude.

4:15 p.m. to 4:45 p.m. - (New in 2006) Best Practices

Educators share business/education partnerships and curriculum developed during summer business tours!

4:45 p.m. to 5:45 p.m. - Hors d'oeuvre Reception

5:45 p.m. to 6:45 p.m. - Josh Shipp - A Mess Into A Message

Thank you to the following sponsors!

PLATINUM PROGRAM SPONSOR:

TDS METROCOM

GOLD PROGRAM SPONSORS:

ALLIANT ENERGY

CHARTER COMMUNICATIONS

CITIZENSFIRST CREDIT UNION

GRANDE CHEESE COMPANY

MERCURY MARINE

MORAIN PARK TECHNICAL COLLEGE SCHOOL-TO-WORK

For further information regarding the 2006 Business, Industry & Education Day, please contact the Association of Commerce at 921.9500.

NEW ADDITIONS TO THE AG AMBASSADOR PROGRAM

The Agricultural Ambassador Program has added two new programs this year. A nutrition based program that focuses on the updated USDA food pyramid. "Climb the Food Pyramid" will allow students to develop their own diets and learn about healthy eating with the help of the food pyramid.

"Beautiful, Bountiful Bison" will focus on the bison industry in Fond du Lac County, utilizing information from Pat and Rebecca Ries. Students will learn of the health benefits of bison meat, as well as the numerous uses for bison products.

The Agricultural Ambassador Program will be back in area classrooms presenting agriculture education programs starting Monday, October 2. The 2006-2007 goal is to educate 15,000 students on the importance of Wisconsin's Agriculture. For more information on the program, please call 921.9500

OCTOBER BUSINESS CONNECTION

Mark your calendar for Wednesday, October 11, 2006 for the October Business Connection sponsored by Alltel. This Business Connection will immediately follow the 2006 Business & Industry Showcase located at the Recreation Center at the Fond du Lac Fairgrounds.

Come and enjoy the evening while networking with local business people. Reservations are encouraged! Register online at www.fdlac.com or by calling the Fond du Lac Area Association of Commerce at 921.9500. Cost is \$1.00 at the door for those that are pre-registered and \$2.00 for non-registered. Please bring along two business cards.

Sponsors credited for great Fall Festival

More than 9,000 people were on hand to take in the fun at the 2006 Fall Festival on Saturday, September 9, 2006. It was the largest festival in the event's seven-year history, with the highest attendance, record number of vendors and outstanding support from the community.

The festival was presented by Agnesian HealthCare and Marian College, institutions that have supported the event for three years.

Agnesian HealthCare created the newest event, "Main to Marian: Agnesian's Fall Festival Family Safety Ride," a non-competitive bike ride that took riders from Kids Zone, past Agnesian HealthCare, turning around at Marian College and finishing at the festival. Cops for Kids returned to the festival again with the Memorial Ceremony, followed by an

evening street dance.

Presenting sponsors
Marian College
Agnesian HealthCare

ACNielsen
AM1170 - 96.1 TCX
Sunny 97.7
BloodCenter of Wisconsin
Camp Winnegator
Cops for Kids Foundation
Mercury Marine
Waste Management, Inc.
Action Advertiser
Chase
Giddings & Lewis
Grande Cheese
Osborn & Associates of FDL
Quad Graphics
The Reporter
Charter Communications
CitizensFirst Credit Union
Communications Electronics
National Exchange Bank & Trust
The Premium Link
US Bank
City of Fond du Lac
Curves for Women
Edgerton, St. John, Petak & Rosenfeldt
Edward Jones
Fond du Lac County Fairgrounds
Fond du Lac Fire Department
Fond du Lac Police Department
Fox Valley Savings Bank
Galloway House
Goldstar Tours
Holiday Chrysler Dodge Jeep
Mark Hopper's Custom
Silk Screening
Roundy's
Saputo Cheese
Shut Up and Dance
Formation Team

DIRECTORS NOMINATED FOR AC BOARD

The Nominating Committee of the Fond du Lac Area Association of Commerce is pleased to announce the nominations of Donna Braatz, Director of Sales and Strategic Accounts for Alliant Energy; Lisa Mader, Vice President of Business Banking at M&I Bank; Steve Peterson, President and CEO of Mid-States Aluminum; Alan Hathaway, President of BrownBoots Interactive, Inc., and Katie Hornung, President of the Classic Cut Salon and Spa for election to three-year terms on the Association's Board of Directors beginning January 1, 2007.

As per the by-laws of the Association, additional names may be submitted by petition if signed by no fewer than 25 members, all in good standing, and must be filed with the President of the Association no later than October 10, 2006.

2006 Business & Industry Showcase

Where Business & Community Meet

Admission: Business Card, Post Card or \$3.00

Hours: 10:00 a.m. - 5:00 p.m.

Business Connection: 5:00 p.m. - 7:00 p.m.

-Sponsored by Alltel-

A special thank you to the following restaurants for their participation in the Business Connection:

Cousin's Subs
Domino's Pizza
Linstrom's Special Occasion Catering

Free Seminars: 11:00 a.m. - 12:00 p.m.
Identity Theft - Mike Koll, FBI

1:00 p.m. - 2:00 p.m.
Jim Hubbard, Mercury Marine

3:00 - 4:00 p.m.
Panel Discussion:
Successful Business Owners of FDL
Mike Shannon, Holiday Automotive
Heather Linstrom, Linstrom's
Tony Ahern, J.F. Ahern Co.
Jim Gilles, Gilles Frozen Custard

Special Occasion Catering

For more information, please visit www.fdlacexpo.com or call the Association of Commerce at 921.9500.

MSDS, SPILL CLEAN UP, HAZ-COM

Presenter ~ Judy Grzegorski,
JAG Safety & Security, LLC

Location ~ Quad Graphics, Inc., Lomira, WI

Tours Available after Program

Wednesday, October 18, 2006

Registration 8:00 a.m. - 8:30 a.m.

Program 8:30 a.m. - 12:00 p.m.

Cost \$25.00 Members/\$30.00 Non-Members

This is one Safety Seminar you don't want to miss!

This program will teach you:

How to read and understand an MSDS sheet as well as what each section means.

If you should clean up a spill or call in a professional contractor for help.

Haz-Com training made easy. What does your company need to do to be in compliance? Learn what needs to take place in order to establish a Haz-Com program for your company.

Judy Grzegorski, MS, VOX, has 36 years experience in safety and security. Her experience includes leadership responsibility, managerial accountability for safety, security, workers compensation, environmental compliance and training. She has traveled extensively doing training for the National Safety Council and Wisconsin Safety Council.

To register for this event, please log onto www.fdlac.com or call the Association of Commerce at 921.9500.

OPERATION WELCOME HOME

Dear Fond du Lac Business Owner,

We are writing to you as members of Operation Welcome Home, a planning committee that was formed to coordinate a community homecoming celebration for C Co. 2-127 Infantry. Perhaps you recall last summer, C Company, 2-127 Infantry, Army National Guard was deployed to Iraq. This unit is comprised of approximately 180 soldiers from the Fond du Lac, Waupun, and Ripon areas. After a year of dedication and service to their country, the troops have returned home. We have these brave soldiers to thank for our continuing freedom and would like to show them our appreciation.

The family and friends of these soldiers, as Operation Welcome Home, are planning a community homecoming celebration on November 4, 2006 at the Expo Center of the Fond du Lac County Fairgrounds. This event is open to all community members who wish to show their appreciation. We anticipate the celebration to include a parade, food, beverages, and entertainment.

To show our appreciation, we would like to salute our soldiers and we need the community's help to defray the cost. We are asking local businesses for a monetary or material donation for this worthwhile event. In return for a donation, your business will be recognized in event signage and local media.

An account has been established at M & I Bank. Please make checks payable to: Charlie Family Fund and send to Operation Welcome Home, P.O. Box 2121, Fond du Lac, WI 54936-2121. If you would prefer to donate services or materials in kind, or if you have any questions, please contact Ellen Sorensen at (920) 960-3397.

Thank you for your continued appreciation and support of our troops.

Sincerely,

Operation Welcome Home
Planning Committee

Operation Welcome Home is a private organization not affiliated with or endorsed by the Department of Defense or the Wisconsin National Guard.

Agricultural Ambassador Donor Update

The Fond du Lac Agricultural Ambassador Program would like to thank all donors who have contributed funds to the program from January through mid-September. Your support of the program is greatly appreciated! The Agricultural Ambassador Program is the one and only of its kind in the state of Wisconsin and funded solely through grants and donations. We extend a heartfelt thank you to each of you for your generosity!

ACH Foam Technologies
Agnesian HealthCare
Agri-Land Co-op
Agro-matic/A.F. Klinzing
American Implement, Inc.
Associated Bank
Badgerland Farm Credit
Services
Banner Feed & Equipment
Dean Birschbach
Bowe's Pit Stop, Inc.
Brandon Meats & Sausage, Inc.
Butzin-Marchant Funeral Home
Central Ag Supply
Cliff's Tire & Battery
Edward Jones
Fond du Lac County Farm
Bureau, Men & Women
Fond du Lac County
Fort Dodge Animal Health
Scott and Laura Franke
Grande Cheese Company
Gross Family

Holstein Association

Holiday Automotive - Buick,
 Mazda, GMC
 Holiday Dodge and Jeep
 Kettle Moraine Vet Clinic
 Kiel Building Supply
 Kiwanis Club of FDL - Evening
 Phillip & Caroline Kramer
 Lake Breeze Dairy
 Lakeview Electric Contractors, Inc. Land O' Lakes Foundation, Inc.
 Ann Marie Lau
 Erv Lesczynski
 Lisowe Dairy Systems
 Majerus Dairy Farm
 Mid-States Aluminum Family
 Foundation
 Mike Immel - Rural Insurance
 Milwaukee Milk Producers
 Monsanto Dairy Business
 Oakfield Elevator Company
 Kurt Petik
 Pfizer Animal Health
 Pick 'n Save
 Pollack-Vu Dairy
 Pro-Builders LLC
 Redeker Dairy Equipment
 Renaissance Nutrition, Inc.
 Ripon Drug Mgt. Ent. Inc.
 Roundy's
 Ruedinger Farms, Inc
 Saputo Cheese USA
 Dick Schaefer
 Schmitz Family Farm
 Second Look Holsteins
 Service Motor Company
 St. Peter Law Offices
 Tom Ottery Transit, Inc.
 U.S. Bank
 Waupun Feed & Seed, Inc
 Wisconsin Farm Bureau Federation
 Wisconsin Milk Marketing Board

OCTOBER COFFEE CONNECTION

Guaranty Title Services, Inc., opened its doors in 1984 with Attorney Louie Andrew Jr. seeing the need for title insurance as more and more lenders sold their mortgage loans on the secondary market. They started with one small office in Fond du Lac with the focus on customers' needs and service. By listening to their customers, they found many opportunities to grow their business to partner with Realtors and Lenders and assist them in bringing many transactions to a successful closing. Today, Guaranty Title has 8 offices throughout the state of Wisconsin - their corporate office still remains in Fond du Lac.

By hiring the best people and staying customer service focused, they meet their goal of becoming the best closing company in the world. Please join fellow Association of Commerce members on October 4, and see what Guaranty Title Services is all about. They are located at 481 E. Division St, Suite 800. Take advantage of an open networking format and still be to work by 8:40 a.m.!! Get acquainted with your fellow business community. Prepare a quick commercial on your business and come prepared to share it. Register on-line at www.fdlac.com or call the Association of Commerce at 921.9500. Registration is required by October 3, 2006.

The Perfect Gift for all Occasions

AC Gift Certificates

Association of Commerce Gift Certificates can be used at nearly 800 different businesses! Watch for an advance order form in next month's newsletter. Just fill in the quantity, individual dollar amount and your desired pick-up date and we will have them ready when you walk in the door. For more information or to place an order today, call us at

921.9500 or send an e-mail to info@fdlac.com.

LEADERSHIP FOND DU LAC CLASS OF 2006-2007

The ninth class of Leadership Fond du Lac began with a retreat September 15 and 16. The class has 33 members. At the retreat, the class members were welcomed to the program by Mark Hopper, Chairman of the AC Board and Joe Reitemeier, CEO and President of the AC. Mark and Joe congratulated the new class on their willingness to learn more about their community so that they can become vital contributing members working to make a difference. Other activities included many team building and communication activities. Community project teams were established at the retreat. Stay tuned to the newsletter for updates on 5 more great projects to enhance the greater Fond du Lac Area.

Members of the current class are:

Chris Amadon - Anthem Blue Cross Blue Shield
Jill Burdette - CitizensFirst Credit Union
Lori Burgess - Fond du Lac Public Library
Cathy Christensen - Hierl Insurance
Daisy Frazier - Banta Corporation
Georgiann Froemke - Lifeline Service
Lori Garbisch
Jamie Haack - American Red Cross
Sandy Hardie - Mahala's Hope
Todd Karasek - Mercury Marine
Julie Koenig - Fond du Lac Police Department
Wendy Koepp - Grande Cheese Company
Laurie Krasin - UW-Fond du Lac
Joe Lange - Charter Communications
Jill LaRonge - Grant Thornton, LLP
Nick Leonard - Village of North Fond du Lac
Terri Manthey - American Bank
Sara McCallum - Fond du Lac Surgery Center
Janet McCord - Marian College
Pat McKeough - Fond du Lac Police Department
Brad Nielsen - Grande Cheese Company
Rick Parks - Society Insurance
Kurt Petik - M & I Bank
Dean Rasmussen - Charter Communications
Kathy Scharf - City of Fond du Lac
Carla Schommer - Marian College
Denise Shaffer - Salvation Army
David Thiel - US Bank
Katherine Vergos - Aurora Health Care
Donna Whitty - Fond du Lac Sheriff's
Department
Allan Wilcox - Mercury Marine
Dean Will - Fond du Lac Sheriff's Department
Larry Wunsch - Fond du Lac Fire Department

MEMBER NEWS & ANNOUNCEMENTS

Sue Roettger will be the new HR manager at Mid-States Aluminum Corporation starting October 9, 2006. Ted Sewall will retire on December 31, 2006.

Neil and Kris Olsen of Olsen's Auto Spa, LLC recently returned from California where they polished their auto detailing skills at the "Right Look" training facility in San Diego.

AMC Silestone of Wisconsin has been assigned as service provider for 25 Home Depot stores in Wisconsin for the sale and installation of Silestone Quartz countertops.

Fond du Lac City Police Department welcomes Officer Victor Walsh who was hired in September.

Charter Communications is pleased to announce that John Miller has been named the Director of Communications for the Central Division.

Fond du Lac County Economic Development Corporation has named Pamela Schallhorn as Vice

President.

Anne Pierce has been named the Branch Manager of U.S. Bank.

WELCOME NEW MEMBERS

BidRX, LLC
Ralph Kalies
2905 Universal Street, Suite 220
Oshkosh, WI 54904

Associated Merchant Services
Randy Rathburn
P.O. Box 106
Seymour, WI 54165

FDL Center for Spirituality and Healing
Susan Ciesla
74 South Main Street, Suite 301
Fond du Lac, WI 54935

3-D Computer Services, LLC &
Movin' On Website Design, LLC
Brad & Cinnamon DeBoer
208 North Main Street
Rosendale, WI 54974

Fond du Latte
Heather Linstrom
953 East Johnson Street
Fond du Lac, WI 54935

"I DO" Wedding Studios
Brian Fairbanks
P.O. Box 32
Van Dyne, WI 54979

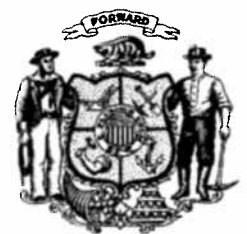
October Calendar of Events

4	DFP Design Review Board Noon	
	HR Board	3:30 p.m.
5	YPF Programs & Events	7:30 a.m.
	YPF Membership	8:30 a.m.
	DFP Executive Committee	Noon
10	DFP Organization	8:30 a.m.
11	Education Committee	7:30 a.m.
	DFP Board	8:00 a.m.
12	Integ-Net—Assessing Team Issues	7:30 a.m.
	DFP Promotions	8:00 a.m.
	AG Board	12:30 p.m.
16	Legislative Forum	8:00 a.m.
17	School to Work Steering Committee	9:00 a.m.
	SSS 37	8:30 a.m.
18	Ambassadors	7:30 a.m.
	AG Ambassadors	Noon
	SSS 38	8:30 a.m.
20	AC Executive Committee	7:00 a.m.
23	Community Sounding Board	7:30 a.m.
25	Communications Council	7:30 a.m.
	DFP Design	8:00 a.m.
	DFP Economic Restructuring	Noon
	Leadership Steering Committee	Noon
	YPF Board	4:00 p.m.
26	SSS 36	8:30 a.m.
27	AC Board	7:00 a.m.

To unsubscribe, use the link below:
<http://www.fdlac.com/newslet.php?subunsub=unsubscribe>



WISCONSIN STATE LEGISLATURE



Stegall, Jennifer

Subject: FW: Senate Hearing Meeting

*CR
Chance to
talk to
Tommas?
BidRx save
Serigraph
presentation
John not
there
who should
contact
John? CR
Glen?*

From: Malszycki, Marcie
Sent: Monday, October 02, 2006 9:51 AM
To: Stegall, Jennifer
Subject: FW: Senate Hearing Meeting

CR email

*CR
Did
mention
a reviewer
Should contact
Serigraph
Edits
not
rec.
John
CR*

Marcie Malszycki
Office of Senator Carol Roessler
608-266-5300

From: Glen Pollack [mailto:GPollack@thomasinsurancegroup.com]
Sent: Monday, October 02, 2006 9:30 AM
To: Sen.Roessler
Subject: FW: Senate Hearing Meeting

One more question,

Was John Torinus at the Hearing? I believe you said he was on the committee with you.

Thanks,

Glen Pollack

*no
Health Care Task Force*

From: Glen Pollack
Sent: Friday, September 29, 2006 2:56 PM
To: 'Sen.Roessler@legis.state.wi.us'
Subject: Senate Hearing Meeting

*Tom
Kop*

Hello Carol,

I am so sorry that I was not able to attend the committee hearing on Wednesday. Brad told me it was very interesting. I wanted to follow up with you to find out your thoughts and your committee's thoughts regarding BidRx. Can you share some feed back with me?

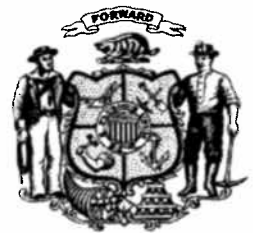
Thanks for the Greater Madison Area Chamber of Commerce lead.

If we can be of service to you and your constituents, please let me know. My company Health Options For Tomorrow LLC will teach you and anyone you know how to use BidRx. We are a service based company.

Best regards,

Glen A. Pollack

Thomas Insurance Group
303 Pearl Avenue
P.O. Box 3387
Oshkosh, WI 54903-3387
Phone:920-235-6461
Fax:920-235-3186

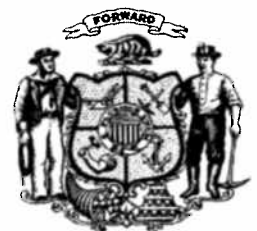


DHI update

10-11-06

Conversation with Tony Langenohl

- Concerned with the way DHI has handled their relationship with Kansas.
- Capital Consultants have given DHI a plan to better handle their situation with Kansas and are waiting to see if they take their advice.
- Capital Consultants still believes in DHI's product but until they get things worked out with Kansas they are not going to work to advance their product in Wisconsin. For now, Capital Consultants is not planning to cancel their contract with DHI.





HAUSSER + TAYLOR LLP

Business advisors and certified public accountants

Four Commerce Park Square - 23240 Chagrin Boulevard - Beachwood, OH 44122 216/755-2100 - FAX: 216/831-0889 - www.hausser.com

Robert J. Lehmann
Chief Financial Officer
Digital Healthcare, Inc.
9700 Rockside Rd. #110
Cleveland, OH 44125

Independent Accountant's Report
On Applying Agreed-Upon Procedures

To the Chief Financial Officer of
Digital Healthcare, Inc.

We have performed the procedures enumerated below, which were agreed to by the Chief Financial Officer and management of Digital Healthcare, Inc., solely to assist you in evaluating the accompanying Second Stage results of the National COB Demonstration Project. Digital Healthcare, Inc.'s management is responsible for the Second Stage results. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the party specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

- 1) We reviewed the Lab Manual for the National COB Demonstration Project on March 16, 2002 with a representative from Digital Healthcare, Inc. Our review included:
 - a. The National COB Demonstration Project Agreement (NCOBDP);
 - b. The Record Content;
 - c. The NCOBDP Project Flowchart;
 - d. The spreadsheet containing the output data;
 - e. The Second Stage NCOBDP Reports for the following participating organizations:
 - 1) Commonwealth of Pennsylvania;
 - 2) State of West Virginia;
 - 3) State of Ohio;
 - 4) Texas Municipal League;
 - 5) Sierra Military Health Services.
- 2) We observed the database reflecting the names of the above five participating organizations in the Second Stage of the National COB Demonstration Project, and their insured persons. We observed and determined the total number of records in the database to be 16,646,681 records.
- 3) Having access to all of the data records used in the Second Stage of the NCOBDP, we:
 - a. Had the Systems Engineer repeat the sorting process of the NCOBDP with respect to each of the selected five participating organizations from (1)(e), including the production of a query

from the master table showing the "other source of coverage for participants in each of those organizations.

- b. Compared the count and occurrences observed in the above step (3)(a) to the count and occurrences reported in the Second Stage Report provided to the sample clients for three identifiers matched in the above query. The results are attached as Schedule 1 to this report.
 - c. Recalculated the percentage based on the counts and occurrences obtained in step (3)(b) and compared them to the percentages in the Second Stage Report provided by Digital Healthcare, Inc. for the first four of the above 5 organizations listed in step (3)(a). Because Sierra Military Health Services provided you with eligibility data from the date of inception of their contract through September 2001, the specific eligibility for June 2000 could not be isolated. Therefore, we could not compare the count in the Second Stage Report to the count that exists in the NCOBDP database and could not recalculate the percentage. We did compare the occurrences, and this has been separated from the results of the other four participating organizations tested as Schedule 1, Section 2.
- 4) From the five participating organizations we checked for June 2000, we:
- a. Judgmentally chose a sample of 25 individuals (5 from each organization) from among those persons in the above query showing other coverage on three identifiers in that report;
 - b. For each of the twenty-five participants selected that were obtained from the master table, we observed and recorded the three identifiers used to determine an occurrence. The identifiers can vary depending on the data submitted by the original participating organization. The included three of the following: last name, first name, birth date, and zip code.
 - c. For each of the twenty-five participants selected, we traced and matched the three identifiers from the master table to the most original version of the census data provided by the "other source of coverage" participating organizations as was possible. **There were no exceptions.** All individuals selected for testing from the NCOBDP database were traced and agreed to the most original version of the census database provided by the other entity participating in the NCOBDP.

We were not engaged to and did not conduct an examination the objective of which would be the expression of an opinion on the accompanying Second Stage results from the National COB Demonstration Project database as a whole. Accordingly, we do not express such an opinion. The NCOBDP database undergoes continual development. If we performed the same procedures at a different date, the results obtained from the master database could be different. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Chief Financial Officer and management of Digital Healthcare, Inc. and is not intended to be and should not be used by anyone other than the specified party.

Hausser + Taylor LLP

Beachwood, Ohio
March 18, 2002

06 May 2006

Richard Godoy
President
Digital Healthcare, Inc.
9800 Rockside Rd., #1000
Cleveland, OH 44125

Dear Mr. Godoy:

You have requested my estimate on the practical barriers to performance in the event that a well-funded competitor, willing to risk his capital against a patent holder, chose to copy Digital Healthcare's functionality in the marketplace.

My reply is based on our twenty-five years of experience in delivering working EDI systems in healthcare finance and other markets. Our systems are installed in some of the largest payers in the US, so we understand their operations and the scope of the problem, and we have completed custom code that optimizes your business processes on the HP Non-Stop. On this basis I feel qualified to reply.

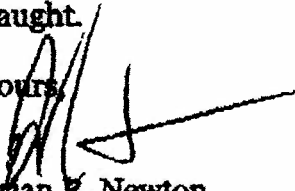
The major challenges in operations would include an IT infrastructure capable of storing 500 Tb of data, and accurately sorting 6 Billion claims time 4000 eligibility inquiries, times 2 to capture the replies: 48 Trillion messages per year. The application of the rules to produce the proper results was called "ingenious" by the Cleveland Clinic, and a question exists whether the encroacher would have similar ingenuity.

Starting from scratch on code capable of that work, I estimate a cost in excess of \$8,000,000.00 and a project time of 36 to 48 months to put the encroacher where Digital Healthcare stands today.

An encroacher would not only face the injunctive relief so often given to patent holders, he would face the unwillingness of other parties to implicate themselves by trading data with a law-breaker.

It would be abnormal in my experience for a large corporation to put such assets at risk where several types of intellectual property could set the value of the investment at naught.

Yours,


Brian R. Newton
Managing Partner,
DataForce International

20 February 2006



Hewlett-Packard Company

Richard Godoy
President
Digital Healthcare, Inc.
9700 Rockside Rd. #110
Cleveland, OH 44125

Dear Sir:

Hewlett-Packard is listed as the 14th largest US corporation by *Fortune Magazine*, with a very broad global footprint in information technology as indicated by our \$80 Billion in sales. Since a recent change in corporate administration the price of our stock has risen from \$18 to \$33 per share.

Our company was selected ten years ago by Digital Healthcare as your technology partner. Our NonStop platform has a sterling record among stock exchanges, banks, telco's and other institutions requiring high-transaction volumes, uncompromising security and mission-critical solutions.

Since we learned of Digital Healthcare's unique service offering and its value in improving the fiscal integrity of medical providers and health plans, we have been as enthusiastic and supportive a partner in the hard work of building a new enterprise as any large company possibly could be.

Earlier today I signed an agreement with your Chief of Staff to leverage HP's Advanced Technology Center and its tens of millions of dollars of NonStop systems. Through this arrangement, HP resources will assist Digital Healthcare in conducting an audit of your COB functionality on the NonStop platform. Additionally, HP will provide interim application services for your initial customer, and assist Digital Healthcare in the transition to your own data centers.

This agreement also means that capital expenditures otherwise required before millions of dollars of revenue flow, is mitigated to some degree. This arrangement betokens our faith in this project as both feasible and important to the nation, and we are proud to be able to help.

As before, I'm available by cell phone for any interested party.

Sincerely,

A handwritten signature in black ink, appearing to read 'Pete Coppel', written over a horizontal line.

Pete Coppel
HP NonStop Account Manager
502-552-2711

EDI-Solve, Inc.
Fustis, Florida

09 March 2006

Richard Godoy
President
Digital Healthcare, Inc.
9700 Rockside Rd. #110
Cleveland, OH 44125

Dear Sir:

Last year, our firm, a medical electronic commerce custom software publisher with a long and proven track record of successful deployments including several on the HP Non-Stop platform, was introduced to your firm by Hewlett-Packard, and selected to complete custom coding to bring your Simulator to life on the industry's most robust systems design.

I'd like to add a personal note that our lengthy experience in this market niche tells us that your brilliant innovations are the most-needed product in the industry group. The goal of guaranteeing that false claims cannot be filed against taxpayer-supported health plans nationwide, while also cutting the cost of manual business processes has galvanized my entire development team.

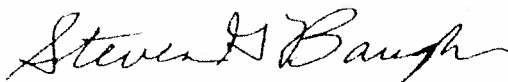
Yesterday, we reported the condition of this massive project to your Chief of Staff and IT Director. This complicated business process, and the idea of parsing 48 Trillion data items per year would be daunting, if at all possible, on any other platform.

We have three weeks of minor refinements to meet the standard of exactitude, at which point your deployment at the HP Advanced Technology Center will be ready to receive your code and face the rigorous audit your team have devised by the end of this month.

I have 25 years in this profession and have deployed e-commerce solutions at Blue Cross, PCS, and many other large entities. Please accept this as my report on the pre-audit meeting that our code will pass audit and, on the Non-Stop, will deliver the results Digital Healthcare has asked for and tested with clients through its Simulator.

We look forward with great excitement to our role in improving the fiscal integrity of US healthcare finance.

Yours,



Steve Baugh



Tommyjes

Arkansas Department of Health and Human Services

Division of Medical Services
Systems and Support



P.O. Box 1437, Slot S416 Little Rock, AR 72203-1437 • 501-682-8395 • 501-682-3889 • TDD: 501-682-6789

NOTICE OF AUDIT OF MEDICAID CLAIMS

May 31, 2006

The Arkansas Department of Health and Human Services ("ADHHS") has contracted with Digital Healthcare, Inc. ("Digital Healthcare") to conduct on behalf of ADHHS an audit of all Medicaid claims processed by ADHHS during the period October 1, 2005 through October 31, 2005 (the "Audit Period").

The purpose of the audit is to confirm practices and procedures related to Medicaid claim disbursement.

Medicaid is a critically important program and represents a significant expense to the citizens of Arkansas. Accordingly, it is important to ADHHS that it obtain accurate facts concerning audited claims. Your role in helping to insure that ADHHS has complete information is important and your cooperation is critical.

As part of the audit process, Digital Healthcare will be transmitting certain information to health insurance companies, plan sponsors and third-party administrators who administer plans on behalf of such companies (collectively "the Payers"). This communication will occur electronically as provided in HIPAA Sections 1171 through 1176. If requested, an alternative mode of communication may occur.

In order to expedite the audit process, Digital Healthcare has established a secure website to facilitate HIPAA communication. Payers can access this website at www.registration.digitalhealthcareinc.net.

Digital Healthcare encloses with this notice a username, PIN, and password to enable your access to that site. You will then have the opportunity to set a username and password of your own. Payers may also contact Digital Healthcare directly at 877-340-3666.

All payers are requested to register on or prior to July 1, 2006. The audit is currently scheduled to commence on or about July 15, 2006.

Digital Healthcare has been instructed as part of its audit report to identify to ADHHS any Payers who decline to participate in the audit or who have declined to self register.

Your participation in this audit is critical and ADHHS thanks you in advance for your cooperation and assistance.

Yours,

Randy Helms
Interim Assistant Director/Chief Fiscal Officer



Richard Godoy
President
Digital Healthcare, Inc.
9800 Rockside Road
Cleveland, OH 44125

June 01, 2006

Re: Audit of Medicaid Claims

Dear Mr. Godoy:

This letter will confirm that the Kansas Health Policy Authority ("KHPA") has contracted with Digital Healthcare, Inc. ("Digital Healthcare") for Digital Healthcare to conduct an audit of all Medicaid claims processed by KHPA for the period July 1, 2004 through June 30, 2005 (the "Audit Period").

In this regard, Digital Healthcare, on behalf of KHPA, is authorized to contact any and all health insurance companies, plan sponsors and third-party administrators who administer plans on behalf of such companies (collectively "the health plans") who are or may be liable for one or more of the claims processed by KHPA during the Audit Period. Similar inquiries will be made to all federal and state health programs.

Accompanying this letter is a Notice requesting that all Payors provide any and all information that Digital Healthcare may request. KHPA is also placing this Notice on its website for Medicaid, <http://www.medicaid.state.ks.us/>

KHPA is instructing Digital Healthcare as part of its audit report to identify to KHPA any Payors who decline to participate in the audit or who have declined to self register.

Should any further authorization or information be required of KHPA, please contact Tamarenid Gonzales-Santiago, (785) 296-8198 or e-mail TGonzales@srskansas.org.

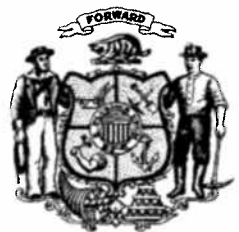
Sincerely,

Christiane Swartz

Christiane Swartz
Administrator



WISCONSIN STATE LEGISLATURE



Spot Bill Language
Contact: Lisa Kaplan 916/ 446-7843

Calif. with

Department of Health and Human Services –(Medi-Cal) Third Party Liability Recovery

Purpose:

- 1) take advantage of the intended use of e-commerce under HIPAA,**
- 2) extend the benefit of the Act to Medicaid, the state employees' and retirees' health plans, the other government health plans and commercial health plans operating in the State of California, and to medical providers.**

Data Matching. – (a) All entities providing health insurance or health care coverage to individuals residing within the State of California shall reply to the mandatory transaction messages required by HIPAA (42 USC 1175), shall not require payer-assigned identity numbers or other data elements beyond those minimally necessary to reply to the messages submitted by a medical provider, payer, or plan sponsor or their agent.

(b) All entities providing health insurance or health care coverage to individuals residing within the State of California shall receive, process, and pay electronic claims for reimbursement submitted by any medical service provider, health plan, health plan sponsor, or their agent with respect patients who had coverage for such claims,

(c) To the maximum extent permitted by Federal law, and notwithstanding any policy or plan provision to the contrary, a claim shall be deemed timely filed with the entity providing health insurance or health coverage if it is file as follows:.....(want to make sure that the minimally necessary data set is stipulated here).

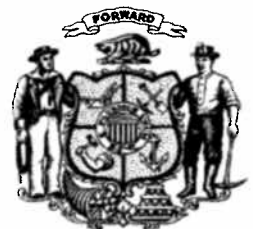
(d) Any medical service provider, health plan, health plan sponsor, or their agent is authorized transmit minimum ANSI 270 inquiries including the name, gender, and date of birth of a patient to any and all entities providing health insurance or health care coverage to individuals residing within the State of California to establish the coverage in force for a patient presenting or about to present a claim. An entity responding to such inquiries shall do so by means of an ANSI 271 message transmitted within three seconds of receipt of the ANSI 270 message.

(e) Following notice and a hearing at which the failure of an entity to reply to ANSI 270 messages is established and not refuted, the department shall impose a penalty of up to one thousand dollars (\$1,000) per violation upon any entity that fails to comply with the obligations imposed by this section.

(f) Failure to disclose coverage that is in force for a patient in response to an ANSI 270 message shall be construed as insurance fraud.



WISCONSIN STATE LEGISLATURE



FORWARD

Alberta Darling

Wisconsin State Senator
Member, Joint Committee on Finance

- Per Your Request
- I thought you might be interested in the attached.

John Torinus/Serigraph
info referenced at last
Thursday's meeting.

- Dave

JUN 30 2006

8TH SENATE DISTRICT

PO Box 7882 • Madison, WI 53707-7882

608-266-5830 • 1-800-863-1113

Email: sen.darling@legis.state.wi.us

Web page: www.legis.state.wi.us/senate/sen08/news/

Consumer Choice Benefit Plans

2006 Plan Year

SERIGRAPH'S APPROACH TO HEALTH CARE



The national trend continues to project that the cost of Healthcare will double in the next five years. Serigraph knows the importance of quality health care and is committed to making sure employees have the capability of obtaining it through affordable healthcare options.

The Consumer Choice Plans provide you with a menu of health plan options as well as an array of voluntary products so you can choose the benefits that best meet the needs of you and your family.

In most cases, the health plan is partnered with an employer-funded Health Reimbursement Arrangement or HRA. As long as you are an active Serigraph employee, any unused funds in the HRA will accumulate from year to year, up to a maximum of \$5000. The HRA will allow you to take advantage of lower premiums associated with the higher deductible plans.

To provide you with quality service, Serigraph has contracted with the following "Best in Class" administrators, each with expertise in their chosen area:

- **CompcareBlue** (CMS) will continue to administer the Serigraph self-funded medical plans and hourly Short Term Disability (STD) plan .
- **WellPoint** will continue the Serigraph prescription drug plan.
- **Delta Dental** will continue to administer Serigraph's self-funded dental plan.
- **Process Works** will be the new administrator for Serigraph's 2006 Flexible Spending Plans, HRA, and provide COBRA services.
- **VIPA** will provide a voluntary vision product.
- **Aetna** will provide company paid Basic Life and Basic AD&D.
- **Colonial** provides additional Voluntary Products which are Critical Illness and Accident Plans.
- **UNUM** provides voluntary term life and Long Term Disability for hourly and salaried co-workers.

Payroll Contributions:

- Payroll contributions will continue to be deducted from your paycheck 26 times during the 2006 calendar year. Premiums have increased by 7% for 2006 on all medical plans due to projected increases in healthcare.

Summary of 2006 Plan Changes:

- **Process Works** will be our new administrator for the 2006 Flexible Spending Plans (FSA), Health Reimbursement Arrangement (HRA) and COBRA. Process Works will be processing reimbursements on a **weekly** basis.
- Continue to send claims for 2005 dates of service for the Flexible Benefits and Health Reimbursement Account (HRA) to HCap Strategies until March 31, 2006.
- Any unclaimed HRA dollars after March 31, 2006 will be rolled over from HCap Strategies to Process Works. Process Works will only process claims for 2006 dates of service.
- HRA claims will be reimbursed in 2006 at 100% instead of 50% provided the funds are deposited in your account. Claims for 2005 sent to HCap will be reimbursed at the 50% level.
- 2006 FSA accounts, both health and dependent care will have a period of 14 ½ months to incur claims 1/1/06 – 3/15/07. Claims must be submitted by 4/15/07 or funds will be forfeited. Debit Cards will be issued for all healthcare FSA accounts, allowing you to use your funds immediately to pay for expenses such as doctor and drug co-pays. Paper claims are still necessary to support your charges on the debit card.

COMPANY CONTRIBUTIONS



For 2006, the Annualized Company Contribution is projected to be

\$5,600,000

Contribution Dollars are given to each employee by:

- ***Employer Contributions***

Serigraph pays a large part of the cost for your health benefits, and every year costs go up. To help reduce these costs, choose and use your benefits wisely.

- ***Health Reimbursement Arrangement***

Health Reimbursement Dollars are provided by Serigraph in conjunction with several of the medical plan options. The Health Reimbursement Arrangement helps you pay for up to 100% of your out-of-pocket expenses. Examples include office visit copays, deductibles and coinsurance. These dollars can only be used for expenses incurred from **Serigraph's** medical or prescription drug plan.

- ***Special Election Note***

If you elect to participate in the medical plan for 2006 you **cannot** switch plans during the year. In addition, if you are enrolled and need to add a spouse or dependent during the year you **cannot** switch plans mid-year.

In addition, the Company will continue to pay 100% of the premium for:

- **Basic Term Life Insurance**
(One times annual compensation to a maximum of \$225,000)
- **Basic Accidental Death & Dismemberment Insurance**
(One times annual compensation to a maximum of \$225,000)
- **Employee Assistance Program (EAP)**

HEALTH INSURANCE 20/300 MEDICAL PLAN



	Pay Period Total Premium Deduction	Pay Period Contribution Non Smoker		Pay Period Contribution Smoker	
		Employer	Employee	Employer	Employee
Employee Only	\$173	\$120	\$53	\$111	\$62
Employee & Child(ren)	\$330	\$233	\$97	\$220	\$110
Employee & Spouse	\$346	\$244	\$102	\$231	\$115
Family	\$512	\$362	\$150	\$343	\$169

In-Network Annual Wellness Exam
In-Network Office Visit

\$20 Copay then 100% of \$500/yr maximum
\$20 Copay then 100% of \$300/visit, then deductible & coinsurance

In-Network Mental Health Outpatient

\$20 copay, then 100% up to \$100, then subject to deductible and coinsurance

In-Network Deductible
Non-Network Deductible

\$300 Deductible then Plan Pays 90%
\$600 Deductible then Plan Pays 70%

In-Network Coinsurance Max
Non-Network Coinsurance Max

\$1000 per person / year then Plan Pays 100%
\$3000 per person / year then Plan Pays 100%

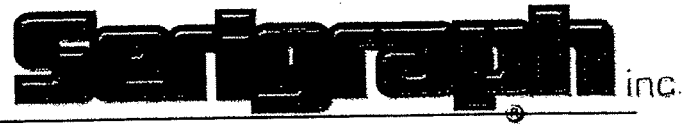
Deductible and Co-payments Do Not Apply To Coinsurance Maximums
\$900/\$1,800 deductible per family maximum
\$2,000/\$6,000 coinsurance per family maximum

Present Wellpoint Prescription Drug Card to a Participating Pharmacy

Generic Drug	20% (minimum of \$5)
Formulary	20% (minimum of \$15)
Non-formulary	30% (minimum of \$30)
Mail Order	\$10 generic, \$35 formulary , \$75 non-formulary

The company-funded Health Reimbursement Arrangement (HRA) has been eliminated with this plan option.

HEALTH INSURANCE 20/500 MEDICAL PLAN



	Pay Period Total Premium Deduction	Pay Period Contribution Non Smoker		Pay Period Contribution Smoker	
		Employer	Employee	Employer	Employee
Employee Only	\$155	\$122	\$33	\$115	\$40
Employee & Child(ren)	\$295	\$234	\$61	\$224	\$71
Employee & Spouse	\$312	\$247	\$65	\$237	\$75
Family	\$460	\$365	\$94	\$350	\$110

In Network Annual Wellness Exam \$20 Copay then 100% of \$500/yr maximum
In-Network Office Visit \$20 Copay then 100% of \$300/visit, then subject to deductible & coinsurance

In-Network Mental Health Outpatient \$20 copay, then 100% up to \$100, then subject to deductible and coinsurance

In-Network Deductible \$500 Deductible then Plan Pays 80%
Non-Network Deductible \$1000 Deductible then Plan Pays 60%

In-Network Coinsurance Max \$2000 per person / year then Plan Pays 100%
Non-Network Coinsurance Max \$4000 per person / year then Plan Pays 100%

Deductible and Co-payments Do Not Apply To Coinsurance Maximums
 \$1,500/\$3,000 deductible per family maximum
 \$4,000/\$8,000 coinsurance per family maximum

Present Wellpoint Prescription Drug Card to a Participating Pharmacy -

Generic Drug 20% (minimum of \$5)
 Formulary 20% (minimum of \$15)
 Non-formulary 30% (minimum of \$30)
 Mail Order \$10 generic, \$35 formulary , \$75 non-formulary

Company funded Health Reimbursement Arrangement (HRA):

\$5.00/Pay Period for Single coverage (up to \$130/Year)
\$10.00/Pay Period for Employee + Child coverage (up to \$260/Year)
\$10.00/Pay Period for Employee + Spouse coverage (up to \$260/Year)
\$15.00/Pay Period for Family coverage (up to \$390/Year)

HRA Dollars Available For Out-Of-Pocket Medical & Rx Expenses!

HEALTH INSURANCE 20/750 MEDICAL PLAN



	Pay Period Total Premium Deduction	Pay Period Contribution Non Smoker		Pay Period Contribution Smoker	
		Employer	Employee	Employer	Employee
Employee Only	\$141	\$125	\$16	\$121	\$20
Employee & Child(ren)	\$270	\$238	\$32	\$229	\$41
Employee & Spouse	\$284	\$250	\$34	\$242	\$42
Family	\$420	\$370	\$50	\$357	\$63

- In-Network Annual Wellness Exam** \$20 Copay then 100% of \$500/yr maximum
- In-Network Office Visit** \$20 Copay then 100% of \$300/visit, then subject to deductible & coinsurance
- In-Network Mental Health Outpatient** \$20 copay, then 100% up to \$100, then subject to deductible and coinsurance
- In-Network Deductible** \$750 Deductible then Plan Pays 75%
- Non-Network Deductible** \$1500 Deductible then Plan Pays 55%
- In-Network Coinsurance Max** \$2500 per person / year then Plan Pays 100%
- Non-Network Coinsurance Max** \$4500 per person / year then Plan Pays 100%

Deductible and Co-payments Do Not Apply To Coinsurance Maximums
 \$2,250/\$4,500 deductible per family maximum
 \$5,000/\$9,000 coinsurance per family maximum

- Present Wellpoint Prescription Drug Card to a Participating Pharmacy**
- Generic Drug 20% (minimum of \$5)
 - Formulary 20% (minimum of \$15)
 - Non-formulary 30% (minimum of \$30)
 - Mail Order \$10 generic, \$35 formulary , \$75 non-formulary

Company funded Health Reimbursement Arrangement (HRA):
 \$7.50/Pay Period for Single coverage (up to \$195/Year)
 \$15.00/Pay Period for Employee + Child coverage (up to \$390/Year)
 \$15.00/Pay Period for Employee + Spouse coverage (up to \$390/Year)
 \$22.50/Pay Period for Family coverage (up to \$585/Year)
HRA Dollars Available For Out-Of-Pocket Medical & Rx Expenses!

HEALTH INSURANCE 20/1000 MEDICAL PLAN



	Pay Period Total Premium Deduction	Pay Period Contribution Non Smoker		Pay Period Contribution Smoker	
		Employer	Employee	Employer	Employee
Employee Only	\$126	\$124	\$2	\$120	\$6
Employee & Child(ren)	\$240	\$236	\$4	\$228	\$12
Employee & Spouse	\$253	\$248	\$5	\$240	\$13
Family	\$372	\$367	\$5	\$355	\$17

In-Network Annual Wellness Exam \$20 Copay then 100% of \$500/yr maximum
In-Network Office Visit \$20 Copay then 100% of \$300/visit, then subject to deductible & coinsurance

In-Network Mental Health Outpatient \$20 copay, then 100% up to \$100, then subject to deductible and coinsurance

In-Network Deductible \$1000 Deductible then Plan Pays 70%
Non-Network Deductible \$2000 Deductible then Plan Pays 50%

In-Network Coinsurance Max \$3000 per person / year then Plan Pays 100%
Non-Network Coinsurance Max \$5000 per person / year then Plan Pays 100%

Deductible and Co-payments Do Not Apply To Coinsurance Maximums
 \$3,000/\$6,000 deductible per family maximum
 \$6,000/\$10,000 coinsurance per family maximum

Present Wellpoint Prescription Drug Card to a Participating Pharmacy

Generic Drug 20% (minimum of \$5)
 Formulary 20% (minimum of \$15)
 Non-formulary 30% (minimum of \$30)
 Mail Order \$10 generic, \$35 formulary, \$75 non-formulary

Company funded Health Reimbursement Arrangement (HRA):

\$10.00/Pay Period for Single coverage (up to \$260/Year)
\$20.00/Pay Period for Employee + Child coverage (up to \$520/Year)
\$20.00/Pay Period for Employee + Spouse coverage (up to \$520/Year)
\$30.00/Pay Period for Family coverage (up to \$780/Year)

HRA Dollars Available For Out-Of-Pocket Medical & Rx Expenses!

Health Flexible Spending Account

- Eligibility Requirement: Exempt employee upon hire date, non-exempt employee 90 days of full-time employment.
- Allows you to pay for out-of-pocket medical, vision and dental expenses that are not paid by your insurance plan with pre-tax dollars.
- The amount you designate will be deducted from your paycheck and deposited in your Flexible Spending Account(s), before taxes are calculated. You can then use these funds to pay yourself back for eligible health care and dependent care costs. By participating, you may have less taxable income -- you pay no federal, state (in most cases), or Social Security taxes on the amounts deducted for flexible benefits.
- **New for 2006**, Flexible Spending Accounts will roll over for 2 ½ months into 2007. Which means dates of service for claims can range from 1/1/06 – 3/15/07 for qualified expenses.
- If you decide to participate, the contribution cannot be changed, except in life event changes (ie: family status or employment status)
- The maximum reimbursement election is \$4,000 for the 12 month plan period
- Any remaining FSA balance not claimed by 4/15/2007 will be forfeited

Dependent Care Flexible Spending Account

- Eligibility Requirement: Exempt employee upon hire date, non-exempt employee 90 days of full-time employment.
- The Dependent Care Account allows you to pay for daycare expenses you incur for the care of your child or other dependents with pre-tax dollars
- If you pay dependent care expenses in advance you will receive your reimbursement after the care has been provided
- The maximum reimbursement election is \$5,000 for the 12 month plan period

Buntrock, Linda

From: Buntrock, Linda
 Sent: Monday, January 02, 2006 6:32 PM
 To: All Plant 2 Users - DL; All Plant 3 Users - DL; All Plant 4 Users - DL; All Plant 1 Users - DL
 Subject: Serimed Rebate Program

ANNOUNCING – MONEY IN YOUR POCKET WITH SERIMED INCENTIVES

We are very pleased to announce a new phase in our SERIMED program. The procedures on Serinet have been expanded to eleven common procedures and we have identified within each procedure hospitals that are good consumer choices because they combine a high number of procedures with efficient hospital cost management .

These hospitals are marked with green stars *. Choose one of these hospitals for your care on the indicated procedure and Serigraph will give you a cash rebate when your bills have been processed. The list will be updated on a regular basis and will be expanded with additional procedures as time goes on. Listed below are the currently available rebates. We know many of you are already checking prices before having a procedure and this rebate is your reward for being a smart consumer of medical care.

\$250 - carpel tunnel, tonsillectomy, normal newborn

\$500 – colonoscopy, normal delivery, digestive disorders

\$1000 – gallbladder removal, hysterectomy, c-section,

\$2000 – major joint surgery to hip, knee, ankle (replacement surgery),stent implant

Colonoscopy

These prices are for the facilities only - each doctor charges a separate fee as does the anesthesiologist.
 These prices are for the facilities only - each doctor charges a separate fee as does the anesthesiologist.
 We do not have good information on charges for the doctors so you need to call
The green star indicates hospitals eligible for a rebate for this procedure. This hospital combines a high number of procedures done with good discounted pricing.
 Employees may choose any hospital they prefer and Serigraph is not liable for the decisions made by the employee.

COLONOSCOPY 5/1/2006

Hospital	# of Discharges	Estimated cost	*
Aurora Sinai Med. Center	557	\$\$	
Aurora Med. - Hartford	285	\$	*
Center for Digestive Health	854	\$	*
Columbia Hospital	1036	\$\$\$\$	
Community Memorial	213	\$\$	
Froedert Mem. Luth. Hos.	923	\$\$\$\$	
Elmbrook	810	\$	*
Milw. Endoscopy Ctr	338	\$	*
St. Agnes/Fond du Lac	744	\$	*
St. Joseph's- West Bend	138	\$\$\$\$	
St. Josephs Reg. Med. Ctr./Milw	1866	\$	*
St. Lukes Med. Center	1369	\$\$\$	
St. Mary's Hos.- Mke	519	\$\$\$\$	
St. Mary's- Ozaukee	721	\$\$\$\$	
St. Michael Hospital	476	\$\$\$	
Theda Clark Med. Ctr.	300	\$	*
West Allis Mem. Hos.	979	\$	*
West Bend Surgical Center	399	\$	*
Waukesha Memorial	3109	\$\$	

indicates hospitals eligible for rebate program

→ \$13,000
 4000 (50%)
 1800 5
 12,000
 13000

May 2006

HEALTH CARE DATA FISCAL 2006							Increase/Decrease from last FY	
MEDICAL	THIS MONTH	FISCAL YTD		LAST FISCAL YTD				
Hospital Claims	59,521	931,486		1,181,464				
Doctors, lab, surgery etc	199,034	2,251,851		2,237,427				
AODA/Mental	4,187	56,857		39,033				
Chiropractic	705	8,968		6,280				
Vision (medical)	658	5,661		4,679				
Mammograms - Aurora	665	11,115		0				
Stop Loss Premium	9,492	103,753		107,284				
Less: Stop Loss Reimburse	0	0		0				
Broker Fee	1,740	19,023		22,341				
CMS Adm Fees	11,526	128,394		132,253				
Compcare Fee	2,784	30,432		32,228				
COBRA Fees	201	2,809		4,640				
APS Fees (EAP)	1,716	18,930		19,954				
MedSave Rebate	1,000	4,000		0				
TOTAL	293,229	3,573,278		3,787,583		-214,305	-5.66%	
DENTAL								
Paid Dental Claims	38,108	372,209		392,183				
Dental Claims Fees	2,790	30,290		31,889				
TOTAL	40,898	402,499		424,072		-21,573	-5.09%	
PRESCRIPTION DRUG								
Paid Drug Claims	50,794	527,093		507,445				
Canadian Drugs	0	1,673		2,746				
Processing & Card Fee	0	0		2,476				
Formulary Rebate	0	-20,222		-2,398				
TOTAL	50,794	508,544		510,269		-1,725	-0.34%	
HRA Accrual	20,000	240,000		253,000				
HRA Admin Fees	1,900	27,977		30,533				
HRA Claims	-6,613	-138,730		-84,034				
HRA Expense	15,287	129,247		199,499				
GROSS Med/Dental/Drug	400,208	4,613,568		4,921,423		-307,855	-6.26%	
	Monthly	lives	Fiscal 06	Avg lives	Fiscal 05	Avg lives	increase over last FY	
Gross cost per EE	573	699	6,667	692	6,687	736	-20 -0.29%	
Gross cost per Live	240	1,666	2,801	1,647	2,903	1,695	-102 -3.52%	
Net cost per EE	483		5,571		5,652		-81 -1.43%	
Net cost per Live	203		2,341		2,454		-113 -4.62%	
decrease over last FY								
EMPLOYEE CONTRIB								
Medical Premium	49,367	592,716		609,311				
Dental Premium	8,914	98,328		86,924				
Early retirees	653	10,781		15,707				
COBRA	3,820	56,563		49,607				
TOTAL	62,754	758,388		761,549		-304,694	-7.32%	
COMPANY NET COSTS								
Budgeted Costs	337,454	3,855,180		under	4,159,874			
Actual vs. budget	460,000	4,416,000		budget	4,386,326			
	122,546	560,820		12.70%	226,452			
	This Month	Last Month	High Mark	Last Fiscal Year		decrease in # from last FY		
Total Employee Participants	699	694	939	718		19	2.65%	
TOTAL LIVES	1,666	1,661	2,051	1,668		2	0.12%	
	YTD	Fiscal	Discount Avg	Ratio Includes		FTD 06	FTD 05	
Compcare Savings	871,718	2,014,600	35%	Premiums/Ded		ER	70%	
Blue Card - Out of State	53,016	81,608	47%	Copay/Coins		EE	30%	
							69%	
							.31%	

Serigraph Inc

HEALTH CARE DATA - Calendar

5 months
annualized

	Trad PPO 2003	CDHP 2004	CDHP 2005	CDHP 2006
MEDICAL				
Hospital Claims	1,326,159	1,219,333	1,256,496	757,922
Doctors, lab, surgery etc	2,770,131	2,335,820	2,658,740	2,340,454
AODA/Mental	46,747	37,467	63,681	56,023
Chiropractic	24,959	7,728	8,641	10,150
Vision (medical)	10,910	6,447	4,817	6,931
Mammograms	0	0	0	26,676
Stop Loss Premium	90,385	121,201	112,977	114,970
Less: Stop Loss Reimburse	0	0	0	0
Broker Fee	13,732	29,073	21,153	20,956
CMS Adm Fees	162,791	140,821	144,165	142,128
Compcare Fee	0	35,768	33,840	33,523
COBRA Fees	0	2,443	4,787	3,007
HCN/HealthEOS Fees	16,826	-1,115	10,325	0
APS Fees (EAP)	32,203	21,182	10,813	20,652
APS Fees (Prenatal)	885	0	0	0
Medsave	0	0	0	9,600
TOTAL	4,495,728	3,956,168	4,330,434	3,542,992
DENTAL				
Paid Dental Claims	330,743	423,658	409,066	465,701
Dental Claims Fees	20,339	40,186	34,194	32,350
TOTAL	351,082	463,844	443,260	498,050
PRESCRIPTION DRUG				
Paid Drug Claims	551,463	583,446	509,511	638,419
Canadian Drugs	0	4,897	2,114	1,399
Processing & Card Fee	5,146	4,991	0	0
Formulary Rebate	-9,957	-7,224	0	-48,533
TOTAL	546,652	586,110	511,625	591,286
HRA Accrual	0	276,563	260,000	264,000
HRA Admin Fees	0	31,746	32,953	26,330
HRA Claims	0	-38,113	-140,764	-134,081
HRA Expense	0	270,196	152,189	156,250
GROSS Med/Dental/Drug	5,393,462	5,276,318	5,437,508	4,788,637
EMPLOYEE CONTRIB				
Medical Premium	886,430	663,850	676,187	651,953
Dental Premium	0	87,883	100,811	117,218
Early retirees	14,406	17,356	15,576	8,429
COBRA	39,450	43,941	60,669	67,622
TOTAL	940,286	813,030	853,242	845,222
COMPANY NET COSTS	4,453,176	4,463,288	4,584,266	3,943,415
AVG EE Participants	801	759	708	695
AVG TOTAL LIVES	1,806	1,735	1,665	1,661
Gross cost per EE *	5613	5568	6331	5323
Gross cost per live *	2489	2436	2692	2227
Net cost per EE *	4439	4497	5126	4107
Net cost per live *	1969	1967	2180	1718

* includes Medical and HRA only impacted by CDHP

Patient Care
Employee Advocacy



HCD Brings You Real Price Transparency Thru 2007 On 55% of Hospital Costs!

HCD has negotiated Scheduled Fixed Fees with the lowest cost, high quality hospital system in Metro Milwaukee. These US Gov't defined Diagnostic Related Groupings (DRGs) represent 55% of the average client's annual inpatient hospitalization costs.

DRG	DRG Description	Scheduled Fee and Time Period			
		7-1-05 thru 9-30-05	10-1-05 thru 9-30-06	10-1-06 thru 9-30-07	10-1-07 thru 12-31-07
527	PERC CARD PROC W DRUG ELUT STENT W/O AMI	\$21,370	\$22,439	\$23,560	\$24,738
526	PERC CV PROC W/ DRUG ELUT STENT W/AMI	\$24,675	\$25,909	\$27,204	\$28,564
518	PERC CARD PROC W/O COR ART STENT OR AMI	\$23,680	\$24,864	\$26,107	\$27,413
517	PERC CARD PROC W NON-DRG ELT STNT W/O AMI	\$20,000	\$21,000	\$22,050	\$23,153
516	PERCUTANEOUS CARDIOVASCULAR PROC W AMI	\$24,550	\$25,778	\$27,066	\$28,420
500	BACK & NECK PROC EXC SPINAL FUSION WO CC	\$9,980	\$10,479	\$11,003	\$11,553
498	SPINAL FUSION EXCEPT CERVICAL W/O CC	\$28,930	\$30,377	\$31,895	\$33,490
497	SPINAL FUSION EXCEPT CERVICAL W CC	\$35,200	\$36,960	\$38,808	\$40,748
494	LAPAROSCOPIC CHOLECYSTECT W/O CDE W/O CC	\$13,600	\$14,280	\$14,994	\$15,744
471	BILAT OR MULT MAJ JOINT PROC, LOW EXTREM	\$32,400	\$34,020	\$35,721	\$37,507
391	NORMAL NEWBORN	\$1,100	\$1,155	\$1,213	\$1,273
373	VAGINAL DELIVERY W/O COMPLIC DIAGNOSES	\$4,150	\$4,358	\$4,575	\$4,804
371	CESAREAN SECTION W/O CC	\$6,150	\$6,458	\$6,780	\$7,119
359	UTER&ADNEX PROC FOR NON-MALIG W/O CC	\$9,600	\$10,080	\$10,584	\$11,113
335	MAJOR MALE PELVIC PROCEDURES W/O CC	\$11,700	\$12,285	\$12,899	\$13,544
211	HIP&FEMUR PROC, EX MAJ JNT, AGE >17 W/O CC	\$20,800	\$21,840	\$22,932	\$24,079
209	MAJ JOINT/LIMB REATTACH PROC, LOW EXTREM	\$25,580	\$26,859	\$28,202	\$29,612
174	G.I. HEMORRHAGE	\$8,250	\$8,663	\$9,096	\$9,550
167	APPENDECTOMY W/O COMPLIC PRINC DX W/O CC	\$11,300	\$11,865	\$12,458	\$13,081
143	CHEST PAIN	\$6,175	\$6,484	\$6,808	\$7,148
127	HEART FAILURE AND SHOCK	\$9,100	\$9,555	\$10,033	\$10,534
109	CORONARY BYPASS W/O CARDIAC CATH	\$33,350	\$35,018	\$36,768	\$38,607
107	CORONARY BYPASS W CARDIAC CATH	\$45,330	\$47,597	\$49,976	\$52,475
106	CORONARY BYPASS WITH PTCA	\$65,000	\$68,250	\$71,663	\$75,246
89	SIMPLE PNEUMONIA	\$10,730	\$11,267	\$11,830	\$12,421
88	COPD	\$6,630	\$6,962	\$7,310	\$7,675

Call HCD (262-567-4141) or your broker.

On-Site Health Care

Healthy Populations Program

Recognizing and rewarding positive healthy lifestyles!

How "Healthy Populations Program" Works

- Earn Points
 - Participate in Health Screen and receive points based on your test results
 - Participate in follow-up activities to earn additional points
- Redeem Points for Rewards
 - Up to 2 days Paid Time Off

Step 1: Initial Points

As determined through the health risk appraisal (questionnaire) and screening process, you will be awarded your initial points based on your test results and current health status.

Initial Points Awarded According to Questionnaire and Biometrics

Example: Bob is a 55 year old smoker who eats poorly and lives a very inactive lifestyle. Because of this he is overweight, has high blood pressure, high cholesterol and high glucose. The Health Risk Assessment program and the Screening Tests recognize this and Bob receives 400 out of a total 1000 points for the HRA and Screening Tests. Bob is not currently eligible for a reward.

Step 2: Earning Additional Points

To earn additional points (whether or not you received full points during the HRA and Screening portion of the program) and demonstrate your commitment to health, we have put together a list of activities that you can participate in to earn additional points toward earning your reward.

Earning Additional Points

Example: Bob only received 400/1000 points during his HRA and Screening Tests. After speaking with his health coach (100 points) he realized that many of his problems and poor health could be controlled through his daily decisions and lifestyle choices. Bob decided to continue regular appointments with his health coach and see the *On-Site* dietician (100 points) on a regular basis to control his weight, cholesterol and diabetes. Because of participation, Bob received an additional 500 points in the next six months. Through his new health awareness, Bob also got CPR certified received his annual flu shot, and decided to make sure he was up to date on all of his preventive tests which earned him another 650 points.

By being proactive and making changes in his life, Bob was able to change his 400 points into an impressive 1750 points by the end of the year. Bob has earned GOLD status and is eligible for 12 hours Paid Time Off.

Step 3: Redeem Points for Rewards

Program participation will be collected and verified by *On-Site Health Care*. Participation in programs conducted by *On-Site* will be automatically collected and stored in a web-based database. Participation in other approved programs will be verified by different means including registration forms, attendance forms, doctor/clinic notes, etc. Submit "proof of activity" forms to *On-Site Health Care*. *On-Site* will verify the authenticity of the forms and record the activity and points for the participant in the web-based database.

Rewards will be given out on a semi-annual basis, APRIL and OCTOBER. Any activities that are not submitted by March 31, 2006 for the 1st 6 months and Sept 30, 2006 for the last 6 months will not count towards a reward.

Healthy Activities to Earn Points

Program	Max Points
HRA & Screening Tests (as tested at health screens 1X/year)	1000
Non-Smoking (one year minimum)	350
Blood Pressure <130/<90	100
Total Cholesterol <200	50
HDL ≥40	50
LDL <130	100
Blood Triglycerides: <150	50
Blood Sugar: 70-100	200
Body fat %: Males <26%, Females <31%	50
BMI: <25	50
Questionnaire (completion)	
On-Site Dietitian or Other Weight Management Program	100+
Initial Consultation	100
Each Follow-up Visit (Maximum points = HRA deficient)	25/visit
On-Site Fitness	50+
Initial Consultation	50
Each Follow-up Visit (Maximum points = HRA deficient)	15
Improvement In Re-evaluation (Maximum points = HRA deficient)	15
Health Coach	100+
Initial Consultation	100
Follow-up visits (Maximum points = HRA deficient)	25
Prevention (Up-To-Date) – See attachment for guidelines	525
Colon Cancer Screen (FOB Test) – M/F 50	25
Colonoscopy – M/F 50	100
Mammogram – F 40+	50
Clinical Breast Exam – F 20+	50
Pap Smear – F	100
PSA Test – M 50+	100
Digital Rectal Exam – M 50+	100
Annual Physical/Check-up M/F	100
Dental Checkup (2X year) M/F	50/per check up
Annual Flu-Shot	50
CPR / First Aid Certification	100
Smoking Cessation Program (Individual or group)	350
Program Initiation (first visit)	25
Follow-up visits (Maximum of 10 visits per year)	20/visit
Program Completion	25
Smoke-Free for 6 months post program	100
Publicly Sponsored Fitness Events (Maximum of 5/year)	50
Walks	10
Runs	10
Bike Rides	10
On-Site Seminars or Brown Bag Lunches	
Spouse participation in the Screening	100
Blood Donation (Maximum of 2/year)	50
	25/donation

Reward Levels

Age / Gender	Bronze	Silver	Gold	Platinum	Total Points Available
Reward	4 hrs	8 hrs	12 hrs	16 hrs	
Males <50	1100	1200	1400	1600	1800
Males & Females 50 +	1100	1525	1725	1925	2125
Females 20-39	1100	1350	1550	1750	1950
Females 40-49	1100	1400	1600	1800	2000

Contact Information

Submit Forms To:

Health Coach (Registered Nurse):
 Chris Boyce, BSN
 Serigraph Plant 1
 (262) 335-7420
 Fax: (262) 364-3076
nurse@serigraph.com

Other Program Contacts:

Registered Dietitians
 Deb Schwark, RD
 Elizabeth Jackelyn, RD
 Serigraph Plant 1
 (262) 335-7599
dietitian@serigraph.com

Chiropractor
 Dr. Martin Joepeck
 Serigraph Plant 1
 (262) 335-7648
chiropractor@serigraph.com

On-Site Health Care
 (414) 244-0408

Screening Tests

Participants will be awarded points for the year they participate in the screen and for each subsequent year, until their next recommended screen year. For example: A 50 year-old participant that receives a colonoscopy at age 50 will receive 100 points per year until their next yearly recommendation of 55 (A colonoscopy is recommended every 5 years starting at 50). A list of screening tests and recommended frequencies can be viewed as part of your HRA report or from the Health Coach located in Plant 1.



Health Care News

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Small Business Health Insurance Bill Fails

By Laura Clay Trueman

A bill to allow small businesses to band together to purchase health insurance, S. 1955, did not reach the 60 votes needed to obtain cloture in the U.S. Senate in May.

In a party-line vote, the measure garnered the support of just two Democrats—Sens. Ben Nelson (D-NE), a former state insurance commissioner, and Mary Landrieu (D-LA). Sen. John Chafee (R-RI) voted against it, as did Sen. Jim Jeffords (I-VT). Two other senators were absent.

In part, the debate was a referendum on state mandates for insurance coverage. As Sen. John Cornyn (R-TX) explained on the Senate floor May 10, "It makes no sense to say that everyone must have a Cadillac with all the bells and whistles when all some people want or can afford is a basic model of a similar vehicle. Under [this] bill, every small-business owner will have the opportunity to choose a comprehensive plan, but they will also have other, more affordable, high-quality choices, too."

Standardizing Mandates

As reported out of the Senate Health, Education, Labor, and Pension Committee, the bill would have allowed basic health insurance plans, ones that do not meet all the current mandates required by various states, to be offered in every state.

The standard was that each health insurance provider must offer at least one plan with all the benefits included in plans offered to state employees in the five most populous states: California, New York, Texas, Illinois, and Florida.

The new standard would have applied to the entire small group and individual market, not just the small business health plans. It would have applied to mandates regarding which services and providers must be covered, and also to mandates regarding pricing of insurance plans. In effect, it would have prohibited states from enforcing guaranteed issue, a mandate requiring that insurance groups offering coverage accept every employer who applies.

In an effort to pull in more votes for the bill, committee chairman Sen. Michael Enzi (R-WY) modified the section on insurance price-setting. His changes would have allowed states to continue to use community rating (currently used by 10 states) or require them to set narrower parameters for rate bands (5:1 ratio). Community rating means states can bar firms from using an individual's health status as a factor in giving insurance coverage; changing the rate bands means no one can be charged more than five times more than the lowest rate in the group.

Sen. Olympia Snowe (R-ME)

offered another compromise, which would have increased the number of services that must be offered under even the basic plans. In an attempt to appease senators concerned about "mental health parity" and coverage for diabetes, cancer screening, and other diseases, Snowe's amendment would have required all plans to cover treatments such as in vitro fertilization or alcoholism rehabilitation, so long as the treatment is already mandated in at least 26 states.



(clockwise from top left) Sens. Ben Nelson and Mary Landrieu were the only Democrats to support the small business health insurance bill, while Independent Sen. Jim Jeffords and Republican Sen. John Chafee were the only two non-Democrats to vote against the bill.

forward."

Although time is running out to consider legislation before Congress recesses for the November elections, insiders said it's still possible they could take some action to expand or enhance Health Savings Accounts in this session. Most likely, that action will originate in the House of Representatives, or it could be tacked onto another important bill as an amendment. A hearing on proposals in the House Ways and Means Committee was pending at press time in early July.

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IN OTHER WORDS

"Only 47 percent of the smallest businesses in America—those with three to nine workers—offer health insurance. It is on a declining trend down to 52 percent, and down to 58 percent in 2002—in sharp contrast to the 98 percent of larger businesses with 200 or more workers that are offering health insurance as a benefit."

Olympia Snowe
U.S. Senator - Maine
during Senate debate on S. 1955
May 10, 2006

