

CoreSource Office Profile: Chicago
Date last revised: 7.20.07

Headline: **CoreSource in the Midwest:**
Chicago

(left column: see NGS American profile for formatting – R450-150)

Office At a Glance

Name
Chicago

Location
18401 Maple Creek Drive, Suite 300
Tinley Park, IL 60477
Phone: 800-848-3012

Office Leader
Jane Bergman, Vice President, CoreSource, Inc.

Lives Administered
Medical: 19,571
Dental: 15,563 (will increase as accounts are upgraded from ERISCO system)
Flex: 4,914
Vision: 4,092
Specialized Eligibility Services (CoreRemote and e-Select): 9,966

Sales Territory
Illinois, Indiana, Iowa, Wisconsin, other areas where Sales team has broker relationships

2006 Annual Net Revenue (Rich, I think you'll need to ask Paul or Jane for this; I can't seem to get it from the sources I've tried over the last 3-4 weeks. –Jim)

Number of Clients
Medical: 41
Dental: 29
Flex: 18
Disability: 8
Specialized Eligibility Services (CoreRemote and e-Select): 11

Largest Clients
DSC Logistics
Public Utility Company (Name withheld at client's request)

Other Notable Clients
Reid Hospital, South Suburban Benefit Cooperative, Heritage Manor

How's Business?

"It's never been more competitive. We know we have to be out there every day, listening, responding, and delivering. Our biggest competitors used to be other TPAs, but in recent years it's the BUCA carriers with their big discounts." --*Jane Bergman, Vice President*

What Are Clients Asking About?

Plans designed to encourage accountability among their workers

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As one of the nation's top business markets in the United States, the Chicago area is a key marketplace for CoreSource, Inc. Along with the company's headquarters located in Lake Forest, Ill., CoreSource maintains a sales and claims service location out of the southwestern Chicago suburb of Tinley Park, Ill.

The Tinley Park office serves self-funded clients in the Chicago metropolitan area as well as those located central Illinois, northwest and central Indiana, Wisconsin, Iowa, or any location in the U.S. where their broker relationships take them.

CoreSource Vice President Jane Bergman leads a team of sales, client management and claim professionals who take great pride in building a strong presence on the Trustmark Companies "home turf," and on running a "lean and mean" operation.

Bergman is a 27-year industry veteran who knows the TPA business inside and out. She also leads CoreSource's Tucson office, and was a major influence behind the company's strong persistency marks heading into 2007. As a manager, Bergman continually seeks new ways to get the best out of her staff, whom she refers to as her teammates.

In 1981, Bergman went to work for a TPA known as Jackson, Long & Associates, which had a location in Tinley Park. As a result of her diligence and collaborative style, she was asked to take charge of that office five years later, around the time her company was sold to Lincoln National (LN). She and her staff enjoyed a relatively high degree of operating autonomy under LN, which also provided many of the resources of a large national insurer. Then, in 1991, when LN got out of the group health business, the office was bought by a group of three venture-capital firms. It was this group that sold the office to Trustmark/CoreSource in 1997.

Bergman recently reflected on the changes she's experienced in Tinley Park and within the TPA marketplace in general:

Q: What's the biggest difference between being a part of CoreSource and being part of those other, earlier companies?

A: The Tinley Park office was just one of 13 across the country that Lincoln National purchased in the mid-to-late '80s. Not all of those offices thrived under LN, but ours did. CoreSource is an entirely different kind of company. It has provided us with many things that LN never did. Probably the biggest difference is that CoreSource provides formal training and development programs for employees, whereas LN did not. CoreSource also has unified all of its offices under a single TPA structure and set of processes, which gives us a clear focus and enables us to work together when necessary. Several of today's CoreSource offices – including Baltimore, Chicago, Charlotte, Columbus, Lancaster, and Tucson – are former LN offices.

Q: What's business like in the Chicago region? What are people talking about?

It's never been more competitive. We know we have to be out there every day, listening, responding, and delivering. It seems like whether you talk to brokers, clients, or prospects, the hot topic is consumer-driven health plans that encourage greater financial accountability among employees. Even our clients who do not yet offer these plans—and that's a majority of our clients—know this is the direction they need to go. And they are showing more interest in our consumer-driven products. The other hot topics are Total Healthcare Management and the kinds of focused reports like what D2Hawkeye provides as well as specialty pharmacy programs.

Q: How have things changed for your Sales and Client Management teams?

A: We've started administering HRAs (Health Reimbursement Arrangements) for some of our clients; that's new in the last few years. But the bigger change, which has been going on much longer, is how increasingly complex it is for our clients to manage their employee healthcare programs. For example, HIPAA and Medicare Part D, because of their many rules and regulations, have added tremendous complexity for our clients. In response, our Sales and Client Management people have taken on a much more consultative role, because our prospects and clients need help sorting out the details of these plans. Our Sales and Client Management teams have been able to step up to this role because of all the training they have received in recent years. In fact, these teams will probably receive more intensive training in 2007 than any year in our history.

Our competitive landscape has changed over the years, too. Other TPAs used to be our main competition, but now the BUCA carriers (BlueCross BlueShield, United Health, Cigna, and Aetna) are clearly our big competition because of the steep discounts they offer. As always, we have to counter them with excellent service and a deep understanding of each client's unique needs and preferences.

Q: What other strengths or competitive advantages do you see in your team?

Our staff's longevity in and their knowledge of the TPA industry is crucial to our success. I think you would be hard-pressed to find a better group elsewhere. That's true not only of our sales and client-service people, but the whole team here. I believe that's a major reason why this office has always been profitable for Trustmark.

Q: Are there "little things" that matter to you, especially when leading and motivating your team?

A: Well, for example, I make a point of not sitting at the head of a table when meeting with our staff. That's a small thing that reflects my belief that no one in this office, including me, is more important than anyone else. It's a way of conveying that we're all part of a team, and that we need to operate that way in order to achieve our goals. It also reflects my personality: I'm a down-to-earth person and I believe my strength is not having a set of degrees listed after my name. I just try to care about the business as if it were my own, and treat each client as if it were my own.

Q: What do you do to keep your employees motivated?

We maintain an Employee of the Month board and it helps to keep everyone striving. Another motivator is our quarterly luncheons that acknowledge service anniversaries, new employees, and instances of superior client service. On a day-to-day basis, I think the biggest motivator is living that idea I mentioned before: that everyone in this office is important. By doing that, I think everyone comes in feeling that their time here is meaningful and valued, which it is.

Q: Are there pros or cons to being in the field office located closest to Trustmark headquarters?

Not really. I think I probably see less corporate management than the other offices do!