



Accelerating Value Through Transparency and Innovation

29th Annual Conference

Friday, June 17, 2022



Welcome



Rosa Novo

Executive Benefits Director

Miami-Dade County Public Schools

Florida Alliance Board of Directors
Board Chair

Thank you to our host and sponsors!



Today's Agenda



9:15AM–10:30AM **Tackling High Healthcare Prices and Achieving Value – Three Successful Employer-Led Initiatives**

François de Brantes, MBA, MS, Signify Health/State of CT

Cheryl DeMars, MSSW, The Alliance/State of WI

Claire Brockbank, MS, Peak Health Alliance/32BJ Health Fund

Moderator: Karen van Caulil, PhD, Florida Alliance

10:35AM-11:00AM **The Necessity of Purchasers Engaging in Health Policy**

Bret Jackson, Economic Alliance for Michigan

Today's Agenda



- 11:05AM–12:00PM **A “Fireside Chat” on the Price of Health Care in Florida**
Marilyn Bartlett, CPA, CMA, CFM, National Academy for State Health Policy
Christopher Whaley, PhD, RAND Corporation
- 12:00PM-1:00PM **Box Lunch and Networking**

Today's Agenda



- | | |
|---------------|--|
| 1:00PM-1:15PM | Welcome Back from Lunch and Overview of Afternoon |
| 1:15PM-2:30PM | How Transparency Will Drive Innovation in Value-Based Purchasing of Health Care
Jim Curotto, MBA, Merck
Matt Muhart, MBA, Memorial Healthcare System
Donovan Pyle, REBC, CHVP, Health Compass Consulting
Moderator: Karen van Caulil, PhD, Florida Alliance |
| 2:35PM-3:50PM | Innovator Showcase |
| 3:50PM-4:00PM | Wrap-Up
Karen van Caulil, PhD, Florida Alliance |

Enter the Drawing!

Please drop your business card in the container at the registration table to be entered into a drawing at the end of the day for one of two **Amazon gift cards** or an **Apple Home Pod mini**.



Tackling High Healthcare Prices and Achieving Value

Three Successful Employer-Led Initiatives
As Identified by The Commonwealth Fund

<https://www.commonwealthfund.org/publications/2022/apr/tackling-high-health-care-prices-look-four-purchaser-led-efforts>

The Commonwealth Fund – April 22 Article

Do Employers Have Any Leverage to Bring Prices Down?

Toplines from the article:

- Employer purchasing coalitions in certain regions of the US have achieved success in bringing down healthcare costs
- To curb healthcare prices more broadly, new legislation and price regulations may be needed



The Commonwealth Fund Findings

What's Fueling Premium Hikes in the Private Health Insurance Market According to The Commonwealth Fund Study?

It's largely rising prices, not greater use of services:

- About 2/3 of the increase in per-person healthcare spending in the last five years is explained by rising prices rather than changes in utilization
- International comparisons dating back 20 years have found that higher spending on health care in the US is driven by higher prices, not greater use of services



The Commonwealth Fund Findings

Consolidation of hospitals and physician practices contributes to higher prices

- Researchers at the University of California found as of 2018, 95% of metropolitan statistical areas had highly concentrated hospital markets, up from 65% if 1990
- Multiple studies have found that prices increase substantially when neighboring hospitals merge



The Commonwealth Fund Findings



Commercial insurance companies have also consolidated – but they haven't used their market power to rein in prices

- $\frac{3}{4}$ of insurance markets are considered highly concentrated
- A New York Time analysis shows that for a sampling of hospitals and services, the largest insurers negotiated worse deals than cash-paying patients at least half the time

The Commonwealth Fund Findings



The Four Employer-Led Initiatives That Were Spotlighted in the Article:

Connecticut's Network of Distinction: Betting on Bundled Payments and Employee Incentives

The Alliance (Wisconsin): Pooling Claims Data and Steering to High-Value Providers

Peak Health Alliance (Colorado): Aligning Interests with Local Providers

Employers' Forum of Indiana: Shining a Light on High Prices



The Commonwealth Fund Findings



The “Takeaways” from the Article:

- **Transparency is paramount**
- **Align interests among as many stakeholders as possible**
- **More widespread changes may require policy reforms**

Session 1



Tackling High Healthcare Prices and Achieving Value – Three Successful Employer-Led Initiatives



François de Brantes, MBA, MS
Senior Vice President
Signify Health



Cheryl DeMars, MSSW
CEO
The Alliance



Claire Brockbank, MS
Former CEO, Peak Health Alliance/
Director of Policy, 32BJ Health Fund

Moderated by **Karen van Caulil, PhD**, President and CEO, Florida Alliance for Healthcare Value



Using Value-based Payments and Insurance Design to Reshape Healthcare Markets

It Works



Florida Alliance for Healthcare Value

June 17th 2022

François de Brantes

→ State of Connecticut Employee Health Plan

- **240,000** employees & retirees
- **Two groups of covered lives**, one in the core plan (very little cost-sharing), and one in the Partnership Plan (higher cost-sharing)
- **Prior work done to push transparency** and positive steering (VBID)
- **Comprehensive VBP RFP** that covered EOCs, direct contracting and TCC

"By prioritizing the highest-quality care and aggressively negotiating comprehensive pricing, we can achieve the dual goals of lowering overall health costs and achieving better outcomes."

• • •

Kevin P. Lembo, Former State of Connecticut Comptroller

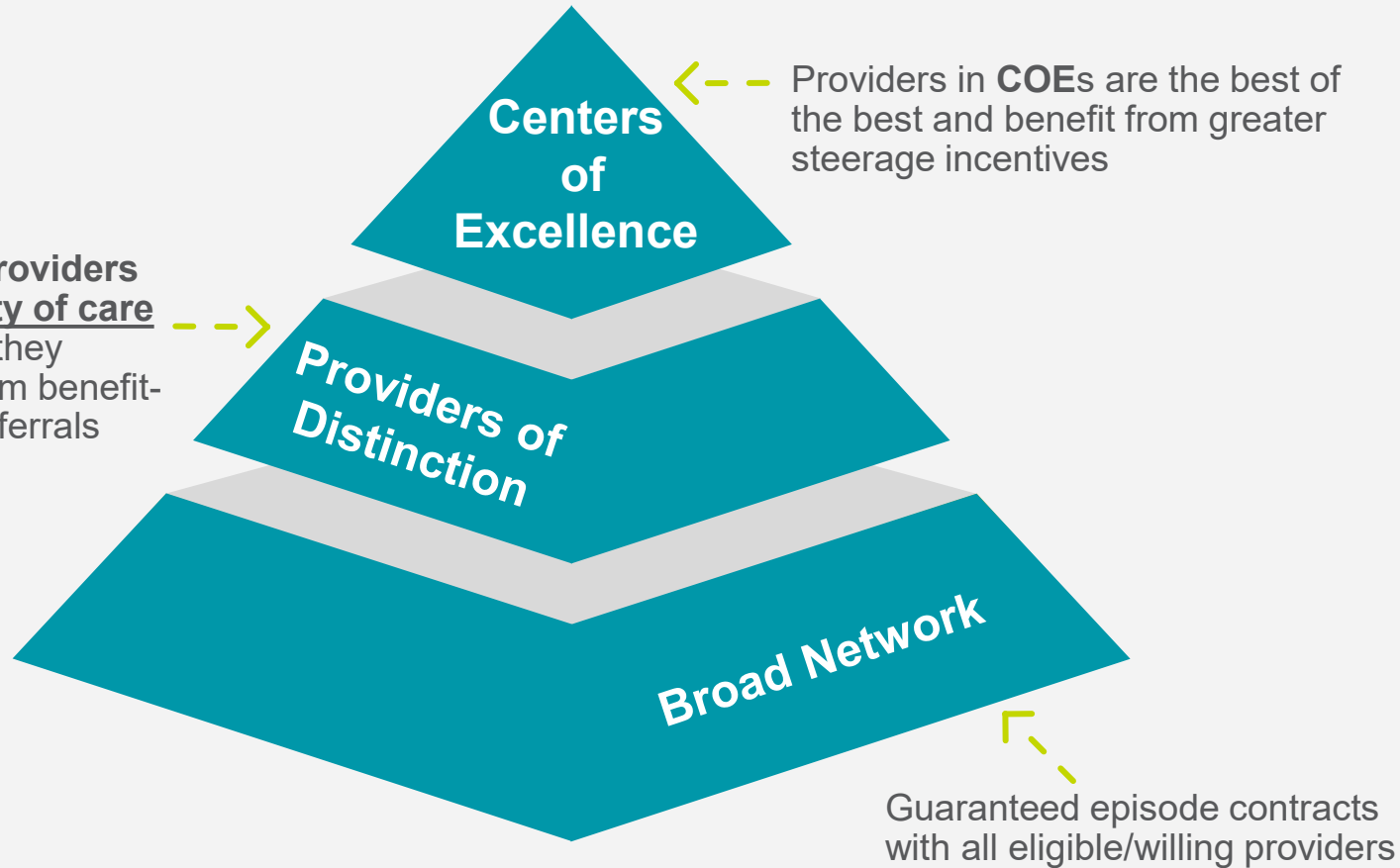
**Quality
first**
and then
prices

Stand up
to the
consolidators

→ A Quality-based tiering and member steerage

All these pieces are just different parts of the base network

Providers are designated as **providers of distinction** based on quality of care first and best episode price – they receive preferential volume from benefit-powered steerage and PCP referrals



Guaranteed Episode Prices Including:



Primary Care



Specialty Care



Facility Care

→ What's Happening Today

- **Hundreds of self-referrals and provider-based referrals** into a Network of Distinction
- **30% shift** away from unnecessary costly care settings
- **>2,000 primary & specialty care providers** in the network competing for patients

Employee engagement has been done by Health Advocate and includes outreach, a website, an app and actual advocates.

Providers are competing for patients and taking risk.

Those that were designated as Providers of Distinction took great pride, featuring it in radio and TV advertising.

up to 35%
discount in
prices

up to 25%
decrease in
complications

→ Results to date (financials are directional)

It's working

Episode Volume To-Date ~30k episodes managed to date

	Completed Episodes	In-Progress Episodes	Total Episodes
Procedures	15,424	220	15,644
Maternity	3,645	323	3,977
Chronic	9,157	--	9,157

Summary AAE* Performance (risk-adjusted)

	2019 Baseline AAE Rate	Live Program AAE Rate	Change from Base
Procedures	5.2%	4.3%	↓ 17%
Maternity	26.2%	22.3%	↓ 15%
Chronic	31.2%	23.8%	↓ 24%

*AAE=Actionable Adverse Events

Summary Financial Performance (risk-adjusted)

	Avg. Target Price*	Live Program Avg. Cost	Change from Base
Procedures	\$5,500	\$5,400	→
Maternity	\$15,100	\$14,750	↓ 3%
Chronic	\$4,000	\$3,300	↓ 17%

*Target Price does not include provider discounts; Savings to state/payer even greater when considering discounts taken by providers

Summary IP Shift** Performance (risk-adjusted)

	2019 Baseline IP Rate	Live Program IP Rate	Change from Base
Procedures	26.1%	14.9%	↓ 43%

**Metrics are based on procedural episodes that are IP shift-eligible (i.e. not exclusively done either inpatient or outpatient)

Low-Risk C-Section Rate	2019 Baseline Rate: 19.9	Live Program Rate: 18.8	↓
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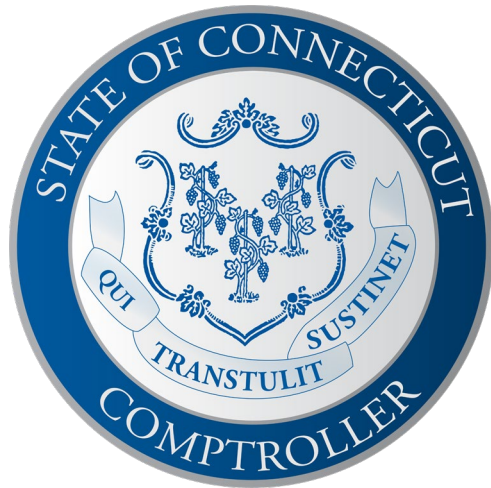
Note: Performance metrics are based on completed episodes with at least 30 days runout. Target prices and 2019 baselines are risk-adjusted to match the case mix of the live program

→ Momentum Is Building – 450K Lives and Growing

240K Covered Lives

210K Covered Lives

TBD -- ASOs



+



+



→ Evolving payment model for employers – towards greater predictability and stability

Other FFS services (potential TCC contract, else competitive FFS rates)

30% of spend

Centers of Excellence: Fixed Prices

10% of spend

Providers of Distinction: Fixed Prices

Cardiac, Pulmonary, Endocrinology, Orthopedic, Behavioral, GI, OB/GYN, etc.

50% of spend

Advanced Primary Care: Fixed Rate

*10% of spend

* Primary Care typically averages 5%-6% of total medical spend

Thank you

... —> Homeward.

Value-Based Purchasing Lessons: What Worked, What Didn't, What's Next?

Florida Alliance for Healthcare Value – June 17, 2022

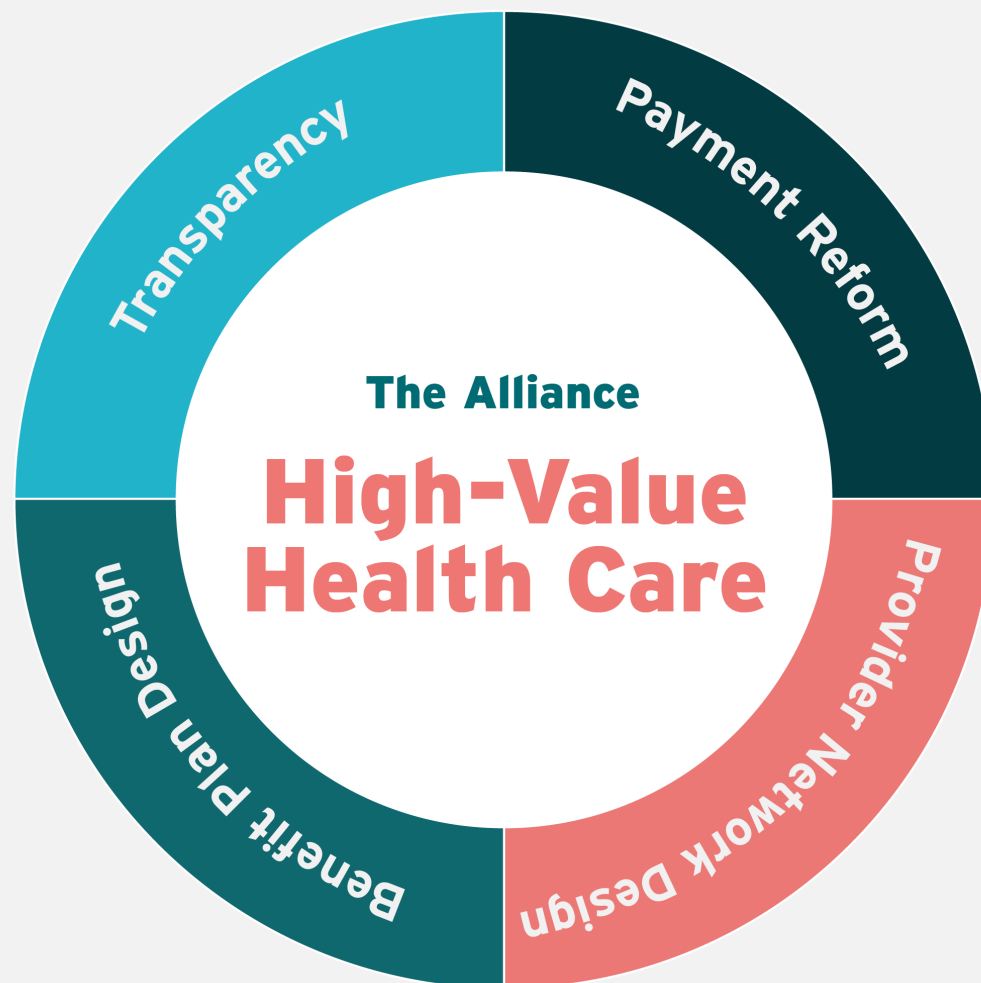


About The Alliance

Employer-owned, independent not-for-profit cooperative, est. in 1990

300+ Employers, 110k employees and family members

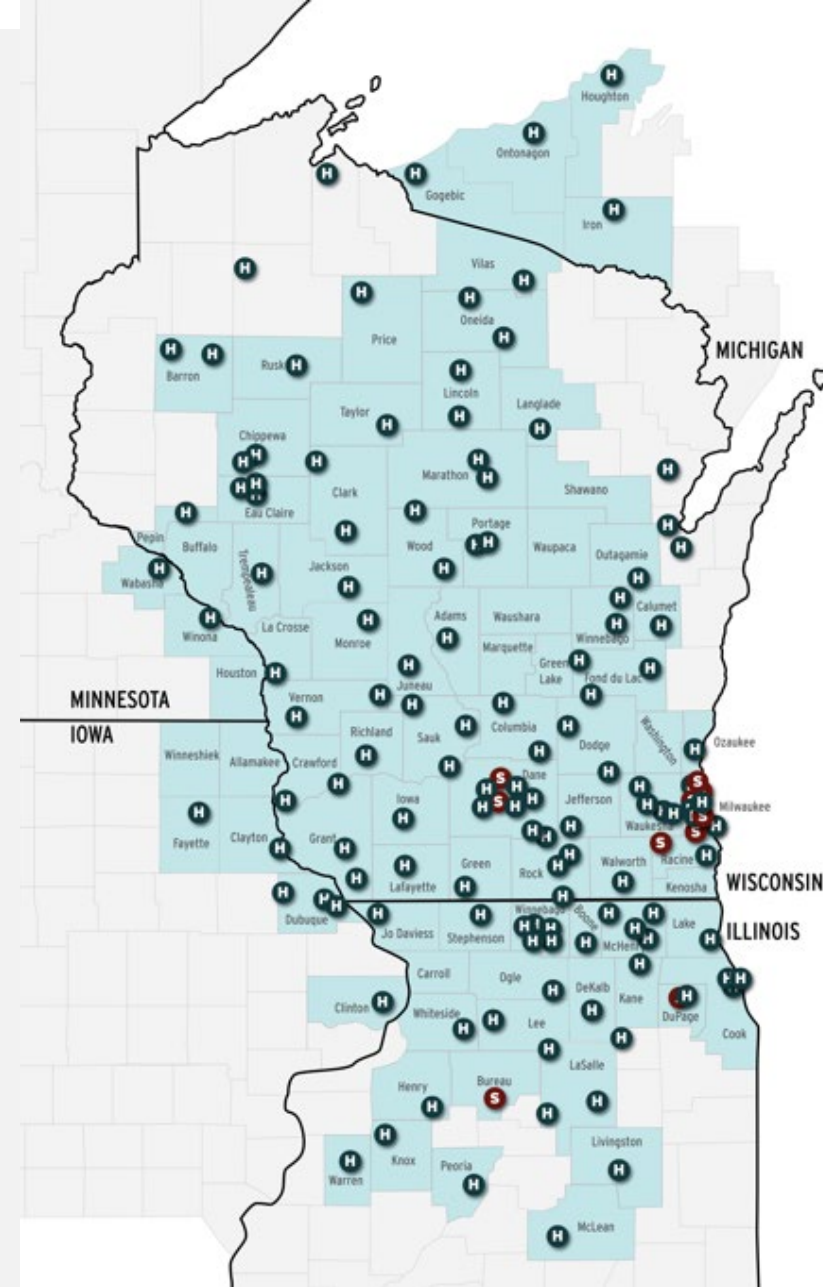
Mission: *Control costs, improve quality, engage individuals in their health.*



About The Alliance

Our market

- Provider consolidation – for decades...
 - Large health systems own their own insurance companies (HMO's)
 - Few independent physicians
- Pluralistic insurance market – no dominant carrier



What has worked...

1. Aggregating employers
 - Saw the value in pooling purchasing power and in acquiring the necessary expertise
2. Investing in claim repricing capabilities
 - Access to and control of our data
 - Flexible platform
3. Employer ownership and governance
 - High degree of trust

What hasn't worked...

1. Transparency alone

- Price and quality comparisons are necessary but insufficient to drive change
 - Consumers didn't shop
 - Employers didn't implement steerage

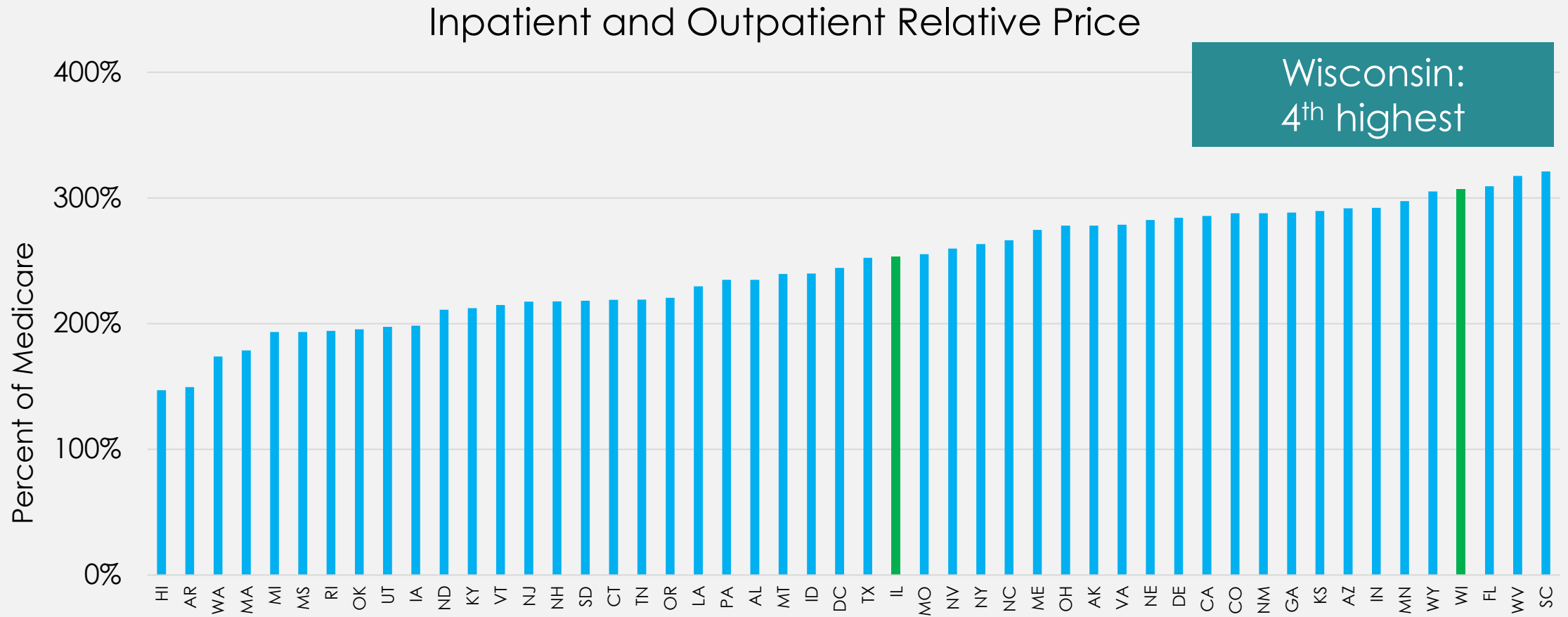
2. Pay for performance

- Physician and CEO compensation still reward volume of care delivery
- Lack of sufficient market clout and failed attempts to align with other payers

3. Education alone

- Broad agreement about promising approaches, like VBID and steerage, but little uptake by employers

Hospital Prices in Wisconsin are Higher Than Most Other States



Physician Prices in WI are the 2nd Highest in the US



Today...

1. Better analytics to demonstrate potential savings
2. Guidance and products to make benefit plan steerage easier to implement
 - Directing care away from high-priced providers

Using Data to Control Costs | “Employer A”: Facility #1 (2018-Q1 2019)

STEERAGE PROCEDURE GROUP	RECOMMENDED PROVIDER TO STEER TO	EPISODE COUNT	TOTAL PRICE PAID	SAVINGS
MRI	Summit Radiology	53	\$171,536.67	\$143,680.00
Colonoscopy	Rockford Gastroenterology Associates	44	\$218,104.21	\$120,430.00
CT	Summit Radiology	44	\$129,103.26	\$108,360.00
EGD	UW Health - Physicians	13	\$74,431.96	\$59,800.00
Knee Replacement	NOVO Health	2	\$98,427.00	\$59,420.00
Non Fetal US	Medical Associates Clinic	81	\$72,969.65	\$52,030.00
Knee Arthroscopy	Rockford Orthopedic Surgery Center	6	\$89,781.02	\$48,210.00
X-Ray	Medical Associates Clinic	121	\$53,874.37	\$46,280.00
Chiropractic Manipulation	Loves Park Chiropractic Clinic	1384	\$76,697.34	\$33,580.00
Mammography	Columbus Community Hospital	82	\$44,952.19	\$33,020.00
PET Scan	SwedishAmerican Health System	5	\$44,812.54	\$29,600.00
Speech Therapy	Family Service	69	\$33,905.40	\$29,480.00
Shoulder Repair	NOVO Health	3	\$80,909.85	\$29,170.00
Carpal Tunnel	Sauk Prairie Healthcare	4	\$29,156.99	\$22,780.00
Hernia	Sauk Prairie Healthcare	2	\$42,181.95	\$22,730.00
Hammertoe Repair	Mercy Health System	1	\$21,465.95	\$20,460.00
Hip Replacement	NOVO Health	1	\$39,741.81	\$20,190.00
Cataract Surgery	Rockford Ambulatory Surgery Center	8	\$54,233.08	\$17,840.00
Diagnostic Nasal Endoscopy	Mercy Health System	19	\$21,650.98	\$16,100.00
Cholcystectomy	Stoughton Hospital Association	1	\$22,134.97	\$13,170.00
Eye Exam	Monroe Family Eye Care	304	\$46,863.92	\$12,750.00
Back Surgery - Decompression, Laminectomy, Laminotomy	NOVO Health	1	\$22,204.11	\$12,000.00
Spinal Injection	OrthoIllinois	5	\$9,485.97	\$6,560.00
Kidney Stone Removal / Destruction	Dean/St Mary's Surgery and Care Center	1	\$14,582.97	\$6,180.00
Drain Knee Joint	Sauk Prairie Healthcare	14	\$7130.56	\$5,330.00
Mohs	Surgical Services of Illinois	2	\$7,754.98	\$5,220.00
Appendectomy	SSM Health Dean Medical Group	1	\$17,272.05	\$4,720.00
Tonsil and Adenoid Removal	Tri-State Surgery Center	2	\$14,331.96	\$4,530.00
Bone Density Scan	Medical Associates Clinic	7	\$4,691.91	\$4,180.00
Vasectomy	SWCAP Neighborhood Health Partners	5	\$7,872.47	\$4,170.00
ECG	Rockford Health Physicians	15	\$3,987.97	\$3,490.00
Stress Test	Stoughton Hospital Association	2	\$3,988.59	\$3,090.00
Finger Tendon Incision	NOVO Health	1	\$3,548.78	\$1,450.00
GRAND TOTAL		2305	\$1,586,034.31	\$1,015,040.00

Encouraging use of lower priced providers for “steerable procedures” can save 12 – 15% of an employer’s *total spend*

Today...

1. Better analytics to demonstrate potential savings
2. Guidance, products and bundled payments to make benefit plan steerage easier to implement
 - Directing care away from high-priced providers
3. Tiered networks, where appropriate
4. Contracts based on percent of Medicare
5. On-site, shared-site and virtual primary care (independent)
6. Policy advocacy

Thank You

Cheryl DeMars, CEO

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🔗 www.the-alliance.org



The Alliance 
Self-Funding Smart[®]



Purchaser Efforts to Drive Hospital Accountability

**Florida Alliance for
Healthcare Value**

June 17, 2022



Saving Money For Our Communities

County	2019	2020	Premium Reduction	2021	Premium Reduction	2022	Premium Reduction	Total Premium Reduction Since Launch
Summit	\$ 627.63	\$ 359.95	42.6%	\$ 327.07	9.1%	\$ 289.41	11.5%	53.9%
Grand		\$ 526.50	na	\$ 327.07	37.9%	\$ 289.41	11.5%	45.0%
Lake		\$ 526.50	na	\$ 327.07	37.9%	\$ 289.41	11.5%	45.0%
Park		\$ 364.77		\$361.21	na	\$ 301.89	16.4%	16.4%
Dolores		\$ 526.50	na	\$ 327.07	37.9%	\$ 289.41	11.5%	45.0%
La Plata		\$ 432.35	na	\$ 327.07	24.4%	\$ 289.41	11.5%	33.1%
Montezuma		\$ 452.86	na	\$ 327.07	27.8%	\$ 289.41	11.5%	36.1%
San Juan		\$ 526.50	na	\$ 327.07	37.9%	\$ 289.41	11.5%	45.0%

Pre peak

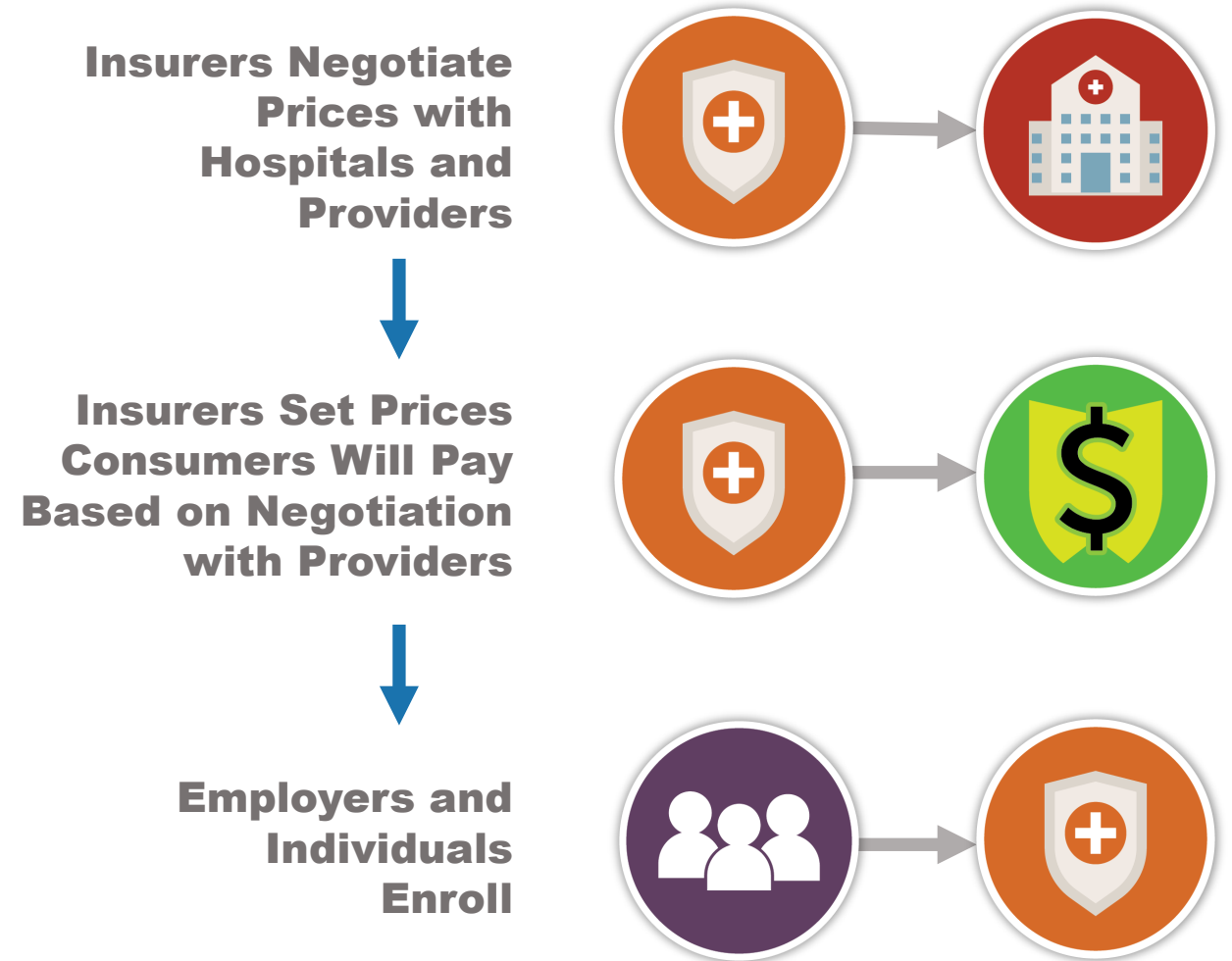
Year prior to Peak

40-year-old non-smoker who selects the 2nd lowest on-exchange Silver, receives no Advance Premium Tax Credit, and chooses the 2nd lowest on-exchange Silver last year. Factors in monthly membership fee. Does not include other savings. Annual savings based on projected 2021 enrollment.

Critical Success Factors

- **None of the success stories presented today or featured elsewhere would have happened without a catalyzing event**
- **Community or purchaser engagement is the necessary spark to engage hospitals**
- **Data is a prerequisite for creating that spark**

The Traditional Model



The Peak Model: Reclaiming a Seat at the Table



Pivoting to 32BJ Health Fund

- 32BJ Health Fund (the Fund) is a self-insured, multi-employer plan that provides health benefits to nearly 200,000 union members of 32BJ SEIU and eligible dependents in 11 states and Washington, D.C.
- The Fund is jointly governed by the Union and the Employers, aggregating contributions from 5,000 employers of all sizes to fund health benefits
- The Fund provides high-quality health benefits with \$0 monthly premiums, \$0 in-network deductibles, and low in-network copays



32BJ HEALTH FUND

32BJ Health Fund Catalyst

- Financial crisis a decade or so ago 32BJ to exert more control over its healthcare spend – including bringing data in-house
- 32BJ estimates that workers could have received an additional \$5,000 in take home pay if health care costs rose only at the rate of general inflation from 2014-2023
- Data that allowed the Fund to pinpoint that hospitals are the single largest source of cost increases
- 32BJ Health Fund estimates it would have saved \$1.1 billion (58%) if it paid Medicare rates for hospital procedures from 2016-2019



Removing New York-Presbyterian

- New York-Presbyterian charged higher prices than most other NYC-area systems for the most common hospital procedures
- NYP wanted 32BJ to change or eliminate specialty programs like maternity – removing NYP from our network was the only way to keep these programs for members
- As of January 1, 2022, all NYP facilities and providers were removed from our network
- Estimate removing NYP from the network will save the fund over \$35 million annually



Thank you

Claire v.S. Brockbank

Director Policy

32BJ Health Fund

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32BJ HEALTH FUND

Tackling High Healthcare Prices and Achieving Value – Three Successful Employer-Led Initiatives



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The Necessity Of Purchasers Engaging in Health Policy

Bret Jackson
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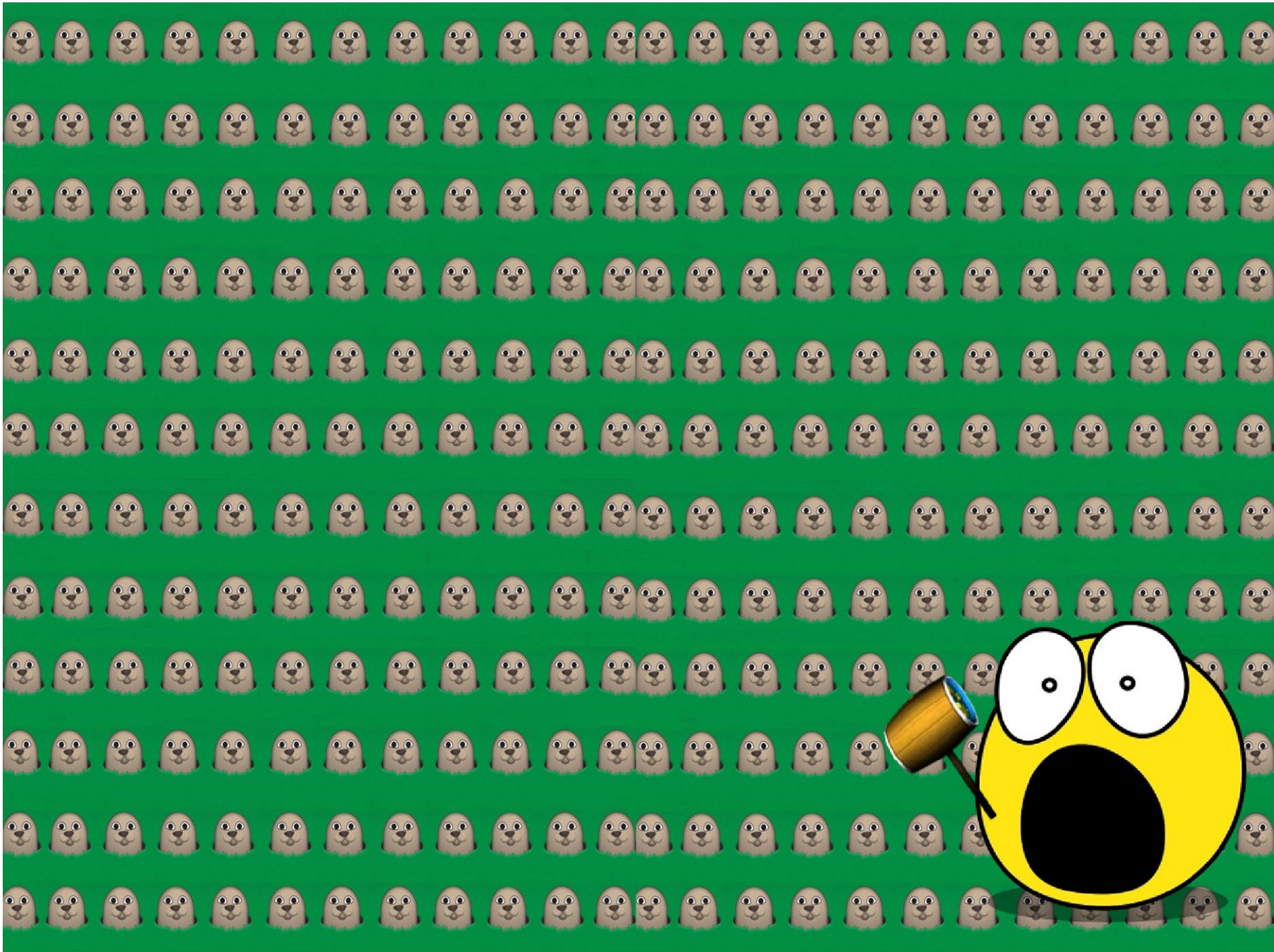




Comprised of businesses and labor organizations, the Economic Alliance for Michigan (EAM) seeks to use the collective voice of Michigan's purchasers to serve as catalysts for change to ensure appropriate access to patient centric, high value healthcare.

What do I do?





D.C. UPDATE

- War, Inflation, Supreme Court, Jan 6
Investigations taking up the oxygen in Washington
- Surprise billing court cases and reactions
- Election is looming



D.C. UPDATE

What might get done:

- Pandemic Relief
- Prescription Drugs
- Mental Health Package



Federal Trade Commission study on PBM'S

- Fees and clawbacks
- Owned pharmacy steerage
- Independent pharmacy audits
- Reimbursement schemes
- Administrative restrictions
- Impact of rebates and fees
- Specialty lists



FIVE KEY TRANSPARENCY ACTIVITIES

- Jan 1, 2021:** Hospitals Post Prices paid pay different payers for services
- April 5, 2022:** National Academy of State Health Policy Hospital Cost Tool
- May 5, 2022:** RAND 4.0 Study Release & Employers Forum of Indiana Hospital Value Dashboard
- July 1, 2022:** EMPLOYERS: “Transparency in Coverage” Rule enforcement date
- Dec 27, 2022:** EMPLOYERS: “Prescription Drug and Health Care Spending” Rule enforcement date



SAVE THE DATE!

TWO IMPORTANT DATES IN 2022 FOR EMPLOYERS AND UNION PURCHASERS

July 1: Enforcement of “Transparency in Coverage” Rule

- Public posting of two machine readable files:
 - One containing rates for all covered items and services between the plan or issuer and all in-network providers
 - One containing all allowed amounts for, and billed charges from, out-of-network providers



SAVE THE DATE!

TWO IMPORTANT DATES IN 2022 FOR EMPLOYERS AND UNION PURCHASERS

Dec. 27: Enforcement of “Prescription Drug in Healthcare Spending” rule

- General information regarding the plan or coverage
- Enrollment and premium information, including average monthly premiums paid by employees versus employers
- Total health care spending, broken down by type of cost (hospital care; primary care; specialty care prescription drugs; and other medical costs, including wellness services), including prescription drug spending by enrollees versus employers and issuers
- The 50 most frequently dispensed brand prescription drugs
- The 50 costliest prescription drugs by total annual spending
- The 50 prescription drugs with the greatest increase in plan or coverage expenditures from the previous year
- Prescription drug rebates, fees, and other remuneration paid by drug manufacturers to the plan or issuer in each therapeutic class of drugs, as well as for each of the 25 drugs that yielded the highest amount of rebates
- The impact of prescription drug rebates, fees, and other remuneration on premiums and out-of-pocket costs

Why engage in policy?

**If you are not at
the table, you are
on the menu**

Example: Surprise Billing

Texas law took effect Jan 1, 2020
Jan-Dec 2020 44,910 requests
Jan-Jun 2021 50,230 requests
\$30 Million in fees

Example: Surprise Billing

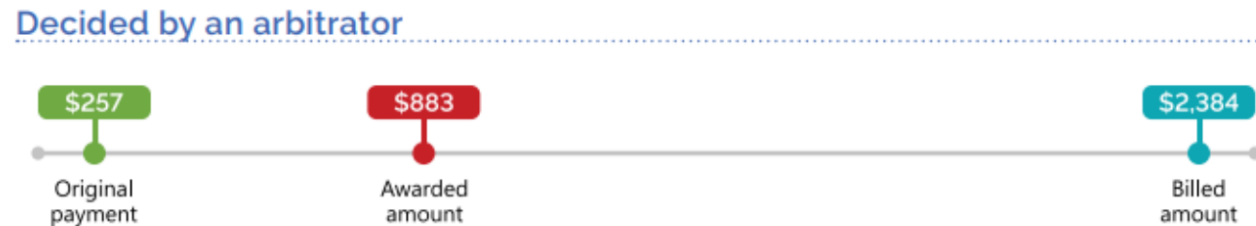
Texas law took effect Jan 1, 2020
Jan-Dec 2020 44,910 requests
Jan-Jun 2021 50,230 requests
\$30 Million in fees

Decided by an arbitrator



Example: Surprise Billing

Texas law took effect Jan 1, 2020
Jan-Dec 2020 44,910 requests
Jan-Jun 2021 50,230 requests
\$30 Million in fees



Michigan Law effective Oct 22, 2020
Zero Arbitrations
Providers in network increased

Example: Prior Authorization

Rhode Island, Kentucky, Tennessee:

All initial, prospective and concurrent adverse determinations and all first level appeal adverse determinations shall be made, documented and signed by a licensed practitioner with the same specialty as the ordering practitioner or a licensed physician

Other State Policy Concerns

1. Coverage Mandates
2. Drug Pricing Mandates
3. Anti-whitebagging/brownbagging
4. Anti co-pay accumulators
5. Out-of-pocket restrictions
6. Eliminate PA/Step Therapy practices



What can I do?

Find out what is going on



**Be proactive on my policy
positions/create a process for
making swift decisions**



Find your voice



THANK YOU

Contact Information:

Bret Jackson

bretjackson@eamonline.org

www.eamonline.org

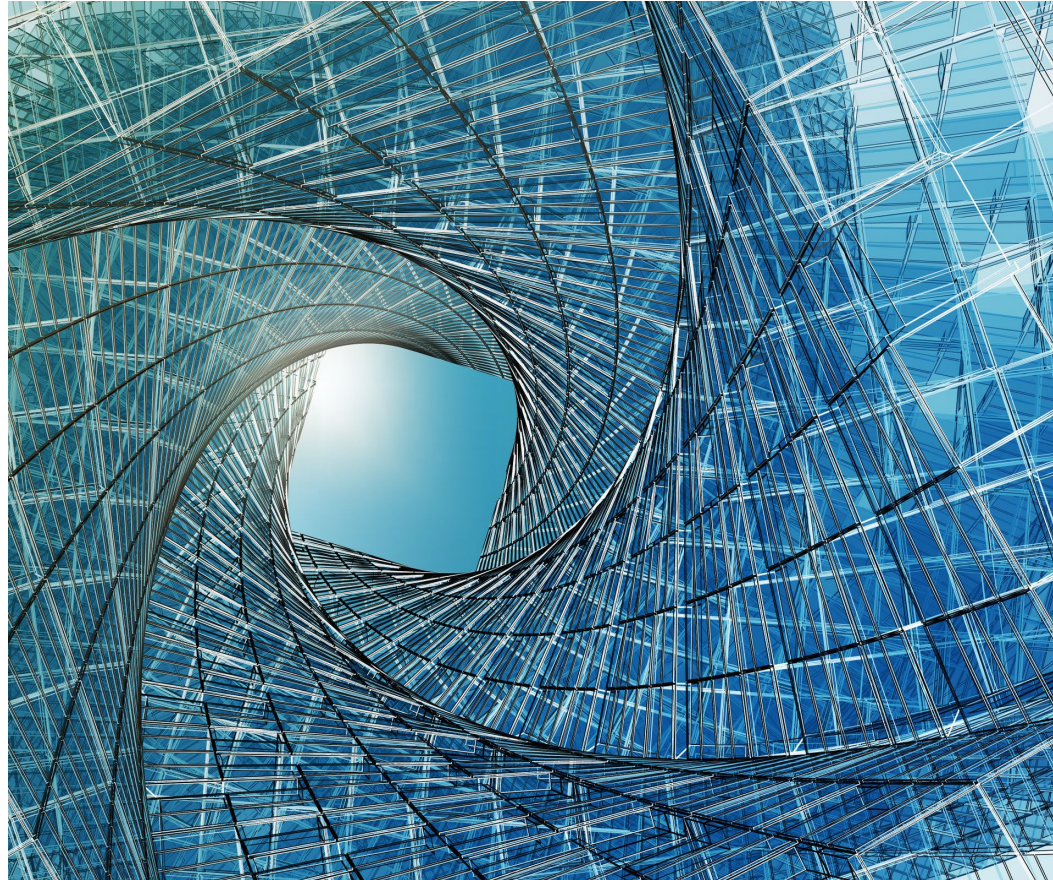


New Transparency Tools “Reveal”



June 17, 2022
Annual Conference

Karen van Caulil, Ph.D.
President and CEO
Florida Alliance for Healthcare Value



Overview



- Largest medical expenditure for employers is hospital services
- How does hospital price relate to hospital cost?
- Employers have a fiduciary responsibility to ensure they are paying a fair price
- Lack of transparency to date has limited the ability for employers to develop/implement high value programs and contracts

Three New Tools

- National Academy for State Health Policy – **Hospital Cost Tool** – released in April 2022
- **RAND 4.0 Hospital Price Transparency Study** – released in May 2022
- **Sage Transparency** – Hospital Value Dashboard – released in May 2022

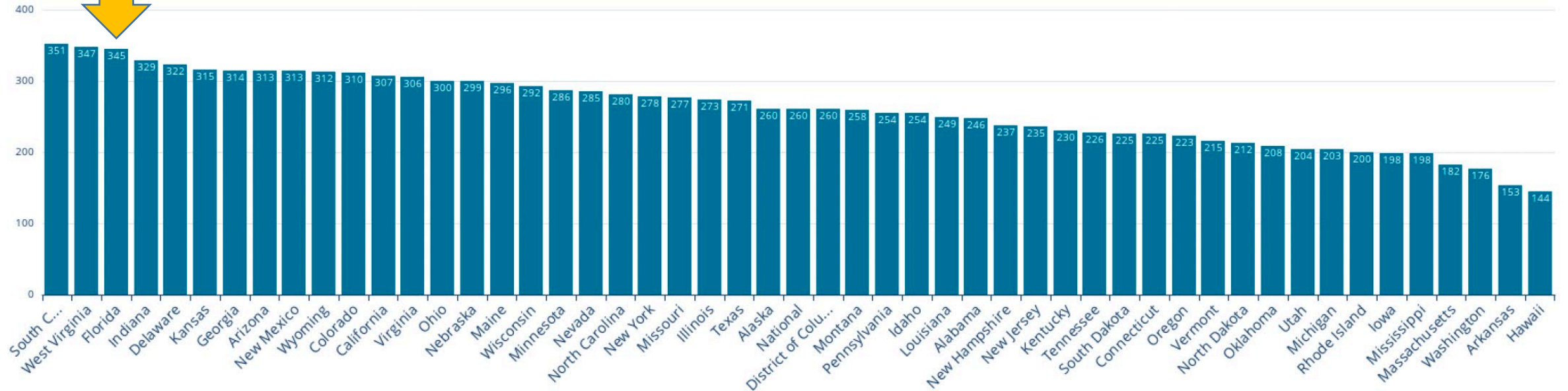


3rd Highest Price State - Facility Only

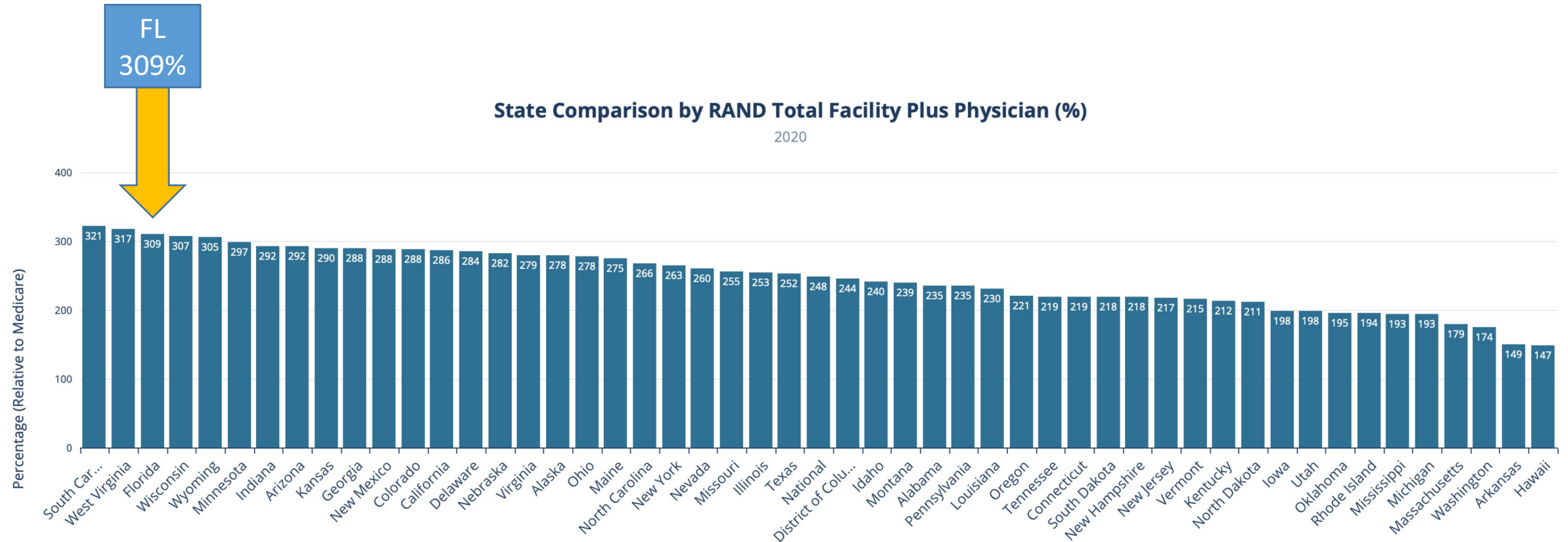
State Comparison by RAND Total Facility (%)

2020

Percentage (Relative to Medicare)



3rd Highest Price State - Facility and Physician



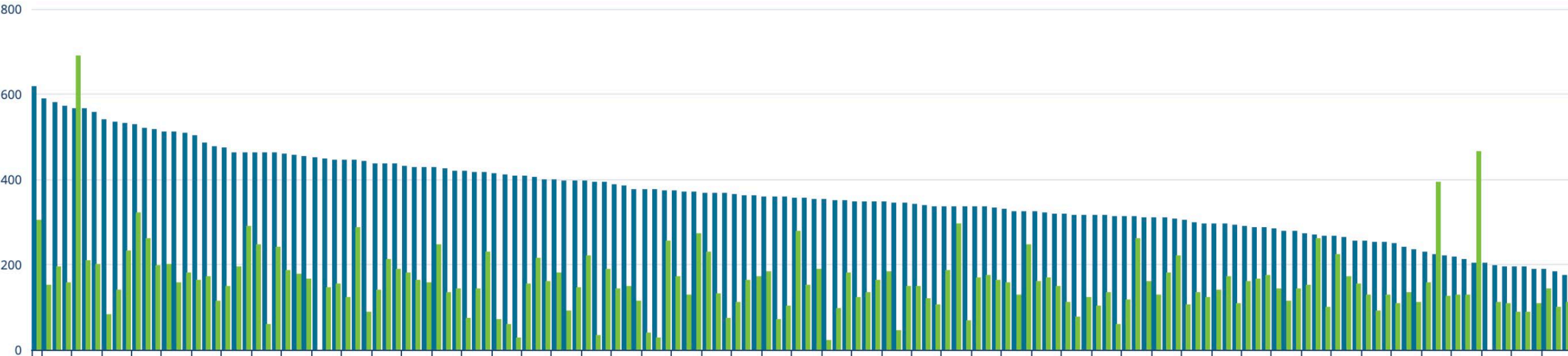
Price and Cost Difference in a Sampling of FL Hospitals



RAND Total Facility Relative Price (%) (2018 - 2020) Compared to NASHP Breakeven Price (%) (2019)

The difference between what is paid (blue) vs breakeven price (green) is the potential opportunity for payers to negotiate with hospitals to help contain prices.

■ Total Facility ■ NASHP Breakeven Price



Florida Alliance Activities



- We have begun sharing this new information and have had **initial conversations with some of the hospitals and health plans** on our Healthcare Advisory Council to address pricing
- Grant given to the FL Alliance from Arnold Ventures via the National Alliance of Healthcare Purchaser Coalitions to conduct an **Employer Roundtable on the Hospital Value Dashboard** with our employer members -- this funding will allow us to develop **market-oriented and policy-based strategies** regarding high prices



Session 3



A “Fireside Chat” on the Price of Health Care in Florida



Marilyn Bartlett,
CPA, CMA, CFM
Senior Policy Fellow
National Academy for
State Health Policy



Christopher Whaley, PhD
Policy Researcher
RAND Corporation

Moderated by **Karen van Caulil, PhD**, President and CEO, Florida Alliance for Healthcare Value

Lunch Break and Networking

12:00 - 1:00PM



Please pick up a box lunch from the table in the foyer.

Attendees who indicated allergies when they registered can pick up their lunch at the registration table.

Feel free to return to the ballroom to eat.

We'll begin the afternoon sessions at 1PM.

Thank you to our host and sponsors!





Hannah

Because we know she's trying her best...

Managing weight isn't easy. Did you know that after losing weight, the body actually fights to put the lost pounds back on? Care that respects the person, with lifestyle changes, medicines or even surgery, is important for long-term weight management and health. Not everyone gets that. That's why we believe in joining advocates to reduce weigh bias, empowering people with obesity and expanding access to support, long-term treatment, and care. Together, we're changing how the world sees, prevents, and treats obesity.

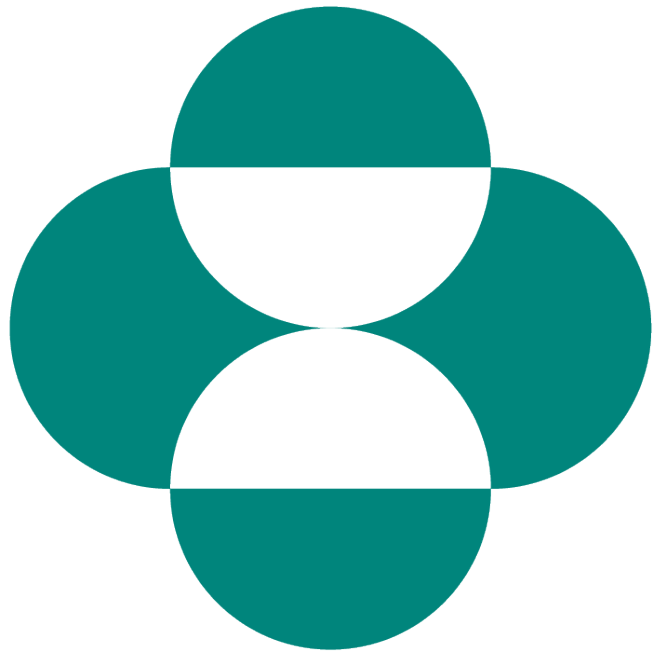
For more information on all we're doing, visit www.novonordisk-us.com

Contacts:

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MERCK

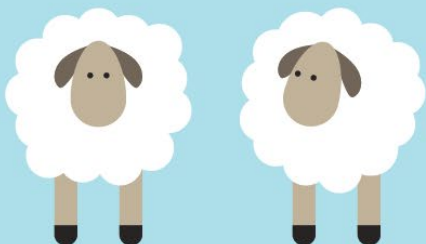
For more information, please visit
PfizerBiosimilars.com



BIOSIMILARS

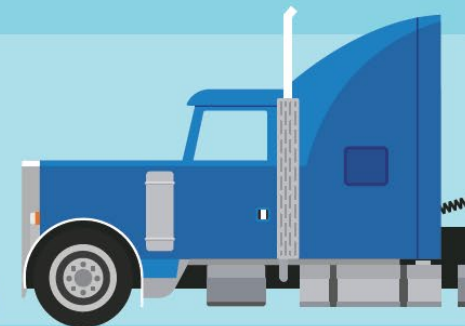
EXPANDING OPTIONS FOR PATIENT CARE

Extensive use of and growing demand for biologics come at a time when there is increasing need for savings and efficiencies for healthcare systems^{1,2}



Biosimilars are highly similar in terms of safety and effectiveness to an existing biologic medicine, with no clinically meaningful differences³

Biosimilars are much more complex than small molecules and are created in living systems that require significant expertise and state-of-the-art technology^{3,4}



Biosimilars are evaluated in **rigorous analytical, nonclinical, and clinical studies** to be licensed by the FDA³



ANALYTICAL



COMPARATIVE
NONCLINICAL



COMPARATIVE CLINICAL
PHARMACOLOGY PK/PD



COMPARATIVE
CLINICAL

In certain cases, additional comparative clinical studies may be warranted to help ensure that there are no clinically meaningful differences between the products

Pfizer Biosimilars expands Pfizer's commitment to provide therapies that may improve the lives of patients, leveraging our expertise to deliver high-quality biosimilars^{5,6}

11 Years of Experience With Biosimilars Outside the United States⁷

30+ Years of Experience
With Biologics⁷

6 Biosimilars in Market
in the United States^{8*}

Biosimilars may offer additional treatment options that, after reference biologic patent expiry, may increase savings and efficiencies to healthcare systems and expand the use of biologic therapies⁴

- Additional treatment choices
- Possible healthcare system savings and efficiencies
- Variety of therapeutic options



→ Better outcomes for your employees

Signify Health works with employers, providers, health plans, and others to make quality care more affordable, accessible and understandable. We do this by redefining healthcare financing through episodes of care and bundled payment arrangements, customized incentive programs, unique risk contracting and management, and empowering a highly-engaged network of high-value care providers.

We power integrated, holistic care for your employees. And, we support improved productivity and financial performance for you.

It's value-based care that's **priceless**.



Enter the Drawing!

Please drop your business card in the container at the registration table to be entered into a drawing at the end of the day for one of two **Amazon gift cards** or an **Apple Home Pod mini**.



AFTERNOON AGENDA



- | | |
|---------------|--|
| 1:00PM-1:15PM | Welcome Back from Lunch and Overview of Afternoon |
| 1:15PM-2:30PM | How Transparency Will Drive Innovation in Value-Based Purchasing of Health Care
Jim Curotto, MBA, Merck
Matt Muhart, MBA, Memorial Healthcare System
Donovan Pyle, REBC, CHVP, Health Compass Consulting
Moderator: Karen van Caulil, PhD, Florida Alliance |
| 2:35PM-3:50PM | Innovator Showcase |
| 3:50PM-4:00PM | Wrap-Up
Karen van Caulil, PhD, Florida Alliance |

Session 4



How Transparency Will Drive Innovation in Value-Based Purchasing of Health Care



Jim Curotto, MBA
Vice President,
Integrated Account Management
Merck



Matt Muhart, MBA
Executive Vice President
and Chief Strategy Officer
Memorial Healthcare System





Donovan Pyle, REBC, CHVP
CEO
Health Compass Consulting

Moderated by **Karen van Caulil, PhD**, President and CEO, Florida Alliance for Healthcare Value

Jim Curotto, MBA
VP, Integrated Account Management

Merck

Topics

 — Growing Health Care Expenditure in the U.S. — Pricing Transparency — Value-Based & Innovative Contracting — Waste in the System

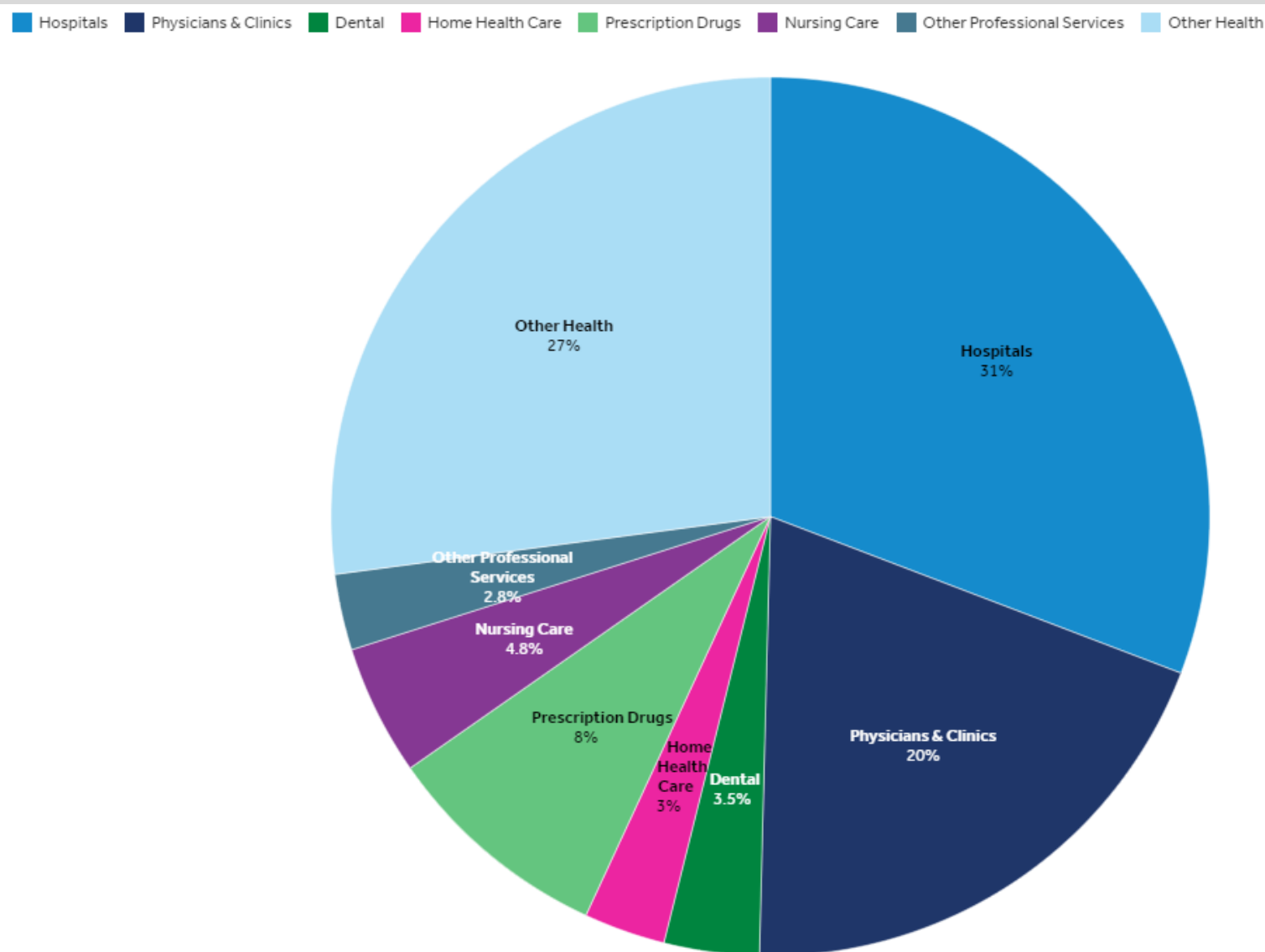
ANTITRUST GUIDELINES FOR
FL ALLIANCE 29TH ANNUAL CONFERENCE
ACCELERATING VALUE TRANSPARENCY AND INNOVATION

1. As you all know, the purpose of this meeting is to discuss various topics relevant to employers and employer coalitions on today's agenda. Our discussions today must therefore be limited to those legitimate topics and no other.
2. The fact that we are here today to discuss these various topics does not change the fact that some of us may be competitors, governed in all respects by applicable federal and state antitrust and unfair competition laws.
3. Accordingly, there should be no discussion today of any non-public, competitively sensitive information, including, but not limited to: non-public pricing information (i.e., pricing, discounts, rebates, policies, or proposed or planned pricing changes), margins, cost information, production plans, R&D plans, strategic or marketing plans, and/or any other confidential information or trade secrets of any sort.
4. In addition, there should be no discussion of plans with respect to specific customers or suppliers, including the allocation of particular customers, groups of customers, bids, territories or products, as well as joint negotiations with customers or suppliers, ways to get "leverage" against any customer or supplier, or refusals to do business with any third parties.
4. This scope of this prohibition includes both our formal discussions during this meeting as well as any informal discussions you may have during this event.

Relative contributions to total national health expenditures, 2020

\$4.1
Trillion

> \$12,000
per Capita



Note: 'Other Health' includes spending on durable and non-durable products; residential and personal care; administration; health insurance; and other state, private, and federal expenditures. 'Other professional services' includes spending for services provided by chiropractors, optometrists, physical, occupational, and speech therapists, podiatrists, private-duty nurses, and others. Nursing care represents expenditures for nursing care facilities and continuing care retirement communities.



Merck's Pricing Action Transparency



2021 Report Highlights

Initiated in
2017 – back to
2010

Avg. annual list
price across
our portfolio
increased by
4.4%

Avg. annual net
price increase
across portfolio
of 1.7%

Gross U.S. sales
were reduced by
43.5% as a result
of rebates,
discounts and
returns

Five years
straight of < 3%
net price
change to U.S.
Market

Please see Merck's 2021 Pricing Action Transparency Report on Merck.com at
<https://www.merck.com/wp-content/uploads/sites/5/2022/02/2021-US-PRICING-TRANSPARENCY-REPORT.pdf>
for additional context.

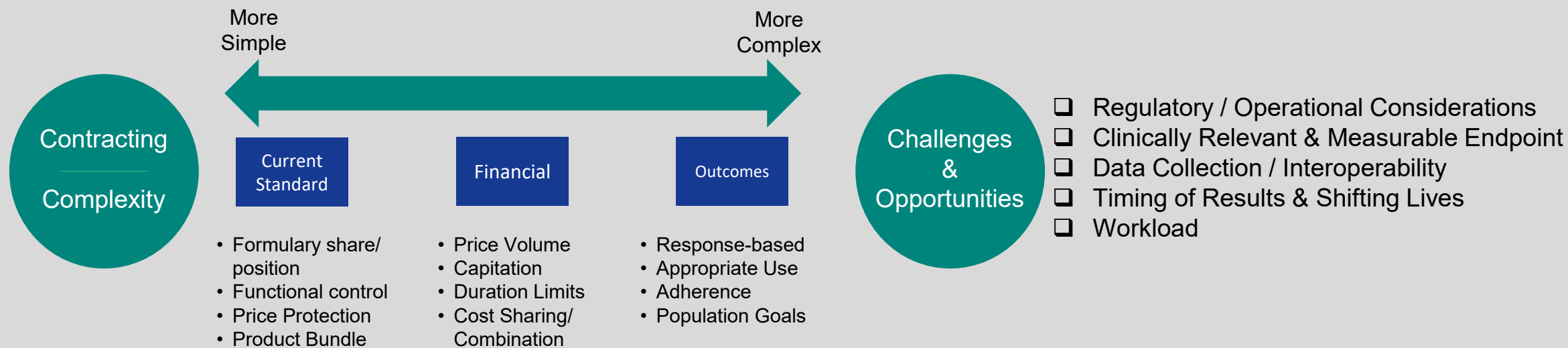
Value-Based & Innovative Contracting



Manufacturers should be rewarded based on the value that our therapies deliver

"We believe prices can better align to a drug's value when manufacturers and payers are able to negotiate innovative arrangements that base payment on a drug's benefits"

Kenneth C. Frazier
Former CEO, Merck & Co., Inc.





Waste in the System



54 Unique
Studies

Preventative
Care/
Standard
Processes

Low-Value
Care –
Over Testing

Administrative
Burden &
Fraud

Ineffective
use of
generics/
biosimilars

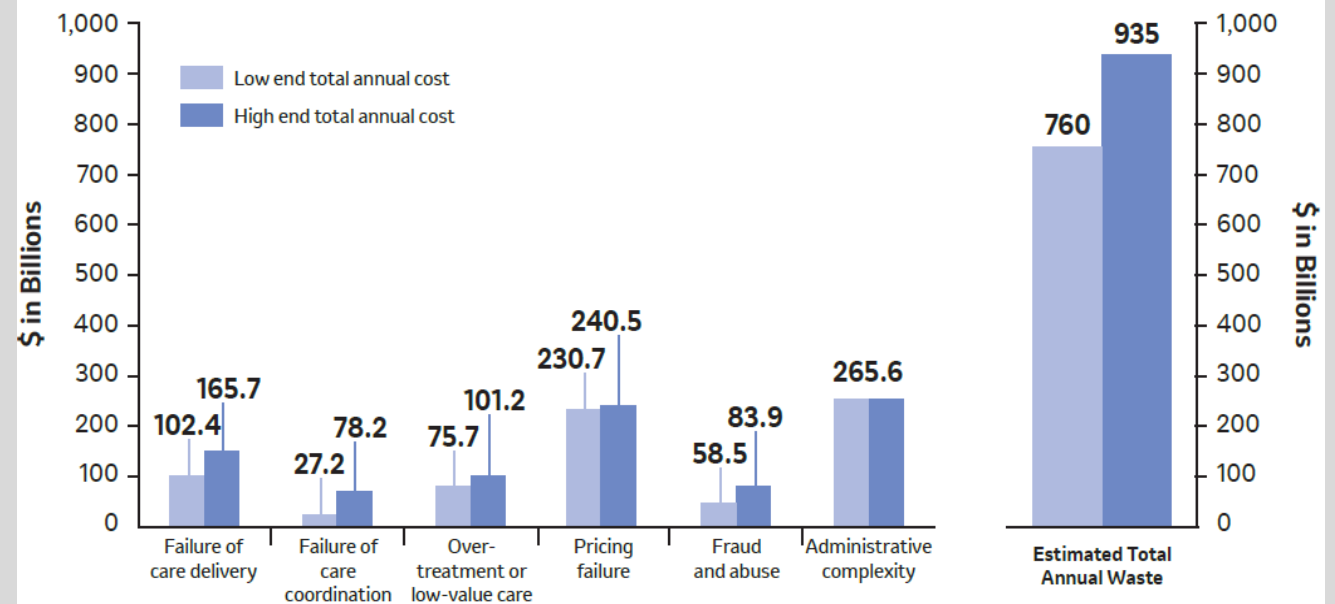


Prior studies estimated
that approximately **30%**
of health care spending
may be considered waste.



Stakeholders must **evaluate waste and inefficiency across the health care system** and identify and modify those areas that provide the least value to patient care and outcomes.

The estimated ranges of total annual cost and waste were
\$760 billion to \$935 billion



Thank You!

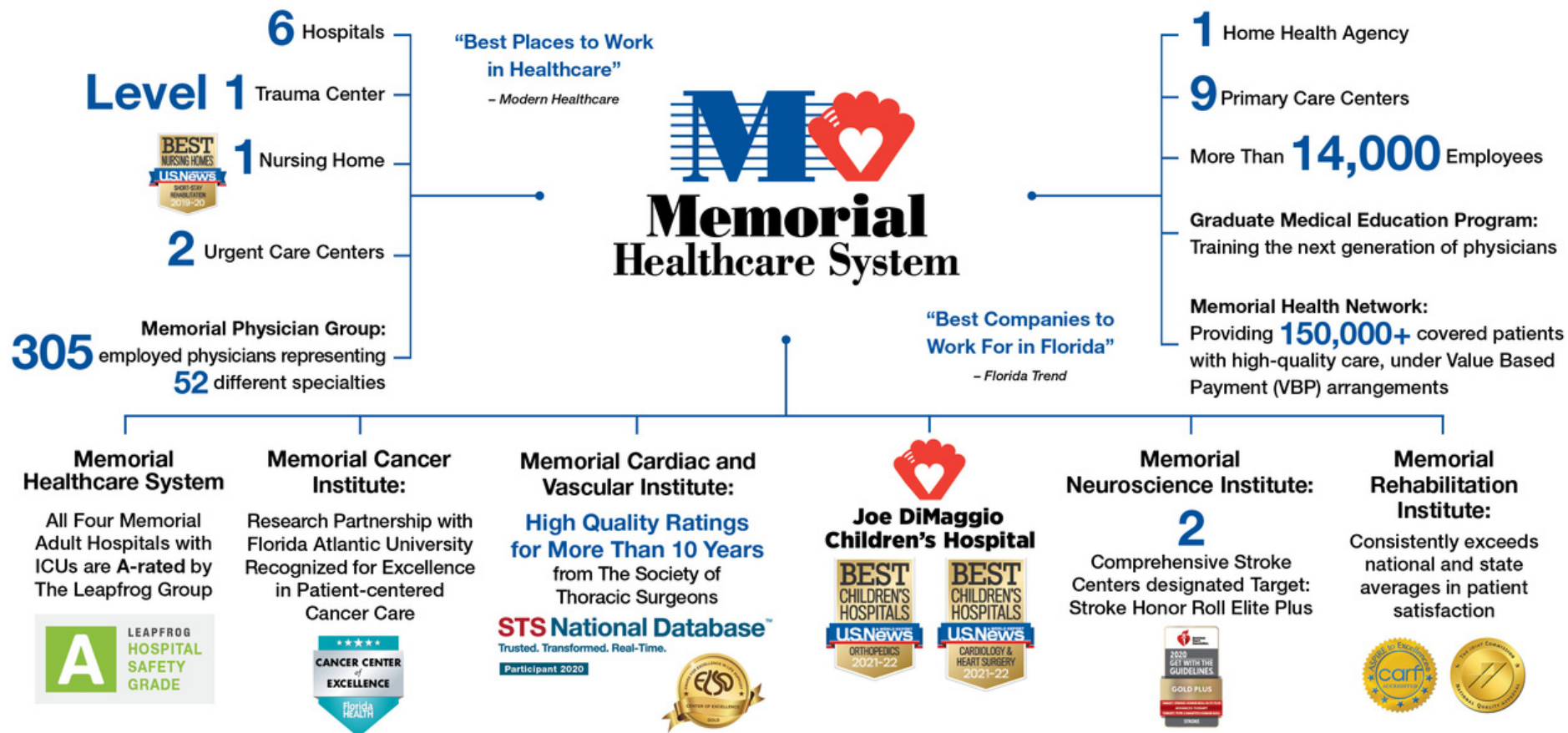
Consumer Price Transparency

Empowering Consumers to
Make Better Healthcare Decisions and Improve
Their Healthcare Experience



A Snapshot of Who We Are

National Leader in Safety, Quality, Transparency
and Patient- and Family-Centered Care





Our Price Transparency Journey

In 2015, we were thinking about the future and the likely convergence of three themes:

- ❑ Technology Innovations were dramatically improving the consumer experience in many other industries, except the healthcare industry
- ❑ Growth in medical cost sharing by consumers with limited insight into prices
- ❑ The consumer's experience with healthcare was not optimal



Our Price Transparency Journey

Our conclusion of the impact of this likely convergence:

- ❑ Consumers will expect/demand the acquisition of healthcare services to be as simple and transparent as all of their other purchasing experiences

This became the motivating force behind the challenge to my team:

- ❑ Create an “Amazon.com” like experience for our consumers



Our Vision Takes Shape

The functionality desired:

- ☐ Verify the consumer's insurance coverage
- ☐ Easy search for the procedure desired
- ☐ Provide a firm quote of the consumer's out of pocket requirement
- ☐ Provide clear information on what is included and excluded from the quote
- ☐ Schedule the service on-line
- ☐ Pay for the service on-line
- ☐ Imbed financial assistance information
- ☐ See how others rate our service and provide the opportunity to rate the service
- ☐ Imbed video content
- ☐ Imbed "Chat" functionality



[Find a Doctor](#)[Locations & Directions](#)[Medical Services](#)[Patients & Visitors](#)[About Memorial](#)

[Careers](#)[Referring Physicians](#)[Give Back](#)[My Account](#)[Search](#)

Featured Medical Services

Cancer Care
Family Birthplace
Heart & Vascular
Mental Health
Neurology & Neurosurgery

Pediatrics
Rehabilitation
Women's Services
[View All Services >](#)

Quick Find Services

Emergency Care
Memorial Pembroke 24/7 Care Center
Memorial Urgent Care Centers
MemorialDOCNOW
[Healthcare Prices](#)

We treat patients and family members as partners in healthcare.

[Learn More](#)

It matters to you. It matters to us.

Quality and Safety Data for
Memorial Healthcare System



You Have a Right to Know About
Prices



Memorial Named One of
"Florida's Best Companies to
Work For"



[Price of Services](#) > Insured

Healthcare Prices

Your Right to Know

We want to give you the information you need to make healthcare decisions, including the costs of services. Obtain guaranteed prices of common medical procedures.

Insurance Information

Please provide the following for a personalized quote

Patient Information

Insurance Provider *

Memorial Consumer Health Plan (x)

Insured Member No. *

[Redacted]

First Name *

Matthew

Last Name *

Muhart

Birth Date (mm/dd/yyyy) *

07/15/1966

Gender *

Male (x)

Email *

mmuhart@mhs.net

[Continue](#)

Please note: This page does not display all insurance plans accepted at Memorial. To see a full list, [visit our Insurers and Networks page.](#)

Secure

See data about healthcare costs for national, state and local prices at [FloridaHealthPriceFinder](#). The state of Florida's service bundle information is a non-personalized estimate of costs for anticipated services. Actual costs will be based on services actually provided. Patients have a right to request a personalized estimate from the hospital. Memorial also provides a list of standard charges by hospital. [Click here to view our charge master page.](#)



Choose a Service

Choose a Body Part

- ☒ Head
- ☐ Neck
- ☐ Shoulders
- ☐ Chest
- ☐ Arms
- ☐ Hands
- ☐ Abdomen
- ☐ Genitals/Groin/Pelvis
- ☐ Back
- ☐ Legs
- ☐ Feet
- ☐ Other



Head

- ☐ Eyes (2)
- ☐ Nose (6)
- ☐ Brain (9)
- ☐ Teeth (1)
- ☐ Face (2)
- ☐ Ear(s) (4)
- ☐ Head (1)
- ☐ Other (7)

Brain CT Scan

A combination of X-rays and computer technology used to produce a set of detailed images of the brain and skull. These examinations will give your doctor information about your brain and skull and may be used to detect a v...More



Please bring your prescription with you



Payment in full must be received prior to service

[View Quote](#)

Payment details

Remaining Deductible:
(edit optional) **\$1,000.00**

Applicable Toward Deductible: **\$369.75**

Co-Pay: **\$0.00**

Co-Insurance: **\$0.00**

Total patient responsibility: **\$369.75**

[Get PDF](#)

The PDF is password protected. To open the file, please use your *Insurance member ID*

This is a 30-day quote based on your current insurance plan.
[Explanation of your quote](#)



Please bring your prescription with you



Payment in full must be received prior to service

What is included



What is not included

[Pay Now to Guarantee Your Quote](#)

Memorial will honor the price quoted if the amount you are responsible for is paid in full.

About the Procedure

Locations

Why Choose Memorial



A combination of X-rays and computer technology used to produce a set of detailed images of the brain and skull. These examinations will give your doctor information about your brain and skull and may be used to detect a variety of conditions including stroke, traumatic injury, multiple sclerosis and tumor and to evaluate symptoms including dizziness, visual or speech deficits, headache and others.

Broker Transparency.

Donovan Pyle, REBC, CHVP
CEO – Health Compass
SHRM & GOSHRM Contributor
Board Member – NAHU Legislative Council
Board Member – Health Council of East Central Florida



HEALTH COMPASS
CONSULTING
EMPLOYEE BENEFITS EXPERTS



HEALTH INSURANCE HUSTLE

Behind the Scenes, Health Insurers Use Cash and Gifts to Sway Which Benefits Employers Choose





The sky's the limit

Rope in new Large Group sales and reel in the cash

Earn BIG when you enroll NEW Large Groups into [REDACTED] health plans.

[REDACTED] is offering bonuses for NEW Large Group sales. Primary agencies can get up to \$9,000 for each new Large Group sold, headquartered in Brevard County.





BENEFITS

Fee Disclosure Requirements for Health Plan Advisors Shed Light on Conflicts

New disclosures highlight advisors' direct and indirect compensation



By [Stephen Miller, CEBS](#)

January 11, 2022







$$\begin{aligned}
C(0) &= e^{-rt_e} E[\max(0, F_A(t_e, T) - K)] \\
&\dots \\
&= e^{-rt_e} e^{r(T-t_e)} E[\max(0, A(t_e) - Ke^{-r(T-t_e)})] \\
&\dots \\
&= e^{-rt_e} [F_A(0, T)N(d1) - KN(d2)]
\end{aligned}$$

where

$$d_{1,2} = \frac{\ln(F_A(0, T)/K)}{\sigma\sqrt{t_e}} \pm \frac{1}{2}\sigma\sqrt{t_e}$$



Broker Transparency.

Q&A

Donovan Pyle, REBC, CHVP
CEO – Health Compass
SHRM & GOSHRM Contributor
Board Member – NAHU Legislative Council
Board Member – Health Council of East Central Florida



HEALTH COMPASS
CONSULTING
EMPLOYEE BENEFITS EXPERTS

How Transparency Will Drive Innovation in Value-Based Purchasing of Health Care



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CEO
Health Compass Consulting

Moderated by **Karen van Caulil, PhD**, President and CEO, Florida Alliance for Healthcare Value

Innovator Showcase





Fiduciary Pharmacy Risk Management Services



US-Rx Care

- Leader in *Pharmacy Benefits/Risk Management* services
- Over two decades of service
- Over 5 million lives
- Over \$1 billion in drug cost savings generated for clients
- Expertise in all aspects of pharmacy risk including acute, chronic, and specialty medications



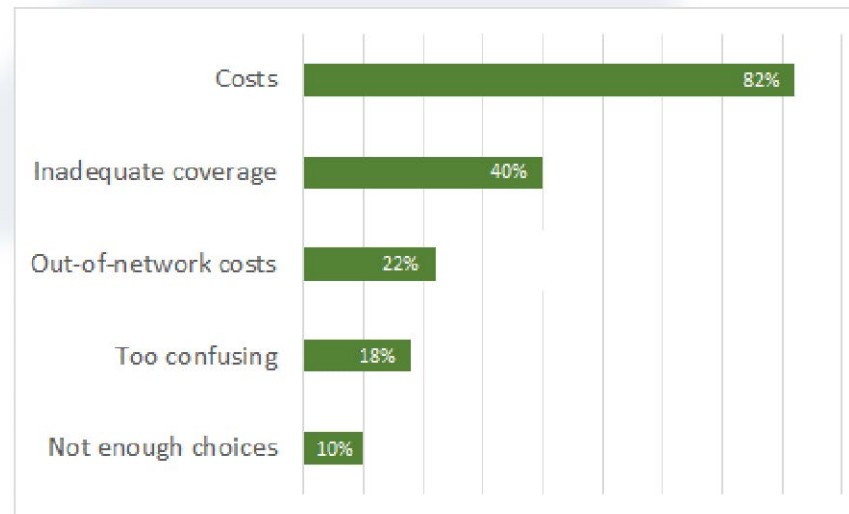
The Impact of Rising Employee Share of Health Benefit Costs

A Recent AHIP survey indicates:

Increasing member contributions toward healthcare under employer sponsored plans is now an important factor impacting employee recruiting and retention.

- 56 percent of U.S. adults with employer-sponsored health benefits said that whether or not they like their health coverage is a key factor in deciding to stay at their current job.
- 46 percent said health insurance was either the deciding factor or a positive influence in choosing their current job.
- 1 out of 3 surveyed were dissatisfied with their employer health plan.

Cost is the #1 Factor For Employee Dissatisfaction with Employer Sponsored Health Plans Are:



Source: AHIP

Three Critically Important Functions to Reduce Specialty Pharmacy Spend

- The prior authorization function free of traditional PBM conflicts of interest
- Management of medications billed under the medical benefit (including pre-certification and site-of-care management functions)
- Copay and patient assistance programs when available



Accept Nothing Less

- ✓ Transparency
- ✓ Fiduciary Compliant
- ✓ Risk Management Experience



Proven, Efficient Cost-Control Solutions

Clinical Rigor and Cost-Effective Sourcing

De-Conflicted Clinical Oversight

- Separation of dispensing/ rebates from clinical functions
- Independent, expert clinical management
- Cost-effective step therapy, when appropriate
- Elimination of waste

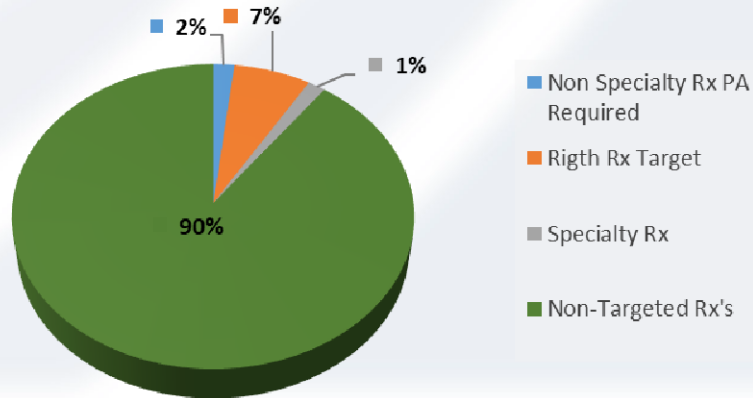
Sourcing At Lowest Available Cost

- Fully leveraged copay and patient assistance programs
- Unrestricted, competitive dispensing options and sources
- Site of care optimization for provider administered drugs

Small Percent of Members Generating The Majority of Plan Savings

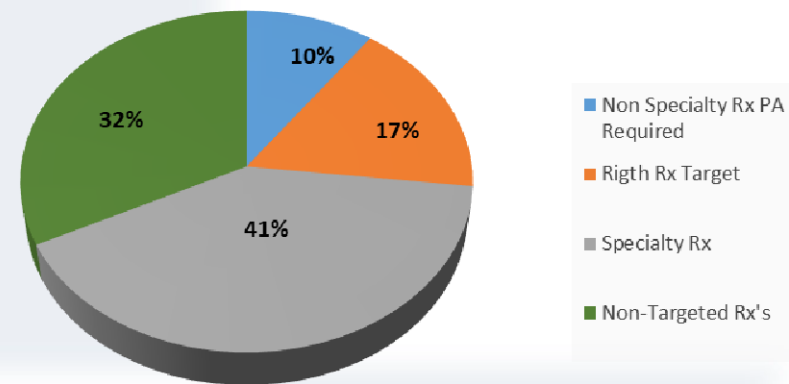
Percent of Rx's

10% of Total



Percent of Spend

68% of Total



Savings without plan change, noise or disruption!



Success Story

\$601,855/Yr. savings to the plan

JD is a 29-year-old male diagnosed with Type 1 Hereditary angioedema. JD's physician requested a prior authorization for Takhzyro for prophylactic use due to side effects from the current Danazol 200mg therapy that has kept JD asymptomatic for approximately 1 year. We recommended Tranexamic acid 1,000-1,500mg and decrease the dose of Danazol to 100mg every other day to reduce the side effects. Takhzyro was not appropriate based on Nationally accepted guidelines.

*JD's physician agreed and **this saved his plan \$601,855 per year and JD remains asymptomatic with no side effects.***

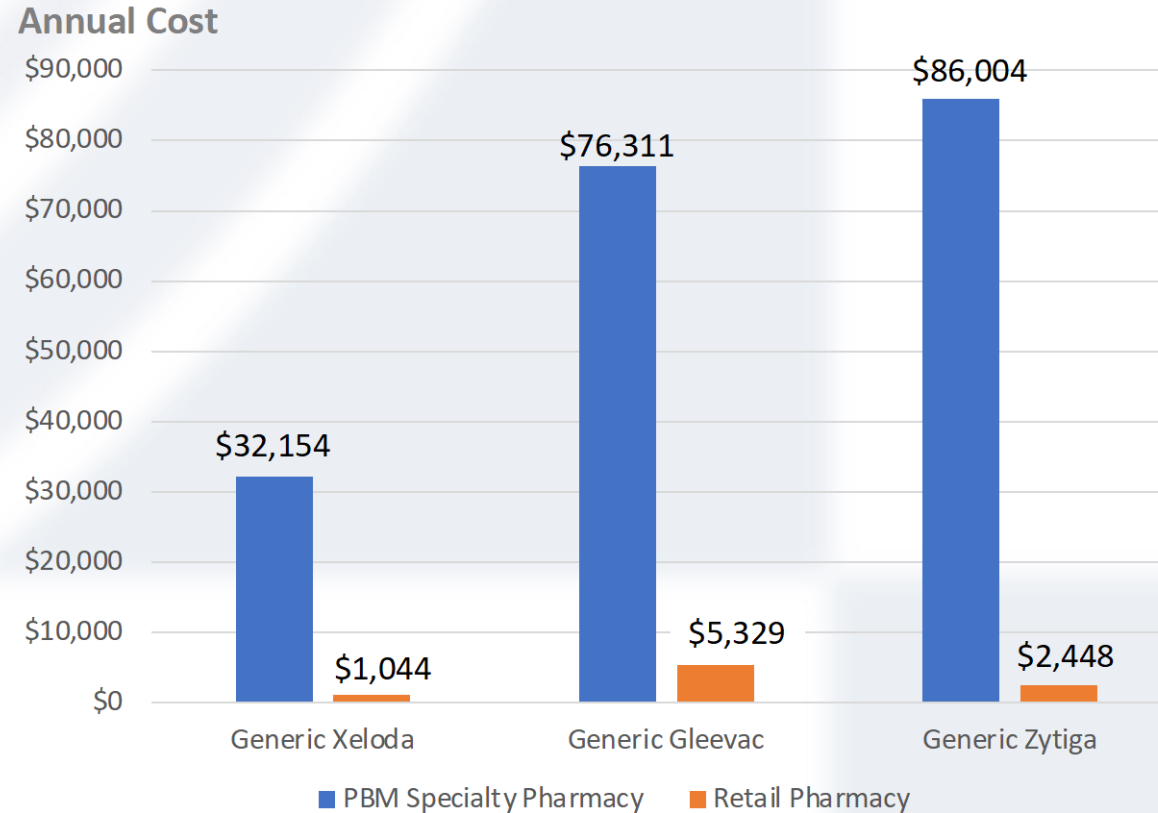
Hemophilia Sourcing Example

Annual union trust fund savings for 3 members with hemophilia



Specialty Pharmacy vs. Retail Pharmacy Cost Comparison

Actual Paid Claims (2020)



Capecitabine (Xeloda) 500mg | Imatinib (Gleevac) 400mg | Abiraterone (Zytiga) 250mg

340B Sourcing

- Available in multiple states
- Focused on specialty and other high-cost medications
- Up to 70%+ discount off AWP
- Zero out-of-pocket cost to member
- No income requirements
- No need to change providers or travel
- Medications shipped to home



Waste Pro Pharmacy Benefit Spend Two Year Trend



**Plan Paid Amount
(Per Enrollee Per Month)**

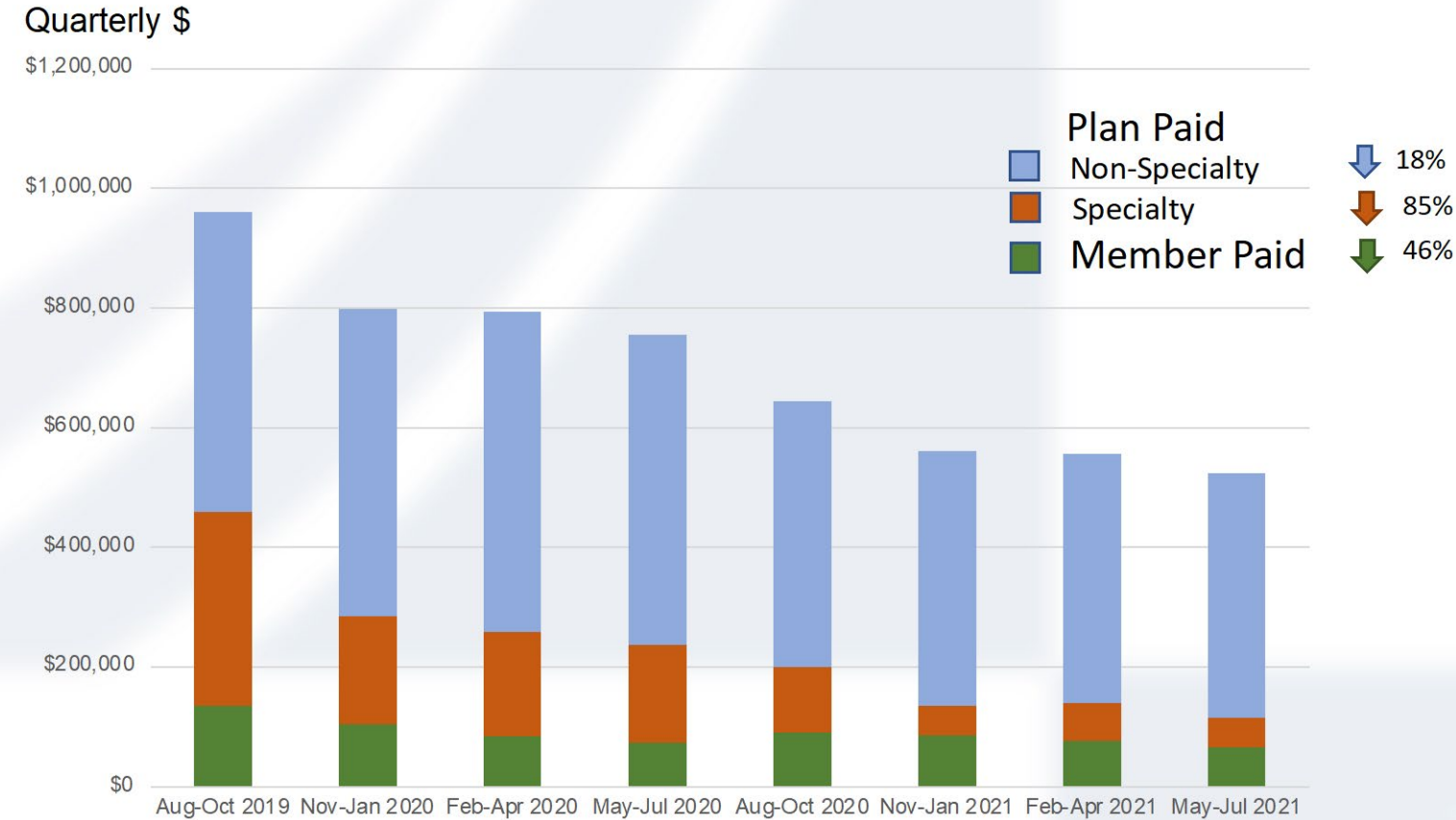


**Plan Paid Amount
(Annual)**



- \$2.8 MM Annual Cost Reduction
- \$4.6 MM Two-Year Cumulative Savings

Waste Pro Pharmacy Benefit Spend Plan and Member Contribution Trend



Large Employer Clinical Overlay Successes



	School District Consortium	Grocery Chain	Hospital System
Covered Lives	10,100	8,900	42,900
Non-Specialty Savings	\$1,100,000	\$500,000	\$2,100,000
Specialty Savings	\$2,500,000	\$2,600,000	\$8,700,000
Total Savings	\$3,600,000	\$3,100,000	\$10,800,000
Return on Investment	10:1	8:1	9:1

Pharmacy versus clinic sourcing



\$248,000

TPA Approved
Outpatient Clinic
Charge Per Course
Of Chemotherapy



\$15,000

Cost to Plan
Shipped to Clinic
From Contracted
Specialty Pharmacy

Be Proactive, not Reactive

Specific Saving Strategies for High-Cost Medical Drugs

Learn more: [Achieving Accountability & Predictability on the Medical Side of Drug Benefits](#)

CLINICAL RIGOR

- Separation of dispensing/rebates from clinical functions
- Independent, expert clinical management
- Cost-effective step therapy, when appropriate
- Elimination of waste
- Same level of clinical rigor applied to to specialty drugs on medical side
- Longer term – increased specialization

COST-EFFECTIVE SOURCING

- Better align co-pay and patient assistance programs
- Unrestricted, competitive dispensing options and sources
- Site-of-care optimization for provider-administered drugs
- Longer term – collective management & stewardship

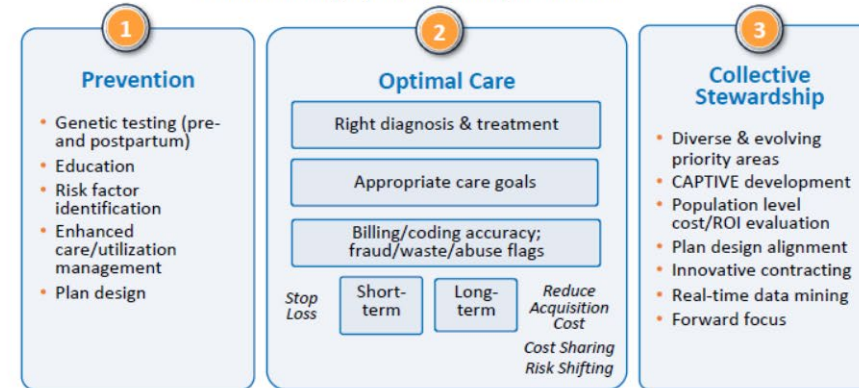
Contracting Strategies

- Deconflict PBM and medical carrier relationships (fiduciary compliant)
- Reduced/fixed markups for provider buy/bill drugs
- Outcomes-based drug pricing
 - Specialty generics filled in retail, not at specialty pharmacy
 - Payment amortization (pay-over-time)
 - Hospital at home/telehealth
 - Narrow networks
 - More timely and transparent reporting
 - Bill review/negotiation
- Longer term – population-based hybrid contracts

Plan Design Strategies

- All drug management under the pharmacy benefit
- Dose rounding protocols (for injectables)
- More rigorous utilization management for high-cost drugs
 - PA/pre-certification functions
 - Preferred drug lists/formularies
 - Quantity limits
 - Step therapy
 - Specialty carve out
 - Exclusions/coverage limitations
- Aligned financial incentives with plan participants
- Leverage secondary coverage when available (e.g., spouse employer, Medicaid or Medicare)
- Longer term - Steerage to improve quality, appropriateness and reduce impact of middlemen

Integrate Core Pillars of Overall Risk and Cost Reduction
There is **no one-size-fits-all approach** to tackle the **broad spectrum of high-cost claims**; a combination of options is needed for each case

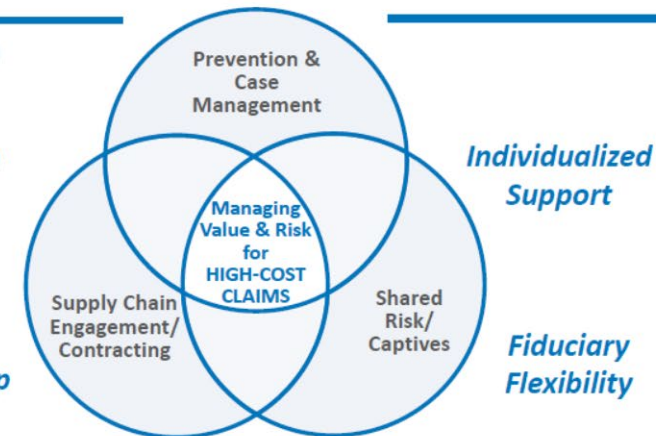


CONTINUOUSLY REEXAMINE PATIENT EDUCATION, INVOLVEMENT AND ACCOUNTABILITY TO ENSURE SUSTAINABLE PATIENT ENGAGEMENT

Longer-term Approach

Population Focus

Collective Stewardship



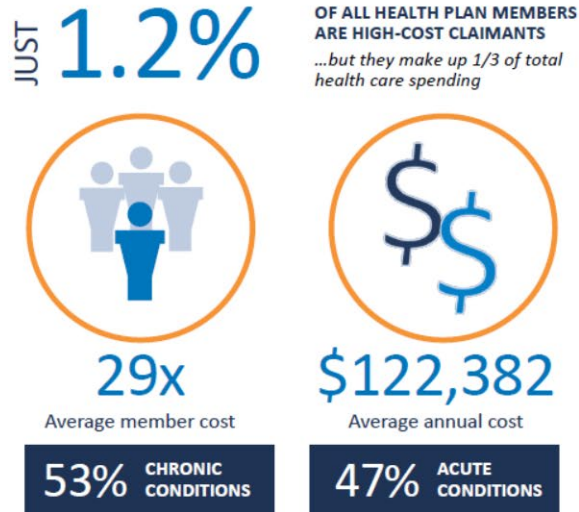
Rethinking How We Mitigate **HIGH-COST CLAIMS**

The Problem: Few (if any) employers have the size, resources or focus to address rapidly escalating high-cost claims. *Since 2016, the number of health plan members with claims \$3M+ has doubled*, heightening sustainability concerns. Elimination of annual and lifetime maximums through the Affordable Care Act and the dysfunction of the reinsurance market has made this a top priority for every employer, purchaser and market.

High-Cost Claims Defined:

- Unpredictable/infrequent for individual employers
- Claims costing \$50,000 or more per year
- Cost outliers that are frequently lapsed (i.e., stop-loss insurance covers only the first year of claims, then will cover everything except that claim)
- Often for severe, debilitating disease conditions

Facts about high-cost claimants



Wellmark Blue@Work

"High-cost claims are the biggest threat to employer-sponsored healthcare coverage today. Only through collective employer action can these risks be mitigated."

Michael Thompson
National Alliance President & CEO

Strategies will vary based on duration of expenditures and quality or quantity of options

Long-duration Treatment

Multiple Effective Options

Hemophilia
Multiple sclerosis
Multiple myeloma
Autoimmune
Cystic fibrosis
End-stage renal disease (ESRD)
Hereditary angioedema

Limited Options

Spinal muscular atrophy
Metastatic cancers
Duchenne muscular dystrophy
Immune globulin (palliative)
Congenital anomalies (lifelong)

Short-duration Treatment

Lymphoma
Premature birth
Spine surgeries
Immune globulin (therapeutic)
Inherited retinal dystrophy (RPE65)

Spinal muscular atrophy
Neutrotrophic keratitis
Transplant
Congenital anomalies
Idiopathic pulmonary fibrosis
Sepsis
Trauma and burns



National Alliance Offers Tools to Build the Bridge to Sustainability

- [Mitigating High-cost Claims: A Closer Look at Hemophilia](#)
- [Employer Rx Value Report](#) and [Value Framework Infographic](#)
- [Hospital Payment Strategies: Setting Price & Quality Expectations](#)





**STOP
WASTING
MONEY!**

Q&A





Prescription Digital Therapeutics

Software for the Treatment of Serious Disease

Major trends converge to highlight a need for **software to treat serious disease**

GROWING BURDEN OF CHRONIC DISEASE

90% of U.S. \$3.8 trillion in annual health care expenditures is for people with chronic and mental health conditions¹



TRANSITION TO TELEMEDICINE

Number of people who have used telehealth doubled, from 39.4% pre-COVID-19 to 79.5% post-quarantine²



PROVIDER SHORTAGE

Across many key disease areas (i.e., substance abuse and insomnia), there are tens of millions of patients with only a few thousand (or less) trained specialists³⁻⁵

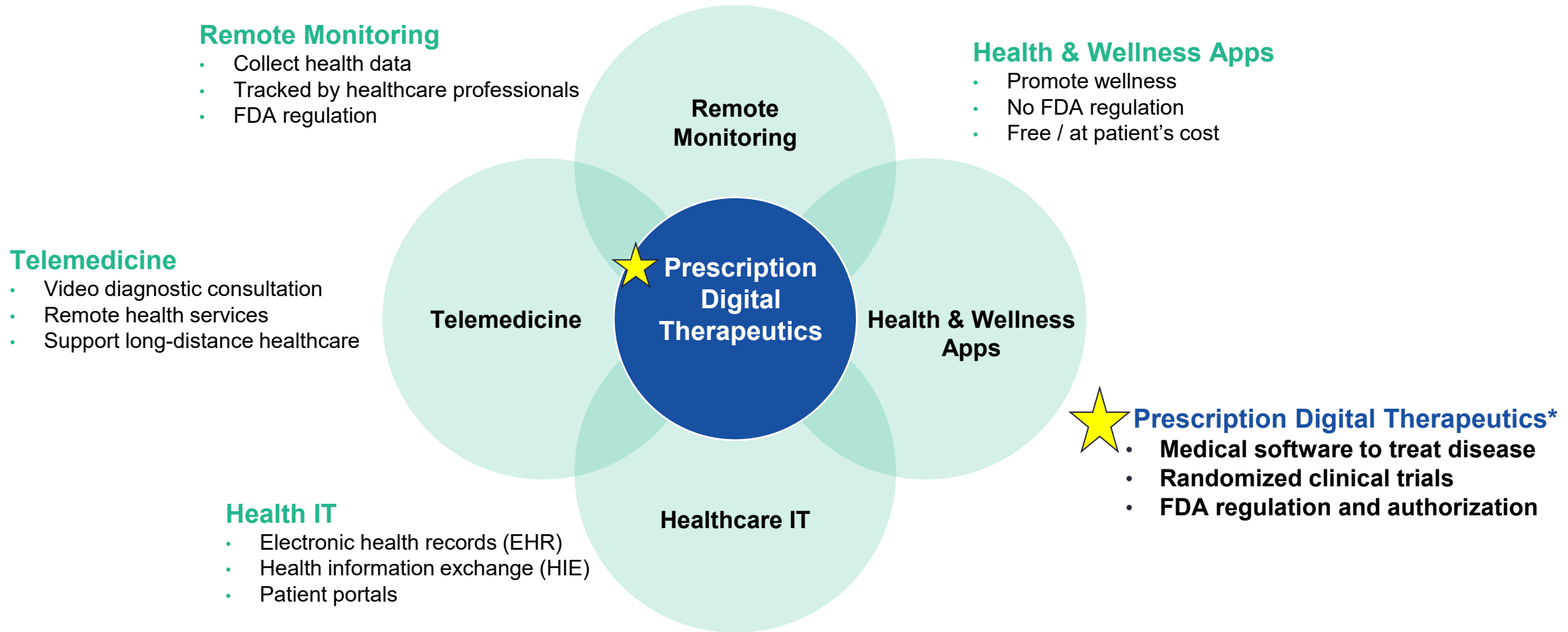


TECHNOLOGY IS PERVASIVE

Americans spend an average of 5.4 hours on their mobile phones daily as big data drives deeper insights from engagement⁶



Prescription Digital Therapeutics (PDTs) are a category within digital health defined by clinical efficacy, FDA market authorization, and reimbursement



* Pear's PDTs do not include remote monitoring. Diagram for illustrative purposes only.

Reference: Digital Health Market: Market Segmentation, Global, 2017 recreated from Frost & Sullivan report: "US Digital Therapeutics Market, Forecast to 2023"

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Prescription Digital Therapeutics (PDTs) Are Software to Treat Serious Disease

HEALTH AND WELLNESS APPS	PHARMACEUTICALS	PRESCRIPTION DIGITAL THERAPEUTICS
--------------------------	-----------------	-----------------------------------

✓
✓
✓
✓
✓

Utilizes digital technology to improve human health	✓
Require randomized controlled trials	✓
Authorized or approved as safe and effective	✓
Reimbursement pathways via specific product code	✓
Capability for real-time feedback for clinicians	



1900+
Small Molecules



1980+
Biologics



2000+
Cell/Gene Therapies



2020+
Prescription Digital Therapeutics

Pear's PDTs may fill gaps in care pathways and can serve as engaging, effective, and safe options

POSSIBLE ENGAGEMENT CHALLENGES¹

Patient

- Health not top-of-mind
- Perceived stigma of addiction and treatment
- Hard-to-reach

Logistical

- Require transportation
- Travel and wait times
- No off hours care
- Possibly expensive treatments^{1,2}

Pharmacological

- Strength of addiction (SUD, OUD)
- Current pharmacological treatment (Chronic Insomnia)³

GAPS IN CARE

Substance Use Disorder (SUD)

- 40-60 percent of patients seeking treatment for substance use disorders relapse, or return to drug use after an attempt to quit⁴
- Only 19% of adult patients received specialty treatment in 2018⁵

Opioid Use Disorder (OUD)

- Medication for Opioid Use Disorder (MOUD) combined with psychosocial therapies and community-based recovery support is standard of care⁶
- Only 20% of OUD patients received specialty treatment in 2018⁴

Chronic Insomnia

- Cognitive Behavioral Therapy for Insomnia (CBT-I)^{7,8} is well validated, but paucity of providers could limit availability^{9,10}
- Less than half of the 659 U.S. Behavioral Sleep Medicine providers are accredited to deliver CBT-I¹¹
- Pharmacologic risks may include adverse events, dependence, lack of durability, inappropriate long-term use¹²

FDA-AUTHORIZED

Clinically-tested

reSET

reSET-O

Somryst

1. Substance Abuse and Mental Health Services Administration. Receipt of Services for Substance Use and Mental Health Issues among Adults: Results from the 2016 National Survey on Drug Use and Health. 2017. <https://www.samhsa.gov/data/sites/default/files/NSDUH-DR-FFR2-2016/NSDUH-DR-FFR2-2016.htm>. Accessed March 12, 2021. 2. Davenport, et al. 2019. Economic Impact of Non-Medical Opioid Use in the United States Annual Estimates and Projections for 2015 through 2019. Society of Actuaries. 3. Koffel et al. Increasing access to and utilization of cognitive behavioral therapy for insomnia (CBT-I): a narrative review. J Gen Intern Med 33(6):955–62. 4. National Institute on Drug Abuse. Drugs, Brains, and Behavior: The Science of Addiction Treatment and Recovery. Accessed January 21, 2021 from <https://www.drugabuse.gov/publications/drugs-brains-behavior-science-addiction/treatment-recovery>. Accessed March 5, 2021. 5. SAMHSA 2019. HHS Publication No. PEP19-5068, NSDUH Series H-54. 6. The ASAM National Practice Guideline for the Treatment of Opioid Use Disorder: 2020 Focused Update [published correction appears in J Addict Med. 2020 May/Jun;14(3):267]. J Addict Med. 2020;14(2S Suppl 1):1-91. 7. Qaseem, et al. 2016. Ann Intern Med 165:125-133. 8. Schutte-Rodin, et al. 2008. J Clin Sleep Med 4(5): 487–504. 9. Ancoli-Israel and Lieberman. 2004. Postgrad Med 116(6 Suppl Insomnia):4-6. 10. Cheung, et al. 2014. Behav Sleep Med 12(2):106-22. 11. Thomas, et al. 2016. Behav Sleep Med 14(6):687-98. 12. Pagel and Parnes. 2001. Prim Care Companion J Clin Psychiatry 3(3):118-125.

Please see Indications for Use, Contraindications, and Important Safety Information.

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Capabilities and Functionality

Used under clinician supervision

ENTER positive or negative drug and alcohol screen results, to further guide conversation and inform clinicians

SEE the intensity of patient-reported cravings and triggers. Each metric can be expanded for greater detail— increasing transparency in patient-HCP dialogue

FOLLOW patient-reported cravings, triggers, and substance use; track lesson completion, progress over time, and appointment compliance

VIEW patient summary, personal information, prescription status, & clinician-entered drug and alcohol screen results



INTERVENTION

Cognitive Behavioral Therapy (CBT) Modules

Fluency Training

Contingency Management

Craving & Trigger Assessment



INSIGHT

Abstinence and Appointments

CBT Module Use

Fluency Training

Contingency Management

Cravings & Triggers



PATIENT

CLINICIAN

There Are Currently
9 PDTs Authorized
by the FDA

PDT PRODUCT	THERAPEUTIC AREA
reSET ¹	Substance Use Disorder
Nightware ²	PTSD Driven Traumatic Nightmares
reSET-O ³	Opioid Use Disorder
Somryst ⁴	Chronic Insomnia
EndeavorRx ⁵	Attention Deficit Hyperactivity Disorder (ADHD)
Mahana for IBS ⁶	Irritable Bowel Syndrome (IBS)
EaseVRx ⁷	Reduction of pain in patients (18 and over) with chronic lower back pain (indication)
Luminopia One ⁸	Treat amblyopia in children aged 4 to 7 years
Regulora ⁹	Abdominal pain associated with irritable bowel syndrome (IBS) in adults

1. Pear Therapeutics, PEAR Obtains FDA Clearance of the First Prescription Digital Therapeutic to Treat Disease (August 25, 2018). Available at <https://peartherapeutics.com/fda-obtains-fda-clearance-firstprescription-digital-therapeutic-treat-disease/>. 2. Truong K, MedCity News, Nightware receives breakthrough designation for its PTSD nightmare therapy technology (May 21, 2019). Available at <https://medcitynews.com/2019/05/nightware-receives-breakthrough-designation-for-its-ptsd-nightmare-therapy-technology/>. 3. Pear Therapeutics, Pear Therapeutics Receives Expedited Access Pathway Designation from FDA for reSET-OTM Prescription Digital Therapeutic to Treat Opioid Use Disorder (August 25, 2018). Available at <https://peartherapeutics.com/pear-therapeutics-receives-expedited-access-pathway-designation-fda-reset-o-prescription-digitaltherapeutic-treat-opioid-use-disorder/>. 4. Pear Therapeutics, Pear Therapeutics Launches Somryst™ for Chronic Insomnia via an End-to-End Virtual Care Experience (November 17, 2020). Available at <https://peartherapeutics.com/pear-therapeuticslaunches-somryst-for-chronic-insomnia-via-an-end-to-end-virtual-care-experience/>. 5. Akili Interactive, Akili Announces FDA Clearance of EndeavorRx™ for Children with ADHD, the First Prescription Treatment Delivered Through a Video Game (October 2, 2020). Available at <https://www.akiliinteractive.com/news-collection/akili-announces-endeavortm-attention-treatment-is-now-available-for-children-with-attentiondeficit-hyperactivity-disorder-adhdal3pw>. 6. Mahana, Mahana Therapeutics Obtains FDA Marketing Authorization for the First Prescription Digital Therapeutic to Treat Irritable Bowel Syndrome (December 8, 2020). Available at <https://www.mahanatx.com/press/parallel-fda-authorization>. 7. FDA. Authorizes Marketing of Virtual Reality System for Chronic Pain Reduction (November 16, 2021). Available at: <https://www.fda.gov/news-events/press-announcements/fda-authorizes-marketing-virtual-reality-system-chronic-pain-reduction>. 8. FDA. Device Classification Under Section 513(f)(2)(De Novo). Available at <https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfpmn/denovo.cfm?id=DEN210005>. 9. Available at : <https://www.metamehealth.com/press/metame-health-receives-fda-clearance-for-regulora-the-first-fda-authorized-treatment-specifically-for-abdominal-pain-due-to-irritable-bowel-syndrome-ibs>



Supporting the Patient Journey Through Many Touchpoints



[†] For 12-week prescription.

Q&A





Life-Changing Gastrointestinal Care

Florida Alliance for Healthcare Value
Innovator Showcase June 2022

Richard

Joined Oshi Health May 2021

20 urgent bowel movements a day
Afraid to leave the house

Diagnosed with IBS-D

14 visits with Oshi Health care team:

- Nurse practitioner - 6
 - GI psychologist - 7
 - Registered dietitian - 1
-

Feeling 90% better by August
1 bowel movement per day

Graduated to self management in Nov.

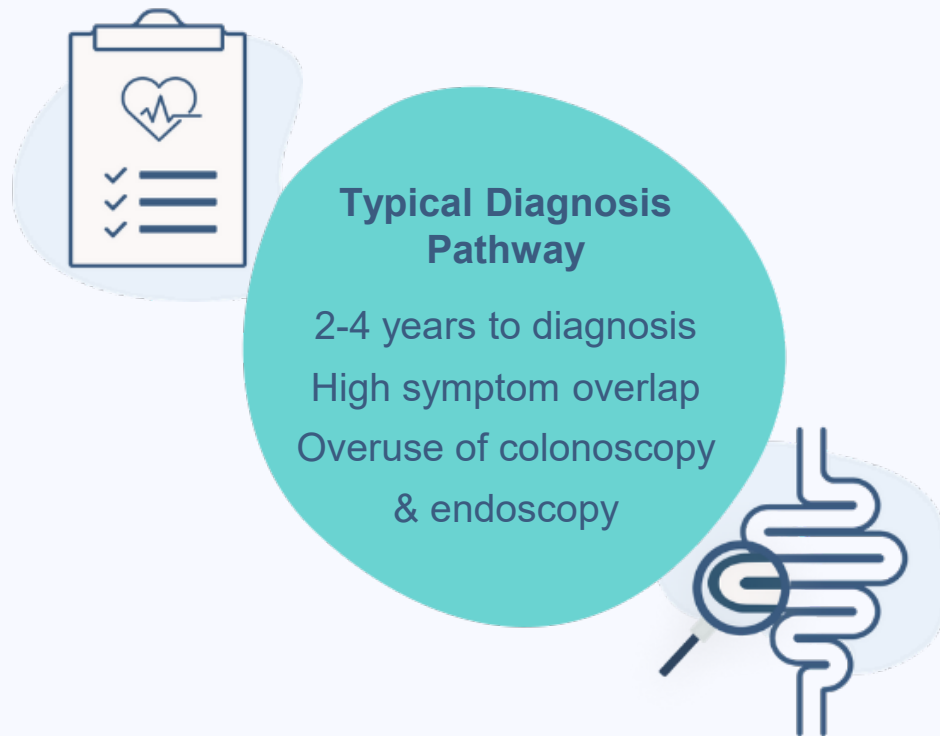
**“Oshi has
changed my life
and the way I see
healthcare.”**



“Before anyone did anything, they just talked to me and actually listened. I felt like I was actually heard. It finally feels like someone is fighting for me.

“No one poked me, jabbed me, scoped me or gave me any hard core medication. It was the cheapest, simplest solution and it has changed my life. Oshi took me miles from where I was when I started.”

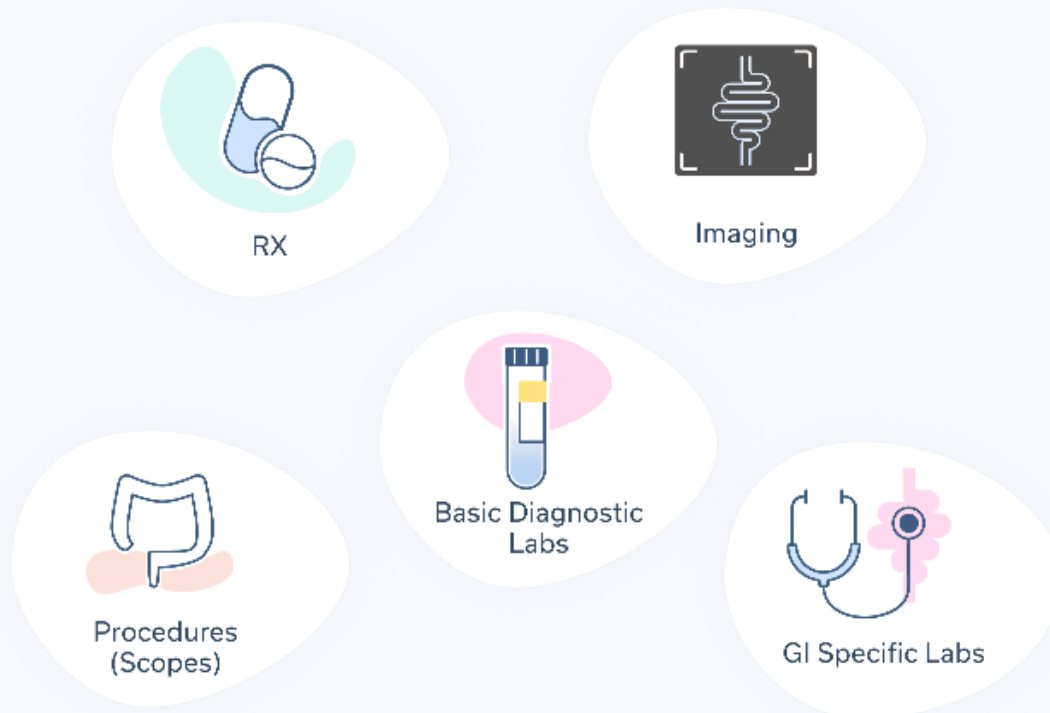
25%+ of the Population Struggle with GI Conditions



<p>Autoimmune</p> <ul style="list-style-type: none"> • Inflammatory Bowel Disease (IBD) - Crohn's Disease & Ulcerative Colitis • Celiac Disease • Eosinophilic Esophagitis (EOE) 	<p>Functional / Gut-Brain</p> <ul style="list-style-type: none"> • Irritable Bowel Syndrome (IBS) • Dyspepsia • Dysphagia
<p>Structural Disorders</p> <ul style="list-style-type: none"> • GERD (acid reflux) • Colon Cancer Screening • Hemorrhoids • Diverticular Disease 	<p>Chronic Undiagnosed Symptoms</p> <ul style="list-style-type: none"> • Constipation • Diarrhea • Abdominal Pain • Gas & Bloating • Bleeding • Food intolerances

Current Care Is Failing Purchasers & Patients

Most fee-for-service GI care is focused on procedures and medications



- ❖ **Prolonged Suffering**
- ❖ **Long Wait Times / Hard to Access**
- ❖ **No Between-Visit Support or Monitoring**
- ❖ **Little Access to Dietary & Psychosocial Interventions**
- ❖ **Outcomes & Quality Not Measured**
- ❖ **Little Focus on Value or Cost**

Redesigned Diagnosis & Treatment for GI Conditions

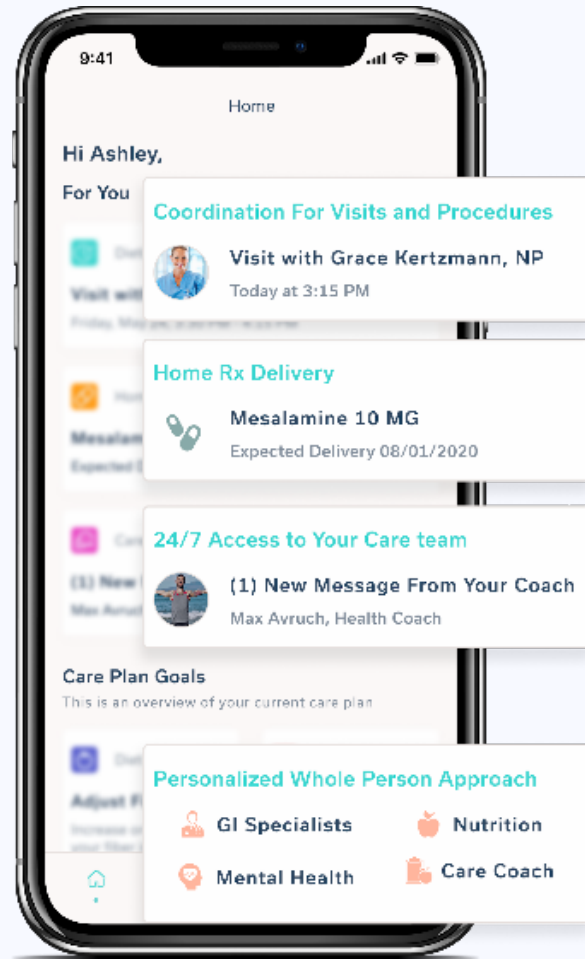


An Integrated Care Team Approach

Our care model and scale support integrated teams of GI specialists that provide comprehensive, coordinated care



Patient Experience: Care Is Convenient & Coordinated



Oshi Health App Features

- Scheduling
- Calls & visits
- Care plan
- Symptom tracking
- Test results
- 24x7 Messaging
- Education
- Community

Three Phases of Care Experience



Assessment & Diagnosis

1-3 weeks

Includes diagnostic and follow up visits, interpretation of labs/tests, preliminary diagnosis

Avoids/replaces typical GI visits + avoidable procedures & imaging



Whole-Person GI Therapy

3-6 months therapy +
3 months monitoring

Includes dietary & gut-brain trigger identification, behavioral counseling, coaching, medication, GI provider visits

Avoids / replaces ineffective GI clinic visits, more procedures, and years-long medication use / iteration



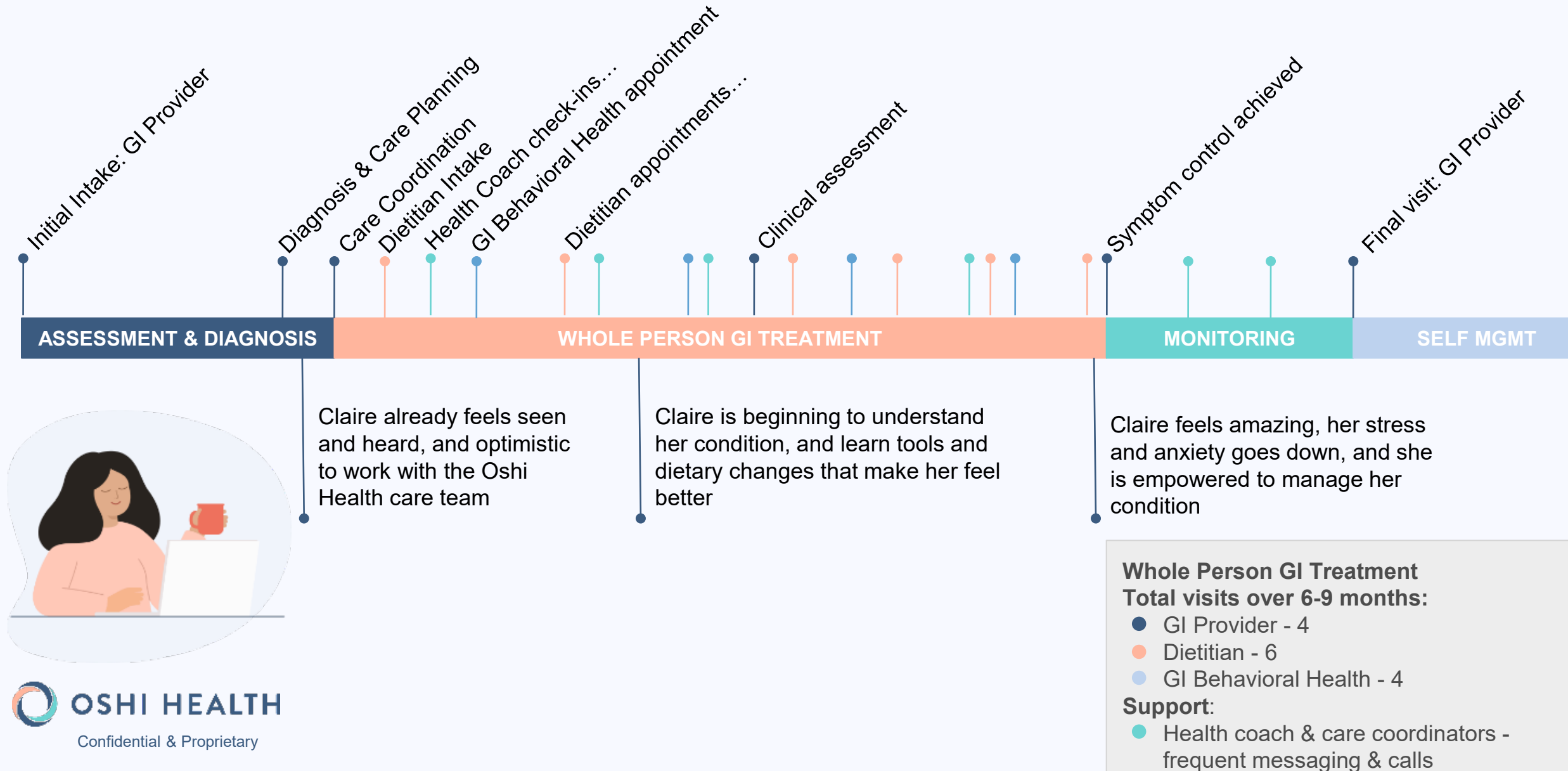
GI Medical Home

Ongoing care
relationship

Includes ongoing symptom and biomarker monitoring, GI Provider visits, psychology and dietary support, Rx mgmt

Avoids / replaces some GI visits, symptom escalations leading to ER visits, hospitalizations & escalation in medication costs

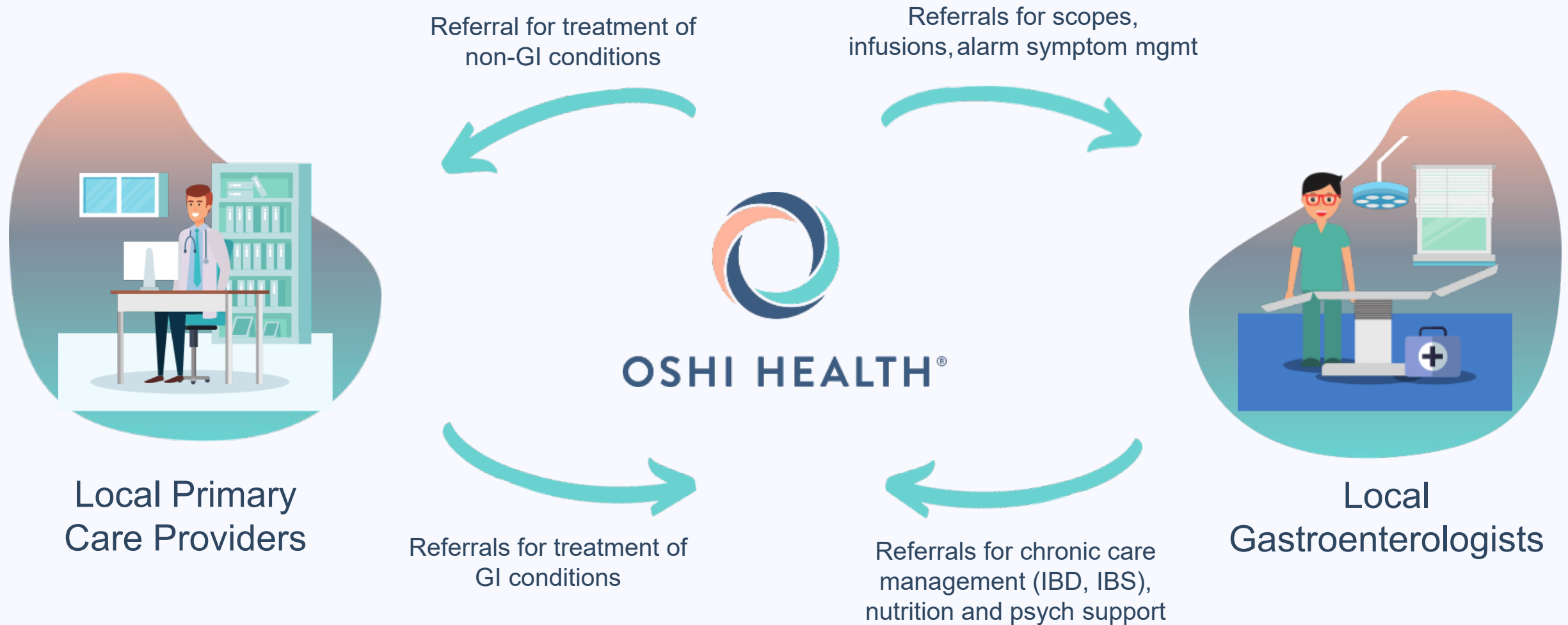
A Typical Oshi Health Member's Care Journey



Oshi Health Patient Journey vs. Traditional GI

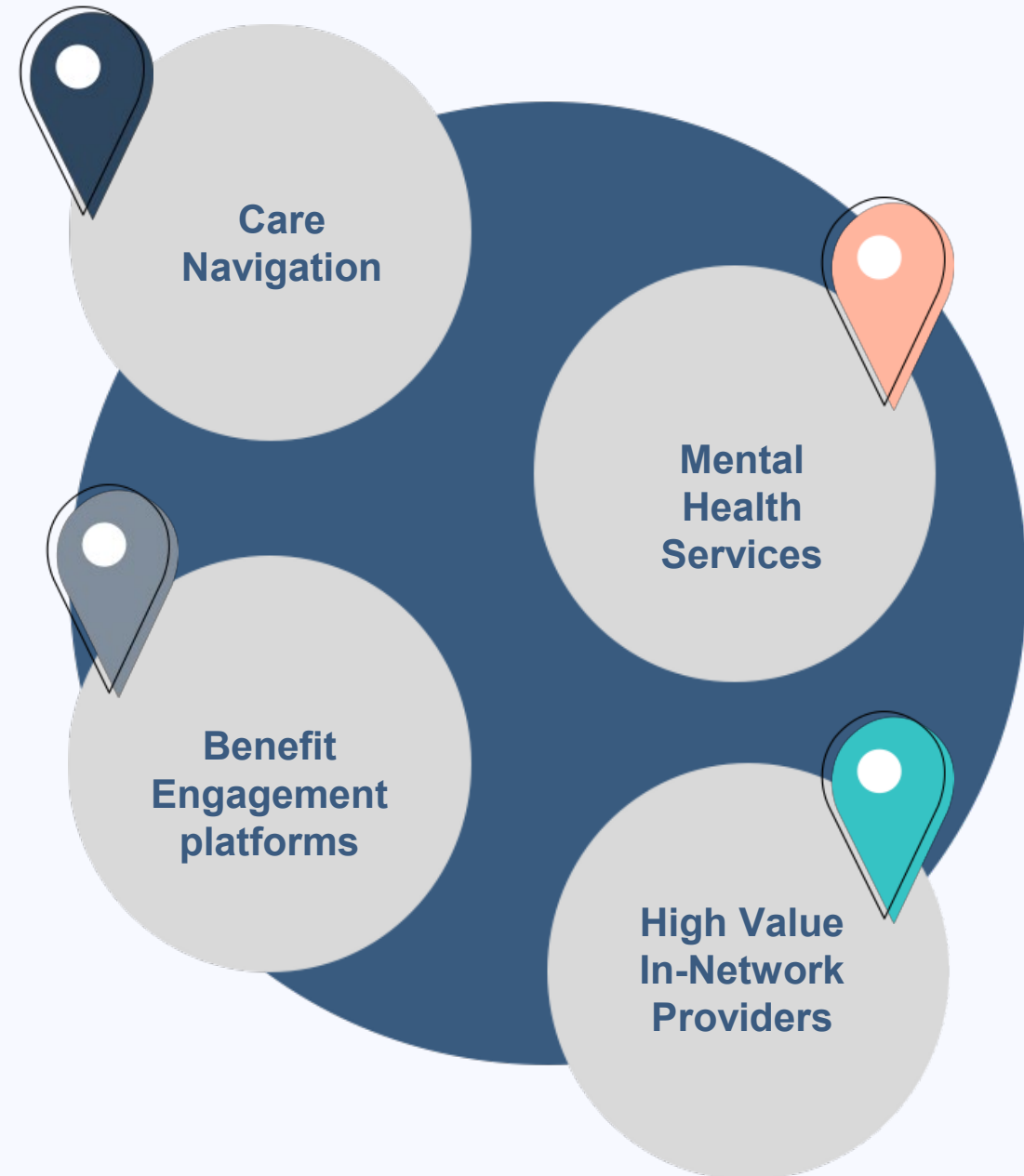


Oshi Health Coordinates with In-Person Care

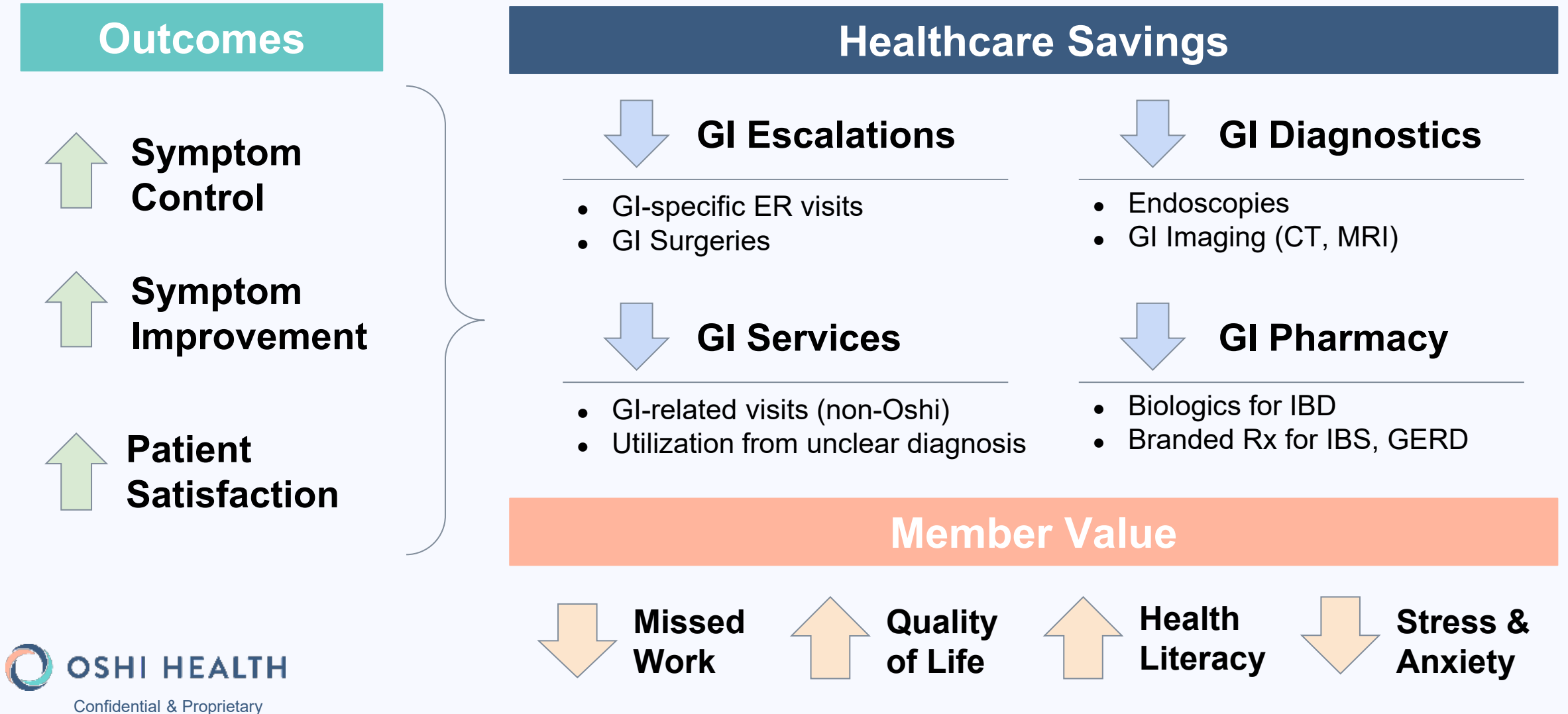


Coordinating within the Health Benefit Ecosystem

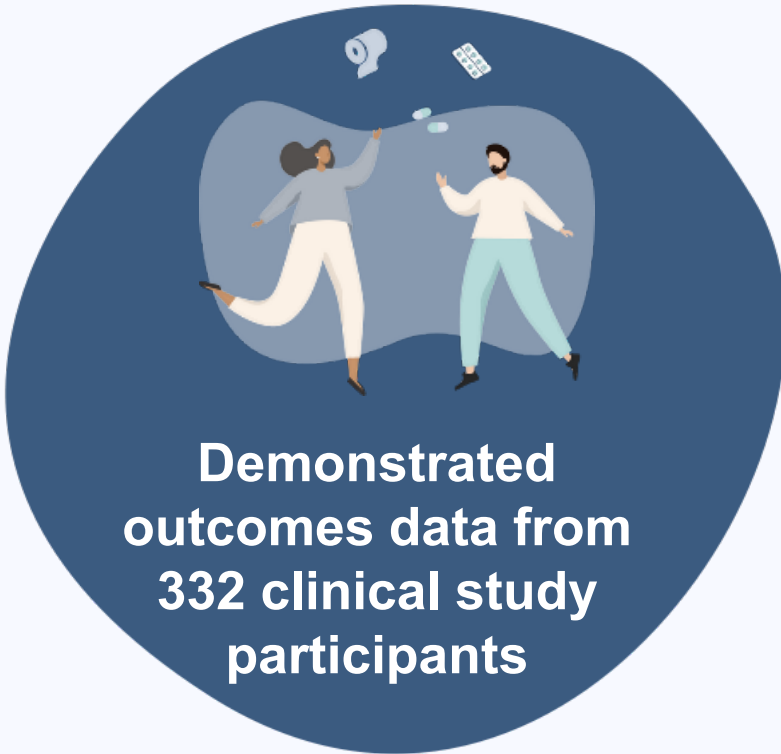
Members may start with GI concerns but Oshi Health will coordinate with other services in your benefit plan to maximize health outcomes for employees, amplifying benefits beyond GI care



Value Drivers: When Care Is Aligned with Outcomes



Proof Points: Clinical Study with National Payer



Satisfaction & Outcomes

- 99% satisfaction, +80 NPS
- 90% see symptom improvement & control
- 3X improvement in QoL, productivity, stress/anxiety

Savings & Avoided Healthcare Utilization

- \$6K savings per patient vs. FFS brick & mortar GI
- 85% reduction in unnecessary endoscopy
- 60% reduction in GI-related imaging
- 70% reduction in GI-related ER visits
- 20% taken off or avoided medications (incl biologics)
- 7 avoided GI surgeries, incl. previously scheduled

Scalable Contracting, Easy Implementation

Building coverage via carriers as in-network provider



In-Network
Specialty Clinic



Bundled
Case Rate



Performance
Guarantees

Better Care, Better Outcomes, Bigger Savings



Avoid Unnecessary
Colonoscopy & Endoscopy



Reduced ER
Utilization



Reduced Inpatient
Utilization



Reduced Rx Cost
(incl. biologics)



Employee
Productivity



Patient
Satisfaction



Cost Savings



Our Mission

**Eliminate the impact of
digestive health conditions
through redesigned GI care
that patients love**

Q&A



OSHI HEALTH

Alignment Under a Common Purpose



A commitment to health care, not sick care

Shift from volume to value

Data transparency

Provider accountability



$$[X, P] = i\hbar$$

$$H = \frac{P^2}{2m} + \frac{1}{2} m \omega^2 x^2$$

$$H|\varphi\rangle = E|\varphi\rangle$$

$$\left[-\frac{\hbar^2}{2m} \frac{d^2}{dx^2} + \frac{1}{2} m \omega^2 x^2\right]\varphi(x) = E\varphi(x)$$

$$\hat{X} = \sqrt{\frac{m\omega}{\hbar}} \hat{x}, \quad \hat{P} = \frac{1}{\sqrt{\hbar m \omega}} \hat{p}$$

$$[\hat{x}, \hat{p}] = i\hbar, \quad H = \hbar \omega \hat{H}$$

$$\hat{H} = \frac{1}{2}(\hat{X}^2 + \hat{P}^2)$$

$$\hat{H}|\varphi_n\rangle = E_n|\varphi_n\rangle$$

$$a = \frac{1}{\sqrt{2}}(\hat{x} + i\hat{p}), \quad a^\dagger = \frac{1}{\sqrt{2}}(\hat{x} - i\hat{p})$$

$$[a, a^\dagger] = 1$$

$$a^\dagger a = \frac{1}{2}(\hat{x}^2 + \hat{p}^2 - 1)$$

$$\hat{H} = a^\dagger a + \frac{1}{2}$$

$$\hat{H} = a a^\dagger - \frac{1}{2}, \quad E = m c^2$$

$$a^\dagger|\varphi_n\rangle = \sqrt{n+1}|\varphi_{n+1}\rangle$$

$$a|\varphi_n\rangle = \sqrt{n}|\varphi_{n-1}\rangle$$

$$a|\varphi_n\rangle = \frac{1}{\sqrt{2}} a a^\dagger |\varphi_{n-1}\rangle = \frac{1}{\sqrt{n}}(a^\dagger a + 1)|\varphi_{n-1}\rangle = \sqrt{n}|\varphi_{n-1}\rangle$$

$$X|\varphi_n\rangle = \sqrt{\frac{\hbar}{m\omega}} \frac{1}{\sqrt{2}}(a^\dagger + a)|\varphi_n\rangle$$

$$= \sqrt{\frac{\hbar}{m\omega}} [\sqrt{n+1}|\varphi_{n+1}\rangle + \sqrt{n}|\varphi_{n-1}\rangle]$$

$$\langle \varphi_n | a | \varphi_n \rangle = \sqrt{n+1} \langle \varphi_n | \varphi_{n+1} \rangle = 0$$

$$\langle \varphi_n | X | \varphi_n \rangle = \sqrt{\frac{\hbar}{m\omega}} \frac{1}{\sqrt{2}} [\sqrt{n+1} \langle \varphi_n | \varphi_{n+1} \rangle + \sqrt{n} \langle \varphi_n | \varphi_{n-1} \rangle] = 0$$

$$E = \frac{1}{2} \hbar \omega, \quad \sigma_x = \frac{\hbar}{m\omega L}$$

$$\frac{d\theta}{dt} = \left(\frac{2E - m\omega L \sigma_x}{\hbar L}\right)^{1/2} = \left(\frac{\sigma_x}{L}\right)^{1/2} \left(\frac{2E}{\hbar \omega}\right)^{1/2}$$

$$\frac{dr}{dt} = \frac{dr}{d\varphi} \frac{d\varphi}{dt} = \frac{dr}{d\varphi} \omega = \frac{dr}{d\varphi} \frac{1}{\mu r^2}$$

$$\frac{d^2 r}{dt^2} = \frac{d^2 r}{d\varphi^2} \left(\frac{\Sigma}{\mu r^2}\right)^2 + \frac{dr}{d\varphi} \frac{\Sigma}{\mu} \frac{d}{dt} \left(\frac{1}{r^2}\right)$$

$$= \frac{d^2 r}{d\varphi^2} \left(\frac{\Sigma}{\mu r^2}\right) - \frac{c}{r^3} \frac{\Sigma}{\mu} \left(\frac{dr}{d\varphi}\right)^2 \frac{\Sigma}{\mu r^2}$$

$$W(\varphi) = \frac{1}{r(\varphi)}, \quad \frac{dW}{d\varphi} = -\frac{1}{r^2} \frac{dr}{d\varphi}, \quad \frac{d^2 W}{d\varphi^2} = -\frac{1}{r^3} \frac{d^2 r}{d\varphi^2}$$

$$\frac{d^2 r}{d\varphi^2} = -\frac{1}{r^3} \left(\frac{\Sigma}{\mu}\right)^2 \frac{d^2 W}{d\varphi^2} - \frac{W^3 \Sigma^2}{\mu} \frac{d^2 W}{d\varphi^2}$$

$$= -W^3 G \mu_1 \mu_2 + W^3 \frac{\Sigma^2}{\mu} \frac{d^2 W}{d\varphi^2} - W = \frac{\mu G \mu_1 \mu_2}{\Sigma^2}$$

$$r = \frac{a(1 + e^{\cos \varphi})}{(1 - e \cos \varphi)}$$

$$f_0(x) = \langle x | \varphi_0 \rangle = \left(\frac{m\omega}{\pi \hbar}\right)^{1/4} e^{-\frac{m\omega}{2\hbar} x^2}$$

$$\varphi_0(x) = \left[\frac{1}{\sqrt{2\pi}} \left(\frac{1}{m\omega}\right)^{1/2}\right]^{1/2} \left(\frac{m\omega}{\pi \hbar}\right)^{1/4} \left[\frac{1}{\sqrt{2}} x \frac{d}{dx} - \frac{1}{2}\right] e^{-\frac{m\omega}{2\hbar} x^2}$$

$$f = \frac{\omega_0}{\hbar} = \left(\frac{2\pi}{\hbar}\right)^{1/2} \mu_0 (\vec{r} \cdot \vec{F})$$

$$\vec{\Sigma} = (\vec{r} \times \vec{F})_0 = -\hbar L' \vec{\sigma} \cdot \vec{F} = -(\hbar g \mu_B) \vec{\sigma} \cdot \vec{F}$$

$$\vec{\sigma} \cdot \vec{F} = \sigma_x F_x + \sigma_y F_y + \sigma_z F_z$$

$$\vec{\sigma} \cdot \vec{F} = \sigma_x F_x + \sigma_y F_y + \sigma_z F_z$$

$$\vec{\sigma} \cdot \vec{F} = \sigma_x F_x + \sigma_y F_y + \sigma_z F_z$$

$$x = A \sin(\omega t + \varphi)$$

$$\ddot{x} + \omega_0^2 x = 0 \rightarrow \omega_0 = \left(\frac{g}{r}\right)^{1/2}$$

$$x = A \sin(\omega t + \frac{\pi}{2}) = A \cos(\omega t)$$

$$K = \frac{1}{2} M \dot{x}^2 = \frac{1}{2} M \left[\omega A \cos(\omega t + \varphi)\right]^2$$

$$K = \frac{1}{2} M \omega^2 A^2 \cos^2(\omega t + \varphi)$$

$$\int_0^{T/2} K dt = \frac{1}{2} M \omega^2 A^2 \int_0^{T/2} \cos^2(\omega t + \varphi) dt$$

$$\int_0^{T/2} \cos^2(\omega t + \varphi) dt = \frac{T}{4}$$

$$\langle K \rangle = \frac{1}{T} \int_0^T K dt = \frac{1}{4} M \omega^2 A^2$$

$$\vec{x} = \omega_0 A \cos(\omega_0 t + \varphi)$$

$$\ddot{x} + \omega_0^2 x = 0 \rightarrow \omega_0 = \left(\frac{g}{r}\right)^{1/2}$$

$$x = A \sin(\omega t + \frac{\pi}{2}) = A \cos(\omega t)$$

$$K = \frac{1}{2} M \dot{x}^2 = \frac{1}{2} M \left[\omega A \cos(\omega t + \varphi)\right]^2$$

$$K = \frac{1}{2} M \omega^2 A^2 \cos^2(\omega t + \varphi)$$

$$\int_0^{T/2} K dt = \frac{1}{2} M \omega^2 A^2 \int_0^{T/2} \cos^2(\omega t + \varphi) dt$$

$$\int_0^{T/2} \cos^2(\omega t + \varphi) dt = \frac{T}{4}$$

$$\langle K \rangle = \frac{1}{T} \int_0^T K dt = \frac{1}{4} M \omega^2 A^2$$

$$E = p^2 c^2 + M^2 c^4$$

$$E = (p^2 c^2 + M^2 c^4)^{1/2}$$

$$= M c^2 \left[1 + \left(\frac{p^2}{M^2 c^2}\right)\right]^{1/2}$$

$$\sum_{i=1}^n E_i = c^2$$

$$\Delta t = \Delta \tau = \left(1 - \frac{v^2}{c^2}\right)^{1/2} \Delta t$$

$$E_0 = E + \frac{1}{2} \epsilon + \frac{1}{2} \delta$$

$$\frac{\Delta p_x}{\Delta t} = \left(1 - \frac{v^2}{c^2}\right)^{1/2} \frac{\Delta p_x}{\Delta t} = \left(1 - \frac{v^2}{c^2}\right)^{1/2} \frac{\Delta p_x}{\Delta t}$$

$$\frac{dR}{dt} = \frac{dp}{d\varphi}, \quad \Delta H = \frac{F}{c}$$

The current economic incentives do not encourage collaboration between providers

The image shows four large, cylindrical metal grain silos standing in a row in a rural field. Each silo is connected to a common horizontal metal pipe at the top. The silos are made of corrugated metal and have conical roofs. In the foreground, there is a field of dark brown mulch or tilled soil. In the background, there are rolling hills and a clear blue sky. The silos are labeled from left to right: Hospitals, Physicians, Post-Acute, and Ancillary.

Hospitals

Physicians

Post-Acute

Ancillary



Memorial Health Network

- Multi-Specialty Clinically-Integrated Network (ACO)
- Line of sight across the healthcare continuum
- Delivers Advanced Primary Care at scale
- Provides physicians meaningful data to impact decision-making at the point of care
- Monitors performance on quality, efficiency, and cost
- Employs payment methodologies that compensate providers for outcomes
- Team that educates and navigates patients





How can we change the paradigm?



ALIGNED

ALIGNED

ALIGNED

ALIGNED

ALIGNED

ALIGNED

NOT ALIGNED

ALIGNED

ALIGNED

Alignment Under a Common Purpose

What is required?

- A Willing Health Plan
- Hospitals
- Physicians
- Post-Acute Providers
- Ancillary Providers
- Consumers
- Employers



360° Degree Care



Challenges to Alignment

- Hospitals Focused Only on Volume
- Disengaged Providers
- Lack of Access
- Low-Value/No-Value Care
- Uncoordinated Care
- Non-Transparent PBMs
- Focus on Sick Care rather than Health Care
- Health Literacy





Objectives of MHN

- Ensuring hospital partner performance
 - Patient flow/movement
- Ensuring patients are seen by their PCP within 7 days of an IP stay
- Ensuring Post-Acute Providers are doing the right thing rather than maximizing opportunity
- Keeping rising-risk patients out of the hospital
 - Readmission avoidance
- Monitoring physician performance on quality and patient experience metrics



Objectives of MHN

- Educating the consumer on how to access healthcare
- Managing individuals with chronic conditions and providing them tools for self-management
- Addressing SDoH and connecting consumers with resources
- Satisfy the needs of the employer
 - Education sessions
 - Health fairs
 - Concierge-like access



Managed Care Organization (insurance Company)



Hospitals



Physicians



Post-Acute



Ancillary

The current economic incentives do not encourage collaboration between providers



Advanced Primary Care

- Empower PCPs with Data
- Assist with Practice Optimization
- Supplement their Services
 - Care Management (TCM & CCM)
 - Navigation Services
 - Education regarding benefits
 - Supplemental Outreach
- Align Incentives with Outcomes
- Accountability



**Managed Care Organization
(insurance Company)**



Hospitals



Physicians



Post-Acute



Ancillary

**The current economic incentives do not encourage
collaboration between providers**



Foundational Principles

- Shift from reactive to proactive medicine
- Data Transparency
- Relationships & Engagement
- Mutual Accountability
- Commitment to Quality
- Standardization
- Consumer Engagement



Our Results: CAGR

	Plan A	Plan B	Plan C
6-Year CAGR of Gross Annual Spend PMPM	(.91%)	(.47%)	5.97%
Members Covered Under Program in Latest Year	24,619	47,783	50,584
HEDIS Metric Performance--Network-Wide	6 of 14 metrics above the 90th Percentile; 5 at the 75th Percentile		



**Does your health plan contract with
a CIN?**

**Has your organization explored self-
funding through a small group
captive?**



Q&A



Memorial Healthcare System

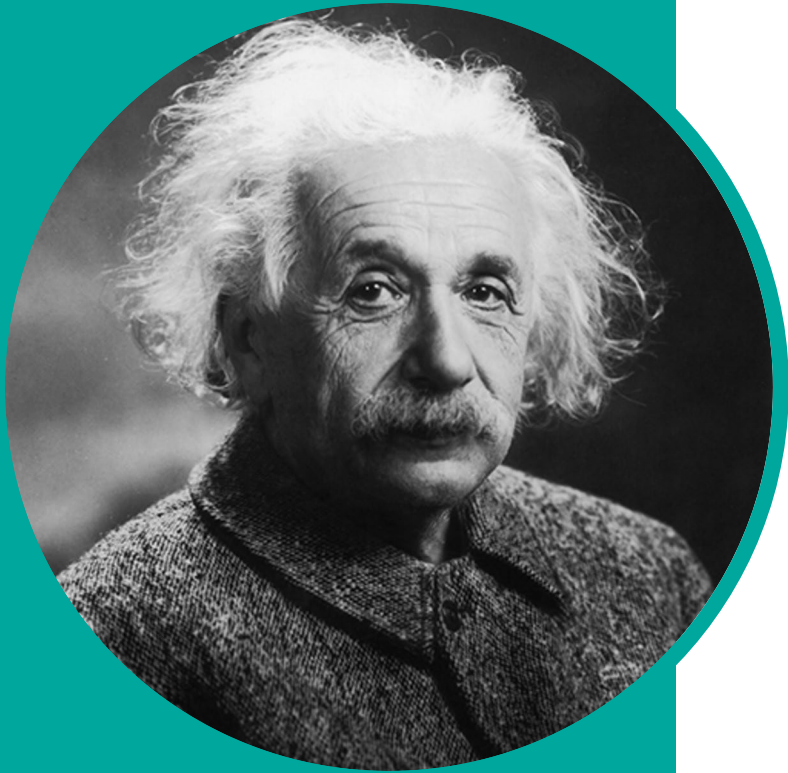
June 2022

Innovator Showcase:

Florida Alliance for Healthcare Value



Insanity:

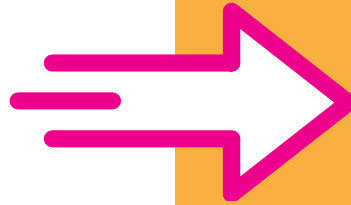


**“Doing the same
thing over and over
again and expecting
different results.”**

- Albert Einstein

The role of the traditional carrier

- ! Scale hasn't controlled cost
- ! Not fully aligned to employer due to multiple lines of businesses
- ! Lack of transparency
- ! Legacy technologies (both internal and member-facing)



Not getting the job done

Making benefits a weapon in today's “War for Talent”

HEALTHCARE MYTH

CENTIVO EVIDENCE

1

You can't enrich AV without increasing company costs

Shifting care from high-cost to high-value providers can **save up to 50%**

2

Scale drives the best discounts

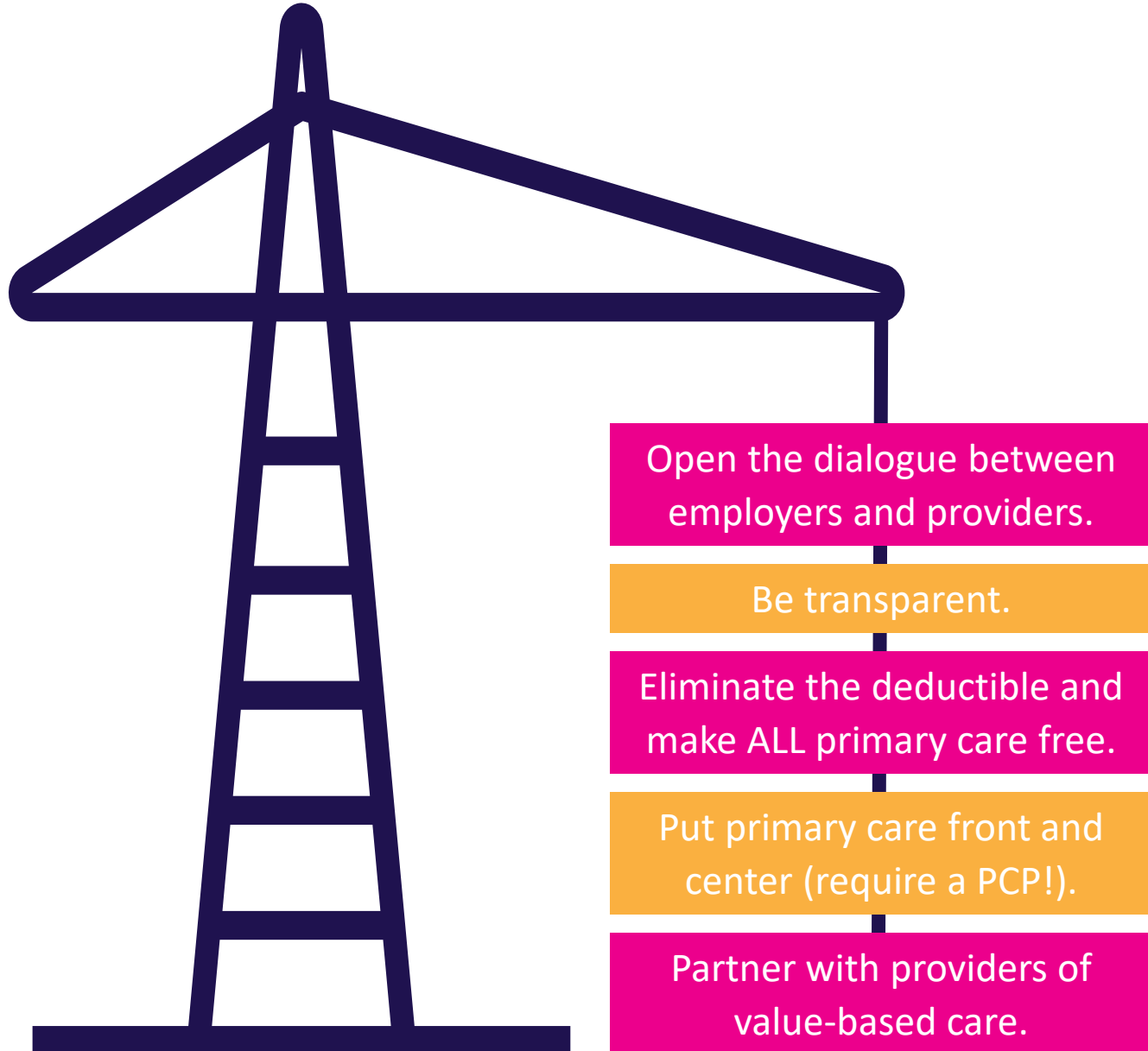
Providers offer competitive rates to self-funded employers due to mutually aligned business goals AND total cost of care wins.

3

Employees want every provider in the network

~75% of people willing to trade network size and other plan features in exchange for a simple and affordable experience*

Building a plan from the ground up



THE SOLUTION:

A new type of health plan anchored around leading providers of value-based care

A “smart” health plan



Primary-care centered networks designed for affordability & quality



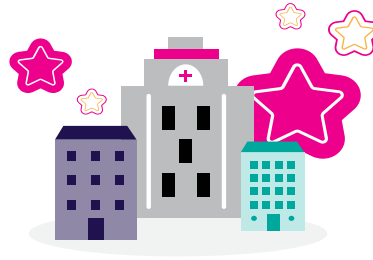
Simple, no deductible, copay only plan design



Member & provider tech to easily reinforce coordinated care



The foundation to Centivo's clinical model



We partner with high-value health systems

- Affordability
- Established care coordination procedures
- Integrated pharmacy review
- High quality
- Experience in risk-based contracts



Put primary care at the front & center with team-based medicine

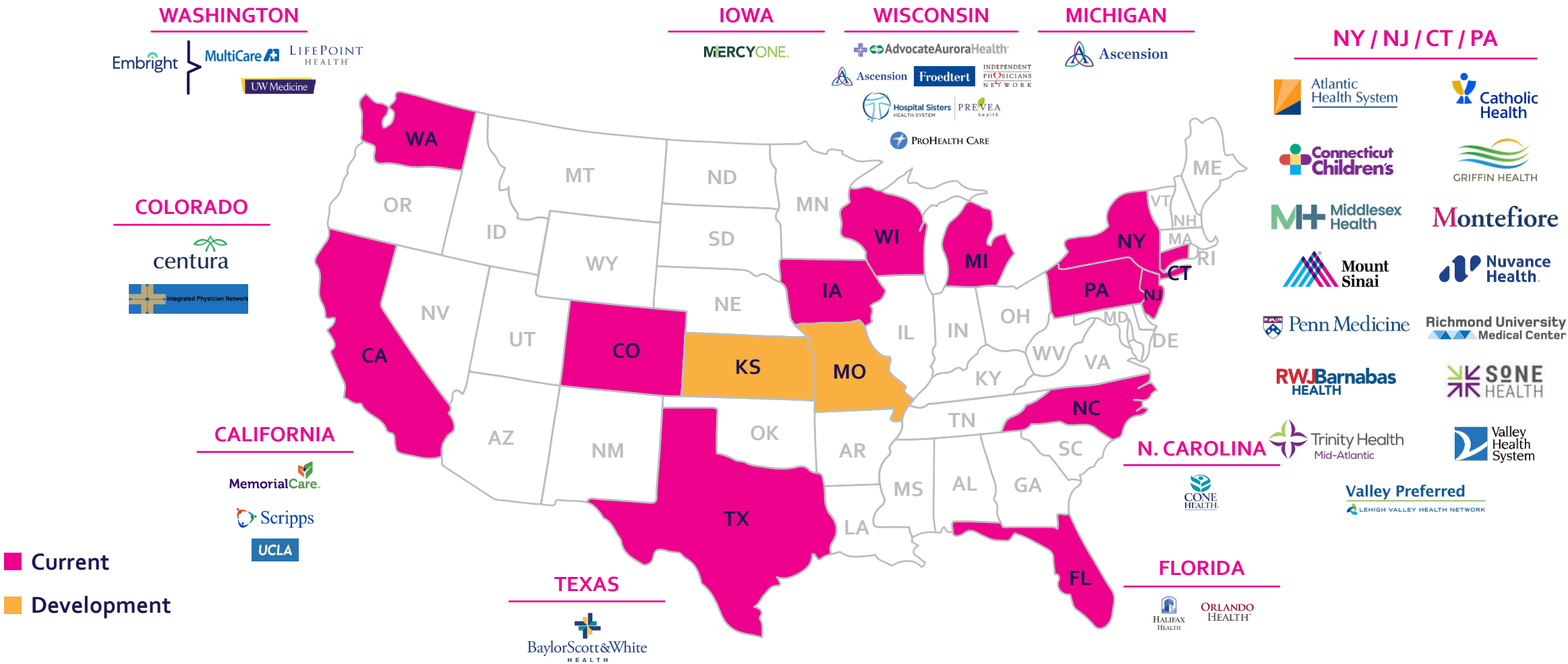
- Common EHR / tech platform
- Built for access (patient portal, virtual care, asynchronous comms, integrated BH)
- Steerage to highest-value specialists



And compensate for performance

- Competitive fee schedule
- Care coordination fee
- Performance incentives

Centivo ACO partners/markets



How Centivo saves money



Care redirection

We identify the highest value integrated systems and develop a preferred network around them.



Unit cost savings

We negotiate better unit costs through a semi-exclusive relationship, and employ value-based contracts.



Better care supported via primary care model

- ↑ Primary & preventive care
- ↓ ER & urgent care
- ↓ Unnecessary specialist care
- Shift from inpatient to outpatient: ambulatory for surgeries & imaging centers

Members get a simple, affordable experience

At the doctor

- Primary care team acts as a partner in care
- Great access to quality providers

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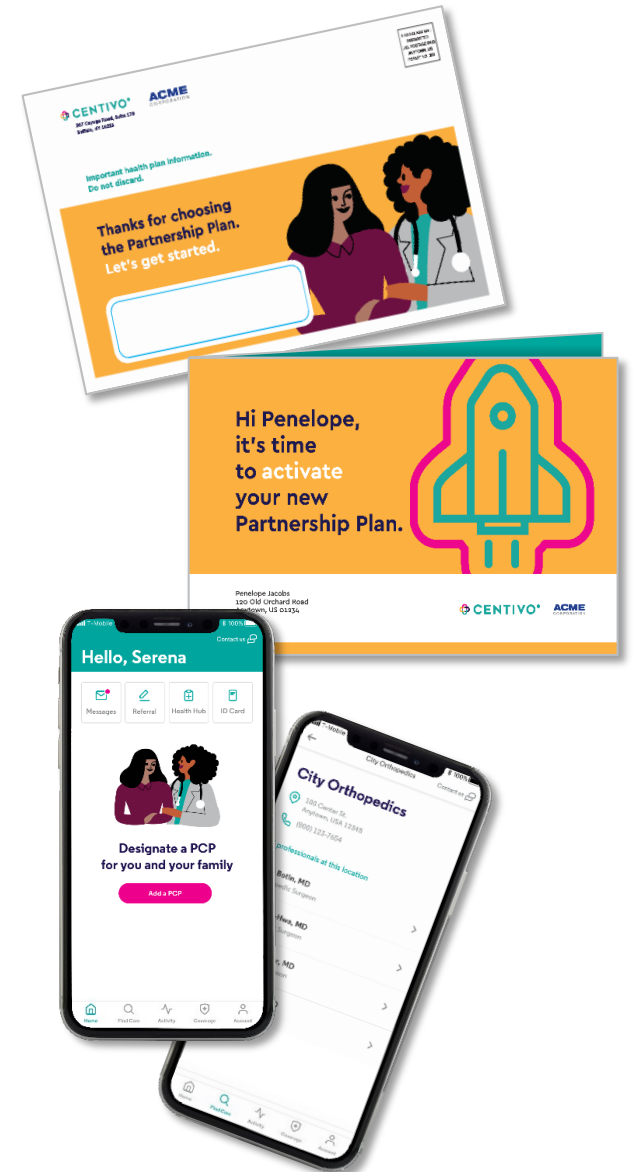
With the plan

- Clear communications
- Easy-to-use member app & portal
- Hands-on member service with no phone trees

&

Paying for care

- Affordable
No deductible & Free primary care
- Predictable costs
Copays for everything else



Cost variation is real

Sample cost transparency data from NYC

DRG Description:	Market Commercial Rates		Centivo Contracted Rate (2021)	% Difference	
	NYP/Weill	Mt. Sinai	Mt. Sinai	Redirection from NYP to Sinai	Unit Cost Savings
CELLULITIS WITHOUT MCC	\$32,363	\$18,758	\$17,133	-42%	-9%
PULMONARY EDEMA AND RESPIRATORY FAILURE	\$47,513	\$31,437	\$24,839	-34%	-21%
PERCUTANEOUS CARDIOVASCULAR PROCEDURES WITH DRUG-ELUTING STENT WITHOUT MCC	\$73,576	\$37,352	\$40,321	-49%	8%
ESOPHAGITIS, GASTROENTERITIS AND MISCELLANEOUS DIGESTIVE DISORDERS WITHOUT MCC	\$28,634	\$15,668	\$15,502	-45%	-1%
MAJOR HIP AND KNEE JOINT REPLACEMENT OR REATTACHMENT OF LOWER EXTREMITY WITHOUT MCC	\$75,136	\$46,304	\$38,530	-38%	-17%
KIDNEY AND URINARY TRACT INFECTIONS WITHOUT MCC	\$31,514	\$21,206	\$16,066	-33%	-24%
CESAREAN SECTION WITHOUT STERILIZATION WITHOUT CC/MCC	\$34,398	\$17,563	\$11,029	-49%	-37%
VAGINAL DELIVERY WITHOUT STERILIZATION OR D&C WITHOUT CC/MCC	\$24,298	\$12,479	\$11,029	-49%	-12%
SEPTICEMIA OR SEVERE SEPSIS WITHOUT MV >96 HOURS WITHOUT MCC	\$42,819	\$23,334	\$20,718	-46%	-11%

CASE STUDY

The model works

"Our Team Members love the predictable costs with copays instead of deductibles and coinsurance, and I love having a partner working right alongside us to improve outcomes."

Background

A 1,500-employee iconic regional grocery chain in CT, NJ, and NY.

Solution

Centivo full replacement:

- High-value multi-system solution (excludes high-cost systems)
- Affordable, primary-care driven model
- Transparent PBM
- PPO option ensures no forced disruption



Results

- 50% of employees selected the "Prime Partnership Plan"
- 35% decrease in cost (incl. claims, admin, and stop-loss)
- 81% reduction in Member out-of-pocket costs



Join us!

Friday, June 17
4-6 pm

Everglades
9840 International Dr, Orlando

(Right in the Rosen Centre Hotel)

 **CENTIVO®**

Thank you to our host and sponsors!



Thank you to our speakers!



Francois de Brantes,
MBA, MS



Cheryl DeMars, MSSW



Claire Brockbank, MS



Bret Jackson



Jim Curotto, MBA



Matt Muhart, MBA



Donovan Pyle REBC, CHVP

Enter the Drawing!

Please drop your business card in the container at the registration table to be entered into a drawing at the end of the day for one of two **Amazon gift cards** or an **Apple Home Pod mini**.





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Thank you for attending our
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