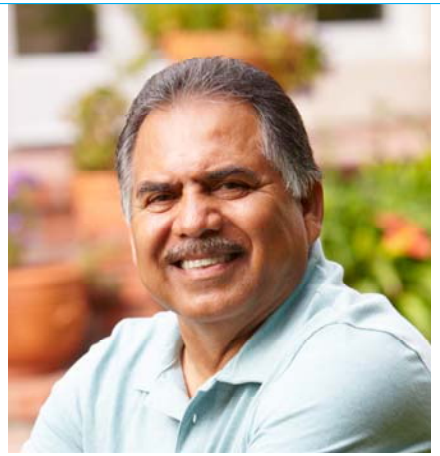




Health Dialog

FELRA-UFCW
Health Coach 2014 Annual Report

February 2015

FELRA UFCW

Executive Summary

Medical Cost Savings and ROI

- 2014: Health Dialog generated estimated $665,313 savings - ROI of 1.2 : 1

Engagement

- Members who were reached by a Health Coach with a Post Hospital Discharge call had readmission rates reduced by more than 30% compared to those not reached by a Health Coach
- 2,018 Health Coach calls, 9,052 AutoDialog® calls and 12,924 mail items led to increased member engagement in 2014
- Awareness increased from 25.6% to 29.0%, Interactions increased from 5.5% to 5.9%, and Relationships increased from 4.0% to 4.2% versus 2013

Recommendations and Offer

- **Reverse 2015 CPI Increase:** rates to remain same as 2014
- **Remove Automatic Annual CPI Adjustment:** any future price changes will be managed by mutually-agreed to amendments
- **Wellness outreach:** engage members with lifestyle risks such as overweight/obese, tobacco use, and cardiometabolic risks
- **Expanded high risk targeting:** to eligible members in the program with high risk conditions not currently targeted
- **Engagement platform:** increase engagement and broaden program value

Medical Cost Savings and ROI

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 Population Health 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.

Activity-Based Medical Cost Savings

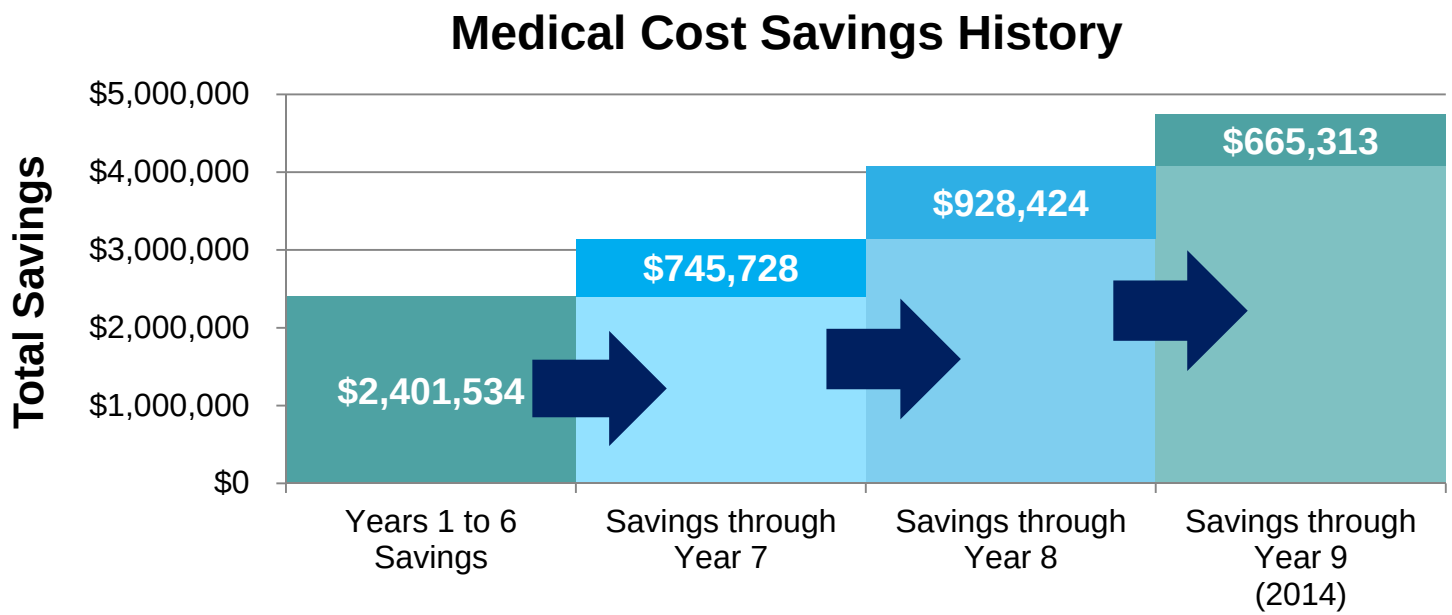
Total Eligible Individuals	24,595
Individuals with Interactions	1,451
Interaction Months	9,876
Medical Costs PMPM	$565
Est. % Savings per Interaction Month	12% (+/- 2%)
Estimated Savings	**$665,313**
Estimated Savings PMPM	**$2.50**
ROI	**1.2 : 1**

Medical cost savings are estimated based on:

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

Activity-Based Medical Cost Savings

- 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 – 9 capture one year of savings and therefore are incremental on top of the savings generated in years 1 to 6.

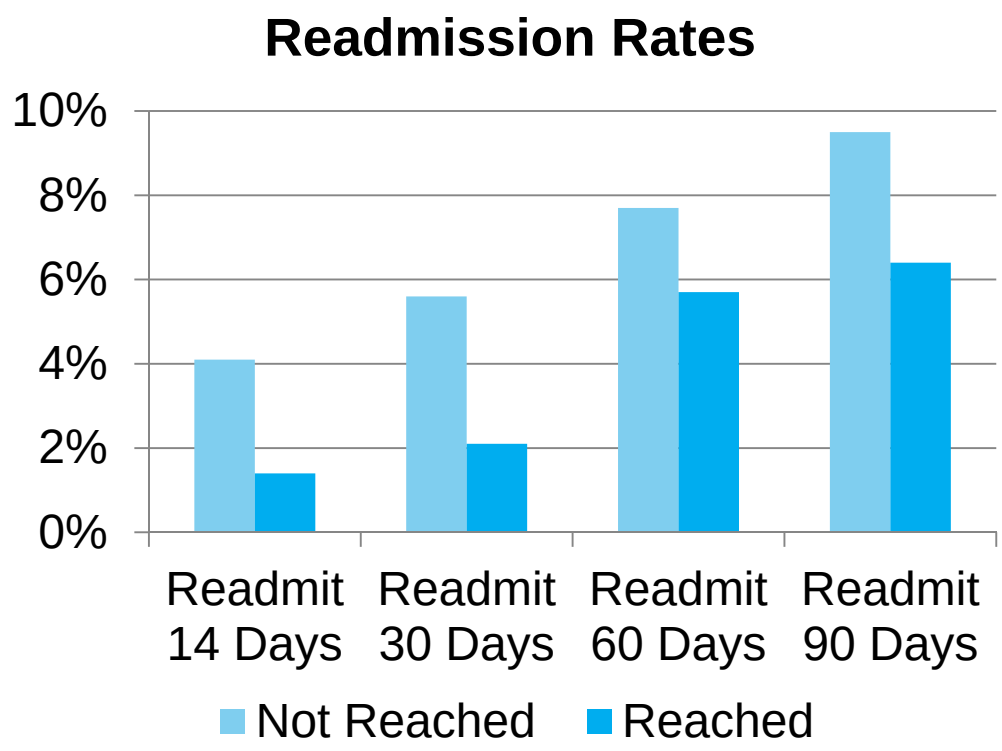


- Through 2014, a total of over $4.7 million in savings has been generated

Engagement

Post Hospital Discharge Outreach Outcomes

- Health Dialog conducts outreach to FELRA-UFCW members when they are discharged from the hospital
  - 140 PHD calls reached members in 2014

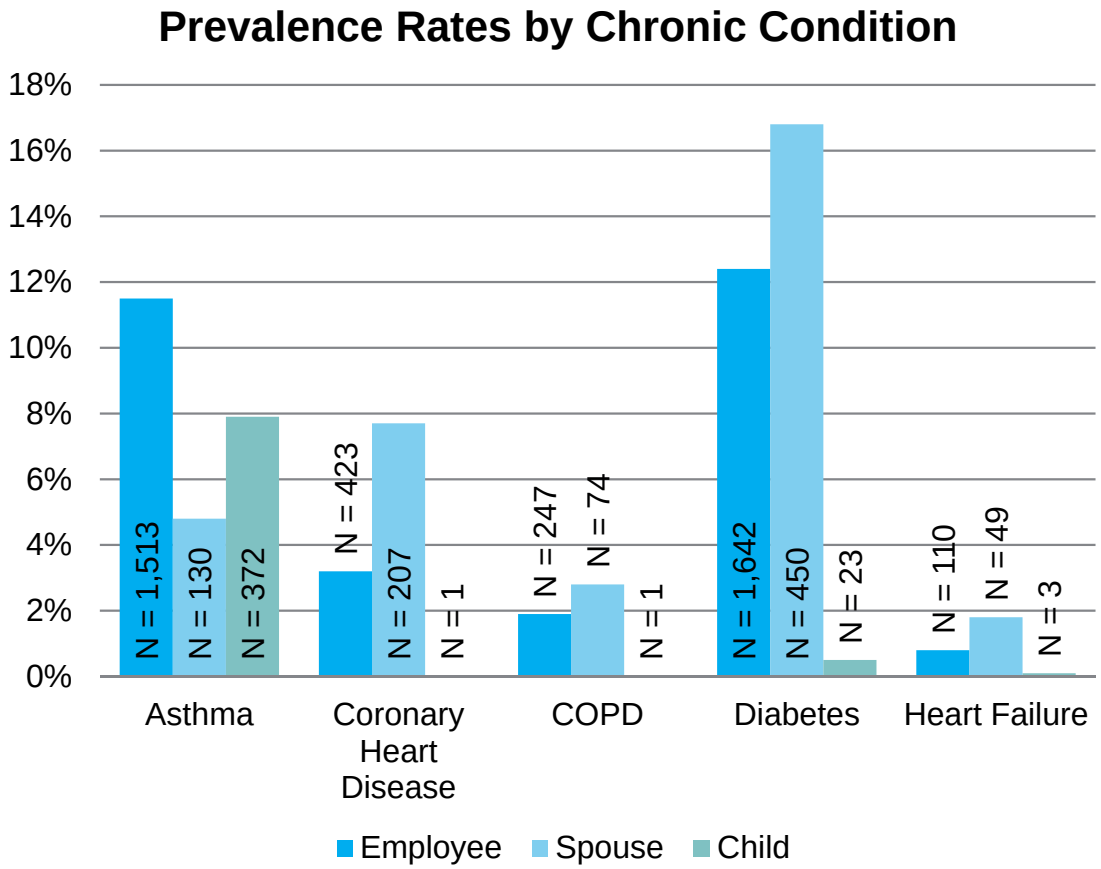


- Those reached by a Health Dialog Health Coach were much less likely to be readmitted to the hospital
- After 90 days readmission rates were over 30% lower than those not reached
- Admissions average $15,000 so every admission avoided yields significant savings

Condition Prevalence – Chronic Conditions

Chronic Conditions

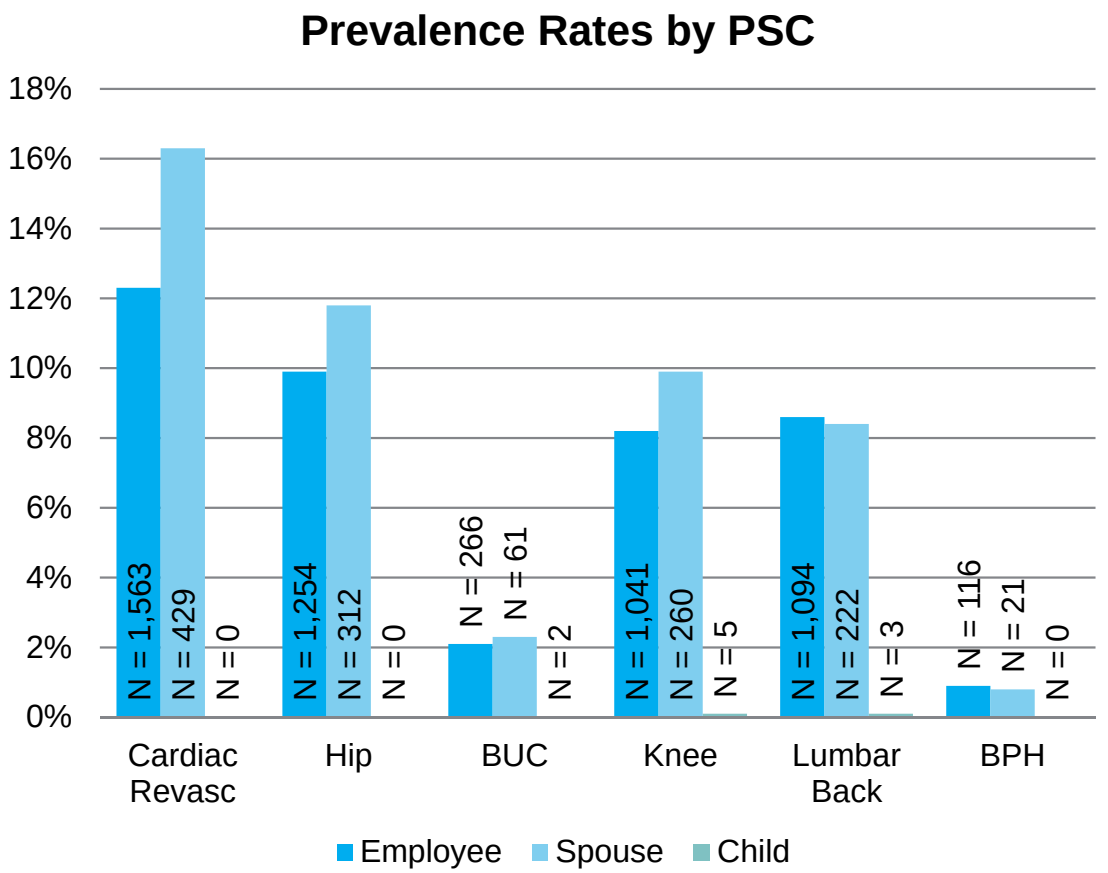
- Diabetes is the most prevalent chronic condition
- Diabetes rates for employees and spouses are above the national average of 8%
- Among adults, employees have lower chronic prevalence than spouses for all conditions except asthma



Condition Prevalence – Preference Sensitive Conditions

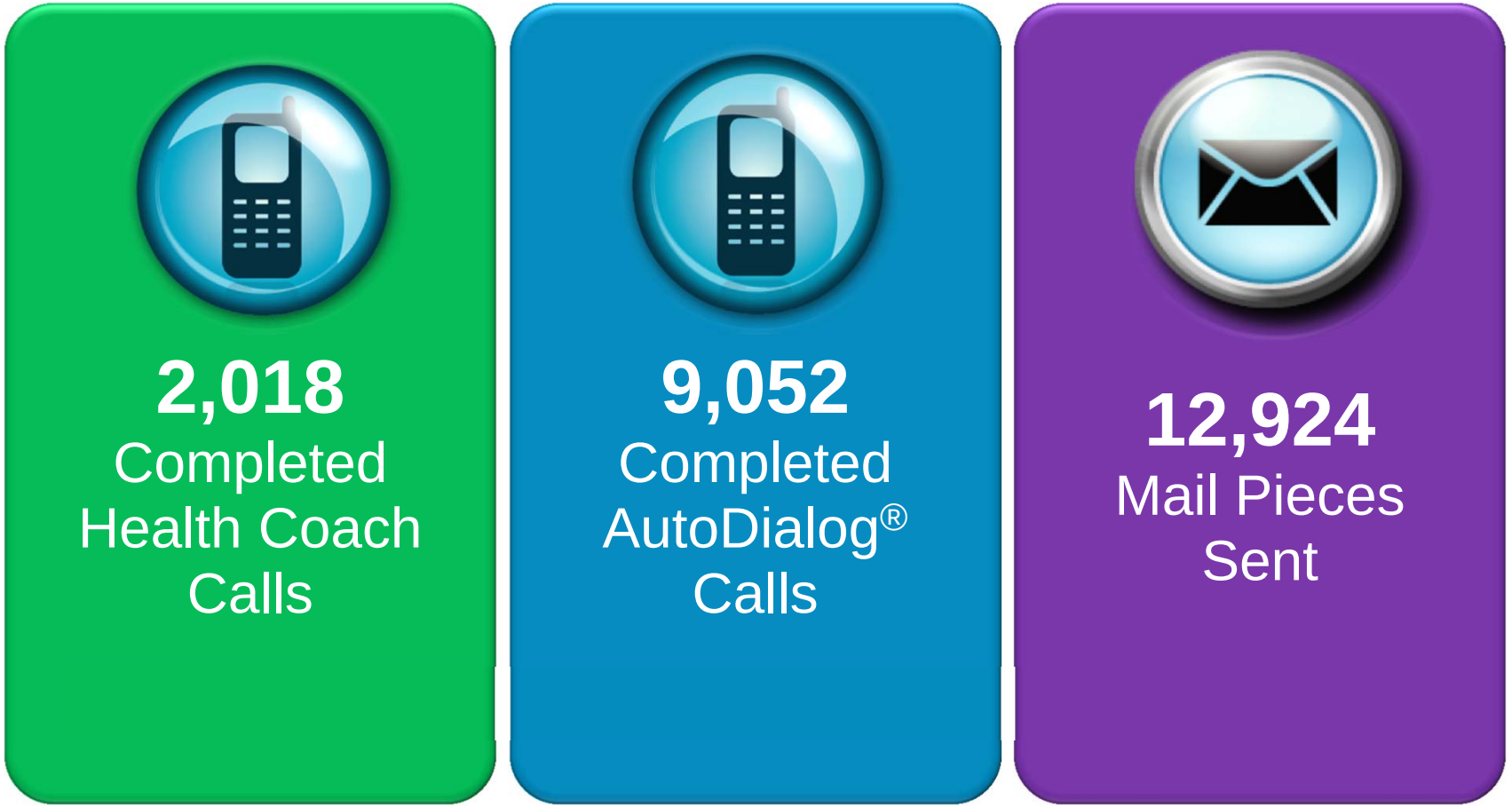
Preference-Sensitive Conditions (PSC)

- 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



2014 Outreach

- In 2014, Health Dialog delivered:



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

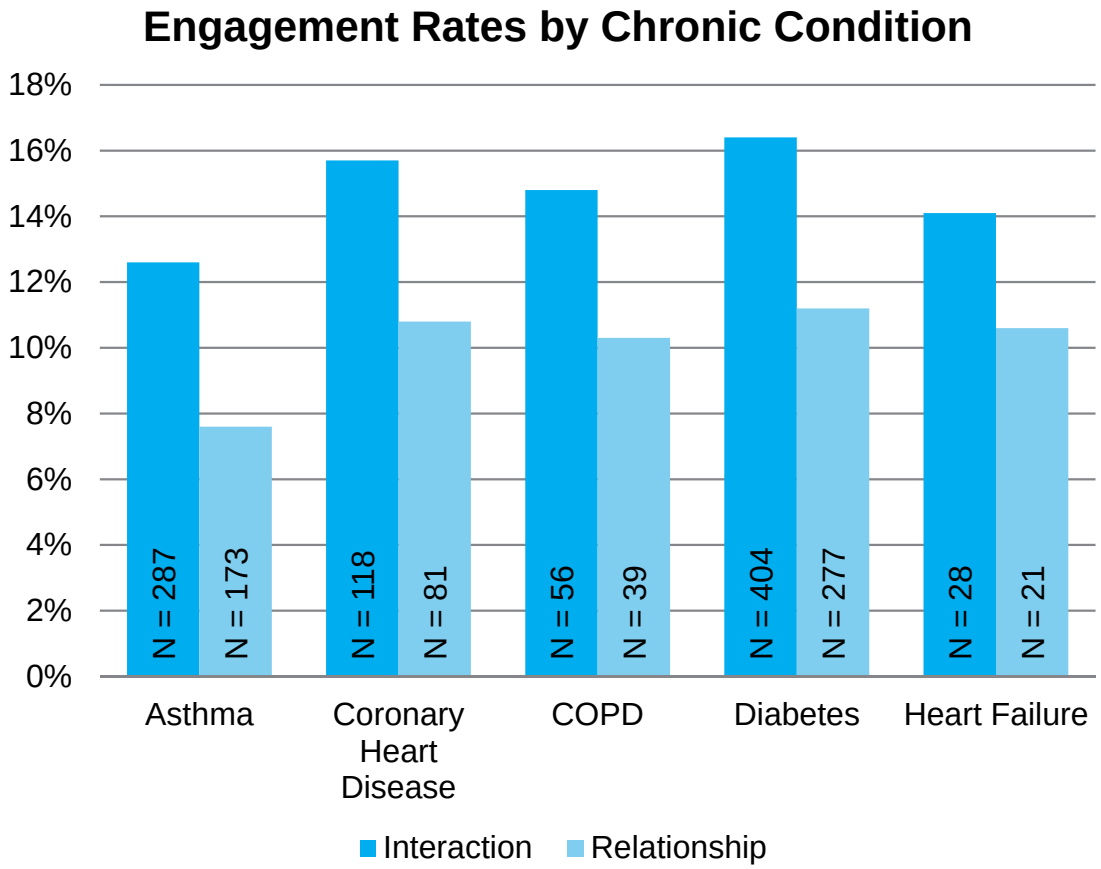
- **Repeated interactions**
  - Multiple interactions within a 6 month period

Program Engagement – Chronic Conditions

Individuals with Chronic Conditions

In 2014 (Program Year 9),

- **83%** of the chronic population is aware of the program
- Through targeted outreach efforts, we interacted with **15%** of the chronic population
- Of those with interactions, **65% have relationships**

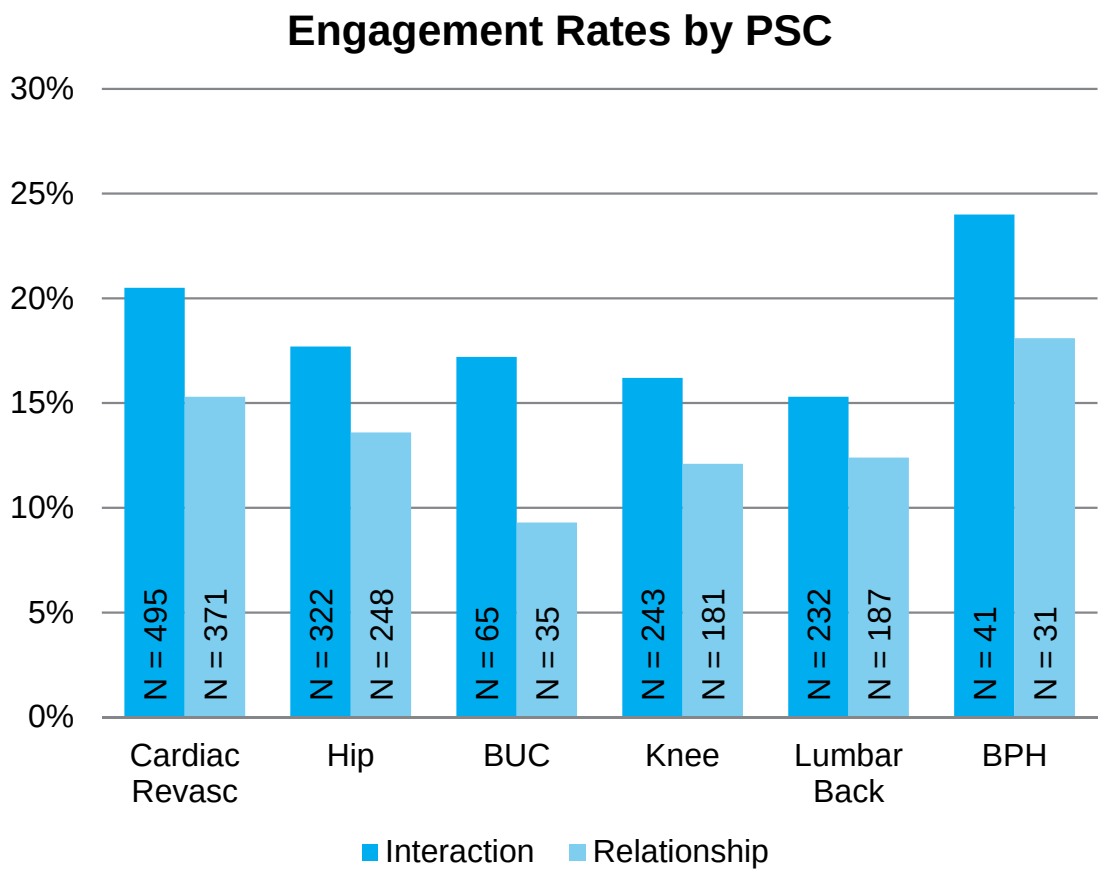


Program Engagement – Preference Sensitive Conditions

Individuals with Preference-Sensitive Conditions (PSC)

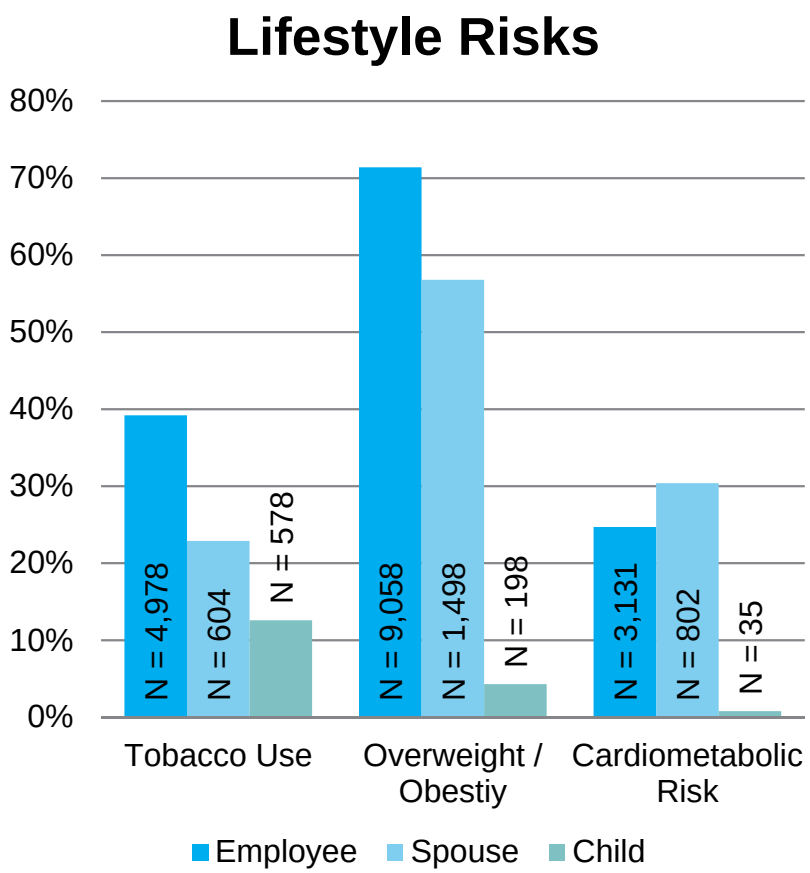
In 2014 (Program Year 9),

- **72%** 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**



Recommendations & Offer

Recommendation #1 - Wellness Outreach

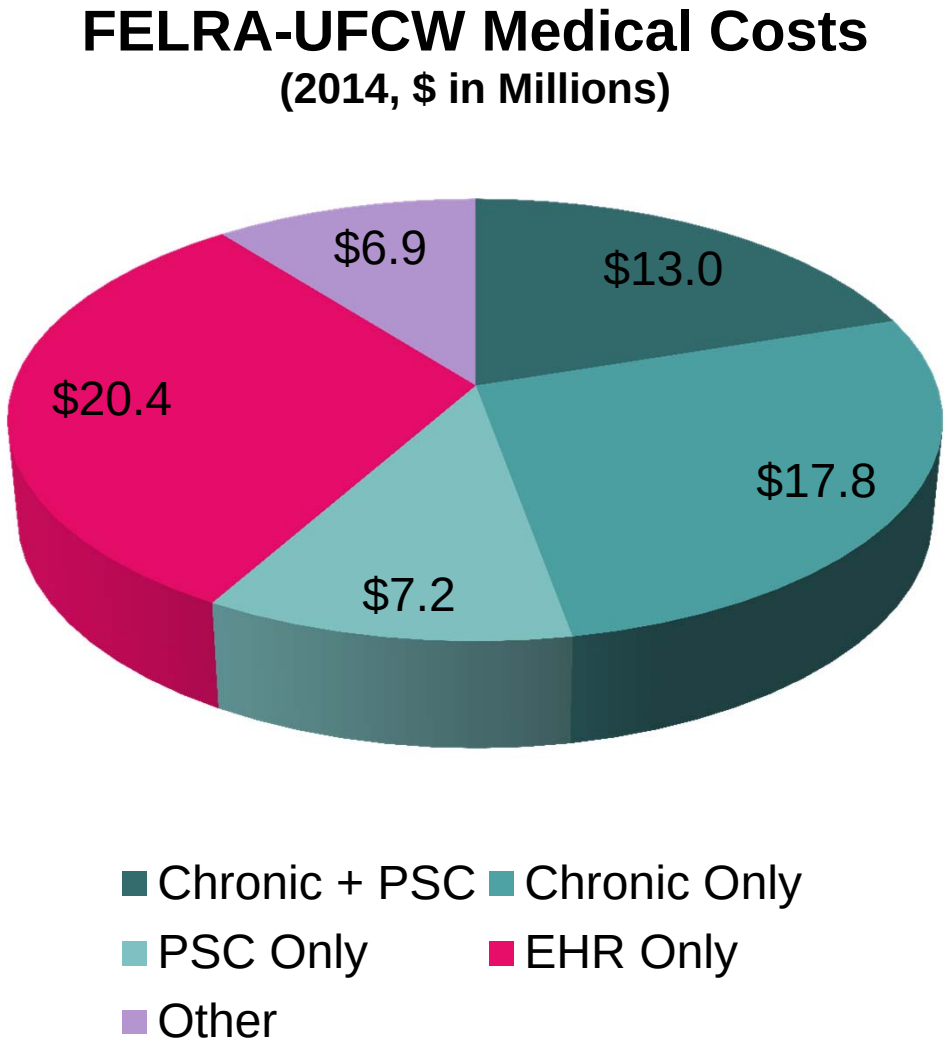


Wellness Opportunities

- 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.

Recommendation #2 - Expanded High Risk Outreach

- In addition to targeting individuals with chronic and preference-sensitive conditions, Health Dialog has identified other 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 high cost conditions drives the generation of medical cost savings.
- Refreshes the program with some new focuses for FELRA individuals.



Offer – Engagement Platform

Health Dialog would like to offer an engagement platform to increase engagement and broaden the population of individuals with whom we provide beneficial support.

Key Features and Capabilities:

- A unique health risk assessment that goes beyond just health risks as it also considers productivity and well-being for a more holistic view
- Online, email and mobile technology allows us to reach everyone
- Integration with HRA, claims and demographics allows us to personalize the experience
- Challenges and gamification keep employees engaged
- Configurable design to reflect your culture and priorities

Well Being Assessment

Overview

Assesses six life dimensions
Configurable. Simple. Quick.
69% assessment completion
11x > productivity predictor

The science

Evidence-based
Valid and reliable
Professionally designed
Drives recommendations and action

Michael Parkinson, MD
Medical Advisor

Former President of the American College of Preventive Medicine

Chief Medical Officer of Lumenos

AB Cornell. MD George Washington University. MPH Johns Hopkins.

Laura Hamill, PhD
Chief Scientist

Former Director of People Research at Microsoft

Developed Microsoft's first performance assessments

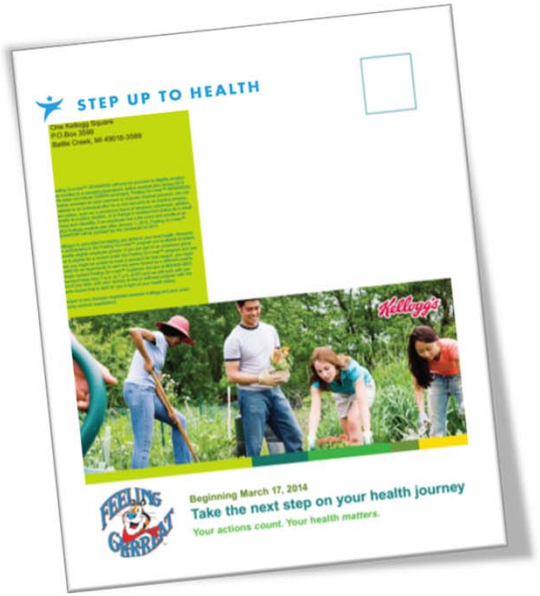
BS University of North Carolina. PhD Old Dominion University.

Related Problems – Unified Approach

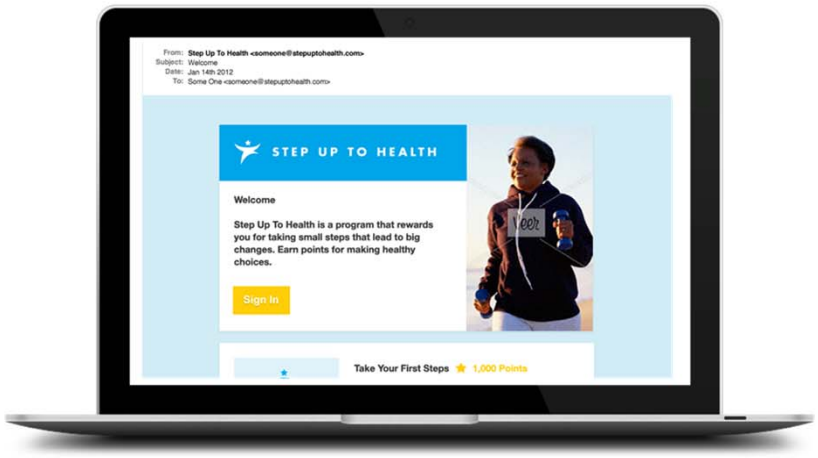
80%
10-year insurance cost increase

70%
of US employees disengaged

The User Experience

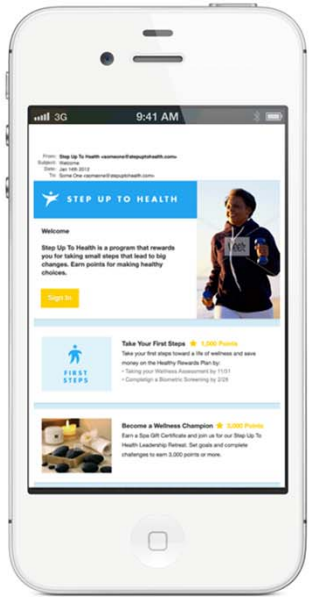


Home mailer



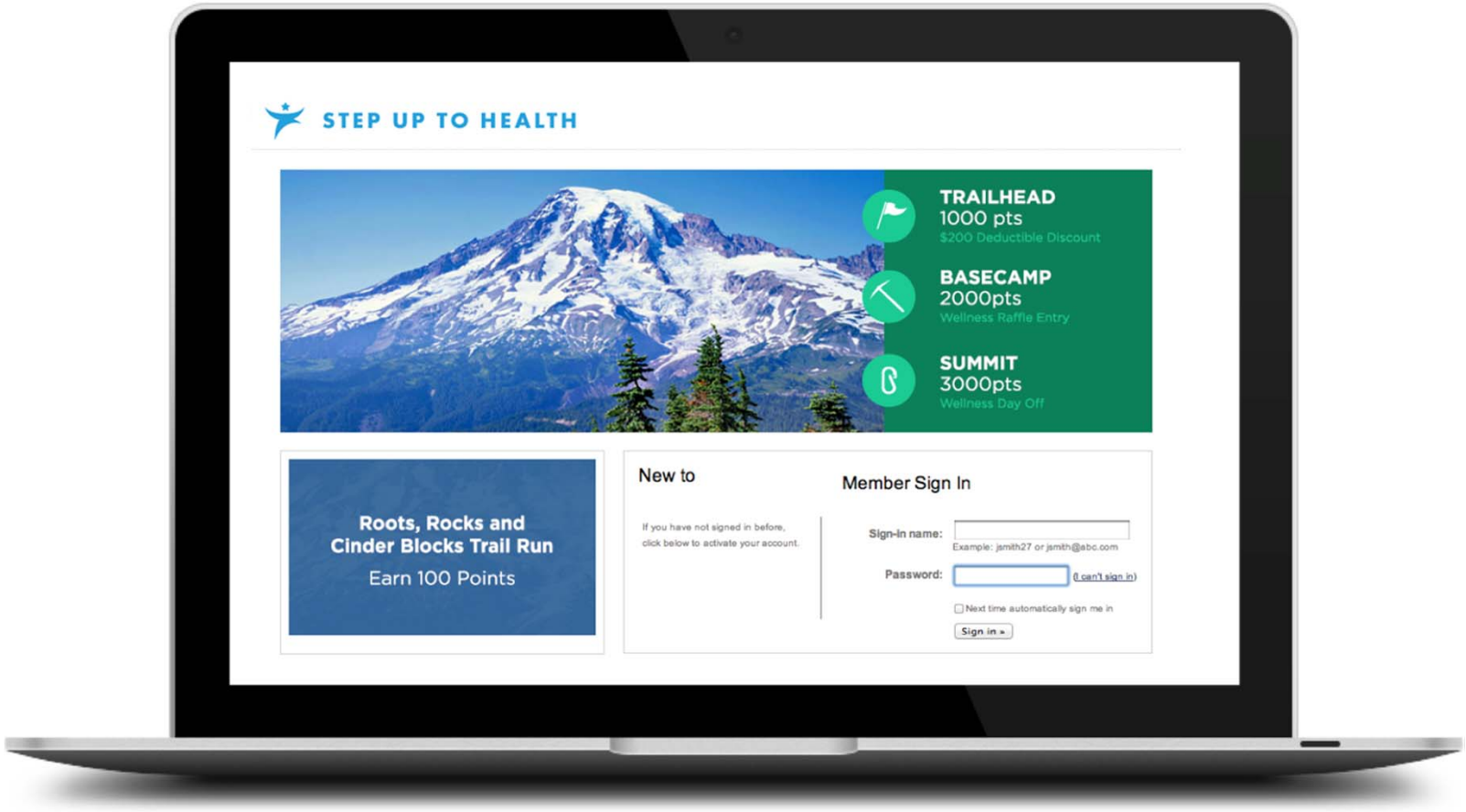
Email

(individual, group code or single sign on)



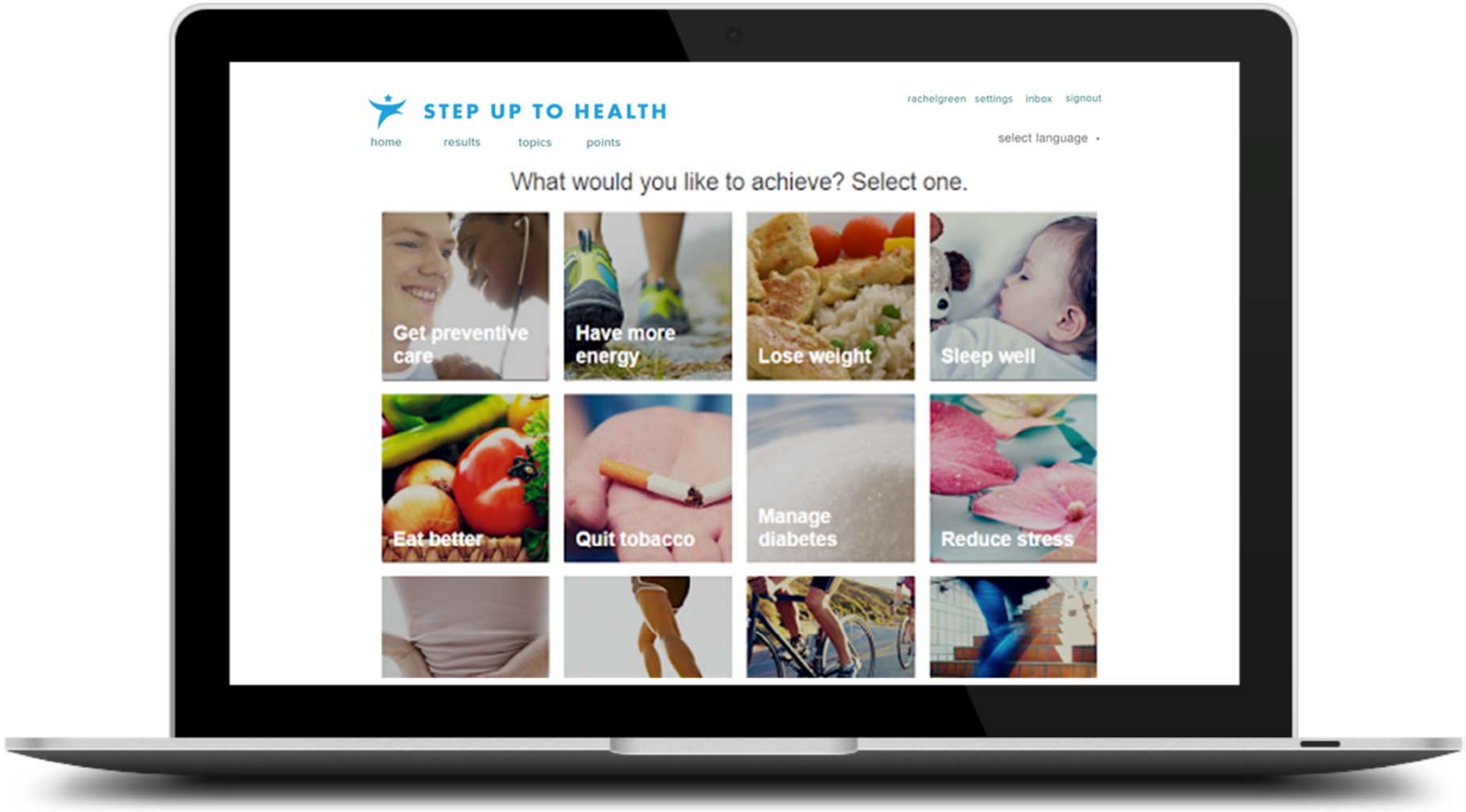
Mobile

The User Experience



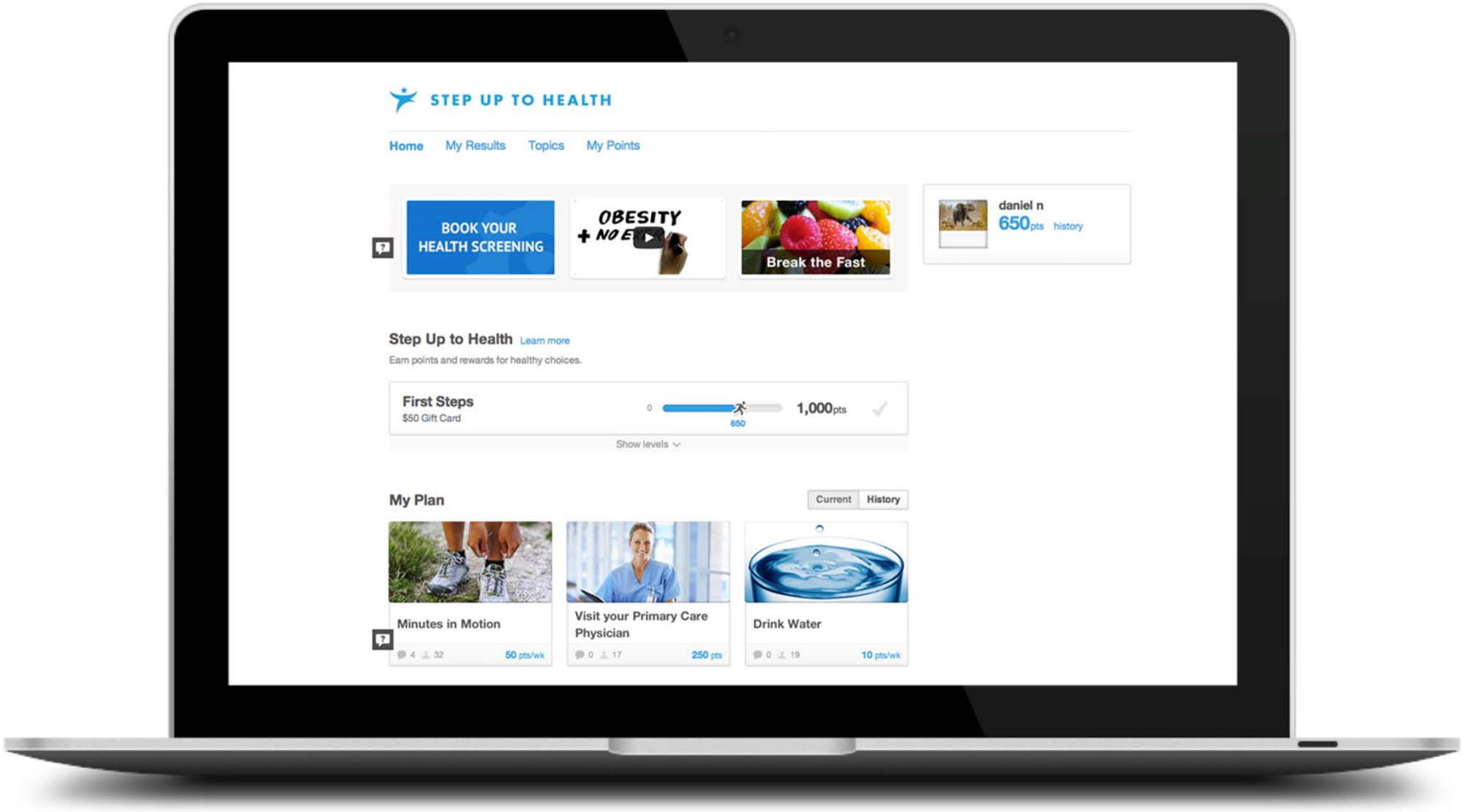
Sign in page

The User Experience



Vision page

The User Experience - Engagement



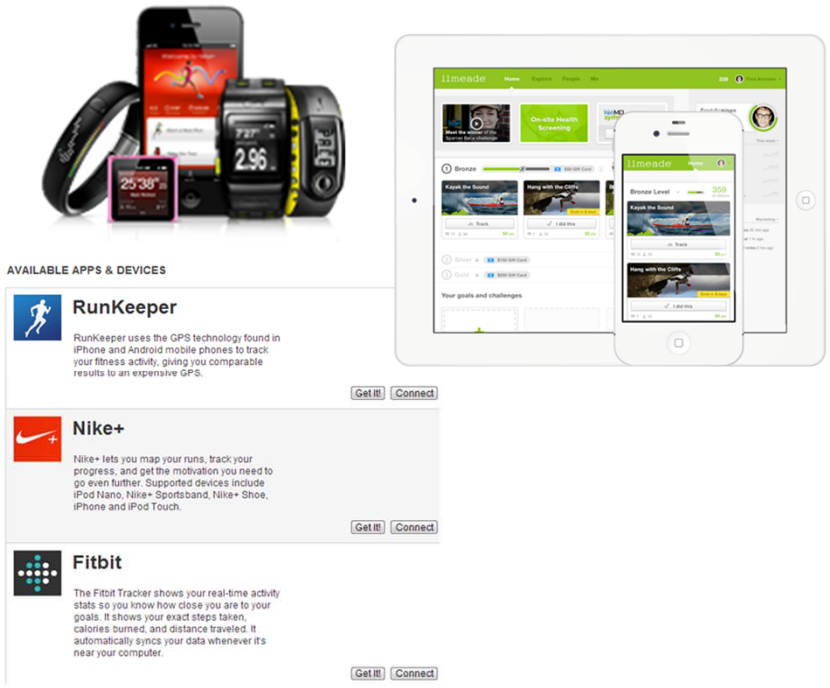
Fit Into Your Employee's Busy Lives

Participants use the devices they already have

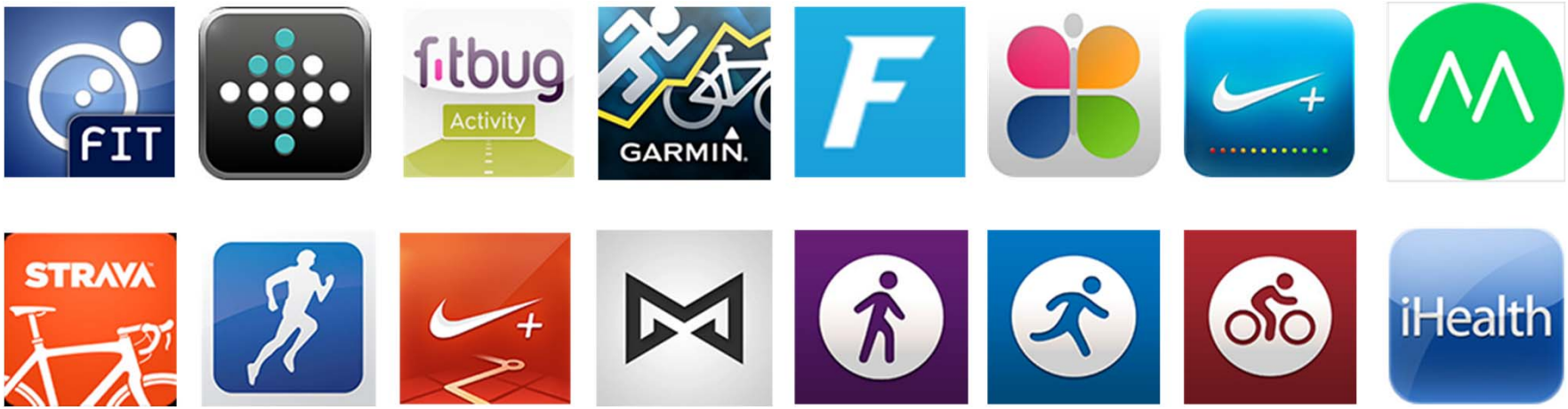
Mobile, PC, SmartPhone, App, Device, No Device – user choice

Lower your cost & future proof your program – more devices to come

Simple to use – sync once, use often



Device & App Integration



Our 4 Step Approach

Create a Distinct Identity that Fits

HEALTHY STEPS Wellness

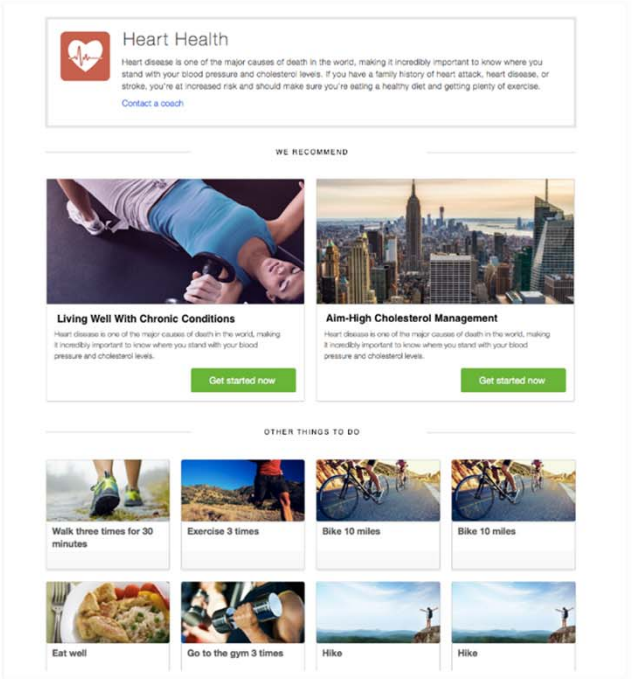
Healthy Steps Wellness rewards YOU for taking care of YOU.

Targeting Activity Based on Health Status

Increase participation in your chronic care programs

For participants with a self-reported condition, or assessment results showing health risk:

- ★ Targeted activities that address specific risk
- ★ Integration with your existing chronic care programs
- ★ Rewards for validated participation



Rewards that Engage

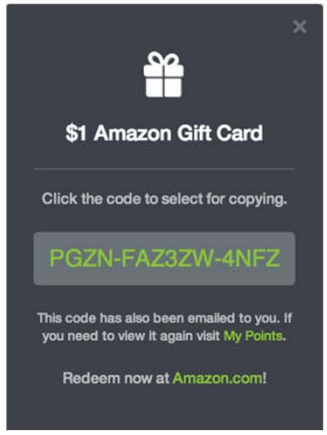
Recognition

Division Prizes
Wellness Hall of Fame
Lunch with the CEO

Financial

Medical Premium Discounts
Payroll Contributions

Raffles and Gift Cards



Inspire Change

28%
average two week engagement

"Participants in Limeade have 6% lower medical costs than non-participants."

Director of Benefits, Cincinnati Children's Hospital

Cincinnati Children's

$716
medical cost savings for participants vs. non-participants over 3 years

Kindred Healthcare

68%
of coaching participants improved at least one risk factor

Stanford HEALTH CARE

87%
increase in overall participation with Limeade

The Ohio State University

38%
sustained two week engagement

UnityPoint Health

44%
participation in the employee recognition program

Success Stories

Stanford HEALTH CARE

10,000 employee health system

87% increase in employee participation

88% positive employee feedback

75% participation in biometric screening

"It makes me feel good to know my employer is concerned and I have support to improve my health."

- Nurse, Stanford Health Care

Success Stories

Cincinnati Children's

13,850 employee hospital

$716 lower healthcare costs for participants vs. non-participants over 3 years

44% increase in preventive care utilization

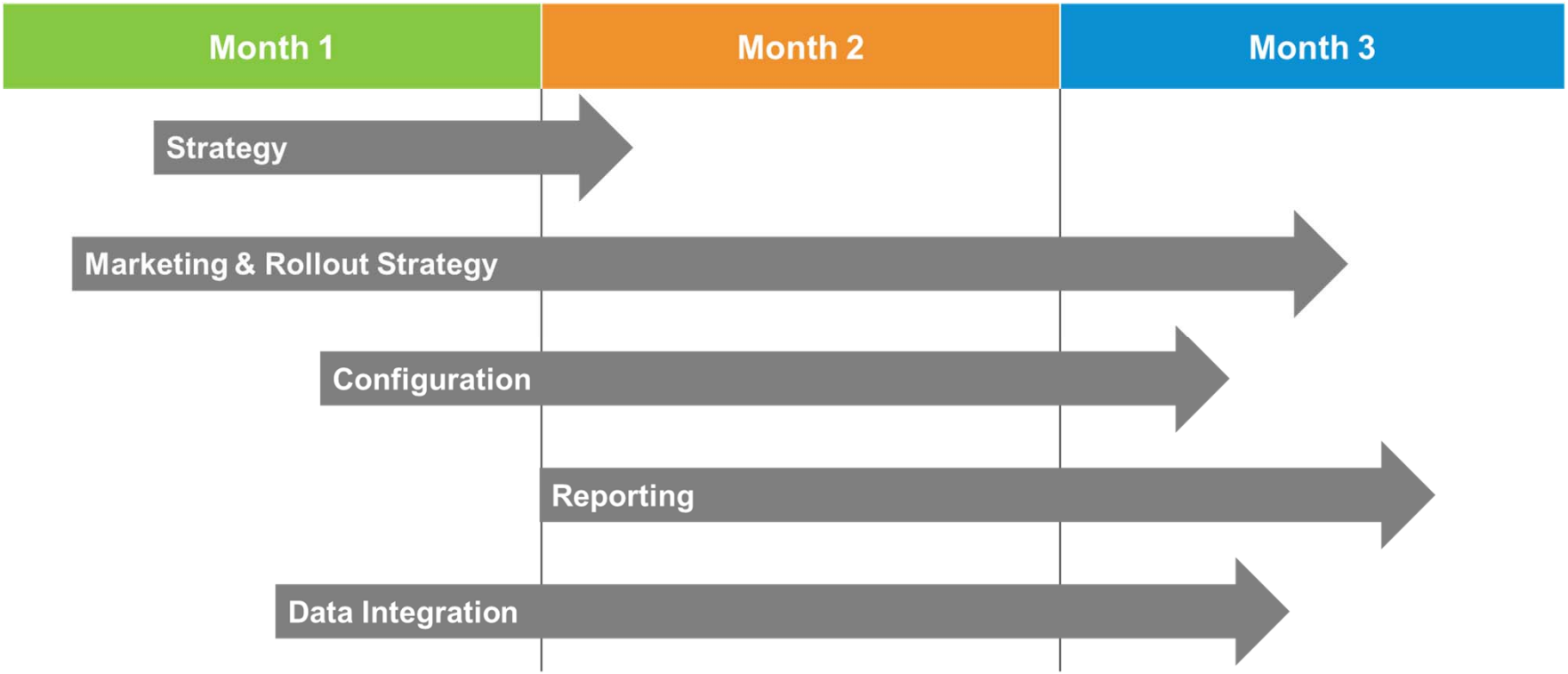
50% increase in assessment completion and screenings

"Participants in Limeade have 6% lower medical costs than non-participants."
- Director of Benefits, Cincinnati Children's Hospital

Launch Process

- Establish business goals and success metrics
- Decide key dates (e.g. incentive milestones, communication plan)
- Determine final incentive design (rules, rewards)
- Select visual identity, freshen logo and key messages
- Develop communication strategy and plan
- Decide which resources you want to feature
- Confirm data integration points and specs
- Review assessment and select final question set

Launch Timeline



2015 Program Recommendations and Offer

1. **Reverse 2015 CPI Increase:** rates to remain same as 2014
2. **Remove Automatic Annual CPI Adjustment:** any future price changes will be managed by mutually-agreed to amendments
3. **Prevent future disease:** 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.
    1. Tobacco Cessation (39% of employees and 23% of adult dependents)
    2. Weight Loss (71% of employees and 57% of adult dependents)
    3. Cardiometabolic Risk (25% of employees and 30% of adult dependents)
4. **Expand high risk targeting:** to eligible members in the program with high risk conditions not currently targeted
5. **Implement Engagement platform:** provide increase engagement and broaden program value with standard engagement platform for one year at no additional cost

Appendix

Expanded High Risk Conditions

- Conditions targeted by expanded high risk outreach include:

- **Abdominal Pain**
- **Anxiety**
- **Aortic stent**
- **Cardiac Conditions**
- **Cancer**
- **Chronic Fatigue**
- **Chronic Pain**
- **Chronic Kidney Disease**
- **Depression**
- **Fibromyalgia**
- **GERD**
- **Gout**
- **Hypertension**
- **Migraine**
- **Peptic Ulcer**
- **Rheumatoid Arthritis**
- **Sleep Apnea**
- **Spinal Stenosis**
- **Stroke**
- **Urinary Incontinence**

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.

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.