CONIFER HEALTH SOLUTIONS®

# UFCW NON-FOOD

2017 Medical Management Review

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# POPULATION OVERVIEW

# Population Trend Factors

| Population Future Trend Factors | | | | | | |
|---|---|---|---|---|---|---|
| **Predicted Trends** | **2015** | | **2016** | | **2017** | |
| | **Total** | **% of Part** | **Total** | **% of Part** | **Total** | **% of Part** |
| Priority Members with specific conditions | 1 | 0.01% | 11 | 0.16% | 1 | 0.02% |
| High Risk Members from Risk Stratification | 488 | 6.71% | 508 | 7.50% | 544 | 8.43% |
| Avg Monthly Pre-certifications | 109 | 1.50% | 89 | 1.31% | 62 | 0.96% |
| % of population predicted to spend >$5,000 in next 12 months | 1536 | 21.11% | 2228 | 32.88% | 2174 | 33.69% |
| Prevalent Chronic Conditions of those >$5,000* | 1005 | 13.81% | 1835 | 27.08% | 1867 | 28.93% |
| High Cost Cancers** | 39 | 0.54% | 55 | 0.81% | 44 | 0.68% |

*Prevalent Chronic Conditions include Diabetes, Hypertension and Ischemic Heart Disease
** High Cost Cancer(s) include breast, soft tissue, lung, leukemia, colon, liver, lymphoma, brain/spinal cord, multiple myeloma, pancreatic and prostate

- Decrease in the Priority Members is noted for 2017 compared to 2016, however an increase in the High Risk members is seen.
- Total number of Members anticipated to spend >5,000K is slightly decreased, however the members with anticipated claims associated with chronic conditions has increased over 2016
- Members with high cost cancers has decreased for 2017 compared to 2016

# Historic/Paid Financial Activity

| Historic/Paid Financial Activity | | | |
|---|---|---|---|
| **Historic Trending** | **2015** | **2016** | **2017** |
| Employees | 4,407 | 4,229 | 4,002 |
| Members | 7,277 | 6,777 | 6,453 |
| Medical PMPM | $282.39 | $371.67 | $324.83 |
| RX PMPM | $115.51 | $98.52 | $111.27 |
| **Total** | **$397.90** | **$470.19** | **$436.10** |
| Age/Gender | 1.30 | 1.30 | 1.32 |
| CMI (Case Mix Index) | 2.85 | 2.79 | 2.92 |
| **Historic Category of Care PMPM** | **2015** | **2016** | **2017** |
| Hospital Related | $154.33 | $234.42 | $191.63 |
| Professional | $121.79 | $131.99 | $124.95 |
| Other | $6.27 | $5.26 | $8.25 |
| Rx | $115.51 | $98.52 | $111.27 |
| **Total** | **$397.90** | **$470.19** | **$436.10** |
| **Historic Claimants over $10,000** | **2015** | **2016** | **2017** |
| Total Claimants | 458 | 519 | 433 |
| % of population | 6% | 8% | 7% |
| % of total paid | 75.46% | 79.83% | 77.40% |
| Largest claimant | $1,233,800 | $1,771,549 | $480,263 |
| Average cost per claimant | $53,794 | $46,495 | $44,927 |

- **Medical PMPM** with approximately **14% decrease** in 2017 compared to 2016.
  - See slide 6 for 2016 to 2017 Medical PMPM comparison
- **RX PMPM** has seen an 11% increase 2017 over 2016.
- In 2017 there were 433 members with **over $10,000 in utilization**. This is a significant decrease over 2016 utilization.
  - The average cost per claimant and percentage of total paid has decreased slightly.

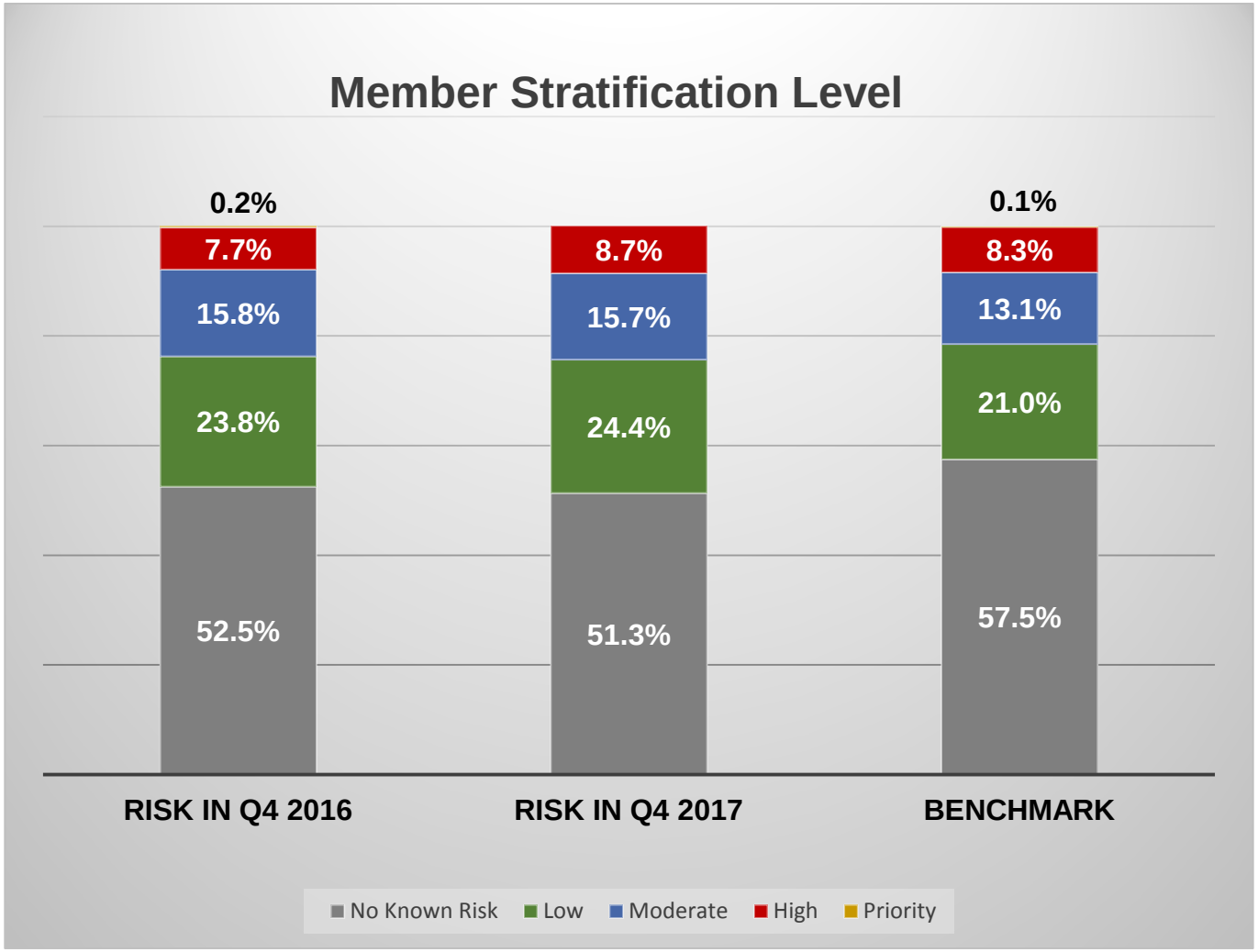
# Category of Care

| | 2016 | 2017 | Variance |
|---|---|---|---|
| **Inpatient Hospital** | $155.29 | $111.35 | -28% |
| **Facility** | $65.84 | $68.77 | 4% |
| **Medicine** | $34.29 | $34.30 | 0% |
| **Evaluation & Management** | $34.78 | $31.74 | -9% |
| **Procedures** | $24.85 | $22.61 | -9% |
| **Outpatient Radiology** | $23.76 | $23.11 | -3% |
| **Emergency Room** | $13.04 | $11.52 | -12% |
| **Anesthesia** | $6.53 | $5.71 | -13% |
| **Outpatient Laboratory** | $5.30 | $4.88 | -8% |
| **Other Outpatient Services** | $4.78 | $6.27 | 31% |
| **Outpatient Pathology** | $2.32 | $2.59 | 12% |
| **Undefined Services** | $0.83 | $0.87 | 5% |
| **Ambulance** | $0.31 | $0.65 | 110% |
| **Totals** | **$371.92** | **$324.37** | **-13%** |

**Cost Drivers by Category of Care:**

- **Inpatient Hospital** claims with a 28% decrease due to a significant reduction in the average unit cost for room and board charges and decreased utilization
  - Conifer with declared savings of **$131,800** for the savings category of" **"reduced length of stay"**
- **Facility** with slight increase in PMPM related to an increase in outpatient service utilization.
- **Other outpatient services** increase driven by medical supplies (particularly enteral nutrition costs) and orthotics and prosthetics.

# Risk Stratification




- **Priority Risk** has decreased compared to Q4-2016, while the **High Risk** population has increased by 1% over last year
- The **Unknown Risk** population has decreased compared to Q4-2016
- Currently the high and moderate risk populations continue to be higher than Conifer's Book of Business. The high risk members continue to be a target for Conifer's outreach.

# Risk Stratification Triggers

| | | | Q4-2016 | Q4-2017 |
|---|---|---|---|---|
| **Strat Level** | **Trigger Description** | **Modifiable Trigger** | **Part.** | **Part.** |
| Priority | Claims Utilization - Breast Cancer Identified ICD Codes first occurrence in prior month | N | 6 | 0 |
| Priority | Claims Utilization - Gastrointestinal Identified ICD Codes first occurrence in prior month | N | 2 | 0 |
| Priority | Claims Utilization - Single Dose GT $5,000 first occurrence for NDC/HCPCS in prior month | Y | 1 | 1 |
| Priority | Claims Utilization - Lung Cancer Identified ICD Codes first occurrence in prior month | N | 1 | 0 |
| Priority | Readmission Risk | Y | 1 | 0 |
| High | Predicted between $25,000 and above | Y | 137 | 155 |
| High | Unique Prescribing Physician Interactions - 9 + in prior 12 months | Y | 135 | 144 |
| High | Unique Medical Provider Interactions - 15 + in prior 12 months | Y | 131 | 121 |
| High | Claims Utilization - Consumed GT $5,000 in RX in prior 6 months | Y | 110 | 150 |
| High | Claims Utilization - GT $25,000 in medical in prior 6 months | Y | 101 | 101 |
| High | Chronic Renal Failure | N | 56 | 52 |
| High | Claims Utilization - Breast Cancer Identified ICD Codes in prior 6 months | N | 35 | 24 |
| High | Congestive Heart Failure, Hypertension, & Hyperlipidemia | N | 30 | 35 |
| High | Congestive Heart Failure, Obesity, & Hypertension | N | 25 | 28 |
| High | Congestive Heart Failure, Diabetes | N | 21 | 30 |

- Engagement with members in Q4-2016 has focused on ensuring coordinated care, increasing treatment plan adherence and improving chronic condition management.
- Increase in predicted utilization triggers and prescribing providers for Q4-2017 has resulted in additional areas of focus for Conifer's outreach.

# MEDICAL MANAGEMENT

# Executive Summary

## Program Initiative

- **Population Health Improvement**
- **Appropriate Network Utilization**
- **Cost Management**

## Value Drivers

- Engaging Members
- Improving Quality Outcomes
- Influencing clinical & behavioral changes
- Serving as a valued resource

## 2017 Results

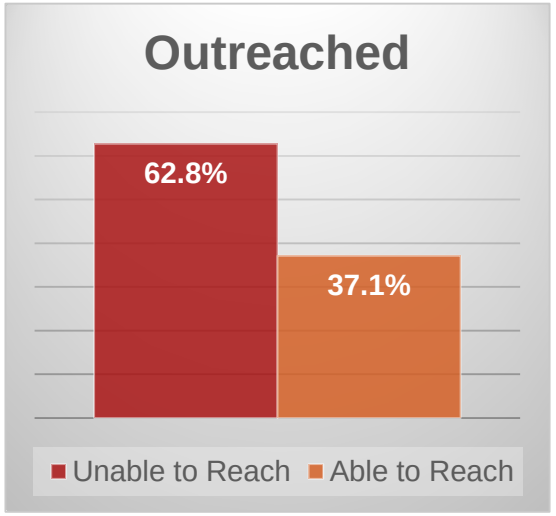
- Conifer's personal health nurses (PHNs) engaged **88%** of those members reached into the program .
- Through case review and careful coordination of appropriate services, Conifer's PHNs achieved a return of investment (ROI) of **3.04***. This represents the impact of changed behaviors on clinical status and the influence on subsequent health care utilization.
- Surveyed member's are either very satisfied or satisfied with the care management program **100%** of the time.

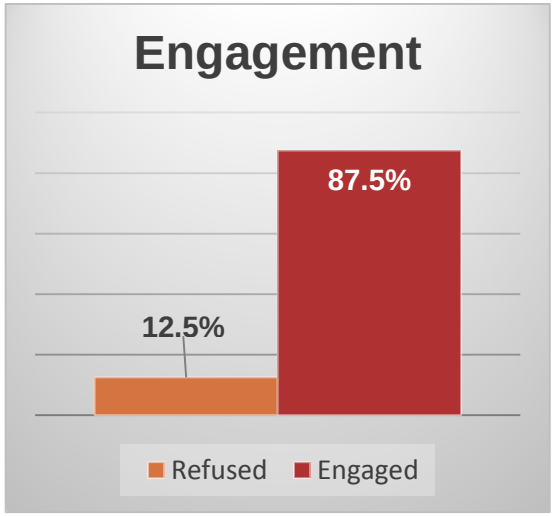
* ROI is for CM/DM only (no UM).

# Engagement Population including RNK plans

| Population Identification with RNK plans | | | | | | |
|---|---|---|---|---|---|---|
| | **Population** | **Prioritized for Outreach** | **Unable to Reach** | **Able to Reach** | **Engaged** | **Refused** |
| Total Population | 6,852 | 772 | 485 | 287 | 251 | 36 |
| Total Population Health Costs over last 12 months | $32,744,512 | $19,692,737 | $8,902,462 | $10,790,275 | $10,129,490 | $660,785 |
| Average per member health costs over the last 12 months | $4,778.83 | $25,509 | $18,355.59 | $37,596.78 | $40,356.53 | $18,355.17 |
| Average Risk Score-High Risk | 87.42 | 98.71 | 92.70 | 107.71 | 112.75 | 75.92 |

*Content relates to Jan – Dec 2017




**Concerns**

- Of those Unable to Reach, **79% were No Response to Outreach**

# Engagement - Unable to Reach vs. Refused

## Unable to Reach

- Healthcare cost per member in last 12 months **(average $18,356).**
- Majority **“No Response to Initial Outreach” (79%)** vs. “Unable to Locate-Initial” (21%) – which means that the PHN was not able to obtain valid contact information.
- Primary Conditions for Outreach from Risk Strat: Hypertension, Diabetes, Heart Failure, COPD, Cancer, Chronic Pain, and HIV
- If member speaks to PHN, likeliness is we can engage them (88% historically).

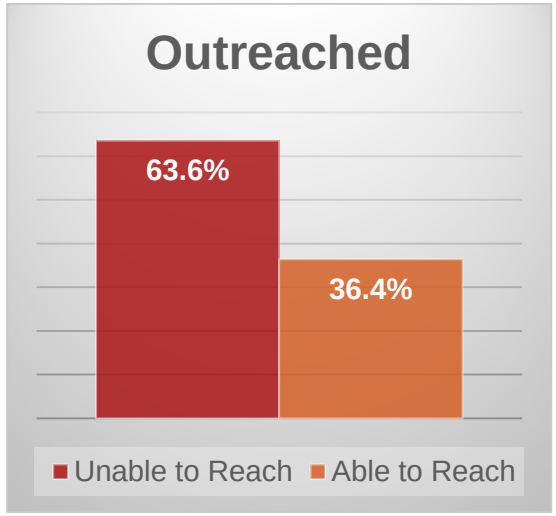
## Refused

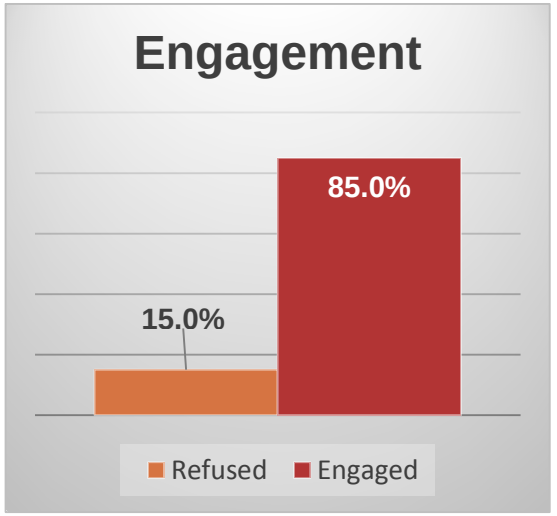
- Healthcare cost per member in past 12 months **(average $18,355).**
- Candidate for **new Chronic Low acuity**
  - At this level of engagement the PHN has had a meaningful conversation with the member to assess gaps in care and current health status. PHNs will provide low level education or a resource as well as a modified disclosure. Members at this level of engagement have not consented to full management to work toward goals, but have opted in to future phone calls with PHN. In future phone calls, PHN will continue assess, educate, provide resources with intent to engage member to higher level of engagement.
- Primary Conditions for Outreach from Risk Strat: Hypertension, Diabetes, Spinal Stenosis, Opioid Dependence, and Heart Failure
- Refusal Responses: “managing myself”, “MD is managing”, “doesn’t trust doctors” or “open it later”

# Engagement Population without RNK plans

| Population Identification without RNK plans | | | | | | |
|---|---|---|---|---|---|---|
| | **Population** | **Prioritized for Outreach** | **Unable to Reach** | **Able to Reach** | **Engaged** | **Refused** |
| Total Population | 3,921 | 478 | 298 | 180 | 153 | 27 |
| Total Population Health Costs over last 12 months | $19,335,631 | $11,779,781 | $5,403,976 | $6,375,805 | $5,774,788 | $601,017 |
| Average per member health costs over the last 12 months | $4,931 | $24,644 | $18,134 | $35,421 | $37,744 | $22,260 |
| Average Risk Score-High Risk | 84.92 | 94.75 | 92.02 | 98.78 | 103.91 | 72.72 |

*Content relates to Jan – Dec 2017




**Concerns**

- Of those Unable to Reach, **77% were No Response to Outreach**

**Focus**

- Outreach to providers/pharmacy to assist with engagement.
- Include PHN's biography with each letter.

# Clinical and Behavioral Outcomes for Engaged Population

Strategy for CM/DM Impact

- Influence member behaviors through:
  - education
  - support
  - providing resources
  - eliminating barriers

**Results in**

- Improved clinical outcomes
  - reduce symptoms
  - improve clinical measures (A1c, BMI, BP)
  - effective self-management
  - improved quality of life

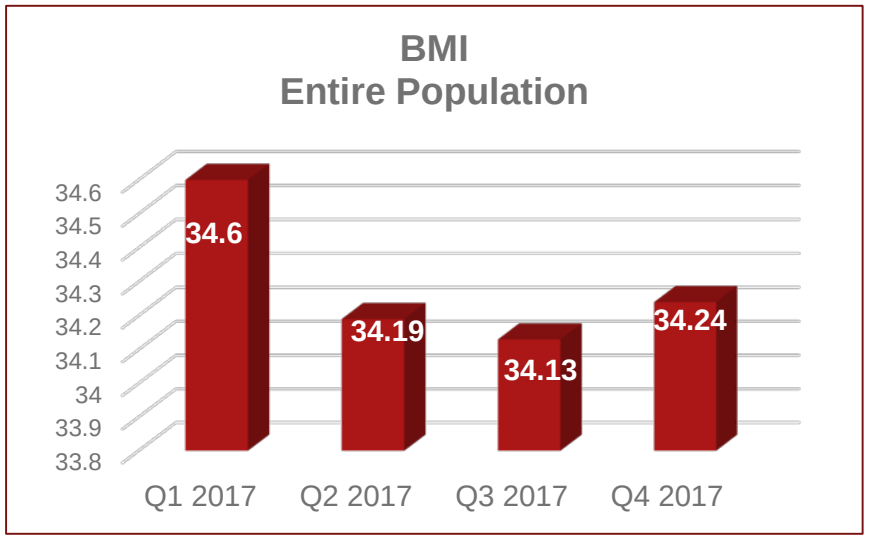
**Reduced Cost**

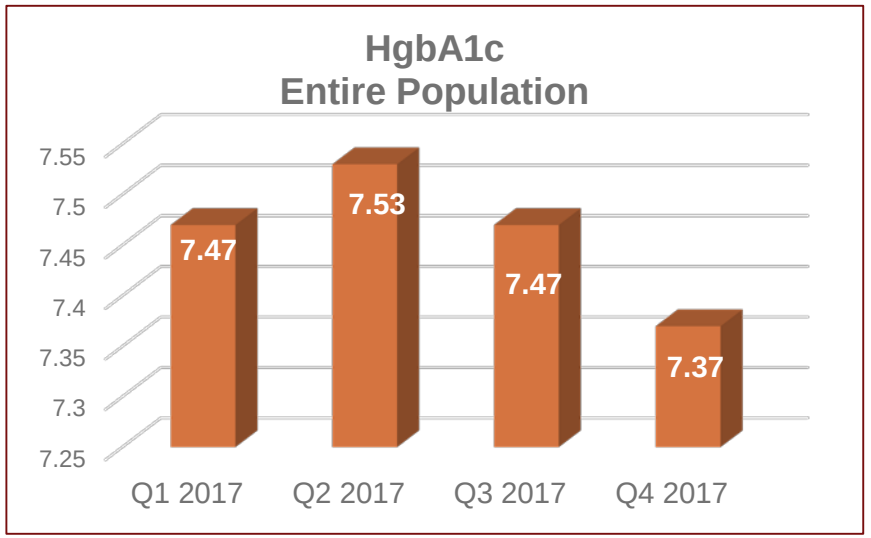
| Clinical Outcomes Engaged Population | |
|---|---|
| **Question** | **Progressed To Goal** |
| Acute cardiac symptom management - symptom control | 100% |
| Acute endocrine symptom management v2 - symptom control | 100% |
| Diabetes-Custom - Goals met | 100% |
| Health status in relation to infection: not compromised | 100% |
| In general, during this report period, how compromised has the participant been in relation to the cardiac condition? - not compromised | 100% |

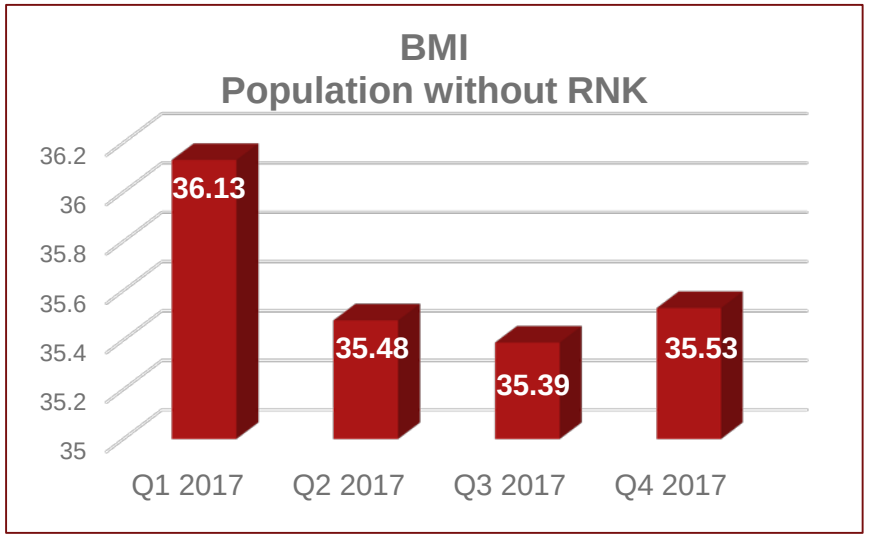
| Behavioral Outcomes Engaged Population | |
|---|---|
| **Question** | **Progressed To Goal** |
| GI symptom management knowledge - Complete knowledge | 100% |
| Infection, or risk for v3 - Infection control/prevention- knowledge Extensive | 100% |
| Infection, or risk for v3 - Tx plan knowledge - Extensive | 100% |
| Knowledge-GU symptom management Complete knowledge | 100% |
| Resolution of ineffective treatment type | 100% |
| Vaccines- adherence behaviors | 100% |

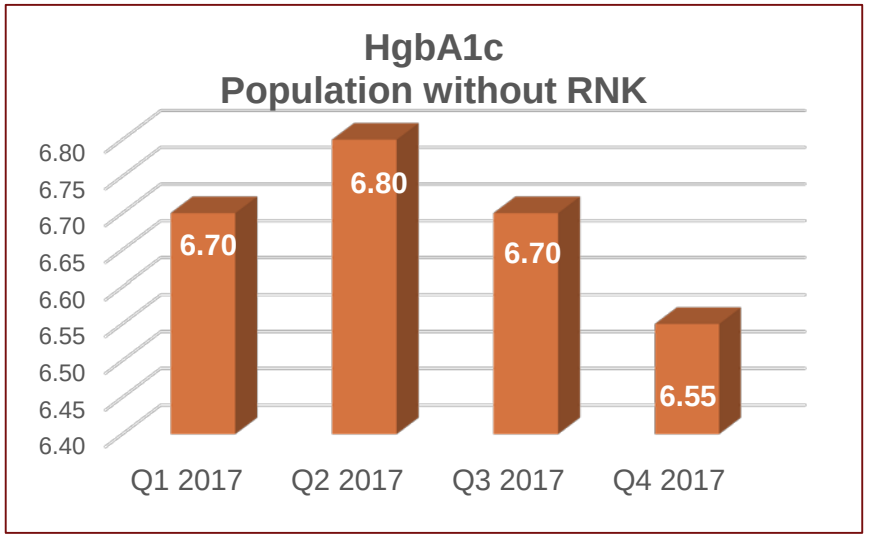
*Content relates to members engaged between January – December 2017

# Engaged Member Statistics




## Top Episode Treatment Groups

- Ischemic Heart Disease
- Degenerative Joint Disease
- Hypertension
- Breast Cancer
- Diabetes

CM/DM targets to improve adherence/effectiveness of the treatment plan.

The goal is to manage members to achieve the desired range of the clinical measures.

**Goal**

Normal Range for Healthy Individual
BMI : 18.5 to 24.9
A1c : Less than 5.7 mg/dl

# Preventive Screenings

| | Q4 2016 Compliance %* | Q4 2017 Compliance %* | Q4 2017 % Compliance Engaged Pop. |
|---|---|---|---|
| Breast Cancer Screening | 43% | 49% | 65% |
| Cervical Cancer Screening | 46% | 46% | 63% |
| Colorectal Cancer Screening | 39% | 40% | 65% |
| Prostate Cancer Screening | 81% | 75% | 78% |

*Total population is across all risk categories

- Personal Health Nurse is impacting compliance while managing members in acute or chronic medical management.

- Recommendations:
  - Member education to focus on the importance of preventative screenings (Newsletter, Fund website)
  - Member education to focus on benefits and frequency for preventative screenings, (Newsletter, Fund website)
  - Awareness campaign in correlating month (ex. October is breast cancer awareness month).

# Savings Detail

| Summary Financial Outcomes | |
|---|---|
| Total spend - ALL service types | $432,323 |
| Total savings | $1,072,958 |
| **Return on Investment** | **$2.48** |

| Savings Description | Savings |
|---|---|
| Savings based on improved health related behaviors | $557,563 |
| Reduced Length of Stay | $233,000 |
| Pre-emptive Admission | $95,656 |
| Savings based on biometric predictive course | $91,187 |
| Medical Director review - Medical necessity criteria not met | $50,057 |
| Reduced Level of Service | $37,473 |
| Outpatient Care in lieu of Inpatient Care | $12,613 |
| Medical Director review - Coverage criteria not met based on clinical review | $6,617 |
| Administrative | ($11,208) |
| **Totals** | **$1,072,958** |

**Personal Health Nurse Savings Examples**

- Member with uncontrolled Diabetes and High Blood Pressure is now taking medications and adhering to glucose monitoring. As a result, member has lost weight, Diabetes is controlled, and they have lowered their blood pressure reducing the risk of multiple complications.
- Member with COPD on Oxygen and prior Inpatient stay stopped smoking, lost weight, adhered to treatment plan and lowered his BP reducing his risk for a cardiovascular incident or readmission due to COPD exacerbation.
- Member had elevated blood pressure but could not monitor at home. PHN sent her a Carekit which included a home blood pressure monitor; the kit was used to compliment the education and support she provided through medical management. The member reduced her blood pressure to a normal classification over time.

| Case Study | |
|---|---|
| **Profile** | 76 year old male opened to medical management in July 2017. |
| **Health Challenges** | Member has diagnosis of hypertension, congestive heart failure (CHF) , chronic pulmonary fibrosis, alcohol abuse, and cardiomyopathy.<br>Due to the multiple comorbid conditions, the member was at significant risk for a inpatient admission due to a cardiac event. |
| **How Conifer Helped** | Upon engaging the member, the Personal Health Nurse (PHN) assessed that member did not understand his diagnosis of CHF and was noncompliant with medications and follow up with his physicians.<br>PHN completed full medication reconciliation and safety assessment with member and discovered member was not taking any of his prescribed diuretics.<br>PHN collaborated with PCP and Cardiology office to verify correct medications and coordinate follow up appointments, educated member on condition and medications, ensured adherence to medication and follow up appointments through close monitoring and PHN coaching. |
| **What Makes Conifer Different** | Through PHN support the member became adherent to prescribed medications and recommended follow-up. Due to this members health challenges of hypertension, congestive heart failure and cardiomyopathy, along with his predictive course related to his conditions and poor compliance, it is likely that an inpatient stay related to Congestive Heart Failure exacerbation was averted. |
| **Cost Savings Calculation** | Savings of $9,358 calculated from data provided by Maryland Hospital Pricing Guide from the Maryland Health Care Commission for inpatient stays related to the member's diagnosis of Congestive Heart Failure |

| Case Study | |
|---|---|
| **Profile** | 64 year old female opened to medical management in December of 2016. |
| **Health Challenges** | History of Breast Cancer, chronic kidney failure, hypertension, and morbid obesity<br>Member with metastatic breast cancer requiring surgery, chemotherapy, and radiation along with chronic comorbidities. |
| **How Conifer Helped** | Personal Health Nurse (PHN) engaged and worked closely with member throughout treatment process to prevent potential complications by assisting with care coordination and providing education and resources to prevent complications related to cancer treatment. Once treatment was completed, the PHN continued assisting member to improve other risk factors to address chronic conditions of hypertension and obesity. |
| **What Makes Conifer Different** | The PHN has worked with the member throughout the continuum of her care. The member completed cancer treatment without complications and is now in remission and has returned to work. Since beginning to work with the PHN the member has made lifestyle changes and has lowered her BMI from 41.3 to 34.7, and has improved her blood pressure from 133/91 to 117/81. Given the members comorbidities and the increased risk of infection related to cancer treatment it is likely that an inpatient stay related to infection/Sepsis was averted. |
| **Cost Savings Calculation** | Savings of $15,274 calculated from data provided by Maryland Hospital Pricing Guide from the Maryland Health Care Commission at member's preferred hospital for inpatient stays related to Sepsis. |

# Satisfaction Survey Results - 2017

| | Response | Base Line | |
|---|---|---|---|
| **How well did the services provided by your nurse meet your needs?** | Very well | 6 | 55% |
| | Well | 5 | 45% |
| **The ease with which I could talk to my nurse was?** | Very easy | 9 | 69% |
| | Easy | 4 | 31% |
| **Was the information provided by your personal nurse concerning your health helpful?** | Very Helpful | 7 | 64% |
| | Helpful | 3 | 27% |
| | Somewhat Helpful | 1 | 9% |
| **What is your overall satisfaction with the quality of the services provided by your nurse?** | Very satisfied | 7 | 58% |
| | Satisfied | 5 | 42% |

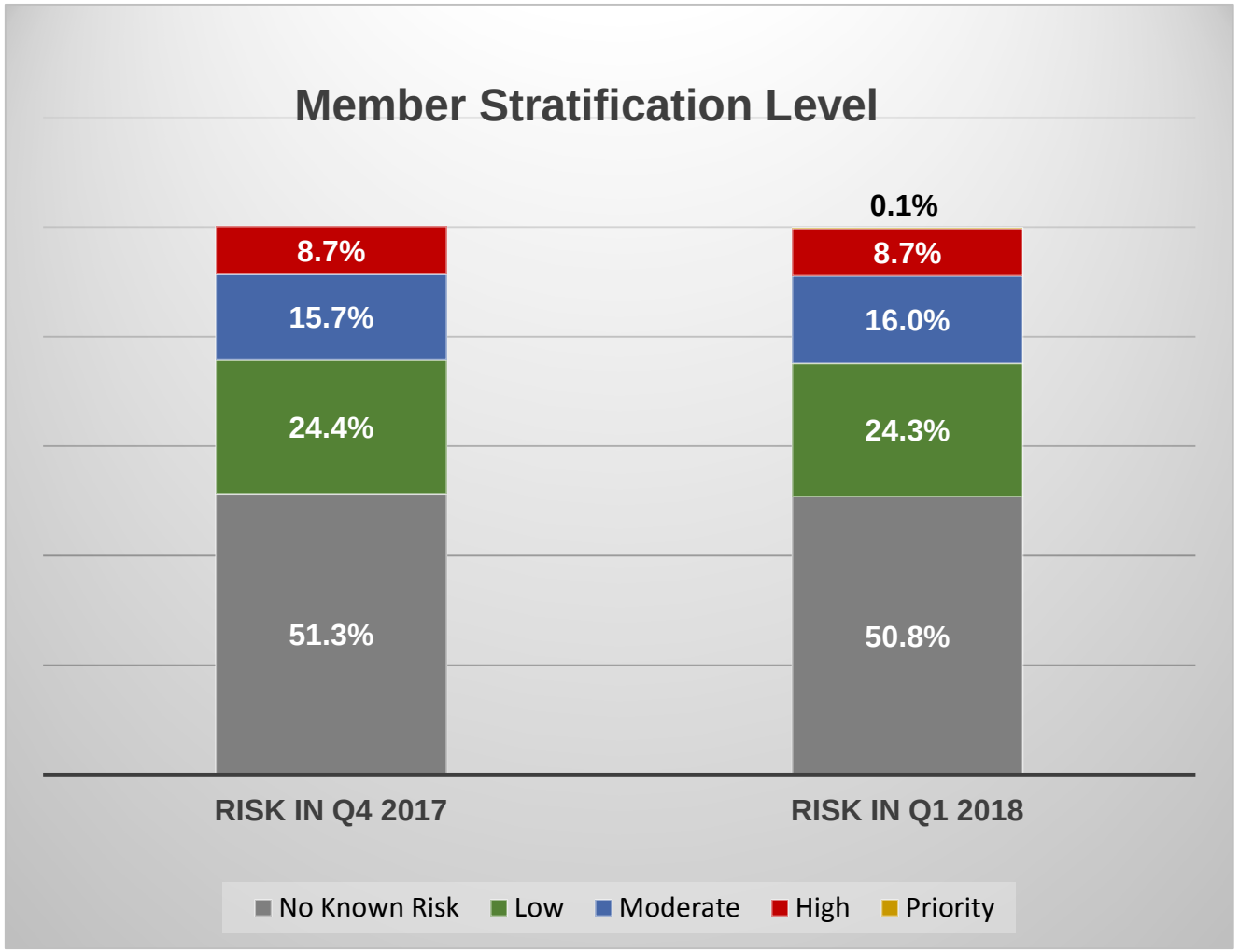
* Results based upon 76 surveys sent and 13 surveys returned completed between Jan – Dec 2017

## Satisfaction Survey Comment Example:

- “The RN nurse made me feel better after she helped me with everything. thanks.”
- “200% pleased with nurse Tammy Leydig R.N. , Conifer Health Solutions is blessed to have such a wonderful caring nurse on staff. She was perfect in every way. Two thumbs way up to nurse Leydig.”

# POPULATION MANAGEMENT FOR 2018

# Risk Stratification Moving Forward with Current Population




- **Priority Risk** has increased for Q1-2018 compared to Q4-2017, while the **High Risk** remains unchanged.
- The **Unknown Risk** population has decreased compared to the population in Q4-2017
- Despite the elimination of the RNKMED plans effective in 2018, the risk stratification of the remaining population closely mirrors the risk seen in Q4-2017

# Risk Stratification Triggers Q1-2018

| Strat Level | Trigger Description | Modifiable Trigger | Member |
|---|---|---|---|
| Priority | Claims Utilization - Breast Cancer Identified ICD Codes first occurrence in prior month | N | 2 |
| Priority | Claims Utilization - Gastrointestinal Identified ICD Codes first occurrence in prior month | N | 1 |
| Priority | Claims Utilization - Leukemia Identified ICD Codes first occurrence in prior month | N | 1 |
| Priority | Claims Utilization - Single Dose GT $5,000 first occurrence for NDC/HCPCS in prior month | Y | 1 |
| High | Claims Utilization - Consumed GT $5,000 in RX in prior 6 months | Y | **102** |
| High | Predicted between $25,000 and above | Y | **86** |
| High | Unique Medical Provider Interactions - 15 + in prior 12 months | Y | **81** |
| High | Unique Prescribing Physician Interactions - 9 + in prior 12 months | Y | **67** |
| High | Claims Utilization - GT $25,000 in medical in prior 6 months | Y | 48 |
| High | Chronic Renal Failure | N | 31 |
| High | Congestive Heart Failure, Hypertension, & Hyperlipidemia | N | 21 |
| High | Congestive Heart Failure, Obesity, & Hypertension | N | 19 |
| High | Congestive Heart Failure, Diabetes | N | 18 |
| High | Claims Utilization - Breast Cancer Identified ICD Codes in prior 6 months | N | 15 |
| High | Claims Utilization - Single Dose GT $5,000 for NDC/HCPCS in prior 2 months | N | 14 |
| High | Congestive Heart Failure, Obesity, & Hyperlipidemia | N | 13 |
| High | Claims Utilization - Gastrointestinal Identified ICD Codes in prior 6 months | N | 8 |
| High | Diabetes Mellitus - Patient(s) with most recent hemoglobin A1C result 9.0% or higher. | Y | 8 |

- Decrease noted in members with triggers associated with RX, predicted utilization, and provider interactions compared to Q4-17
- Medical management of the priority and high risk members continues to be focused on (where applicable):
  - Increasing adherence to treatment plan
  - Increasing adherence visits with specialist
  - Resolving ineffective treatment plans
  - Improving symptoms of cancer and treatment symptoms

# Predictive Modeling Priority and High Risk

## Predictive Costs

- 73% of the priority and high risk population for Q1-2018 are expected to have **Cardiology or Endocrinology** conditions over the next 12 months.
- Expected spend $6 - $10 million.
- Cost Drivers:
  - **Endocrinology (28%)** – Hyperlipidemia
  - **Cardiology (48%)** – Hypertension
  - **Orthopedics & Rheumatology (45%)** Joint Degeneration & Major Joint Inflammation

## Clinical Strategy

- Reduce poor utilization patterns through continuity and coordination of care.
- Improve compliance with treatment plan to prevent acute care episode.
- Support for chronic conditions; reduce risk of progression of disease process.
- Monitor medication adherence.
- Ensure RX prescribed appropriately/cost effective.

*Content relates to Q1-18 priority and high risk members.

# Continued Focus

- **Anticipate improved savings with increased member engagement with remaining population**
  - Partnering with fund to bring awareness and participation with Conifer (marketing below)
  - Continue to outreach to all members in priority and high risk categories.
- **Improving outcomes**
  - Continue to focus on compliance with chronic conditions
  - Strategic goal setting with member
- **Recommendations for ongoing member engagement through marketing strategies**
  - Increase member knowledge around Conifer and the services offered (fund assistance) through fund communication and targeted Conifer outreach
  - Initiate the use of nurse bio's out with introduction and unable to reach/refused letters
  - Discuss fund use of Conifer tri-fold in other fund mailings (FMLA, enrollment packets, Disability or other leaves)