

# Advancing Workforce Health and Benefits for a Stronger Tennessee



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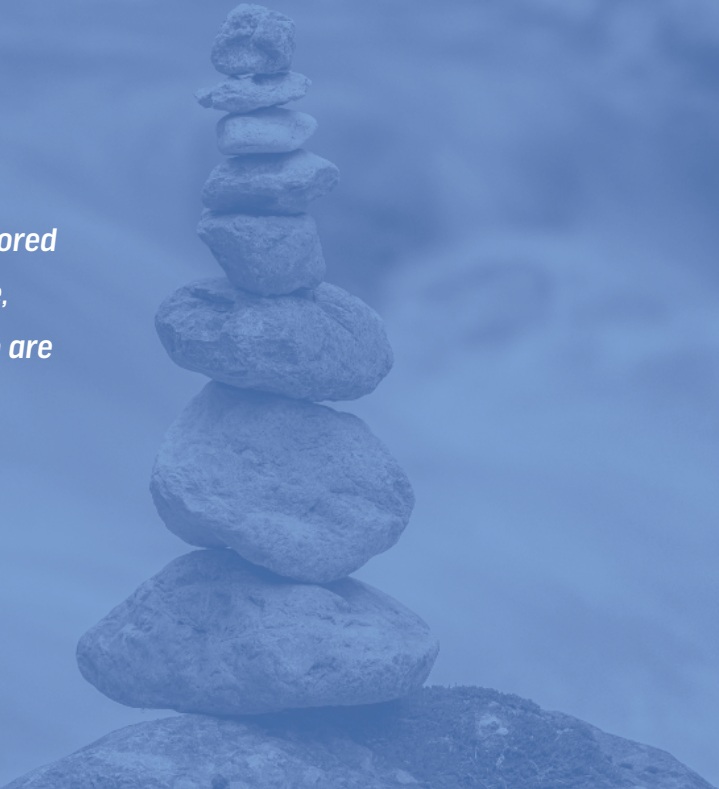
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*“Today’s healthcare current is wildly unpredictable. HCTN stands firm—anchored by our values, built to navigate change, and united by purpose and people who are making a real difference.”*

**— Phil Belcher, HCTN President & CEO**



# Letter from the President and CEO

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Dear Reader,

It is a privilege to carry forward the legacy of past HealthCareTN (HCTN) leadership, whose influence has shaped how Tennessee employers approach healthcare purchasing and benefits design.

The 2023 merger of HealthCare21 Business Coalition and the Memphis Business Group on Health created HCTN, a unified voice representing Tennessee employers in the healthcare marketplace. We are proud to be “better together,” serving employers statewide. While we celebrate the achievements of the past two years in this report, I’m most excited about the opportunities ahead as we continue to drive positive change. The need for strong, unified, employer-led voices in healthcare has never been more critical.

Tennessee faces significant healthcare challenges, requiring collaborative action:

- ▶ In the 2024 America’s Health Rankings, Tennessee ranks 43rd, making us one of the least healthy states in the nation.
- ▶ Over 70% of Tennesseans are overweight or obese, contributing to long-term health issues.
- ▶ Nearly 15 years after the passage of the Affordable Care Act, healthcare remains unaffordable for many and unsustainable for self-funded employers.
- ▶ Healthcare market consolidation has continued to drive up costs, and real price transparency remains highly elusive.

Without the strong influence of HCTN employer members, the healthcare market will continue to prioritize profitability at the expense of sustainability, placing an increasing burden on employers and employees and their families. At HCTN, we are committed to advocating for healthier communities, affordable care, and high-quality healthcare systems. Our work will continue to unite leading employers and facilitate collaboration with stakeholders to drive essential changes.

Collaboration is at the heart of transforming healthcare. Every day, the HCTN team works together to fulfill our mission through meaningful partnerships. For example,



- ▶ I serve as a member of the Board of Governors for the National Alliance of Healthcare Purchaser Coalitions. This affords me the privilege of collaborating with other employer coalitions and leaders to bring national insights and solutions to HCTN employer members.
- ▶ HCTN partners with The Leapfrog Group to promote the importance of quality healthcare delivery.
- ▶ HCTN works together with the Tennessee Department of Health to address the state’s chronic health issues.
- ▶ HCTN’s data warehouse partner, Innovu, provides invaluable insights that help our employer members make informed decisions about healthcare benefit programs.

I want to express my deep appreciation to the healthcare champions and sponsors who support HCTN’s educational events, projects, and regional meetings. Their commitment ensures that our message reaches the right people and that we can continue our work toward true healthcare transformation. If you are not yet a member of HCTN, there has never been a better time to join. **Together, we can make a real difference in the future of healthcare!**

Yours in good health,

A handwritten signature in black ink that reads "Phil Belcher". The signature is written in a cursive, slightly slanted style.

Phil Belcher  
President and CEO

# Working Better Together

The market prefers to address employers separately, so even the largest employers can only make a small difference. HCTN combines the strength of many employers, aligned around the common interest of healthcare value, so the market responds to our much larger size.

## HCTN Tennessee's Business Coalition On Health

### The movement to transform healthcare in Tennessee continues

A compelling vision for what is possible, a determination to work toward it, and a strong foundation of values to guide it. These are what HCTN has built upon these last two years. This is what drives our work, and this is the unique space we occupy. Our vision, mission and values, clarify what brings us together and the challenges we face.

#### Vision

To significantly improve the health of individuals, make healthcare delivery more affordable, and enhance the overall quality of healthcare for all Tennesseans.

#### Mission

To unite and empower Tennessee's leading employers in implementing innovative, value-based, data-driven solutions that significantly improve the health of individuals, make healthcare delivery more affordable, and enhance the overall quality of healthcare for all Tennesseans.

**The HCTN vision and mission are grounded in core employer beliefs.**

## Employers believe healthcare costs are unaffordable

### Hospital prices are 'unreasonable' and 'indefensible,' say employers

*"Less than half of employers are confident in the integrity of health care services and fees charged by hospitals, pharmacy benefit managers, third-party administrators, and even brokers and consultants, says a new report."*

— Article from *BenefitsPro*, February 2024, summarizing the National Alliance of Healthcare Purchaser Coalitions' Pulse of the Purchaser survey.

A strong community strengthens the mission and vision and reflects the values. We bring together like minded communities that support the employer purchaser.



## Employers believe healthcare costs are unsustainable

### Frustration Over High Costs and Misaligned Incentives

*"Escalating costs may prove to be another challenge to employer-sponsored insurance. A 2020–2021 study conducted by the Purchaser Business Group on Health found that 87% of the companies they surveyed thought the cost of providing health benefits would be unsustainable within the next five to 10 years."*

— Commonwealth Fund Issue Brief, January 2023, "What Employers Say About the Future of Employer-Sponsored Health Insurance," summary comment on the PBGH/KFF survey of commercial employers.

Share Believing that in the Next 5 to 10 Years...

Yes  No

Cost of providing health benefits will become unsustainable



 Purchaser Business Group on Health 

*According to the HCTN Regional Pulse of the Purchaser (POP) survey, 100% of responding members view lack of transparency as a threat to sustainability; 60% saw lack of transparency as a significant threat.*

## Values

- ▶ We promote **transparent** healthcare markets
- ▶ We strive to **collaborate** with good faith stakeholders
- ▶ We exhibit **courage** to challenge the status quo
- ▶ We are **innovators**, not followers
- ▶ We put our **members first**
- ▶ We inspire **trust** through **integrity**

## Challenges

We acknowledge that there are challenges, and we act on them.

- ▶ The **Status Quo** may work for vendors across the healthcare supply chain, but it does not work for the employer-purchaser, who has the greatest incentive to transform healthcare.
- ▶ **Consolidation**, both horizontal and vertical, have created a hopelessly complex, hopelessly opaque system of interrelationships that reward middlemen and self-dealing. It has increased, not decreased, costs.
- ▶ **Lack of Transparency** puts employer plan sponsors at fiduciary risk. Employers that pay for healthcare benefits have a right and a duty to know what they are paying for and if it constitutes high-quality care.



# Bringing Leading Employers Together from Across the State

30 Self-Funded Employer Members / ~700,000 Covered Lives.

HCTN is unique in providing a common space, a common goal, and powerful message that unites employers and focuses their efforts on transforming healthcare together. Employer members benefit from our educational events, expertise, regional and national presence, and networking with like-minded, leading employer peers. (See HCTN Members.)



## Membership Value: What HCTN Members are Saying

*“HCTN has provided me with an invaluable education on the realities of the employee healthcare market—insights I did not find in my MBA program. HCTN connects me with high-value vendors who keep me informed on industry trends, evolving healthcare laws, and cutting-edge data analytics. Their guidance supports me in navigating emerging challenges and optimizing vendor management. The staff’s expertise is only a phone call away for consultation and a safe space for processing concerns and ideas.”*



**Jill Barnes, PHR, SHRM-SCP, LAPSW**  
Vice President of Human Resources, Helen Ross McNab

*“As a large employer in the healthcare provider space, I like the employer-focused perspective HCTN provides. They also engage with other stakeholders, including vendors. HCTN keeps me well informed about issues and practices that impact the healthcare market and employee benefits. I appreciate the access to independent expertise.”*



**Michelle Beuchat**  
Vice President, Benefits, TeamHealth

*“HCTN is an essential voice for employers in Tennessee. Through HCTN we are also a member of the National Alliance of Healthcare Purchaser Coalitions, which leverages employers across the country to drive health system improvement and value. Employer members benefit from HCTN’s reputation as a leading coalition and their success in bringing together leading employers in Tennessee to drive change. HCTN is a unique organization with a unique mission.”*



**Laurie Lee**  
Executive Director, Benefits, State of Tennessee

*“Joining HCTN transformed our approach to associate health benefits. Their expertise helped us enhance our programs, addressing workforce needs more effectively. The coalition connects us with like-minded employers, focusing on improving healthcare access and outcomes. Collaborating with plan sponsors enables us to tackle current healthcare challenges, anticipate future trends, and design benefits with a growth mindset. HCTN’s guidance has strengthened our benefits strategy and our ability to positively impact associate wellbeing.”*



**Courtney Meckes**  
Vice President, Benefits and Wellbeing Strategy Leader, First Horizon

## A Board Dedicated to Excellence

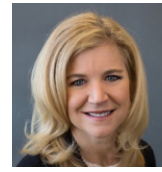
The HCTN Board brings together some of the most experienced and innovative benefits leaders in the state. Their determination to achieve high-value healthcare for their organizations inspires admiration and excellence. Understanding the need for employer unity, they lend their vast experience to improve the advantage of all employers.



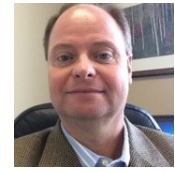
**David Hines,**  
Chair, Benefits  
Director Metro  
Nashville Public  
Schools



**Jay Arkle,**  
Vice Chair,  
Manager,  
Employee  
Benefits, FedEx



**Diana Morgan,**  
Secretary,  
Director, Benefits  
and Well-being,  
Pilot Flying J



**David Clothier,**  
Treasurer,  
Safe Harbor  
Investments, LLC,



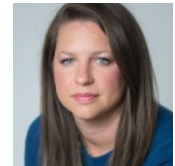
**Laurie Lee,**  
Executive  
Director, Benefits  
Administration, State  
of Tennessee



**Cindy Dempsey,**  
Director, Total  
Rewards, Genesco



**Courtney Meckes,**  
Vice President,  
Benefits and Well-  
Being Strategy  
Leader, First Horizon



**Christine Stickler,**  
Employee  
Benefits and Risk  
Management  
Director, City of  
Knoxville

## A Staff Delivering Value

HCTN staff brings together professionals with over 70 years of experience in healthcare. HCTN is one of the most longstanding and experienced coalitions among the members of the National Alliance of Healthcare Purchaser Coalitions, providing leadership on the National stage.



### **Phil Belcher, President & CEO**

Phil brings a unique combination of expertise and experience to his HCTN leadership, with a proven track record in managing benefits for large national employers, delivering strategic broker and consultant services, designing effective benefit strategies, and building strong, lasting employer relationships.



### **Jeffrey Townsend, Sr. Vice President, Projects and Analytics**

Jeff is a 25-year coalition professional who leads the envisioning and implementation of vital programs at HCTN. He has written many project proposals, reports, employer guides, white papers, and articles; leads educational efforts; moderates and presents conference material; and facilitates action-oriented workgroups. Jeff is a pharmacy program expert and serves as faculty instructing the Pharmacy Benefit Management module for the Value-Based Purchasing of Healthcare course.



### **Trinette Small,**

Trinette brings over 25 years of human resources, employee benefits, consulting, and insurance experience to HCTN, serving in various roles in the private and public sectors. She is focused on serving employer-purchasers and building engagement strategies. Trinette serves on the Board of Directors for the Greater Memphis Employee Benefits Council, is a Senior Certified SHRM Professional, and is a recent Leapfrog Group Bruce Bradley Fellow.

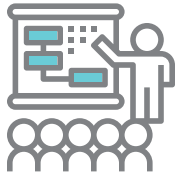


### **Amanda Abshagen, Programs and Communications Manager**

Amanda is a seasoned program and administrative professional who is responsible for all communications and operations of HCTN. She manages onboarding new members, coordinates HCTN's three annual regional conferences, maintains the HCTN website, and designs and delivers all member communications and social media. In 2025, she completed the Value-Based Purchasing of Healthcare course.

# Driving Positive Change

HCTN is known for driving positive change through events and education, projects and publications, and national engagement. Over the last two years:



## Conferences

HCTN has conducted 6 regional conferences (3 each year).

- Over 300 attendees.



## Publications

HCTN has published dozens of newsletters, action briefs, articles, guides, and reports, providing tools and resources for employers to manage high-value healthcare benefits.



## Webinars

HCTN has presented over 60 webinars introducing innovations and best practices on topics like...

- CAA/fiduciary
- Hypertension/diabetes/obesity
- High-cost claims (specialty pharmacy, biosimilars, precision medicine)
- Mental health



## Projects

HCTN has managed over a dozen employer-driven projects and programs, supporting employer action on high priority health benefits, like..."

- High-cost claims
- Oncology
- Social determinants of health (SDOH)

## Highlights

### Driving Positive Change Through HCTN PBM Speed Dating



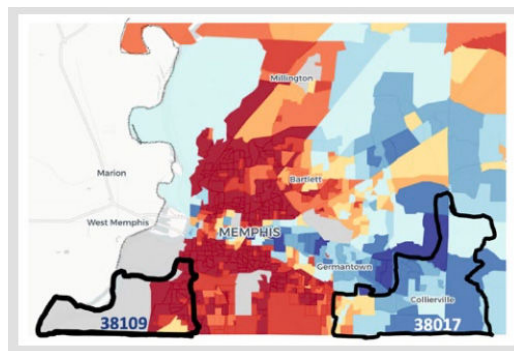
In 2021, 2022, and 2024, HCTN hosted several PBM “speed-dating” events. During these employer-only events, HCTN hosted nine different pharmacy benefit managers (PBMs) and three different PBM consultants. Each had 15 minutes to explain who they were, how they were different (from the competition), and how they bring value to the employer relationship.

- ▶ Two PBM consultants had follow-up conversations with attendees.
- ▶ Three pass-through PBMs had follow-up conversations with attendees.
- ▶ Two pass-through PBMs were invited to participate in the employer selection processes.
- ▶ One pass-through PBM won new employer business.

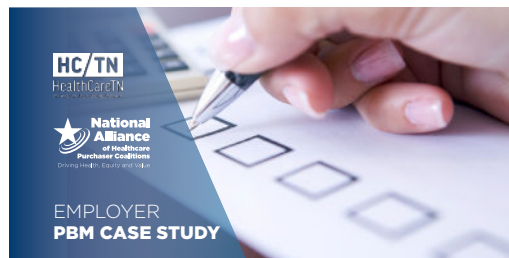
Responding to a recent survey, 40% of HCTN employers reported contracting with a transparent/pass-through PBM (that is not one of the “Big Three”).

## Driving Positive Change By Addressing SDOH

In 2023, HCTN developed a first of its kind “Getting Started with Social Determinants of Health: An Employer Guide to Understanding the Power of Data” for employers to help them envision a strategy to incorporate SDOH. The guide featured a project HCTN conducted for a west Tennessee employer, where HCTN used third-party indexes to heat map social determinants of health information on the employee ZIP code census. Following this study, and their new appreciation for the likely social needs of their employees, the employer held a vendor partner summit that focused on addressing social needs as a priority for each partner as well as facilitating communication and coordination between partners to achieve maximum impact.



## Driving Positive Change Through Reducing Wasteful Drugs



**State of Tennessee Saves Millions by Removing Wasteful Drugs**

HCTN alerted members to wasteful drugs on their formulary through the PBM workgroup and webinars. By adopting the Purchaser Business Group on Health (PBGH) wasteful drug list, HCTN empowered employers to challenge PBMs to remove these drugs from their formularies. The State of Tennessee applied the “waste free formularies” on top of other programs and found an additional \$8.8 million in potential savings.

## Driving Positive Change Through Leapfrog

Since being selected as an inaugural regional leader by The Leapfrog Group in 2001, HCTN has been an advocate for improvements in healthcare safety and quality. As a result of this leadership and the priority placed on quality healthcare, Tennessee now ranks 12th in the nation for “A” rated hospitals and 70% of Tennessee hospitals rate “B” or higher.



## Driving Positive Change Through National Engagement



As a respected coalition of leading employers for over 30 years, HCTN is a local and national leader in the coalition movement. A longtime member of the National Alliance of Healthcare Purchaser Coalitions, HCTN is well respected and well represented. Cristie Travis (former president and CEO of the Memphis Business Group on Health) and Gaye Fortner (former president and CEO of the HealthCare21 Business Coalition) both frequently served on the Board of Governors and were chairs. Phil Belcher currently sits on the Board of Governors. Jeffrey Townsend and Trinette Small contribute to various steering committees. Jeffrey has also contributed to reports and live discussion panels published or hosted by the National Alliance. Through this national network we deliver innovation and recognition for our regional members.

# Collaborating for Transformation

Collaboration is a core value for HCTN. Through collaboration, we bring together good faith partners to drive positive change. Organizations of all types and sizes collaborate with HCTN in a variety of ways such as belonging to the coalition as an affiliate member, sponsoring events and projects, and providing resources and expertise.

## Affiliate Members

Over 20 organizations support the coalition through affiliate membership. These valued members—innovative agents in the healthcare market—help advance the agenda to transform healthcare.

- AbbVie
- Alliance Insurance Services
- Archimedes
- BlueCross BlueShield of Tennessee
- Boehringer Ingelheim
- Capital Rx
- Cigna Healthcare
- Genentech
- HealthNEXT
- HUB International
- Innovu
- Johnson & Johnson
- Lantern
- Lockton Companies
- Merck & Company, Inc.
- Novo Nordisk
- Omada Health
- Pfizer
- Progyny
- Quantum Health
- Sanofi-Aventis
- The Memphis Medical Society
- TrestleTree
- Trinity Benefit Advisors
- WeCare
- Willis Towers Watson

## Sponsors

HCTN’s sponsors do more than merely fund conferences. They support the vision and mission and provide resources, speakers, moderators, and panelists. Amid all the challenges, these sponsors are committed to making the market work “better together” with employer purchasers.



## Partners

Employers need resources in managing the breadth and complexity of healthcare delivery and payment. They rely on trusted advisors, quality service providers, and organizations that advocate for value in healthcare. We are confident that these partners bring value to the marketplace.

 In partnership with HCTN, Innovu provides data warehousing and analytics for HCTN members, also supporting our conferences, meetings, workgroups, and projects by curating HCTN benchmarks.



The Leapfrog Group has been a pioneer in hospital safety transparency. The organization is a respected resource for information on local hospital performance. HCTN was an original regional leader in 2001, and continues to publicly release these hospital safety scores.

# Collaborating for Transformation in Diabetes-Hypertension

## Partnership Overview

In 2023, HCTN was awarded a multi-year grant by the Tennessee Department of Health (TDH) through CDC-funded programs aimed at improving chronic disease outcomes—specifically diabetes and cardiovascular health. This collaboration leverages HCTN’s influence and trusted relationships with Tennessee employers statewide to drive awareness, education, and actionable strategies around diabetes prevention and management, hypertension prevention management, and social determinants of health (SDOH) that impact chronic conditions.

## Key Accomplishments

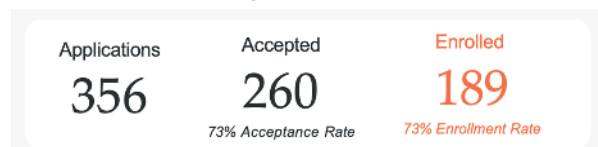
- ▶ Hosted multiple statewide **webinars and conferences**.
- ▶ Developed and distributed **employer toolkits, newsletters, and promotional materials**.
- ▶ Facilitated partnerships between employers and **community level diabetes self-management education and support (DSMES) programs**.
- ▶ Designed a **three-part educational series** on advanced primary care.
- ▶ Initiated a **multi-year strategic feasibility study** exploring ways to integrate advanced primary care with diabetes and hypertension management.
- ▶ Led a statewide initiative on SDOH, including the creation of a data-focused **SDOH Employer Guide**.
- ▶ **Published regional and statewide action briefs on the underlying drivers of chronic conditions.** (East TN, Middle TN, West TN).
- ▶ **Launched pilot programs using Omada** with leading employers to test innovative diabetes and hypertension prevention and management solutions.

## HCTN Pilot Program

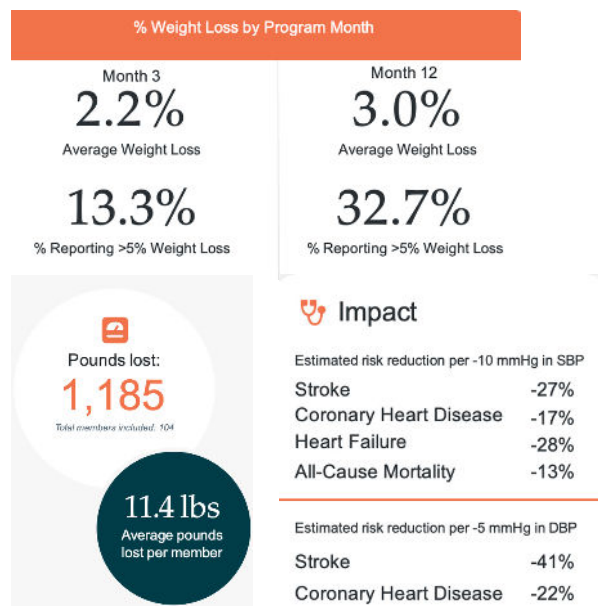
To date, across five large Tennessee employer organizations, **189 employees** have enrolled in the pilot program.

Outcomes show strong engagement and positive clinical improvements:

These pilots not only demonstrate the power of the National Diabetes Prevention Program (NDPP), chronic disease management programs, and tailored virtual care in improving employee health, but also equip employers with data to strengthen their long-term healthcare strategies.



**94% of HCTN Pilot participants are actively engaged with the program.**



By bringing actionable data, best practices, and innovative resources to Tennessee’s employers, the partnership is building a strong foundation for long-term chronic disease prevention and management.

# Looking Ahead

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By joining employers together as a market force that pushes for positive change through aligned partnerships and good faith collaboration, HCTN will continue to focus on the following areas of healthcare transformation.



## Transparency

Transparency is not only a coalition value, but also a necessary condition for a value-based market. Because HCTN places a high value on transparency we will continue to introduce transparent vendors, promote The Leapfrog Group, pursue provider cost and quality projects, and feature innovators that align with employer interests.



## Provider Collaboration

Without employers talking directly with providers, there is no way to transform delivery. HCTN has long-established relationships with healthcare systems that are leveraged to achieve high-value care. We also recognize that hospitals are employers, too, and benefit from working with other employers on healthcare delivery. Good faith relationships make it easier to tackle inevitable difficult conversations when they arise. We will continue to welcome providers as members and partners that align with our mission.



## Innovation

No one wants a poor-performing, high-cost healthcare system. Yet, an indoctrinated acceptance of the status quo has led to just that. HCTN will continue to be a positive disruptor, bringing ideas, practices, and vendors into the market that challenge the status quo. We will continue to seek innovators that align with employer interests in a value-based market.



## Health and Well-being

Promoting health and well-being at the individual level is always the right thing to do and finding victories in addressing the chronic illnesses that proliferate in most Tennessee employer populations takes re-thinking the problem. HCTN is continuously seeking fresh perspectives, emerging innovations, and novel treatments that restore hope.

HCTN will continue to look ahead, envisioning a value-based healthcare market, bringing together leading employers, and encouraging local markets to optimize high-value health care.

**HOW TO JOIN:**

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