

Welcome everyone to the first annual meeting of your cooperative, the Farmer's Health Cooperative of Wisconsin - the first of its kind in the nation. This is really something to be proud of. My name is Jeff Bennesch, Chairman of your interim board of directors. I'm a dairy and grain farmer from Colfax with a strong belief in cooperatives. I also serve on DFA's Central Area Council Board and on the Wisconsin Federation of Cooperatives Board. Today I'm going to tell you a little bit about how we got here, what it means to be an owner in this cooperative and what the vision is for the future. But first, I'd like to introduce the other members of the interim Board of Directors.

Bob Grabarski – Bob farms near Arkdale and currently serves on the CHS Board. He formerly served on the boards at Alto and the Wisconsin River Cooperative. Bob is not here today because he is attending a CHS meeting.

Sandi Cihlar – Sandi farms near Mosinee and is a long time advocate for farmers, whether it's health care or milk marketing or farm safety – she has worked for many years with great success to improve the lives of farmers and farm families. She also serves on the Milk Marketing Board and on the Agri-Safe Board.

Senator Sheila Harsdorf – Senator Harsdorf actively farmed until about five years ago when she sold her interest in the farm to her brother. She has served in the Wisconsin legislature since 2000, and was the lead Senate author of the bill that allowed Farmers' Health Cooperative to become a reality.

Dan Truttman – Dan owns a 160 head dairy grazing operation near New Glarus and also serves on his Town of York board. He is actively involved in the Swiss United Church of Christ.

Bob Topel - Bob runs a 215-cow dairy operation near Waterloo Wisconsin and is a founding member of the Foremost Farms USA Board of Directors. Bob also serves on the Wisconsin Federation of Cooperatives Board, on the Wisconsin Livestock Siting Review Board and as Vice-Chairman of the Interim Board of Directors of the Farmers' Health Cooperative of Wisconsin.

Bill Oemichen – Bill is CEO for the Wisconsin Federation of Cooperatives and was the state's top consumer protection official from 1996-2001. Bill serves as the Secretary-Treasurer on the Interim Board.

Melissa Duffy - Melissa is the Director of Government Relations for the Wisconsin Federation of Cooperatives primarily in the areas of health care, telephone, town mutual insurance and credit unions. For the last four years she has worked extensively on the Co-op Care project – the parent to the Farmers' Health Cooperative of Wisconsin.

Katie Mnuk – Katie is the Co-op Care Project Coordinator at the Wisconsin Federation of Cooperatives. Katie takes care of the working details of the Farmers' Health Cooperative.

I would also like to introduce Cathy Mahaffey. Cathy serves as consultant to WFC and the Farmers' Health Cooperative. Kevin O'Keefe is also here from Agri-Services Agency, he's the national sales manager for ASA. ASA's local representative in Wisconsin, Tom Abel, intended to be here but instead he is meeting with a large group looking to buy insurance through the cooperative. Mike Sisk, from Aetna, tried to make it but he got stuck in Detroit. Mike is the Farmers' Health Cooperative representative from Aetna.

So, how did we get here? It's been quite a journey that began four years ago at the Wisconsin Federation of Cooperatives. That's where the idea of bringing people together to buy health insurance began with a piece of legislation written by WFC. Senator Shiela Harsdorf and Senator Jon Erpenbach were the lead authors of the bill in the Senate, and former Representative Curt Gielow was the lead Assembly author. The bill was ultimately approved by the entire legislature and signed into law by Governor Doyle.

Once the legislation was approved, WFC worked to secure grant dollars to support the project. Congressman David Obey and Senator Herb Kohl helped WFC secure stop-loss funding through a USDA Rural Development Grant. Department of Agriculture, Trade and Consumer Protection Secretary Rod Nilsestuen helped the cooperative by providing start-up funding. We also received funding from the University of Wisconsin Medical School's Partnership for a Healthy Future Fund.

WFC spent countless hours working to get the legislation approved, funding secured and the groundwork laid to what has today become the Farmers Health Cooperative of Wisconsin. And they did it for one reason: to help keep us farming. This is truly a cooperative effort to build something unique and lasting.

There are others that need to be thanked. Your Farm Credit Cooperatives, particularly AgStar Financial Services, Badgerland Farm Credit, FCS Financial and Greenstone Farm Credit put money and effort into this cooperative. Your farm supply, telephone electric and dairy cooperatives got behind it. Credit unions and town mutual insurers helped support and market the program. And there is no doubt that the Farmers Health Cooperative wouldn't have gotten off the ground if it wasn't for what I would call a perfect marriage between the Wisconsin Federation of Cooperatives and Agri-Services Agency.

By now, most of you are probably familiar with ASA. They are the ones who provide you with a level of customer service a step above what you'd receive from other insurance companies or insurance agents. They should be your first call if you have questions or concerns about your coverage. But how many of you knew that ASA is also cooperatively-owned? They are a subsidiary of Dairy-Lea Cooperative based in Syracuse New York. They know agriculture, they know health insurance. Their mission, long before they ever came together with WFC to establish this cooperative, was to provide affordable health care to farmers across the nation.

It was ASA's relationship working with Aetna to insure farmers in other states that helped pave the way for one of the best known and highest quality health plans to become part of this cooperative. Aetna is one of the nation's top five insurers, and Aetna allowed WFC and ASA to design health insurance coverage around our needs as farmers and agribusinesses. And that is something you wouldn't get from most health plans.

I want to pause here to say thank you and give a round of applause to WFC, ASA, Aetna and the rest of the many organizations and lawmakers that played a part in establishing this cooperative. They should be proud of what they've accomplished.

All of us should also be proud – proud of what we've chosen to take part in. By joining this cooperative we've been able to reap the benefits of a value added group insurance product. Maybe you've received lower costs or better coverage than you had previously. Many of you now have access to coverage you never enjoyed before such as first dollar coverage of preventative care and coverage for accidents that occur while you're at work on the farm. These are critical benefits for those of us who make our living farming. And because we're part of a large group, we don't have to worry that our rates will go through the roof should anything happen. We're in this together, and as long as we stay together there is no reason this cooperative won't be around for a long, long time.

Group purchasing brings great benefits but it also comes with responsibilities. Look around you at the others in this room. Every decision you make about your health and affects the hundreds of other men, women and children who also own this cooperative. I urge you to do everything you can to stay healthy to prevent accidents and injuries and manage diseases. Get your annual exams and screenings and please take advantage of our first dollar coverage of preventative health services. Be sure to manage any health issues you may have such as high blood pressure or diabetes, not only to control costs but to help keep you healthy. We want to keep our claims down so the co-op can continue offering low renewal rates like we did this year.

And that's really why we're here – why this cooperative exists. We want to keep our rate increases in check so we can continue to farm and work without having to worry about our health insurance company dropping us or not being able to afford coverage. We may not always be as successful as we were this year in getting a low rate increase, but as a cooperative we can be vigilant about monitoring claims so we know if our rate increases are justified. And we can use our group buying power to negotiate better rates and better coverage than we could do on our own.

When this co-op began, WFC and ASA decided that they would be successful if they could serve 1000 farmers by the end of the first year of the co-op's operation. Today we're serving 1783 members after only 7 months in operation.

But we can't rest on our laurels. This cooperative, your cooperative, has great potential. Down the road, we may wish to see this cooperative offering new kinds of insurance and other services. As a member owned cooperative, we can decide that together. The co-op plans to begin publishing a newsletter and offering education programs to address areas

of concern, such as farm safety and wellness programs. We must continue to work with Aetna to strengthen our network, especially in Western Wisconsin, where members don't have as many choices as the rest of the state. We must continue to exceed expectations. We must continue to grow, or this co-op will perish.

There are a lot of insurance companies that would like to see exactly that. Some of you may have noticed since the launch of the Farmers' Health Cooperative that other insurance companies – companies that took producers for granted for so many years - have begun to reduce their premiums and increase their benefits because they now have to compete with us. The cooperative way is working. We should not be fooled, and our neighbors should not be fooled by their improved service. Those companies would immediately revert back to their old ways should Farmers' Health cease to exist.

With the Farmers' Health Cooperative up and running and Minnesota's program not far behind, we are being watched. I have talked to people from Minnesota, South Dakota, Kansas and Nebraska and staff has talked to others in Texas, Ohio, Illinois, Iowa, Missouri, Indiana, Vermont and Washington State. Staff has also met with Congressmen and Senators from around the nation. The Congressional Research Service is currently compiling a report on the Farmers' Health Cooperative of Wisconsin. We are being watched – let us give them a very successful model to build their own programs on. Continue your membership in this cooperative, and help build its membership by talking with your friends and neighbors about it.

In a few minutes, we will be asking for people to serve on the nominating committee for 2008, and also for nominations from the floor for Board Directors to take over for the interim board in 2008. You will receive ballots by mail for board elections in the next few weeks. This is your cooperative; it works best when you are involved. I ask that you think about serving in one of those positions, and most importantly, please vote!

In conclusion, I just want to say it's been an honor to serve as the interim Board Chairman for this groundbreaking cooperative. We have already done so much good for farmers in this state, and I'm proud to have been a part of that. The future looks bright. Together it will stay bright.

Thank you.