



# The Future of Employment-Based Health Benefits: Will Employers Reach a Tipping Point?

*EBRI-ERF Policy Forum #61*

Henry J. Kaiser Family Foundation  
1330 G Street NW, Washington, DC 20005  
Thursday, December 6, 2007  
9:00 am – 1:00 pm

## *Speakers*

### **Joe Bogdan**

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Joe Bogdan is the chief actuary of CIGNA Healthcare. Mr. Bogdan has been with CIGNA for 15 years. He has held positions in the actuarial, underwriting, and human resource areas. He is a graduate of the University of Michigan, a Fellow of the Society of Actuaries, and a member of the American Academy of Actuaries.

### **John J. Castellani**

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John J. Castellani is president of Business Roundtable, an association of chief executive officers of leading U.S. corporations with a combined work force of more than 10 million employees and \$4.5 trillion in annual revenues. Business Roundtable has been cited by the *Financial Times* as "the most influential chief executive lobbying group in the U.S." and is at the forefront of public policy debates, advocating for a vigorous, dynamic global economy. Business Roundtable companies make significant contributions to the economy, society and the world. Comprising nearly a third of the total value of the U.S. stock markets, they collectively returned more than \$112 billion in dividends to shareholders and the economy in 2005.

Since joining Business Roundtable in May 2001, Mr. Castellani has significantly strengthened the Roundtable's reputation in Washington, DC, nationally and internationally. He has led the Roundtable's efforts on key public policy issues ranging from trade expansion to civil justice reform to fiscal policy. He has been cited by *Bloomberg* as one of Washington's six most influential lobbyists.

Mr. Castellani and the Roundtable played vital roles in the adoption of long-awaited civil justice reform legislation in 2005, with the approval of the *Central America Free Trade Agreement*, and enactment of critically important legislation to lower tax rates and slash taxes on dividends in 2003. He has also been a leader of the coalition working in support of Social Security reform.

Other significant areas of leadership for Mr. Castellani and the Roundtable include passage of bilateral free trade agreements with partners, including Australia, Chile and Morocco; passage of the Sarbanes-Oxley corporate governance reforms; organizing the Partnership for Disaster Response to improve the flow of private-sector resources, services, and staff following a major disaster; and development of the Business Roundtable Institute for Corporate Ethics, a first-of-its-kind business ethics center designed to renew and enhance the link between ethical behavior and business practices.

Prior to becoming president of Business Roundtable, Mr. Castellani was executive vice president of Tenneco Inc., and part of the senior management team that led the transformation of the ailing conglomerate into seven strong companies. Mr. Castellani's Washington experience includes serving as vice president for resources and technology with the National Association of Manufacturers, and as vice president of state,

federal and international government relations for TRW Inc. He started his career at General Electric as an environmental scientist and strategic planner.

A graduate of Union College in Schenectady, NY, Mr. Castellani now serves on its board of trustees. He is also an Ethics Resource Center Executive Fellow and a member of the Advisory Council of the Business Roundtable Institute for Corporate Ethics. Mr. Castellani co-chairs the Federal City Council's Education Committee, an organization devoted to developing educational excellence in the District of Columbia, and is active in a variety of other professional and social organizations.

## **Jodi DiCenzo**

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Jodi DiCenzo, CFA, CPA, has over 20 years of experience in consulting financial service firms. She brings a practical approach to applying the concepts from academic behavioral economic research to help optimize individuals' financial decision-making. Prior to founding Behavioral Research Associates, Ms. DiCenzo was in partnership with Shlomo Benartzi, Ph.D., for four years, doing business as Benartzi & DiCenzo, LLC. Previously, Ms. DiCenzo was employed by Strong Financial Corporation, where she helped develop the Retirement Plan Services division from its inception in 1995. Before joining Strong in 1994, Ms. DiCenzo was a senior manager at PricewaterhouseCoopers, LLC, where she specialized in providing audit and consulting services to financial service firms and publicly traded companies.

Ms. DiCenzo was one of 200 appointed delegates to the 2002 National Summit on Retirement Savings held in Washington, D.C. She chairs the Recruitment Advisory Group of CFA Chicago, is a member of The Illinois CPA Society, and volunteers at TAP ("Tax Assistance Program"), where she provides income tax preparation assistance for lower-income workers in Chicago.

## **Alain C. Enthoven**

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Alain C. Enthoven is the Marriner S. Eccles Professor of Public and Private Management (Emeritus) in the Graduate School of Business at Stanford University. He holds degrees in Economics from Stanford, Oxford, and MIT. He has been an economist with the RAND Corporation, Assistant Secretary of Defense, and President of Litton Medical Products. In 1963, he received the President's Award for Distinguished Federal Civilian Service from John F. Kennedy. In 1977, while serving as a consultant to the Carter Administration, he designed and proposed Consumer Choice Health Plan, a plan for universal health insurance based on managed competition in the private sector. He is a member of the Institute of Medicine of the National Academy of Sciences and a fellow of the American Academy of Arts and Sciences. He is Chairman of Stanford University's Committee on Faculty/Staff Human Resources and a consultant to Kaiser Permanente, the former Chairman of the Health Benefits Advisory Council for CalPERS, the California State employees' medical and hospital care plans. He has been a director of the Jackson Hole Group, PCS, Caresoft Inc., and eBenX, Inc. He is a member of the Research Advisory Board of the Committee for Economic Development.

Mr. Enthoven was the 1994 winner of the Baxter Prize for Health Services Research and also the 1995 Board of Directors Award, Healthcare Financial Management Association. In 1997, Governor Wilson appointed him Chairman of the California Managed Health Care Improvement Task Force. Commissioned by the State legislature, the Task Force addressed health care issues raised by managed care. In 1998–1999, he was the Rock Carling Fellow of the Nuffield Trust of London, and also Visiting Professor at the London School of Hygiene and Tropical Medicine. He wrote the Rock Carling Lecture *In Pursuit of an Improving National Health Service*, recommending further introduction of market forces in the National Health Service. He and Laura Tollen recently edited a book titled *Toward a 21<sup>st</sup> Century Health System: The Contributions and Promise of Prepaid Group Practice* (Jossey Bass, San Francisco, 2004). He is a member of the Research Advisory Board of the Committee for Economic Development (CED), and since 2006 has served as project

director for a recently published CED report *Quality, Affordable Health Care for All: Moving Beyond the Employer-Based Health-Insurance System* (November 2007).

## **Paul Fronstin, Ph.D.**

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Paul Fronstin is a senior research associate with the Employee Benefit Research Institute, a private, nonprofit, nonpartisan organization committed to original public policy research and education on economic security and employee benefits. He is also Director of the Institute's [Health Research and Education Program](#). He has been with EBRI since 1993.

Dr. Fronstin's research interests include trends in employment-based health benefits, consumer-driven health benefits, the uninsured, retiree health benefits, employee benefits and taxation, and public opinion about health care. He currently serves on the steering committee for the Emeriti Retirement Health Program, the board of advisors for CareGain, and on the Maryland State Planning Grant Health Care Coverage Workgroup. In 2001, Dr. Fronstin served on the Institute of Medicine Subcommittee on the Status of the Uninsured.

Dr. Fronstin has testified before various committees of the U.S. House of Representatives and U.S. Senate. He has appeared before more than 100 groups to share his expertise on employee benefits. He has also made numerous presentations for congressional staff and the media.

Dr. Fronstin earned his bachelor of science degree from SUNY Binghamton and his Ph.D. in economics from the University of Miami.

## **David D. Guilmette**

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David Guilmette is the managing director of Towers Perrin's global Health & Welfare line of business. He is responsible for leading the growth and profitability of the Health & Welfare business, and is also responsible for identifying trends in the marketplace relating to health care.

Mr. Guilmette has 25+ years of experience with health care and employee benefit programs. He specializes in the development and implementation of health care strategies, total benefit strategies, and integrated disability management strategies and has directed numerous assignments on these issues for employers and health care providers.

Mr. Guilmette is a recognized expert on health care issues. He is often quoted in the national business media, including the *Wall Street Journal*, *New York Times*, *Forbes*, *USA Today*, CNBC, CNN, *Business Week TV*, the PBS Nightly Business Report, National Public Radio, and several others along with leading industry publications on health care issues.

He is a graduate of the University of Chicago.

## **Jeffrey C. McGuinness**

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Jeffrey C. McGuinness is the president of the HR Policy Association, an organization representing the chief human resource officers of more than 250 Fortune 500 companies that collectively employ more than 20 million people worldwide. On the public policy front, the Association focuses primarily on the development of human resource and employment policies within the United States. Currently, health care, executive compensation, and retirement policy dominate its action agenda. At the same time, the Association uses the collective strength of its membership to achieve market-based improvements in HR practices and offerings.

Mr. McGuiness is also president and CEO of Health Care Policy Roundtable, LLC, which is responsible for the delivery of products and services developed by the Association using that collective strength. These included such health care programs as Retiree Health Access, National Health Access, and the Transparency in Pharmaceutical Purchasing Solutions contracting program.

From 1981 to 1984, Mr. McGuiness served on a part-time basis as chairman of the Civil Rights Reviewing Authority of the Department of Health and Human Services. The Authority is responsible for issuing decisions and orders in cases on appeal from decision of administrative law judges in controversies arising from the Department's civil rights enforcement activities. During 1979–1980, Mr. McGuiness served as a Special Counsel to Senator Richard Lugar (R-IN) during the drafting of the Chrysler bailout program.

Mr. McGuiness is a graduate of Principia College and the American University School of Law. A member of the District of Columbia bar, he is the author of several publications and commentary on workplace policy. In 1995, he was elected a Fellow of the National Academy of Human Resources and has served on the Board of Directors of its related foundation.

## **William D. Novelli**

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Bill Novelli is CEO of AARP, a membership organization of more than 38 million people age 50 and older, half of whom remain actively employed. AARP's mission is to enhance the quality of life for all as we age.

Prior to joining AARP, Mr. Novelli was President of the Campaign for Tobacco-Free Kids, whose mandate is to change public policies and the social environment, limit tobacco companies' marketing and sales practices to children, and serve as a counterforce to the tobacco industry and its special interests. He now serves as chairman of the board.

Previously, he was executive vice president of CARE, the world's largest private relief and development organization. He was responsible for all operations in the United States and abroad. CARE helps impoverished people in Africa, Asia, and Latin America through programs in health, agriculture, environmental protection, and small business support. CARE also provides emergency relief to people in need.

Earlier, Mr. Novelli co-founded and was president of Porter Novelli, now one of the world's largest public relations agencies and part of the Omnicom Group, an international marketing communications corporation. He directed numerous corporate accounts as well as the management and development of the firm. Porter Novelli was founded to apply marketing to social and health issues, and grew into an international marketing/public relations agency with corporate, not-for-profit and government clients. He retired from the firm in 1990 to pursue a second career in public service. He was named one of the 100 most influential public relations professionals of the 20th century by the industry's leading publication.

Mr. Novelli is a recognized leader in social marketing and social change, and has managed programs in cancer control, diet and nutrition, cardiovascular health, reproductive health, infant survival, pay increases for educators, charitable giving, and other programs in the United States and the developing world.

He began his career at Unilever, a worldwide-packaged goods marketing company, moved to a major ad agency, and then served as Director of Advertising and Creative Services for the Peace Corps. In this role, Mr. Novelli helped direct recruitment efforts for the Peace Corps, VISTA, and social involvement programs for older Americans.

He holds a B.A. from the University of Pennsylvania and an M.A. from Penn's Annenberg School for Communication. He pursued doctoral studies at New York University. He taught marketing management for 10 years in the University of Maryland's M.B.A. program and also taught health communications there. He has lectured at many other institutions. He has written numerous articles and chapters on marketing management, marketing communications, and social marketing in journals, periodicals, and textbooks.

His book, *50+: Igniting a Revolution to Reinvent America*, was published in 2006. Mr. Novelli serves on a number of boards and advisory committees.

## **Dallas L. Salisbury**

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Dallas Salisbury is chief executive officer of the Employee Benefit Research Institute (EBRI). EBRI provides objective information regarding the employee benefit system and related economic security issues. Mr. Salisbury joined EBRI at its founding in 1978.

He is a Fellow of the National Academy of Human Resources and a member of the Board of the NAHR Foundation, the Commission on a High Performance Health System, the Board of the NASD Investor Education Foundation, and the Board of Advisors to the Comptroller General of the United States. He has been honored with the Award for Professional Excellence from the Society for Human Resource Management, the Plan Sponsor Lifetime Achievement Award, and the Keystone Award of World at Work.

He has served on the Secretary of Labor's ERISA Advisory Council, the presidentially appointed PBGC Advisory Committee, and the boards and committees of numerous professional and private organizations.

Prior to joining EBRI, Mr. Salisbury held full-time positions with the Washington State Legislature, the U.S. Department of Justice, the Employee Benefits Security Administration (EBSA) of the U.S. Department of Labor, and the Pension Benefit Guaranty Corporation (PBGC).

In keeping with the EBRI mission, Mr. Salisbury has written and lectured extensively on health, savings, retirement, and work-force topics, and has appeared on major television and radio networks numerous times, and in all major print media.

## **Michael J. Stapley**

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Michael J. Stapley is president and CEO of Deseret Mutual, a company that provides a broad range of benefits to the Church of Jesus Christ of Latter-day Saints and its affiliated organizations. These benefits include medical, dental, disability, life, pension, retirement, and savings plans. Previously, Mr. Stapley served as the acting executive director and deputy director of the Utah Department of Health, where he worked extensively in the development of health care policy. Mr. Stapley has served as a member of the Advisory Committee on Employee Welfare and Pension Plans, more commonly known as the ERISA Advisory Council, in the U.S. Department of Labor and, in 2001 he served as chairman of that council.

Mr. Stapley is the founder and chairman of the Board of the Utah Health Information Network and is vice chairman of the Graduate Medical Education Council for the State of Utah. He is also a member of the Scott Matheson Healthcare Studies Advisory Committee at the University of Utah and a member of the Romney Institute Advisory Council at Brigham Young University. He was recently appointed to the Board of Directors of Health Insight, which has responsibility for community initiatives to improve the quality and effectiveness of health care in Utah and Nevada. Mr. Stapley has served as chairman of the Utah Health Access Steering Committee, as a member of the Utah Health Data Committee, chairman of the Governor's Task Force on Catastrophic Health Expenses, and the Governor's Task Force on Financial Barriers to Quality Health Care.

## **Mark Ugoretz**

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Mark J. Ugoretz has been president and CEO of the ERISA Industry Committee (ERIC) since 1983 and has responsibility for managing the association's legislative, regulatory, and educational mission. ERIC is a Washington-based association representing exclusively the employee benefits interests of America's largest employers.

Prior to joining ERIC, Mr. Ugoretz managed the nationwide state legislative and regulatory interests of a consumer drug association, was chief of staff to a senior member of Congress, and served as an attorney/advisor to the chairman of the National Labor Relations Board.

Mr. Ugoretz is a graduate of the University of Wisconsin Law School. He received his undergraduate degree in political science from the University of Wisconsin, where he also did graduate work in industrial relations.

## **Lois A. Vitt, Ph.D.**

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Lois A. Vitt, Ph.D. is the founding director of the Institute for Socio-Financial Studies (ISFS), a nonprofit institution that develops and delivers researched consumer financial education strategies and evaluation methods. The Institute's objective is to bridge the widening gulf between organizations—public and private—and consumers. Its purpose is to help them understand one another's viewpoints, values, cultures, and needs, to more smoothly navigate the increasingly complex socio-financial marketplace and world in which we live.

Dr. Vitt directs feasibility, benchmarking, strategic, and evaluation studies in personal finance education, health care finances, the finances of aging and retirement, and employee work-place financial education. She is editor-in-chief of the two-volume *Encyclopedia of Retirement and Finance* (Greenwood Press, 2003) and author of articles and books about consumer finances. Her forthcoming book is about consumer health care finances.