CONIFER HEALTH SOLUTIONS®

UFCW NON-FOOD

2018 Medical Management Review

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POPULATION OVERVIEW

Population Trend Factors

Population Future Trend Factors						
Predicted Trends	**2016**		**2017**		**2018**	
	Total	**% of Mbr**	**Total**	**% of Mbr**	**Total**	**% of Mbr**
Priority Members with specific conditions	11	0.16%	1	0.02%	6	0.18%
High Risk Members from Risk Stratification	508	7.50%	544	8.43%	266	8.12%
% of population predicted to spend >$5,000 in next 12 months	2228	32.88%	2174	33.69%	1048	31.98%
Prevalent Chronic Conditions of those >$5,000*	1835	27.08%	1867	28.93%	931	28.41%
High Cost Cancers**	55	0.81%	44	0.68%	19	0.58%

*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

- Increase in the Priority Members is noted for 2018 compared to 2017 due to new triggers of Readmission risk.
  - A substantial decrease in the number of High Risk members is seen, due to the decreased population in 2018, however the percentage of the population attributed to this risk category has not decreased significantly
- Total number of Members anticipated to spend >5,000K is slightly decreased, however the members with anticipated claims associated with chronic conditions has remained unchanged
- Members with high cost cancers has decreased for 2018 compared to 2017 and may be a direct correlation with the smaller population

Historic/Paid Financial Activity

Historic/Paid Financial Activity			
Historic Trending	**2016**	**2017**	**2018**
Employees	4,229	4,002	2,066
Members	6,777	6,453	3,497
Medical PMPM	$371.67	$324.83	$327.89
RX PMPM	$98.52	$111.27	$124.51
Total	**$470.19**	**$436.10**	**$452.40**
Age/Gender	1.30	1.32	1.36
CMI (Case Mix Index)	2.79	2.92	2.69
Historic Category of Care PMPM	**2016**	**2017**	**2018**
Hospital Related	$234.42	$191.63	$177.90
Professional	$131.99	$124.95	$143.52
Other	$5.26	$8.25	$6.47
Rx	$98.52	$111.27	$124.51
Total	**$470.19**	**$436.10**	**$452.40**
Historic Claimants over $10,000	**2016**	**2017**	**2018**
Total Claimants	519	433	252
% of population	8%	7%	7%
% of total paid	79.83%	77.40%	74.85%
Largest claimant	$1,771,549	$480,263	$670,991
Avg cost per claimant	$46,495	$44,927	$40,879

- **Medical PMPM** with less than a 1% **increase** in 2018 compared to 2017.
  - See slide 6 for 2017 to 2018 Medical PMPM comparison
- **RX PMPM** has seen a 12% increase in 2018 compared to 2017.
- In 2018 there were 252 members with **over $10,000 in utilization**. This is a significant decrease over 2017 utilization and potentially associated with a smaller population.
  - The average cost per claimant and percentage of total paid has decreased slightly.

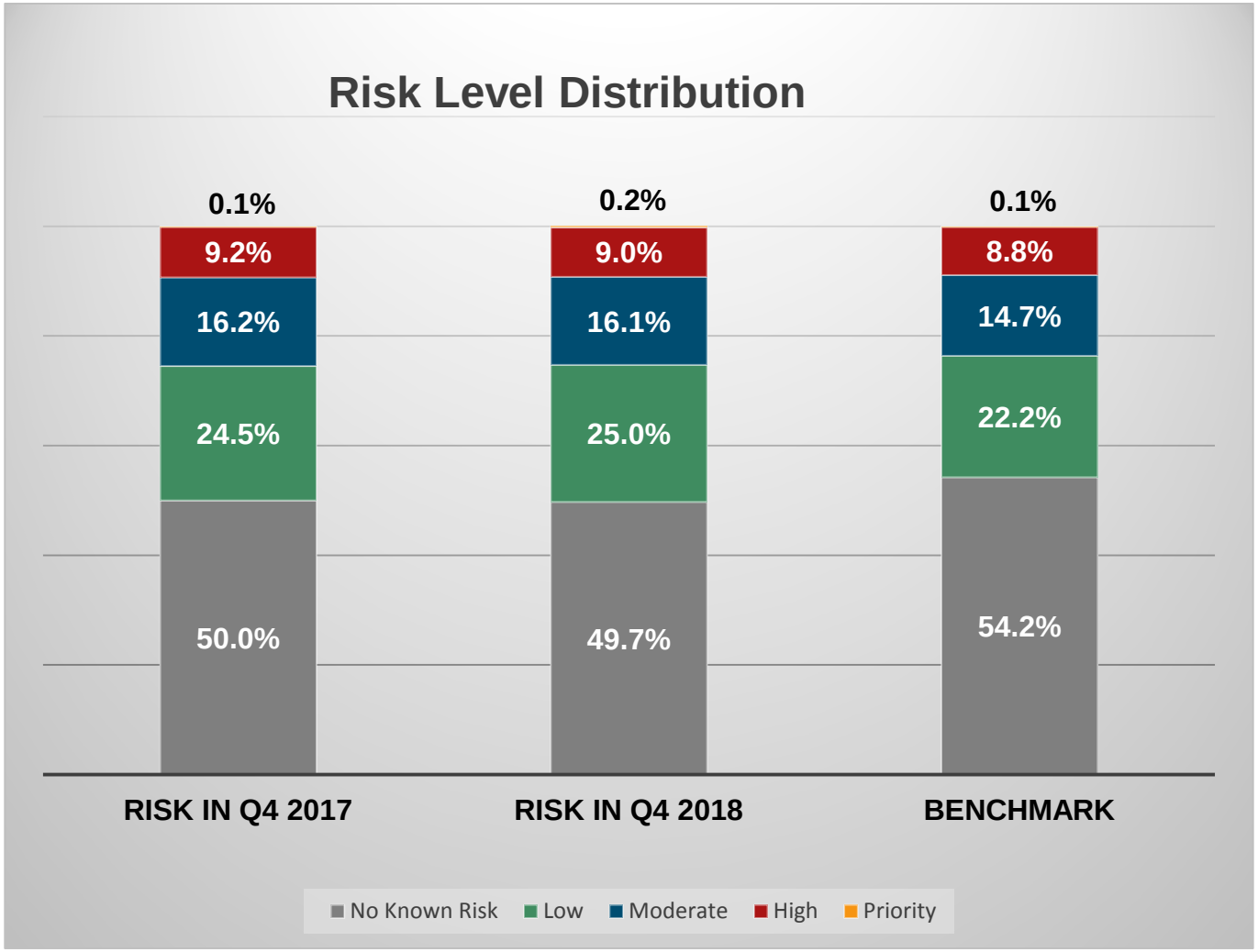
Cost Drivers by Category of Care (COC)

	2017	2018	Variance
Inpatient Hospital	$111.22	$104.84	-6%
Facility	$68.69	$63.07	-8%
Medicine	$34.44	$46.14	34%
Evaluation & Management	$31.72	$34.74	10%
Procedures	$22.60	$27.78	23%
Outpatient Radiology	$23.19	$19.72	-15%
Emergency Room	$11.50	$9.99	-13%
Anesthesia	$5.71	$5.84	2%
Outpatient Laboratory	$4.97	$6.29	27%
Other Outpatient Services	$6.27	$5.49	-12%
Outpatient Pathology	$2.60	$3.01	16%
Undefined Services	$0.40	$0.22	-45%
Ambulance	$0.65	$0.53	-18%
Totals	**$323.96**	**$327.66**	**1%**

Cost Drivers by Category of Care:

- **Inpatient Hospital** claims with a 6% decrease due to a reduction in the average unit cost for room and board charges
  - Conifer with declared savings of **$164,800** for the savings category of" **"reduced length of stay" in 2018**
- **Facility** with a 8% decrease in the PMPM related to a decrease in outpatient service utilization and costs, as well as a decrease in the utilization of rehabilitation facilities.
- **Outpatient radiology** with decrease associated with the decline of cost and utilization of radiation and nuclear medicine

Risk Stratification Comparison



** Due to transition of RNK med plans in early 2018, these members were removed from the comparison above**

- **Priority Risk** has increased from Q4-17 to Q4-2018
  - Increase associated with addition of new triggers (Readmission Risk, Opioid Utilization, ER utilization)
- **High Risk** population has decreased since Q4-17
- The **Unknown Risk** population has decreased compared to Q4-2017
- 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

			Q4-2017	Q4-2018
Strat Level	Trigger Description	Modifiable Trigger	Part.	Part.
Priority	Readmission Risk	Y	2	5
Priority	Claims Utilization - Single Dose GT $5,000 first occurrence for NDC/HCPCS in prior month	Y	1	1
High	Claims Utilization - Consumed GT $5,000 in RX in prior 6 months	Y	104	73
High	Unique Medical Provider Interactions - 15 + in prior 12 months	Y	94	76
High	Predicted between $25,000 and above	Y	93	78
High	Unique Prescribing Physician Interactions - 9 + in prior 12 months	Y	81	67
High	Claims Utilization - GT $25,000 in medical in prior 6 months	Y	52	39
High	Chronic Renal Failure	N	32	31
High	Congestive Heart Failure, Hypertension, & Hyperlipidemia	N	22	22
High	Congestive Heart Failure, Diabetes	N	20	18
High	Congestive Heart Failure, Obesity, & Hypertension	N	19	22

- Conifer's focus continues to be on outreaching to members with various utilization patterns for high costs, chronic conditions and uncoordinated care
- Number of members attributed to modifiable triggers from Q4-17 have trended down in Q4-18 particularly those with triggers associated with high predicted utilization and high number of provider interactions

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

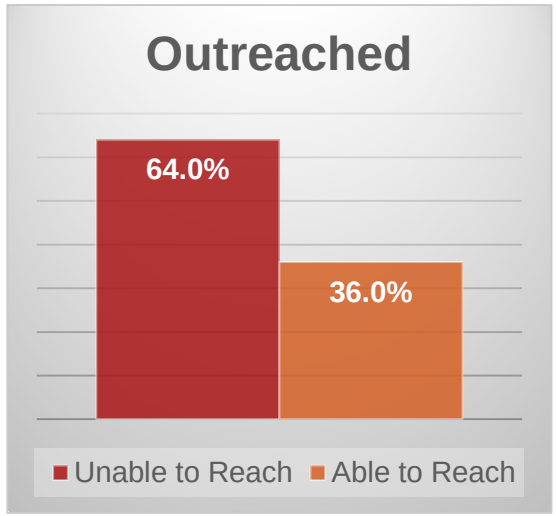
2018 Results

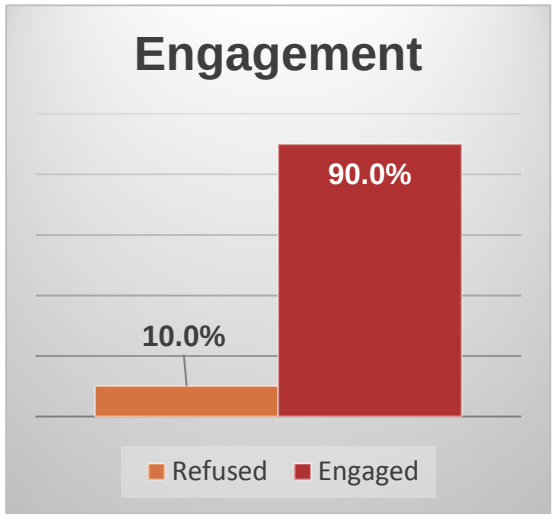
- Conifer's personal health nurses (PHNs) engaged **90%** of those members reached into the program .
- Through case review and careful coordination of appropriate services, Conifer's PHNs achieved a return of investment (ROI) of **3.33**. This represents the impact of changed behaviors on clinical status 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.

Engagement-2018

Population Identification						
	Population	**Prioritized for Outreach**	**Unable to Reach**	**Able to Reach**	**Engaged**	**Refused**
Total Population	2,955	474	301	173	155	18
Total Population Health Costs over last 12 months	$13,762,582	$11,196,798	$5,920,697	$5,930,025	$5,198,584	$883,951
Average per member health costs over the last 12 months	$4,657	$23,622	$19,670	$34,277	$33,539	$49,108
Average Risk Score-High Risk	92.29	108.41	103	122.58	123.11	142.68

*Content relates to Jan – Dec 2018





Impact

- In 2018, Conifer's engagement rate was **90%**

Opportunities

- Of those 301 members, **88% did not respond to Conifer's outreach attempts**

Continued Focus

- Outreached to providers to assist with engagement.
- Partner with fund office to market Conifer's services
- Target refused members adjusting clinical engagement scripts

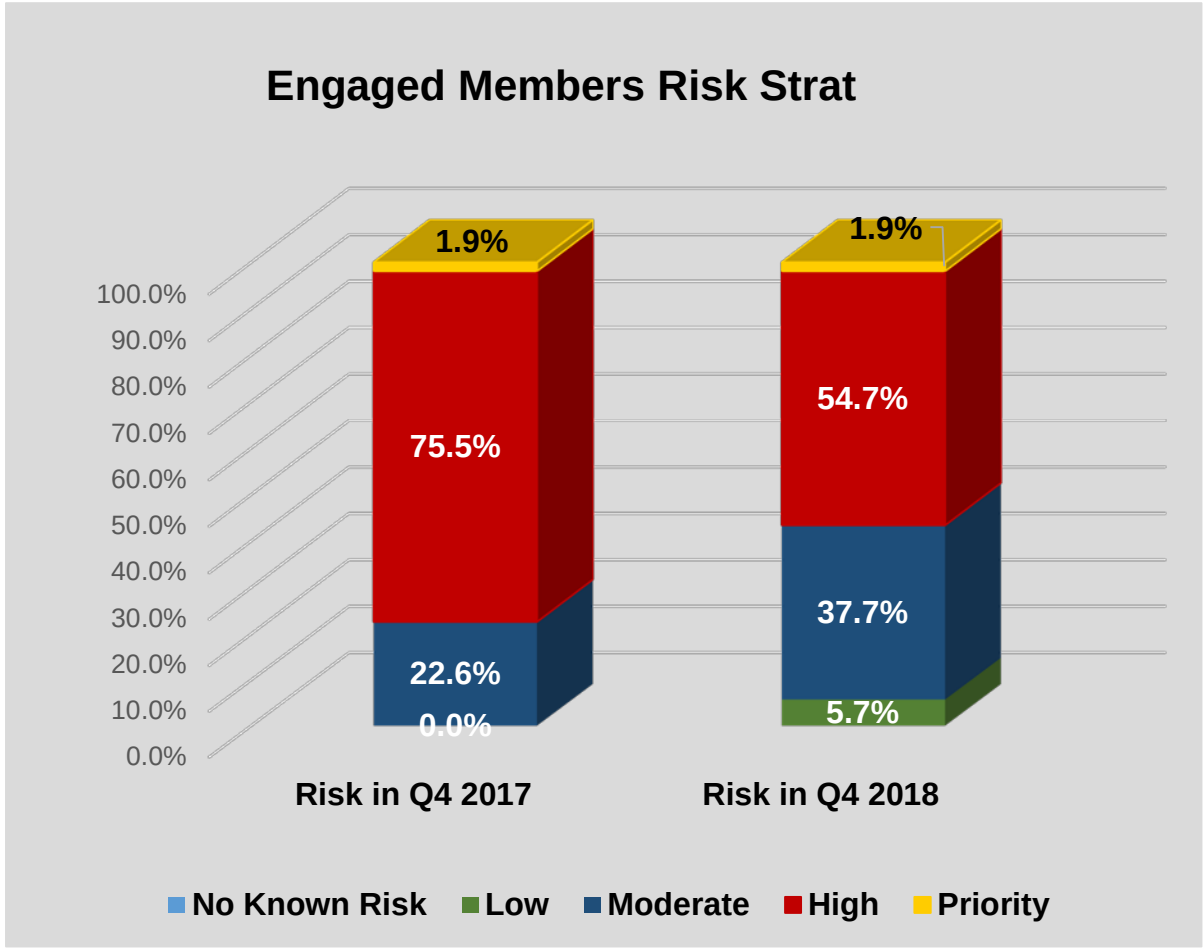
Engagement – No Response to Outreach

- Out of 301 members who were unable to locate, 219 did not respond to Conifer's outreach attempts
  - Outreach consists of three phone call attempts and a letter
- Average health care costs per member in the past 12 months was $19,670
- Primary Conditions for Outreach from Risk Strat: Chronic Renal Failure, Congestive Heart Failure, Obesity and Hypertension.
- Primary High Risk Strat Triggers: Unique medical provider interactions- 15+ in prior 12 months, Unique prescribing physician interactions- 9+ in prior 12 months, and Predicted costs between $25,000 and above.
- Consider additional marketing strategies for educating population on availability of Conifer's services
  - "For Your Benefit" publication
  - Conifer Tri-fold brochures or FAQ pamphlets in mailings for open enrollment, leave of absence packets

Engaged Members Risk Change Comparison

Engaged Members Risk Strat		
Risk Level	**Risk in Q4 2017**	**Risk in Q4 2018**
Priority	1.9%	1.9%
High	75.5%	54.7%
Moderate	22.6%	37.7%
Low	0.00%	5.7%

*Content relates to engaged members from Q4 2017 compared to Q4 2018



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 GI symptom management- symptom control	100%
Coronary Artery Disease- goals met	100%
Depression- health status related to the issue	100%
Health status in relation to infection: not compromised	100%
Fasting blood glucose in goal	75%
Hypertension goals met	50%

Behavioral Outcomes Engaged Population	
Question	**Progressed To Goal**
GI symptom management knowledge- extensive knowledge	100%
Infection, or risk for v3 - Infection control/prevention	100%
Depression treatment plan knowledge	100%
Adherence to treatment plan	67%
Endocrine symptom management- knowledge adequate to maintain health	67%
Hypertension- knowledge of cardiovascular risk factors	67%

*Content relates to members engaged between January – December 2018

Preventive Screening Compliance

	Q4 2017 Total Population's Compliance %*	Q4 2018 Total Population's Compliance %	Q4 2018 % Compliance Engaged Pop.
Breast Cancer Screening	49%	47%	58%
Cervical Cancer Screening	46%	46%	60%
Colorectal Cancer Screening	40%	41%	64%
Prostate Cancer Screening	75%	77%	100%

*Total population is across all risk categories

- Personal Health Nurse is impacting compliance while managing members in acute or chronic medical management. Those members engaged with a Personal Health Nurse have a higher percentage of compliance with preventative screenings than the rest of the population.

- 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).

Financial Performance

Summary Financial Outcomes	
Total spend - ALL service types	$236,402
Total savings	$788,077
Return on Investment	**$3.33**

Savings Description	Savings
Savings based on improved health related behaviors	$378,900
Reduced Length of Stay	$164,800
Medical Director Review- Medical Necessity criteria not met	$71,830
Savings based on biometric predictive course	$71,381
Self Care in Lieu of previous utilization pattern	$43,405
Outpatient Care in lieu of Inpatient Care	$38,231
Pre-emptive admission	$20,250
Reduced Level of Service	$4,400
Medical Director Review- Coverage criteria not met based on clinical review	$3,665
Administrative	($8,784)
Totals	**$788,077**

Improved Health Related Behavior

Member
50 Year Old Male

Challenges
Member had an inpatient admission for diabetic ketoacidosis in 2018. At that time his A1c was 12.5%. Member was not adherent to or knowledgeable of his diabetes management.

How a Conifer PHN Helped

1. A PHN engaged with member during acute illness to assess needs and understanding of discharge instructions, medications and follow up.
2. The PHN coordinated diabetic education classes for member when no classes were ordered at discharge.
3. PHN provided extensive education to member on diabetes management including diet, exercise, recommended screenings, self blood glucose monitoring, symptom management and medications.

Member Results

Member is knowledgeable of all aspects of diabetes management and is committed to improving his health. He decreased his A1c to 5.1%, completed all recommended screenings and is adherent to his treatment plan. Not only is he committed to his own health, but he now advocates and educates his diabetic peers.

Coordinating Outpatient Care

Member
59 Year Old Female

Challenges
Member had an ER visit for syncope and chest pain. She had recently lost her spouse. After being seen in the ER she was scheduled for a cardiac catheterization. Medical history included hypertension and COPD.

How a Conifer PHN Helped

1. The PHN contacted member after her ER visit and provided education on what to expect with her cardiac catheterization and cardiac symptoms and management.
2. The PHN followed up with member after her cath to assess her results and reinforce education.
3. PHN also coordinated grief counseling for member and reinforced coping strategies.

Member Results

Member is now back to work and reported that the comradery and her grief counseling has helped her to cope. She is also adherent to her cardiac treatment plan and denies any recent cardiac symptoms.

Satisfaction Survey Results – 2018

	Response	Baseline
How well did the services provided by your nurse meet your needs?	**Very well**	100%
How well did your nurse assist you with your healthcare concerns?	**Very well**	100%
The ease with which I could talk to my nurse was?	**Very easy**	100%
Was the information provided by your personal nurse concerning your health helpful?	**Very Helpful**	100%
What is your overall satisfaction with the quality of the services provided by your nurse?	**Very satisfied**	100%

*Results based upon 72 surveys sent and 22 surveys returned completed between Jan – Dec 2018

Satisfaction Survey Comment Examples:

- My nurse was very pleasant to talk to.
- She listened to my thoughts and concerns every time we talked. It was very much appreciated.
- She would always listen and talk until I felt good about what was going on with my health. She always made suggestions on what I could do or ask my doctors to listen to. Thank you!
- She is very knowledgeable and helpful and easy to talk to. She is very concerned about your conditions and always willing to be concerned.
- I am very pleased with her and when I need information about things regarding my health, she is more than willing to get it. I am truly blessed to have her on my side.
- All the nurses need to be like her. She is very helpful with every question that I ask her.
- Need more nurses like her to help people like me. She is very concerned and very good at checking up on me.

Continued Focus

- **Anticipate ongoing savings with increased member engagement of unable to locate population**
  - Partnering with fund to bring awareness and participation with Conifer (marketing below). Increase in unable to locate population represents missed opportunities for Conifer's impact on population.
  - 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 enhancing member engagement through marketing strategies**
  - Increase member knowledge around Conifer and the services offered (fund assistance) through fund communication and targeted Conifer outreach
  - Discuss fund use of Conifer tri-fold in fund mailings (FMLA, enrollment packets, Disability or other leaves)

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