



## Remarks to the 1998 National Hispanic Leadership Summit

A Speech Written for Humana CEO Greg Wolf

*Buenos días. Estoy muy entusiasmado por la oportunidad de participar en esta importante reunión. Cientos de nuestros empleados podrían dar este mensaje en español, pero yo no soy uno de ellos. Es por esto que ahora debo cambiar a inglés.*

[Translation: Good morning. I'm excited about the chance to participate in this important meeting. Hundreds of our employees could give this speech in Spanish, but I'm not one of them. So at this point, I'm going to switch to English.]

As the Surgeon General said, I am CEO of Humana. I'm sure many of you have heard that our company recently announced a historic merger with United HealthCare, a merger that will create the nation's premier health and wellness company. Needless to say, we're very excited about the merger and the positive impact the new company will have on health care in this country. But the merger is still months away, so this morning I want to concentrate on what Humana is doing right now to serve the Hispanic community.

I'm here not only to speak this morning, but—even more importantly—to listen. The Hispanic community is one of the fastest-growing economic forces in American society. As the CEO of a company committed to leadership in the delivery of health care, I know that understanding this community is critical to our ability to reach and influence Hispanic consumers, who can choose from a wide selection of health plans, and Hispanic employers, who offer our health plans as benefits to their employees.

I can think of no better place to learn than at a forum dedicated to fostering economic empowerment among Hispanics. I thank the organizers of the National Hispanic Leadership Summit for inviting me and Gov. Rosselló for his leadership in the

health care arena.

It's also good to be in Baltimore today, just down the street from Camden Yards and the Babe Ruth Museum. If you get a chance to visit the museum, I encourage you to look at one particular exhibit. It's a hymnal from Babe Ruth's days at St. Mary's Industrial School and includes this inscription: "George H. Ruth, world's worst singer, world's best pitcher."

The Babe learned a valuable lesson at an early age: Figure out what you're good at and put all your energy into it. Of course, he also turned out to be a pretty good batter.

In the early 1980s health insurance companies figured out that they could improve the health care system by controlling costs, and they put all their energy into cost-control efforts. As you know, under traditional fee-for-service insurance plans, medical costs skyrocketed out of control. During the 1980s, national spending on physicians' services doubled in real terms. The average per-employee cost of medical benefits rose 18 percent in 1988, 16 percent in 1989, and 17 percent in 1990, or about four times the rate of inflation.

Of course, the burden of increasing medical costs fell most heavily on small businesses and people at lower-income levels. For many Americans, health insurance became a luxury they couldn't afford.

Since then we've brought most medical costs in line with inflation. The size of companies like Humana gives us the buying power to negotiate favorable reimbursement arrangements with doctors and hospitals, and we're now able to prevent millions of dollars in unnecessary or duplicative medical expenses every year. We've also actively supported tax reform to make sure small businesses and the self-employed can get health insurance. I can think of no better way to provide quality care than to continue to strive to make coverage affordable for all Americans.

Having transformed the health care system, managed care is now beginning to transform itself, and Humana is a leader in this effort. The successful managed care company of tomorrow must do far more than contain costs and cut expenses. It must also add value to the health care process by helping physicians take better care of their patients and by helping patients take better care of themselves.

I'm pleased to have the chance this morning to tell you about the role Humana plays in health care. I think you'll find that what we're doing aligns very well with the theme of this conference: empowerment in the health care system.

At Humana, we take our members' health very seriously. We think of people as being members for life—not just for the current year. That philosophy has led us to develop a variety of programs that encourage a healthy lifestyle, early intervention at the time of an illness and ongoing treatment programs for those patients with chronic disease. I'd like to highlight two specific examples: our breast cancer initiative in Chicago and our diabetes management program in San Antonio, and then tell you what we're doing in Puerto Rico to support Gov. Rosselló's reform program. I'll outline some ways we're reaching out to the Hispanic community quite specifically as well.

First, let me to give you some background on our company. Humana is one of the nation's largest publicly traded health care companies with 1998 revenue projected

at over \$10 billion. We have 6.2 million health plan members located primarily in 16 states and Puerto Rico, including over 1 million Hispanic members. We have more than 19,000 employees, about 10 percent of whom are Hispanic.

Now, let me highlight a few of the ways that we're improving our members' health, starting with our diabetes management program. Humana has led the industry in developing innovative programs to help members manage this chronic disease. As you may know, diabetes is a major health concern in the Hispanic community. In fact, Mexican-Americans and Puerto Ricans have twice the rate of diabetes as non-Hispanic whites. So we were proud to launch HealthWorks in San Antonio.

When a member joins HealthWorks, he or she attends a free, two-day workshop that covers 15 major content areas—from diet to insulin-level management to mental health issues. Because diabetes affects the whole family—and vice versa—we involve the family in the education program. Whether it's a spouse, a parent, a friend or a significant other, we make sure someone in addition to the member receives the training.

Family involvement is a key element of the program. We've found that some members, men especially, don't tell their loved ones they've been diagnosed. And they hesitate to tell them how their high-fat cooking contributes to the disease.

We also involve a team of health care professionals, including the member's physician, mental health provider, podiatrist and pharmacist, as well as a dietitian and a certified diabetes educator, who is usually a registered nurse. One of these people contacts the member at least four times a year to monitor his or her progress.

The health outcomes have been impressive. Our members are showing tangible improvement in their health, and many members who were formerly insulin-dependent can now manage their disease without insulin.

Our education program has been recognized nationally by the American Diabetes Association and has received best practice awards from Parke-Davis and the American Association of Health Plans.

In San Antonio, 3000 members have joined HealthWorks since we started the program three years ago. Although physicians refer many members to HealthWorks, referrals are not required. In fact, most people now join the program because friends or family have recommended it.

There's no charge for the HealthWorks program, by the way, and members can stay in it indefinitely. This year, we're expanding the program to cover all the Texas communities we serve.

We're also seeing positive results with our breast cancer initiative. In Chicago, our plan-affiliated doctors are working to increase awareness of breast cancer and to encourage early detection and intervention. Breast cancer, the fifth leading killer of women, develops in three distinct stages. Research has shown that 95 percent of women who are diagnosed in stage one survive, compared to 76 percent in stage two, and just 29 percent in stage three. So early detection is critical to the woman's survival.

To help women survive cancer, Humana has implemented a comprehensive program for breast cancer care. We send mammogram reminders annually to all female members between the ages of 50 and 64 and emphasize the importance of regular

mammograms in our member newsletters. In addition, we review every woman's mammography history annually. If a member between the ages of 50 and 64 hasn't had a mammogram within the past year, we call her and help her schedule one.

To study the effectiveness of our program, we tracked a group of members in Chicago. The results were very encouraging: 68 percent of the women were getting their annual mammograms, compared with 54 percent of all U.S. women in the target age group. More than two-thirds of the cancers detected were diagnosed in stage one. And we reduced the time between a mammogram and appropriate surgery from 95 days in 1992 to less than 30 days last year.

Dr. Jane Delgado and the National Coalition of Hispanic Health and Human Services Organizations have proven the effectiveness of good outreach to Hispanic women. Thanks to the coalition's efforts, Latinas went from being the group least likely to have mammograms in 1987 to the group most likely to have the exams five years later. I'm glad Humana is building on that good work.

Now, to Puerto Rico. Gov. Rosselló spoke earlier about the truly remarkable health care reforms his administration has instituted on the island. Humana is proud to be participating in those reforms by providing managed care to Medicaid recipients in Puerto Rico.

Humana entered the Puerto Rico market through our acquisition last year of Physician Corporation of America, or PCA. Since December 1995, PCA has been serving over 400,000 Medicaid beneficiaries in two of the regions that were set up under Gov. Rosselló's reform program.

Puerto Rico has a very high percentage of Medicaid beneficiaries—about 44 percent of the population. The old government-controlled health system simply didn't provide these people with good, accessible care, and preventive care and early detection were almost non-existent.

One of our major goals since entering Puerto Rico has been to increase the number of members who seek care before they get sick. In September, we created a centrally managed education and prevention fund and set some aggressive targets for improving the health of our members. To cite just one example, we're working to ensure that 30 percent of women over 40 have a mammogram in 1998, which will more than double the number who had a mammogram last year.

By stateside standards, these numbers seem pretty low, and I can tell you that I personally won't be satisfied until our results are much, much higher. However, considering the state of the health system prior to the reform program, I think we're making real progress in reaching out to our members in Puerto Rico.

In fact, in the last six months alone, more than 10,000 of our Puerto Rican members have had mammograms. To reach those women, especially in isolated mountain communities, we've used innovative strategies like providing transportation to radiology centers and introducing specially-designed mobile radiology units.

Now, let me turn to some of the other initiatives we've undertaken to serve the Hispanic community.

Through acquisition, we have more than doubled our Hispanic membership, with a particularly strong presence in the Florida, Texas and Puerto Rico markets. Our

commitment to the Hispanic community goes beyond hiring more bilingual customer service representatives and translating marketing materials into Spanish, although we've certainly done that. Since our Hispanic membership doubled, we've committed a year—and significant financial resources—to develop a program to reach out to improve our service to Hispanics.

Last fall, we increased the number of bilingual customer service representatives in our four regional service centers. Our research has told us that members who call a service center want to talk to a person, not a machine. And they definitely don't want to get trapped in an endless system of automated voice prompts. You know, "push 1 if you have a cold, push 2 if you've just severed a limb."

When members call, they're greeted by a live operator. If an English-speaking representative takes a call from a Spanish-speaking member, they will immediately transfer the call to a bilingual representative, who can address the member's concern directly.

We're also transcreeing—not just translating—our member materials. We want to ensure that our members understand both the words and the meaning of our brochures, member handbooks and explanation-of-benefits statements.

Our physician networks—like our employee base—mirror our customers or members. Remember what I said earlier: we have over 1 million Hispanic members. So our Spanish-speaking members should always be able to find a Spanish-speaking doctor. To increase the cultural literacy of all our providers, we're also planning to implement cultural-awareness training in the regular meetings we hold with providers. Similar training is already available to our associates, as are free Spanish lessons at our corporate headquarters.

Strengthening our commitment to the Hispanic community also means giving back. Since 1991, for example, Humana has supported the San Antonio Education Partnership, which gives scholarships to economically disadvantaged students who stay in school and keep their grades up. Besides providing scholarship money, Humana has adopted a high school and provided free office space to the Partnership.

In South Florida, we've long supported several organizations and events, including Dade County's Hispanic Heritage Festival and The League against Cancer, which provides cancer treatment to indigent people in the Miami area.

One way we're getting involved on a national level with both Hispanic and non-Hispanic communities is through a major commitment we've made to the Presidents' Summit for America's Future. In April 1997, we pledged \$2 million and 50,000 Humana employee volunteer hours toward discouraging tobacco use among children. We're carrying out our pledge by implementing the American Lung Association's Teens Against Tobacco Use, or TATU, program in eight cities.

You may have heard that the Surgeon General's Report on Smoking this year found that smoking among Hispanic high-school students increased 34% between 1991 and 1997. Clearly, programs like TATU could not come at a better time.

TATU uses teens to teach 4th, 5th and 6th graders about the dangers of tobacco. The program teaches kids why they should "just say no" by explaining the health effects of tobacco use, exploring the ways tobacco ads deceive youth and showing kids how

addiction destroys, not enhances, their freedom.

We ran a pilot program in Louisville this past school year and plan to launch TATU in Miami, San Antonio and Chicago this fall. Judging by the comments we've heard from schools, kids, and Humana volunteers, TATU will make a real difference in our communities.

Finally, the most visible aspect of our outreach program is an advertising campaign for our Medicare product that we launched last week. Or perhaps I should say two advertising campaigns, because our agency, Lopez Negrete [Nay-GRET-ay] Communications of Houston, creates advertisements specifically for distinct communities. In their research, Lopez Negrete determined that San Antonio and South Florida residents, for example, vary greatly in terms of national origin, education, socioeconomic level and knowledge of managed care concepts.

Since our Medicare product offers seniors enhanced benefits for no more than they would pay for traditional Medicare coverage, we think we have a strong message to communicate. We believe the advertisements Lopez Negrete developed will communicate quite powerfully with Hispanic audiences that vary greatly from one geographic area to another—helping us reach our goal of establishing trust and educating people on health and wellness.

Responses to the Medicare campaign are going to our telemarketing center in Miami, where we employ sales representatives with a variety of backgrounds: Puerto Rican, Mexican, Cuban, Colombian and Central American, to name a few. Since managed care is such a new concept to most seniors, Hispanic or not, we felt it was crucial to have representatives who know both the language and the culture of people who call.

In closing, I'd like to refer to a story I recently heard about Gov. Rosselló. During his first gubernatorial campaign, health reform was a major issue, and his opponents made fun of the *tarjetita* [tar-hey-TEE-ta] he kept talking about—the “little card” that Medicaid recipients would receive from a company like Humana.

Five years later, of course, the governor's opponents are no longer laughing. In fact, the *tarjetita* has become a symbol of the success of health care reform. Everywhere the governor goes, people wave their *tarjetitas* like they might wave a flag or a campaign sign.

People in Florida and Texas and the other states we serve don't often wave their enrollment cards in the air. But my goal, which I think we're achieving, is to make all of our 6.2 million members as happy as our Puerto Rican members with their *tarjetitas*.

Thank you.