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WFC Launches Innovative Health Cooperative for Farmers

Farmers' Health Cooperative of Wisconsin will provide quality coverage at an affordable price

MADISON, Wis. (February 19, 2007) – Affordable, quality health insurance is in sight for farmers and agribusinesses thanks to efforts led by the Wisconsin Federation of Cooperatives (WFC) to create a new statewide, health insurance purchasing cooperative to strengthen Wisconsin's agriculture industry.

The Farmers' Health Cooperative of Wisconsin (FHCW) has been created under the "Co-op Care" law crafted by WFC to help farmers and small employers gain leverage in the health insurance market. While Co-op Care has spurred a handful of small employer cooperatives in various stages of development around the state, FHCW will be the first of its kind dedicated to serving Wisconsin farmers and agribusiness.

"FHCW is an innovative health care plan written by farmers for farmers and will provide health insurance designed to address the needs and wants of farmers and other agribusinesses at an affordable price," said Bill Oemichen, WFC president and CEO. "The quality of the insurance plans offered through the cooperative is comparable to those currently available only to larger businesses. Members will benefit from a choice of six products, the freedom to choose their own doctors and hospitals, first dollar coverage of preventive care and a comprehensive benefit package most farmers can't access today."

The cooperative is contracting with Aetna, one of the nation's leading diversified health care benefits companies, to underwrite the insurance for cooperative members. "We've had a lot of interest from other insurance companies, but Aetna really surpassed the others in their willingness to address the needs specific to Wisconsin agriculture," Oemichen said. "Instead of trying to make us fit into their idea of what insurance should look like, they worked with us to design products that fit this industry. Their flexibility and attentiveness to farmers' concerns really shows their commitment to helping Wisconsin save family farms."

"Support for the agricultural community is consistent with Aetna's commitment to expand access to health care for all Americans," said David Corkum, Aetna Region Head for National Accounts. "One important way to ensure the continued vitality of the family farm is to protect its health and wealth. Maintaining adequate health coverage can prevent unexpected medical expenses from leading to catastrophic loss."

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- Farmers' Health Cooperative of Wisconsin, contd. -

Oemichen said Aetna has a unique understanding of the agriculture industry thanks to its partnership with Agri-Services Agency (ASA), an insurance management company owned by DairyLea Cooperative that currently provides health and workers compensation insurance to 70,000 farmers and agribusinesses across the U.S. WFC credits ASA with bringing Aetna to the table in Wisconsin.

According to Oemichen, ASA will manage the administrative responsibilities of the health insurance purchasing cooperative and considers this one of the cooperative's most valuable assets. "This is a company that understands farming because it is owned by farmers," Oemichen said. "They have over 30 years of experience meeting the insurance needs of farmers, with a stellar reputation for customer service."

Like other cooperatives, FHCW will be owned and governed by its farmer and agribusiness members, which means they will be directly involved in the financial and benefit decisions made by the cooperative. In developing the cooperative, Oemichen said WFC sought input from thousands of farmers to find out what is and isn't working in their current health care plans. "To sum it up, there is a lot that isn't working," he said.

For example, Oemichen pointed out that most health care plans offered in the state do not provide coverage for injuries sustained while working, a practice that has proven devastating for a number of farmers who found out too late their coverage was lacking. "Most of our small family farms aren't required to purchase workers compensation coverage, and producers falsely believe their health insurance will cover these claims if they're hurt," Oemichen said. "Coverage through the Farmers' Health Cooperative is designed to meet this and many other needs unique to farming."

Oemichen said WFC's efforts were bolstered by a number of strong partners besides those already mentioned. "WFC could not have achieved this success without the support of our member cooperatives, U.S. Senator Herb Kohl; Congressman David Obey; the UW School of Medicine and Public Health's Wisconsin Partnership Program; AgStar Fund for Rural America; the Wisconsin Department of Agriculture, Trade and Consumer Protection; Governor Doyle; Senators Sheila Harsdorf and Jon Erpenbach; former Representative Curt Gielow; Representative Al Ott and the Wisconsin Legislature. Wisconsin agriculture is fortunate to have so many individuals committed to improving health care and preserving Wisconsin's agriculture industry," said Oemichen. "We are proud to stand side by side with these forward thinking individuals and organizations to bring something unique and innovative to the state of Wisconsin."

Oemichen said he's excited about the high quality and competitive price of the insurance products offered through the cooperative, but it's nothing compared to his excitement about the future of the Farmers Health Cooperative. "The real impact on cost is going to be felt in the long term, after the cooperative has had a chance to grow and become successful."

New Glarus dairy farmer Dan Truttman agreed. "I'd say it's a pretty good deal for farmers and their families...it'll be a great way to keep a lid on costs and get better coverage for themselves."

Farmers and businesses serving agriculture are invited to contact the Farmers Health Cooperative of Wisconsin for more information by calling (800) 539-9370 or by contacting its website at www.farmershealthcooperative.com. Additional information about Aenta can be found at www.aetna.com.

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