FELRA-UFCW HEALTH COACH 2013 ANNUAL REPORT

Presentation to
Board of Trustees –
Associated Administrators

February 2014

Overview

Program Outcomes and Participation Highlights

- Medical Cost Savings and Return on Investment (ROI)
- Clinical Quality: HEDIS®
- Program Engagement and Impact
  - Individuals with Chronic Conditions
  - Individuals with Preference Sensitive Conditions (PSC)
- AutoDialog® Outreach

Program Opportunities & Innovations

- Total Population Health and Wellness
  - Tobacco and Weight Management Programs
  - Online Portal for Improved Member Experience
- Expanding the Outreach Criteria: Whole-Person Risk
- Innovative Enhanced Diabetes Management Program

Appendix

Health Dialog

PROGRAM OUTCOMES AND PARTICIPATION

Executive Summary

Medical Cost Savings and Return on Investment (ROI)

Based on the engagement and program activity achieved in 2013 (Program Year 8), the FELRA-UFCW's *Health Coach* Program achieved **$928,484** in cost savings (+/- $155K), representing a return on investment of approximately **1.6 to 1**.

Program Engagement and Impact

Interactions and relationships with high risk chronic individuals and individuals with preference-sensitive conditions (PSC) continue to remain high.

Clinical Quality - HEDIS®

The 2013 HEDIS® adherence rates held steady across most measures compared to 2012. The final year-end results for 2013 will be available in June 2014, to allow for claims runout.

Identifying Opportunities

Over **60%** of the FELRA-UFCW population has a lifestyle risk. Wellness outreach would be beneficial to improve health outcomes and prevent further health issues.
Also, outreach criteria can be expanded to include more high risk conditions, thereby increasing the opportunity for savings.

Activity-Based Medical Cost Savings

Using an activity-based approach for measuring medical cost savings is the recommended methodology for the FELRA-UFCW population.

- ✓ Per recommendation of the Care Continuum Alliance, this is an appropriate methodology with the ability to measure savings on **population sizes below 30,000 individuals**.
- ✓ It offers the opportunity for an **integrated approach** to measuring cost savings among a broad section of population – individuals identified with a chronic, preference-sensitive, or expanded high risk.
- ✓ Moving the measurement period to the calendar year from the traditional program year (September - August) is an appropriate step in order to align the savings with the yearly outreach activities and other program measurement.

Activity-Based Medical Cost Savings: Year 8

Total Eligible Individuals	25,568
Individuals with Interactions	1,398
Interaction Months	9,470
Medical Costs PMPM	$819
Est. % Savings per Interaction Month	12% (+/- 2%)
Estimated Savings	**$928,424**
Estimated Savings PMPM	**$3.35**
ROI	**1.6 : 1**

Medical cost savings are estimated based on:

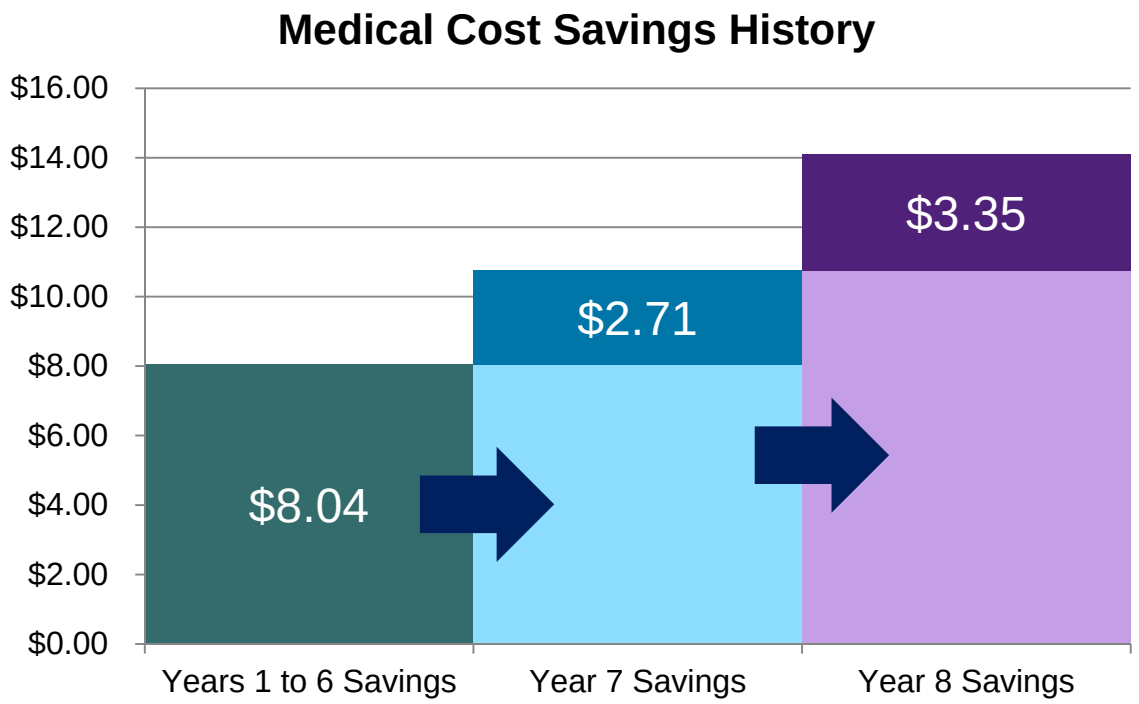
- The mix of risk in the population
- Actual program activity

ROI exceeds the guarantee of 1 : 1

Activity-Based Medical Cost Savings: Year 8

Savings for program years 1 to 6 were calculated against a baseline before the program started and therefore capture savings for that entire time period.

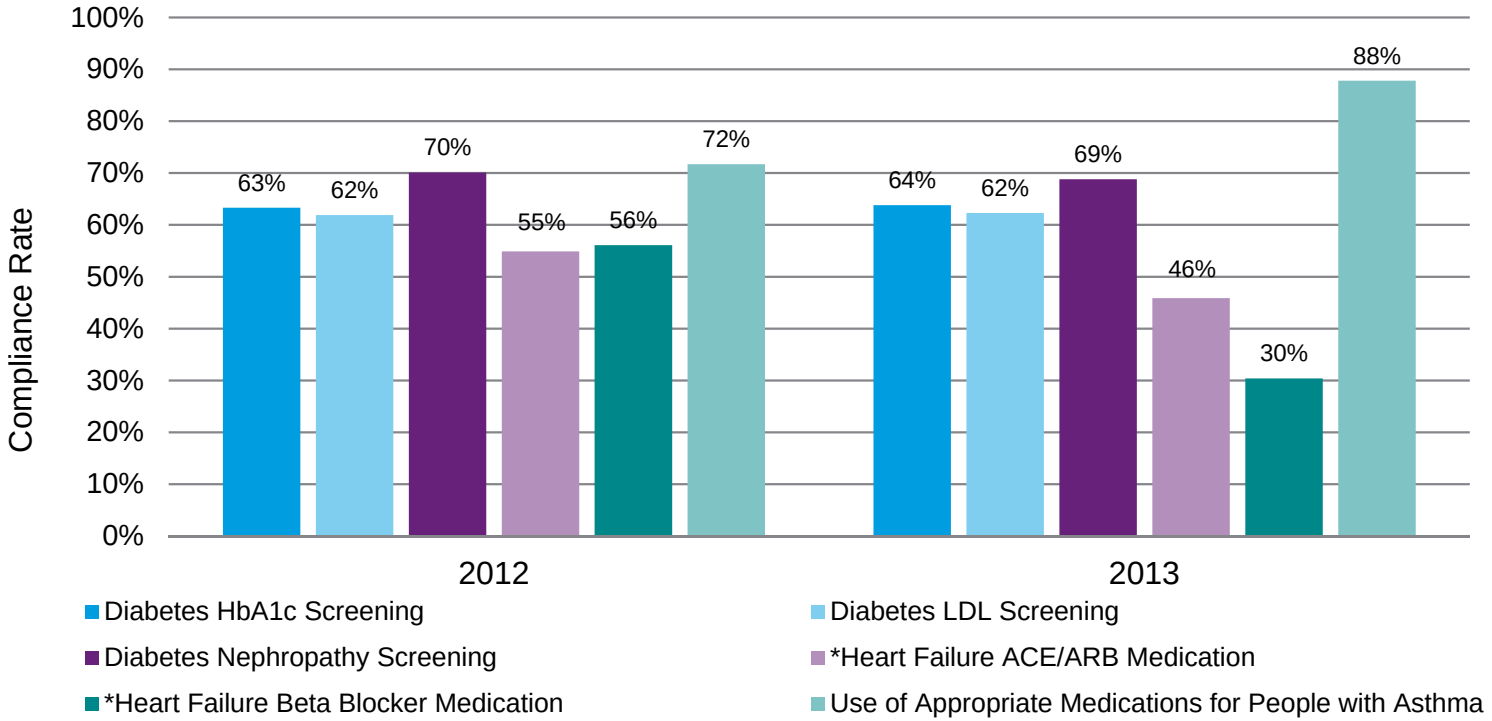
Savings for program years 7 and 8 capture one year of savings and therefore are incremental on top of the savings generated in years 1 to 6.



Clinical Quality: HEDIS®

Year-to-date adherence rates are mostly steady across conditions in 2013.

Medication adherence appears higher for asthma but lower for heart failure. Heart failure has very small denominator sizes which make the results more variable.

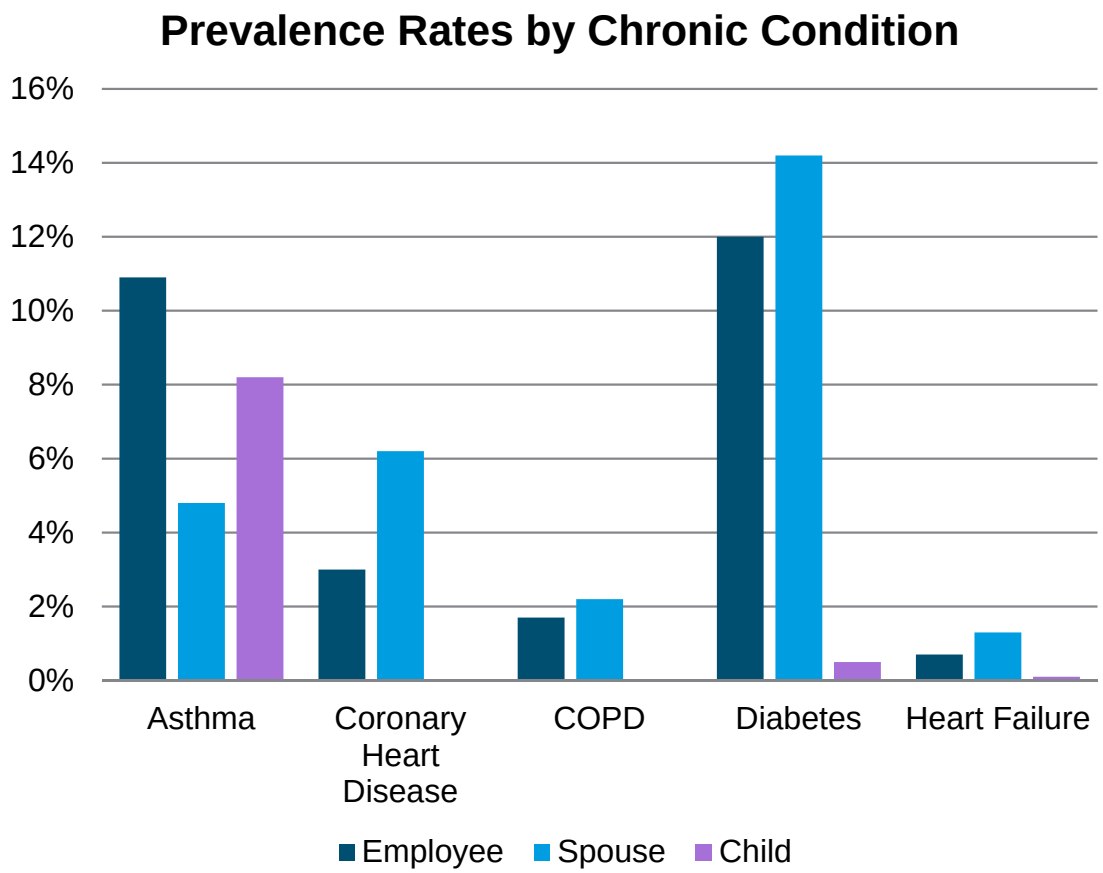


*Small denominator: Heart Failure ACE/ARB = 61 individuals, Hearth Failure Beta Blocker = 46 individuals
**Year-end HEDIS results require 3 to 6 months of claims runout before they can be analyzed. Final results will be available in June 2014.

Condition Prevalence – Chronic Conditions

Chronic Conditions

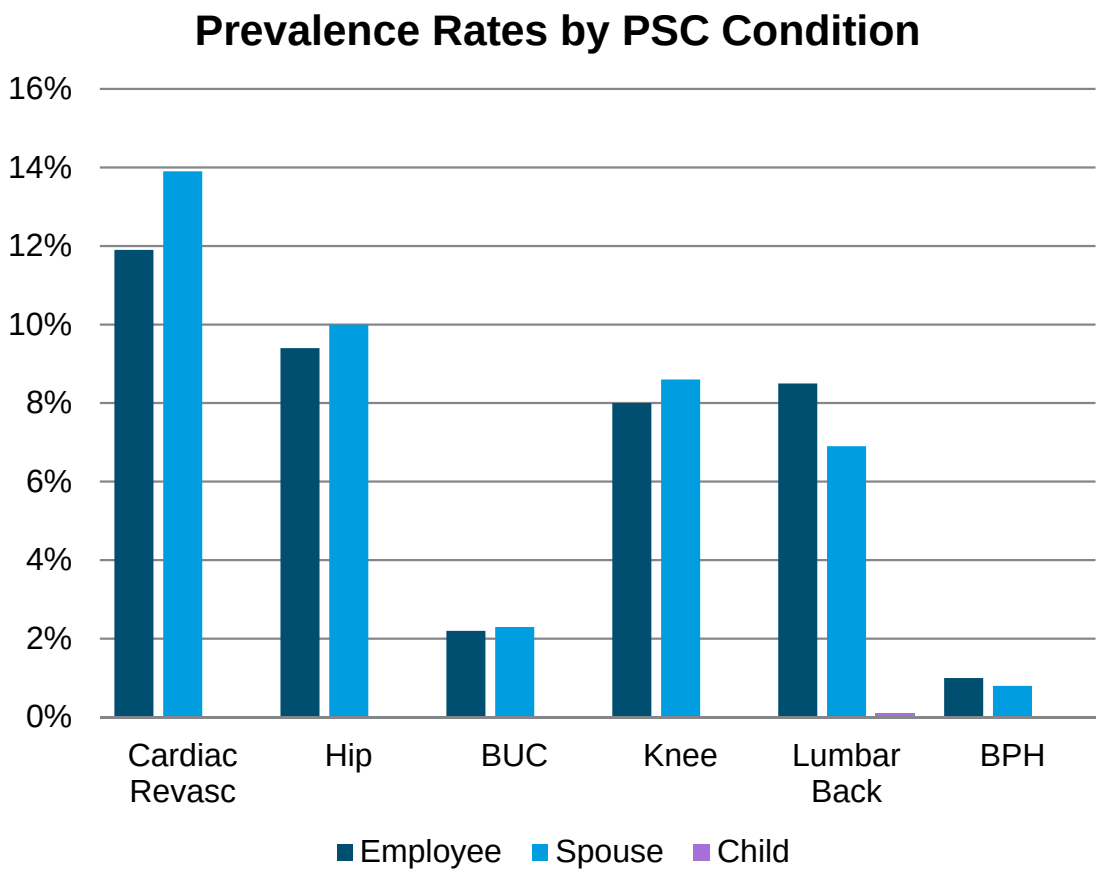
- Diabetes is the most prevalent chronic condition
- Diabetes rates for employees and spouses are above the national average of 8%
- Among adults, employees have lower chronic prevalence than spouses for all conditions except asthma



Condition Prevalence – PSC Conditions

PSC Conditions

- Cardiac catheterization has the highest risk
- All musculoskeletal conditions (hip, knee, lumbar back) have significant risk
- Employees have lower PSC risks than spouses for most conditions, with the biggest exception being lumbar back surgery



Program Impact – Measuring Engagement

Awareness

- **The program contacted the member**
  - Mail, call attempts
  - Outbound email, web activity, onsite activity

Interaction

- **The member responded to the program**
  - Coach conversations, inbound transfers
  - Online activity, email activity

Relationship

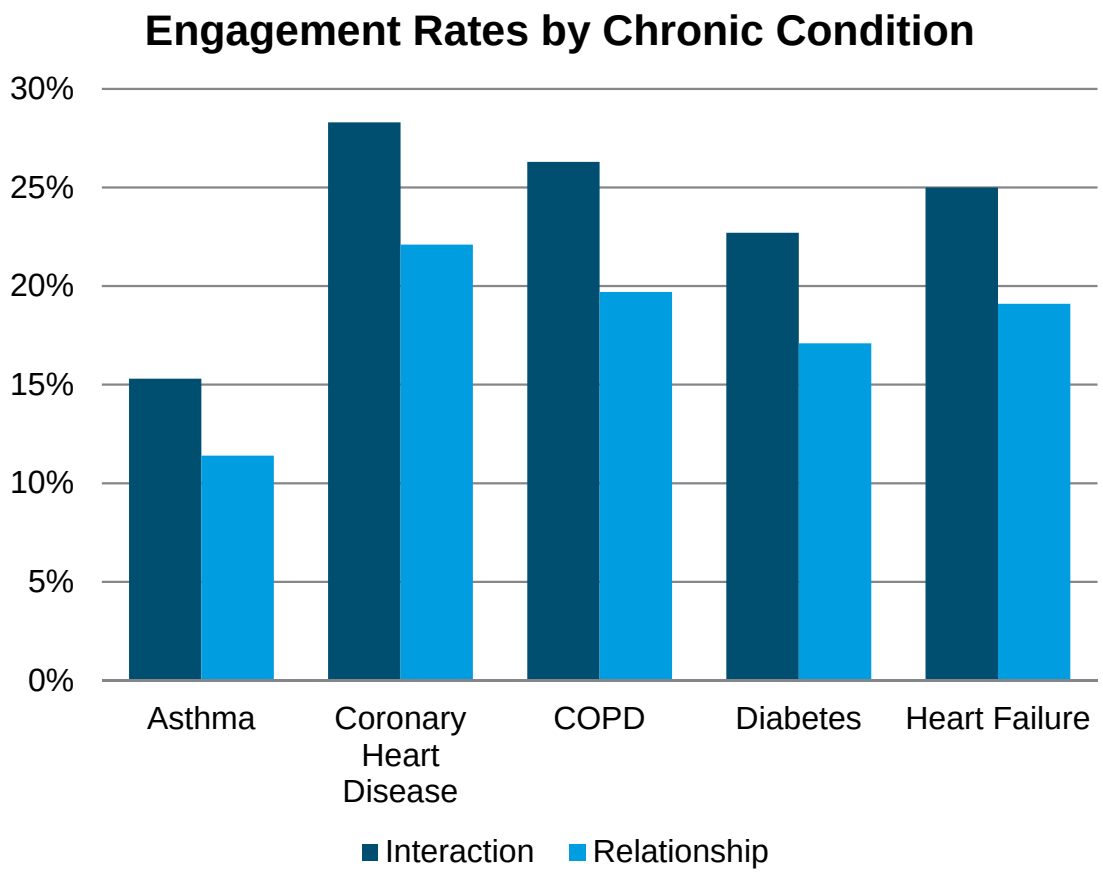
- **Repeated interactions**
  - Multiple interactions within a 6 month period

Program Impact – Chronic Conditions

Individuals with Chronic Conditions

In 2013 (Program Year 8),

- **83%** of the chronic population is aware of the program
- Through targeted outreach efforts, we interacted with **19%** of the chronic population
- Of those with interactions, **75% have relationships**

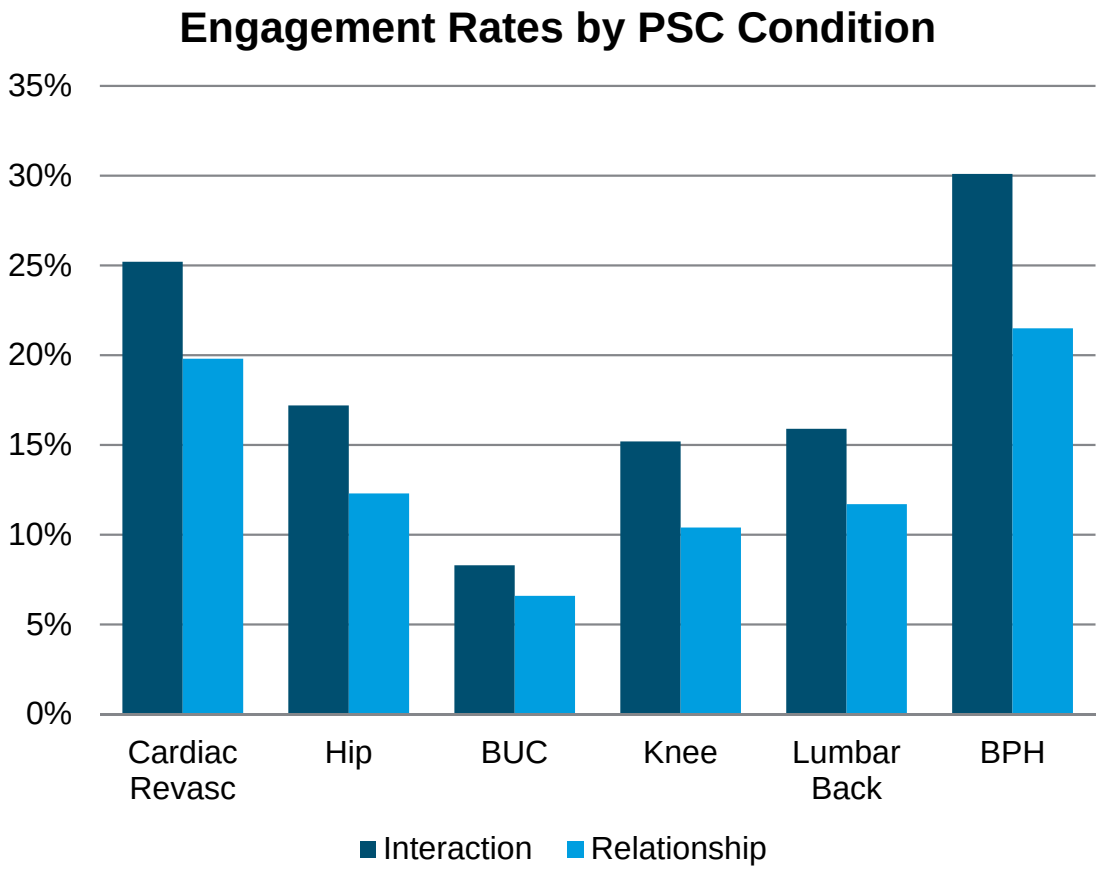


Program Impact – Preference Sensitive Conditions

Individuals with Preference-Sensitive Conditions (PSC)

In 2013 (Program Year 8),

- **63%** of the PSC population is aware of the program
- Through targeted outreach efforts, we interacted with **18%** of the PSC population
- Of those with interactions, **74% have relationships**

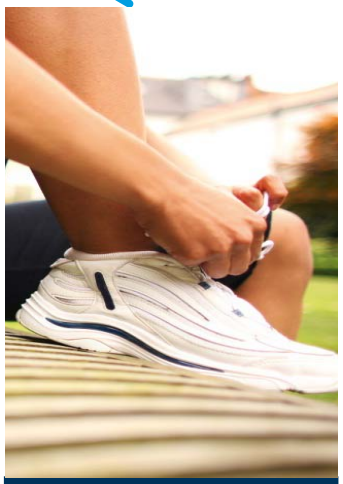


Health Dialog

PROGRAM OPPORTUNITIES & INNOVATIONS

Total Population Health

From staying well → **To intense support**



Wellness:

Lifestyle risk coaching

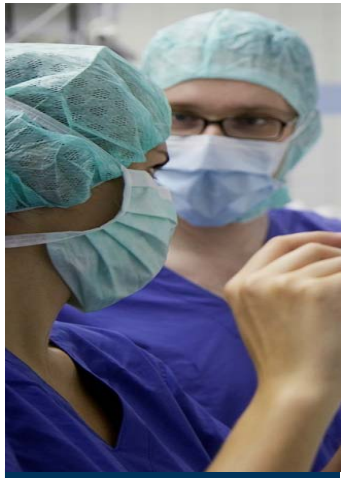
Online HRA

Online trackers and goal setting

Device integration

24/7 Nursing:

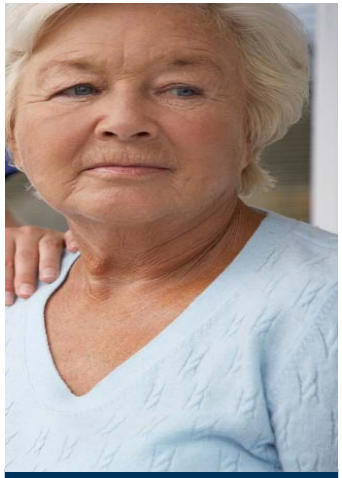
Access to some of the most experienced nurses in the profession for around the clock care.



Chronic Disease Management

Coaching the whole person

Encouraging preemptive action to avoid admissions



Case Management

Help coordinate, plan, and assess treatment options

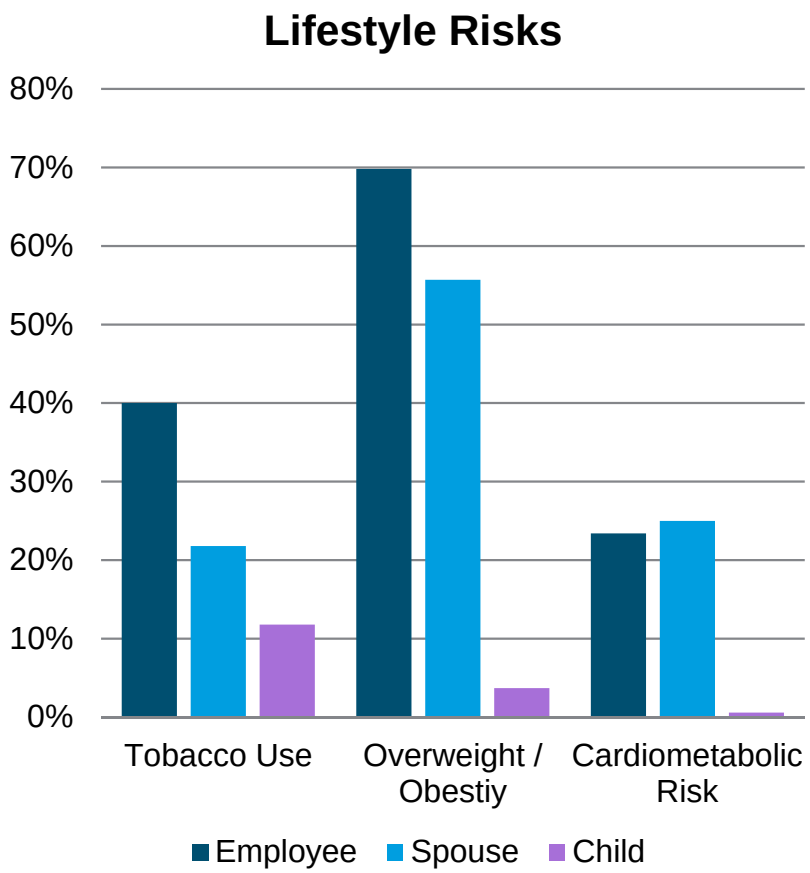
Provide follow-up support

Acute Care Decision Support

Education about cost-saving alternatives

Making member preferences a priority

Total Population Health and Wellness Dialog®



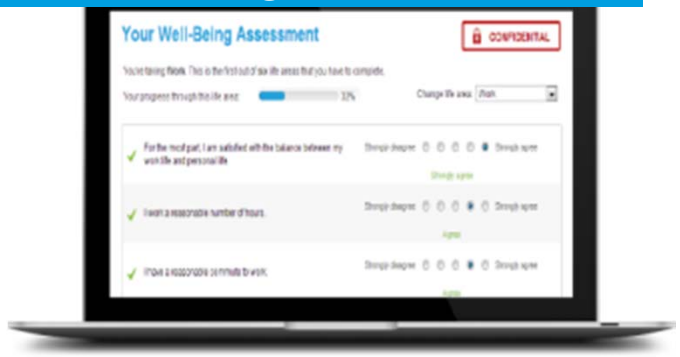
Wellness Opportunities

- Lifestyle risks are high, particularly for **overweight/obesity** and **tobacco use** amongst **employees**.
- To prevent future disease and associated costs, outreach programs should also focus on members identified with lifestyle risk.
- Our program combines advanced analytics, sophisticated engagement methods, and effective behavior change techniques for members with lifestyle risk. The program offers online tools and structured telephonic coaching programs.

A complete online solution

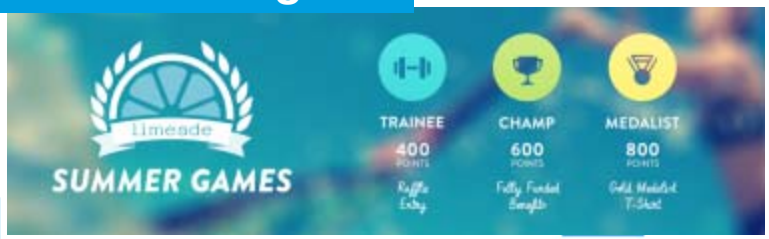
Engagement tools that drive action

Well-Being Assessment



Flexible challenges

Incentive engine



Personalized recommendation

Powerful decision aids

Our results

65%

of eligible individuals register online

TOBACCO QUIT RATE

42

percent

SIGNIFICANT WEIGHT LOSS

34

percent

COMPLETE A WELL-BEING ASSESSMENT

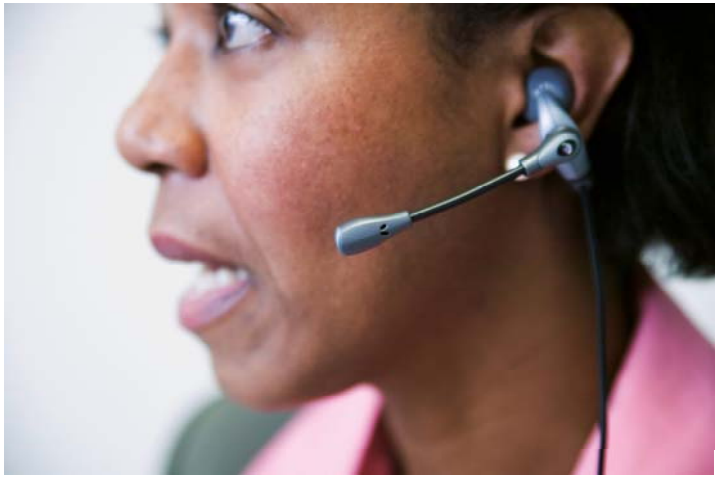
80

percent

Whole Person Risk

Whole Person Risk Targeting

- In addition to targeting individuals with chronic and preference-sensitive conditions, Health Dialog has identified thirty expanded high risk conditions that can be targeted.
- These conditions encompass additional high cost conditions that are coachable by a Health Coach.
- Engaging individuals with additional medical costs will lead to increased medical cost savings.
- Refreshes the program with some new focuses for FELRA individuals.



Enhanced Diabetes Management Program Overview

Our **proactive** diabetes management program is the only program that **combines mobile monitoring** technology, **analytics**, and **health coaching** to provide members with **personalized** and **real-time support**

Key Benefits:

- Early engagement through the well-being assessment
- Advanced, integrated analytics that drive timely and deep engagement
- Coaching interactions enriched by insights from monitor and analytics
- Easy to use and member-centric program

Program Results

- Increased adherence to care plans
- Improved blood glucose control
- Medical cost savings
- Reduced admissions and
- High-levels of member satisfaction

Results

Three Pilot Programs

- Showing positive results in 3 months
- Overall, average blood glucose (BG) was reduced by 11% across the entire population
- 68% of patients experienced a reduction in their average BG
- 89% of patients with an average blood glucose (BG) of 200mg/dl at the beginning of the pilot experienced a reduction in their average BG.
- In one pilot in which patient adherence to testing is being measured as a goal, better than 85% of patients are following physician prescribed tests per day

Care Team Feedback

- ✓ "Excellent BG meter, excellent tracking device, ability to send text to patient is innovative."
- ✓ "This is great, 47% had downward trend, which suggests they may not need to be contacted at all and 35% are trending upward, suggesting they need to be contacted."

Using a scale of 1-5, overall experience was high:

Provider	4.5
Patient	4.7

2014 Program Recommendations

1. To prevent future disease and associated costs, expand the program to support behavior change and improve the health of employees and adult dependents with identified with lifestyle risks.
    - Tobacco Cessation (40% of employees and 22% of adult dependents)
    - Weight Loss (70% of employees and 56% of adult dependents)
    - Cardiometabolic Risk (23% of employees and 25% of adult dependents)

2. Drive medical cost savings by expanding the outreach to be based on whole person risk which would include 30 additional high cost conditions.

3. Given the high prevalence of diabetes in your population (12% of employees and14% adults dependents), consider elevating the support you are providing to these individuals by implementing the innovative enhanced diabetes management program which integrates real time data and health coaching to help individuals learn how to better manage their condition.

Health Dialog

APPENDIX

Decision Aid Library

Cancer

Breast Reconstruction: Is It Right for You?
Ductal Carcinoma In Situ
Early Breast Cancer: Hormone Therapy and Chemotherapy
Early Breast Cancer: Choosing Your Surgery
Living with Metastatic Breast Cancer
Benign Prostatic Hyperplasia
When the PSA Rises After Treatment
Is a PSA Test Right for You?
Treatment Choices for Prostate Cancer*
Colon Cancer Screening

Women's Health

Managing Menopause
Treatment Choices for Abnormal Uterine Bleeding
Treatment Choices for Uterine Fibroids

Mental Health

Coping with Symptoms of Depression
Help for Anxiety: Treatments That Work

Chronic Conditions

Living Better with Chronic Pain
Living with Diabetes
Sleeping Better: Help for Long-Term Insomnia

Other Health Topics

Getting the Healthcare That's Right for You
Cataracts: Is Surgery Right for You?*
Weight Loss Surgery: Is It Right for You?
Growing Older, Staying Well
End-of-Life Decisions
Advance Directives**
Looking Ahead: Choices for Medical Care When You're Seriously Ill

Quick Facts - Web Videos

Should You Have an X-ray, CT scan, or MRI?
Help for Long-term Sleep Problems
BPH: Choosing Your Treatment
Coping with Symptoms of Depression
Living with Coronary Heart Disease
Questions about Herniated Disc?

Cardiovascular

Heart Tests: Learning About Your Choices*
Living with Coronary Heart Disease
Living with Heart Failure Day-to-Day
Coronary Artery Disease
Peripheral Artery Disease*
Carotid Artery Disease*

Back, Knee and Hip

Acute Low Back Pain
Chronic Low Back Pain
Herniated Disc
Spinal Stenosis
Early-Stage Knee Osteoarthritis*
Protecting Your Bones*
Hip Osteoarthritis
Knee Osteoarthritis
Torn Meniscus: After Age 40*

*Web and booklet-only content
**Web-only content

Activity-Based Medical Cost Savings: Background

Health Dialog measured savings for its 15,000,000 commercial members using an appropriate claims-based savings method.

This enabled us to develop a range of per program interaction savings estimates, 12% +/- 2%.

Per interaction savings estimates were then applied to estimates of annual medical costs for members who interacted with the program within the FELRA-UFCW population.

Activity-Based Medical Cost Savings: Process Steps

1. **Divide members ever eligible during the 12 months spanning the measurement period into 8 mutually-exclusive cohorts:**
   - Members with Chronic Condition(s), High Financial Risk, and an Elevated Risk for Surgery
   - Members with Chronic Condition(s) and High Financial Risk
   - Members with Chronic Condition(s) and an Elevated Risk for Surgery
   - Members with one or more Chronic Condition(s)
   - Members who have an Elevated Risk for Surgery
   - Members who have Expanded High Risk Condition(s)
   - Members who have Lifestyle Risk Condition(s)
   - Remaining population
2. **Calculate interaction ‡ months for each member from the first month an eligible member meets the interaction criteria in the measurement period through all subsequent eligible member-months within the period.**

‡ Interaction is defined as having one or more of the following activities: an inbound or outbound health coach call, a completed AutoDialog® call, completion of one or more health surveys or online program modules, or one or more email 'opens.'

Activity-Based Medical Cost Savings: Process Steps

3. Calculate average cost per member per month (PMPM) for each of the first six mutually-exclusive cohorts. Average per member per month costs are derived from medical and pharmacy claims with service and paid dates occurring in the year prior to the measurement period.

4. Within each of the first six cohorts, multiply the average cost PMPM by the percent of medical costs saved per interaction member and the number of interaction months to produce the total estimated savings by cohort.

   - **Estimated savings = average cost PMPM * percent saved per interaction member * interaction months**

5. Sum the total savings for each of the first six mutually-exclusive cohorts and divide by the total number of eligible member-months within the population during the measurement period to produce savings per member per month.