

Saving Money, Improving Lives

The Time to Act is Now



Scott Conard, MD

Chief Medical Director

National Alliance of Healthcare Purchaser Coalitions

Founder and Partner

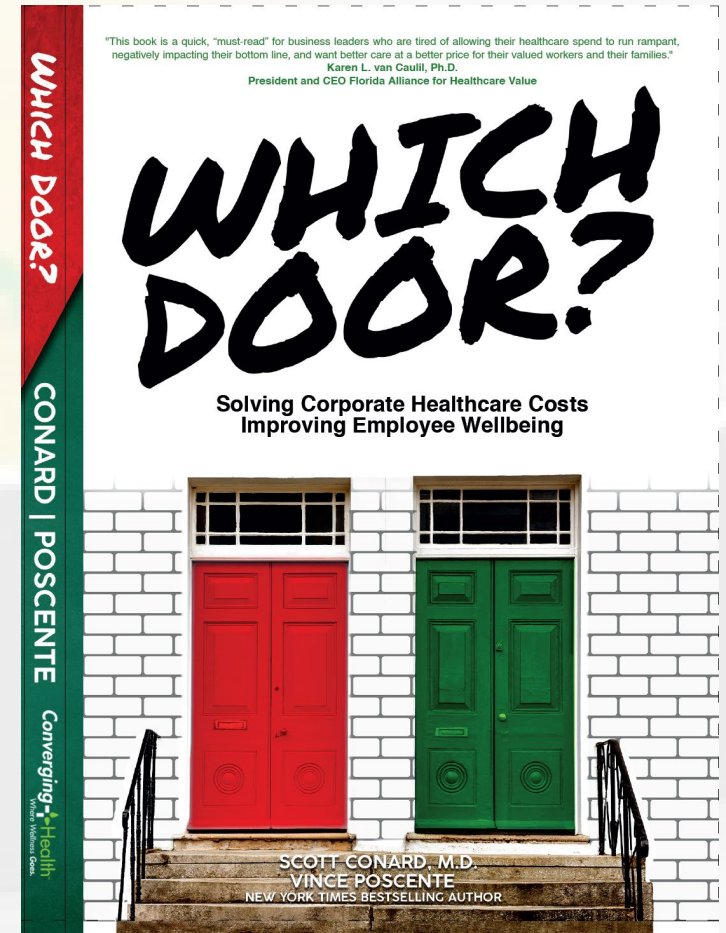
Converging Health

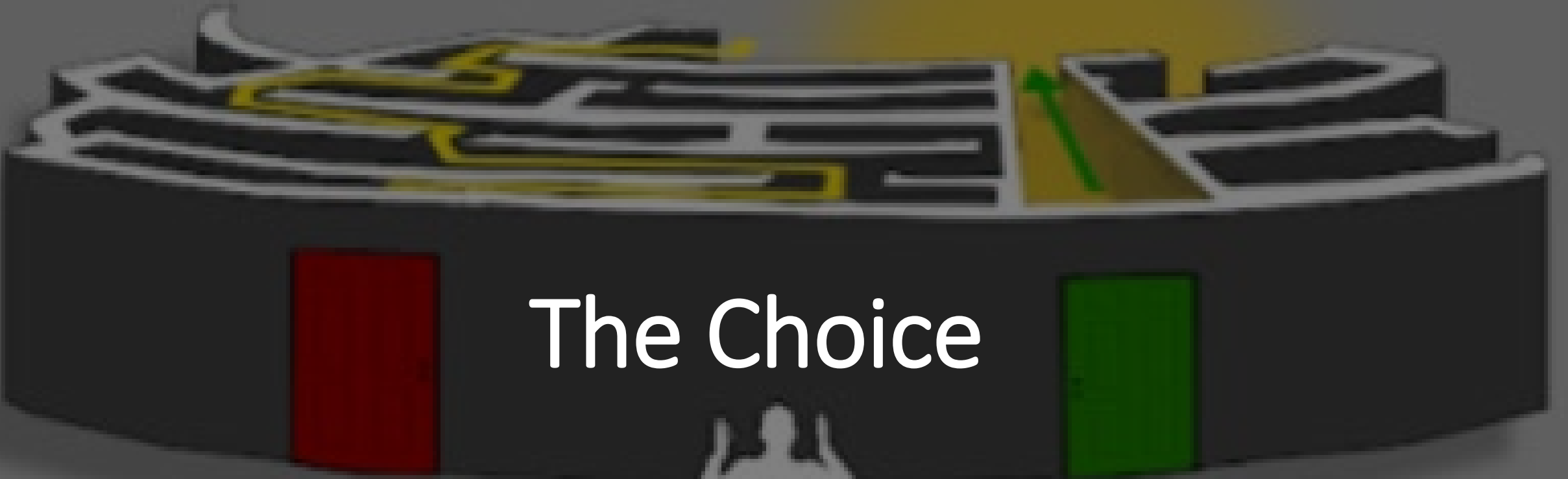
Saving Money, Improving Lives

*"In times of change, learners inherit the earth,
while the learned find themselves beautifully equipped
to deal with a world that no longer exists."*

Eric Hoffer

Scott Conard, MD
Converging Health, LLC





The Choice

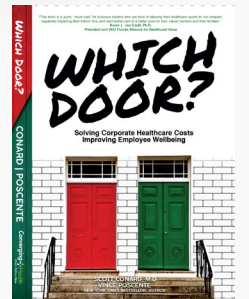
The Doors – Which Are You Choosing?

Status Quo

- Relying on “system”
- Misaligned incentives
- Consistently more expensive
- Confusing, Disorganized
- Disconnected – Medical, Occupational, Mental Health
- Discriminating
- Not improving health of employees
- No competitive advantage for hiring and retention of staff

The New Approach

1. Own Your Data: Intuitive analytics
2. Trust, but Verify: Fixed cost restructuring
3. Managing Risk Successfully
4. Reducing Corporate (CAA) Risk
5. Creating a Competitive Advantage
6. Improving Corporate Profitability

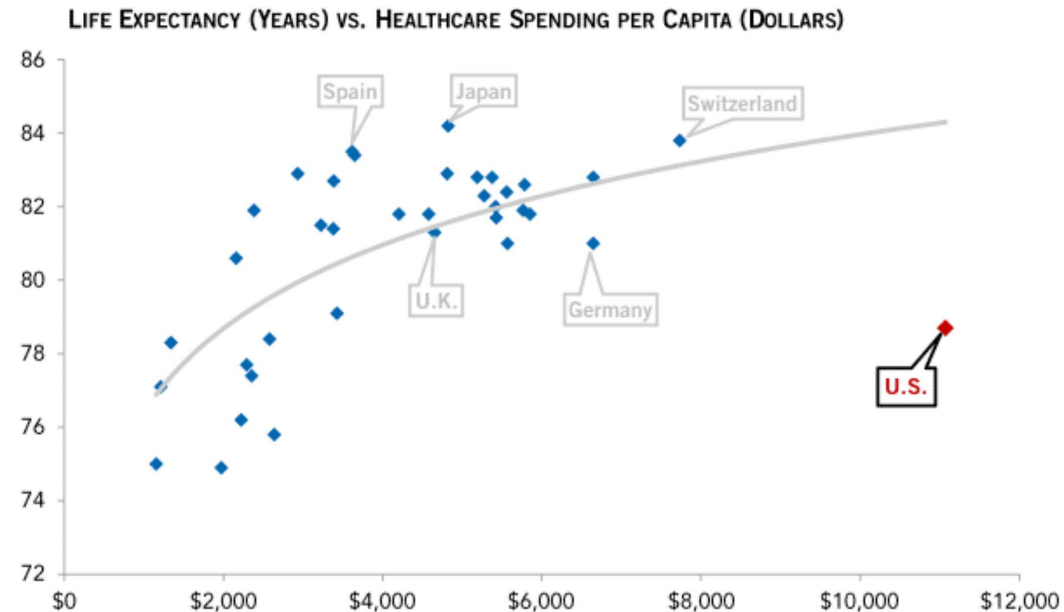


Status Quo

Many HR Staff



Life expectancy in the United States is lower than other developed countries, despite higher healthcare spending

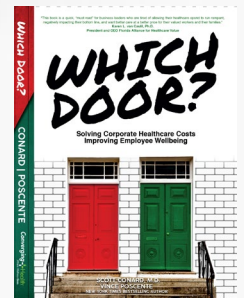


SOURCE: Organisation for Economic Co-operation and Development, OECD Health Statistics 2020, July 2020.
NOTES: Data are for 2019 or latest available. The trend line comes from a logarithmic regression.
© 2020 Peter G. Peterson Foundation

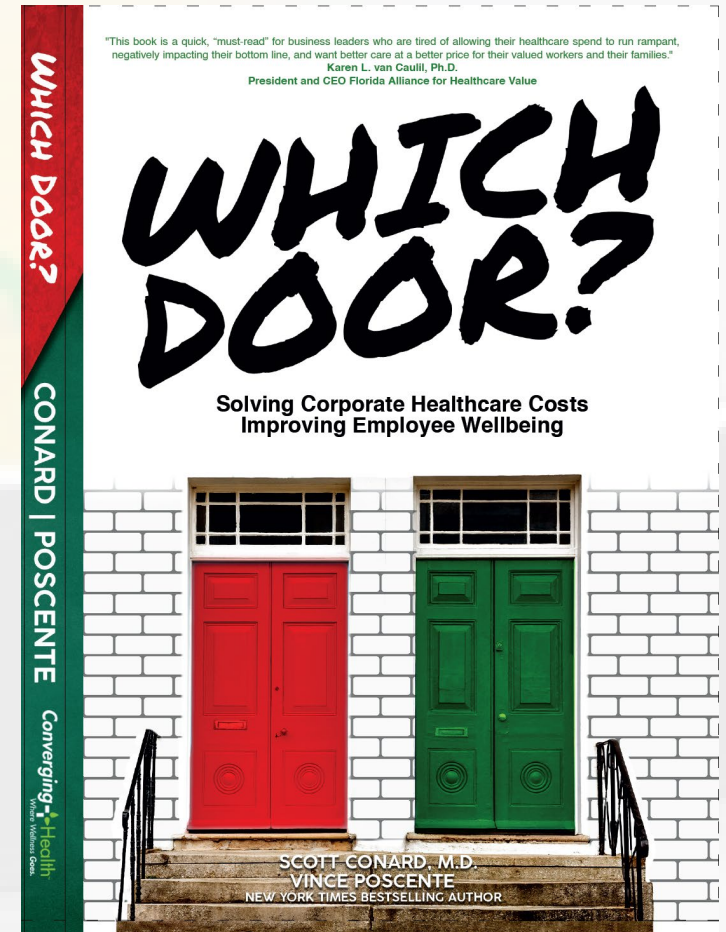
PGPF.ORG

- Costs
 - Increasing annually
 - Highly variable care
 - Draining resources from company
- Saving Lives
 - Functionally uninsured - % in your company?
 - #1 Cause of bankruptcy
 - Employees & family members dying or delaying care – cannot afford treatment

How many of your employees chose to avoid care or medications due to cost concerns? How many declared bankruptcy last year due to healthcare bills? Do you know?



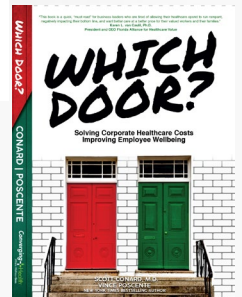
Video link:
<https://www.youtube.com/watch?v=49af3dDHf20&t=4s>



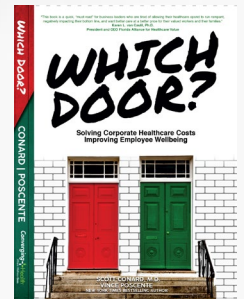
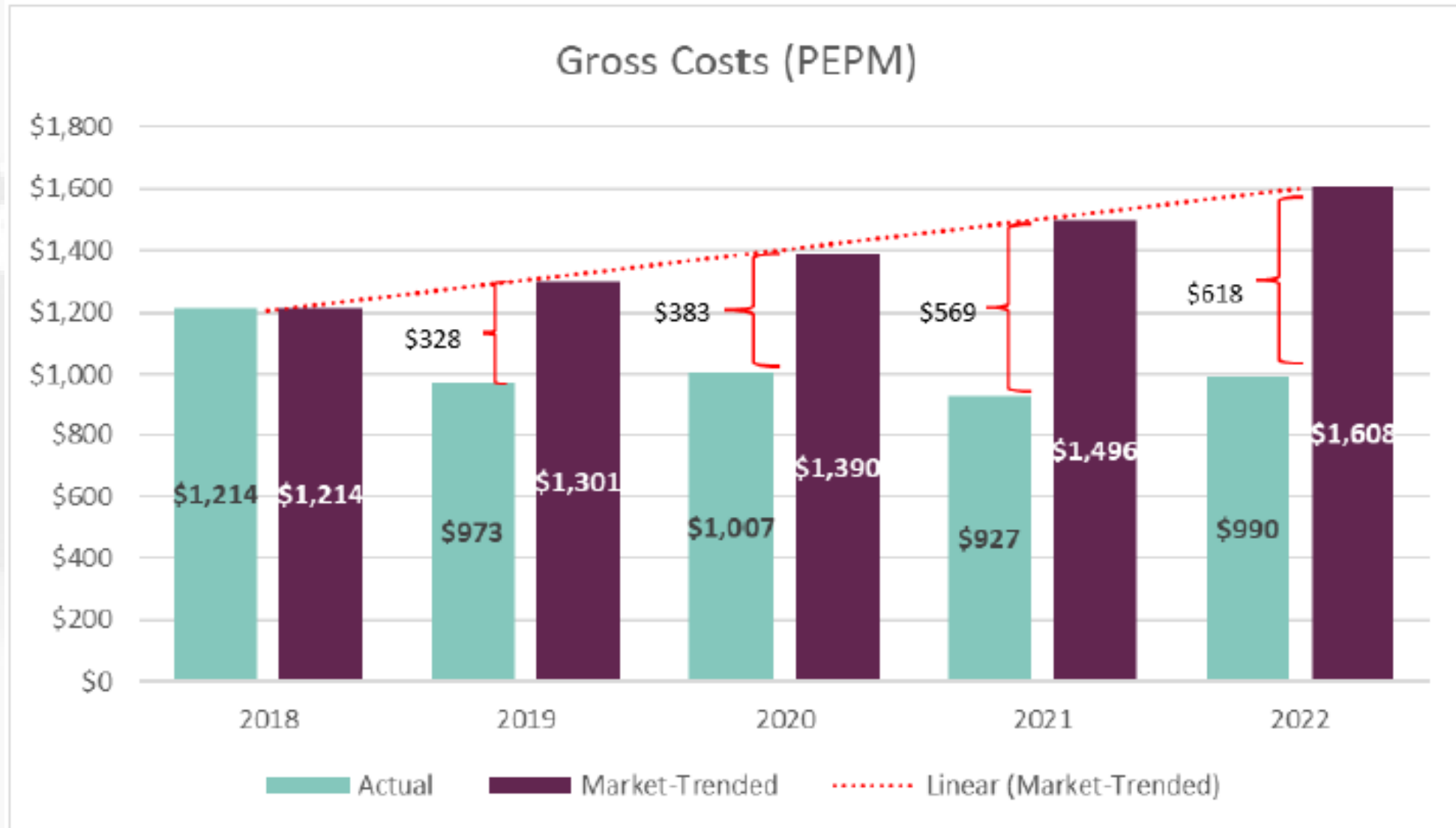
The New Approach: These are *Actual Results*

Net Decrease 19% Since 2018

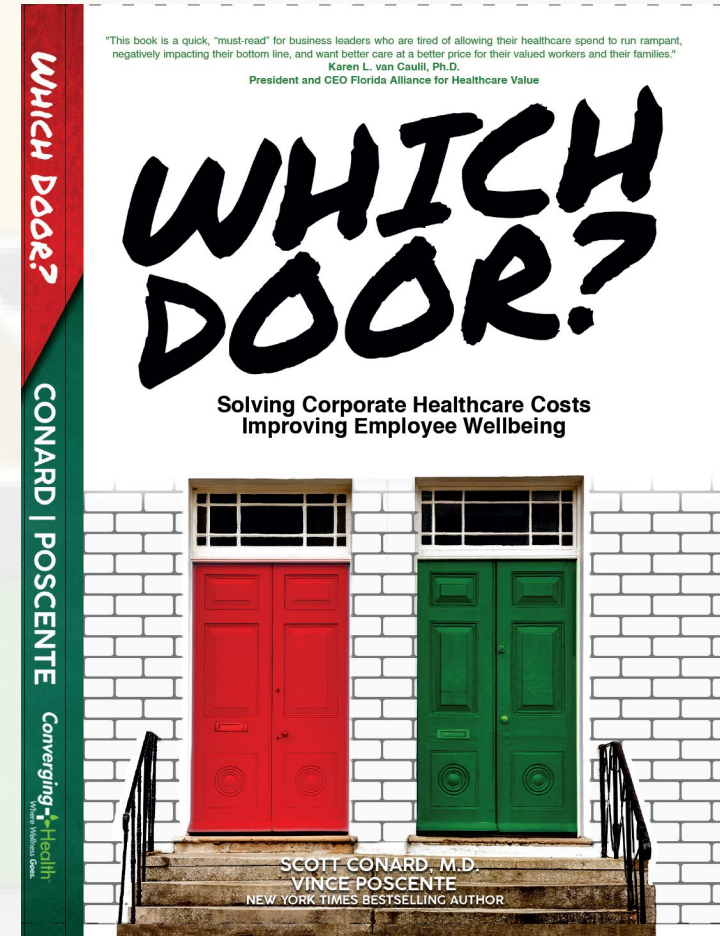
	Gross PEPM	EE Contributions	Net PEPM	% Change to prior year PEPM
2018	\$1,214	\$232	\$981	
2019	\$973	\$198	\$774	-21.10%
2020	\$1,007	\$198	\$809	4.50%
2021	\$927	\$208	\$719	-11.10%
2022	\$990	\$235	\$755	5.00%



The New Approach: Actual Results



1. Do You Own Your Data?





- How Do You Feel?
- Vs
- How Healthy Are You?



Absolute Risk

- Age, Gender
- Socioeconomic, Income
- Conditions, Meds
- Complexity of Care

The Whole Person Risk Score™

How Is System Serving Member

(Gap Risk Score)?

- Gaps in Wellness & Disease
- Numbers to Goal
- Best Pathways in Care

How is Member Using the Benefits & System (Flare Risk Score)?

- Compliance
- Mis-Steps
- Self Directed/Poor
Pathways

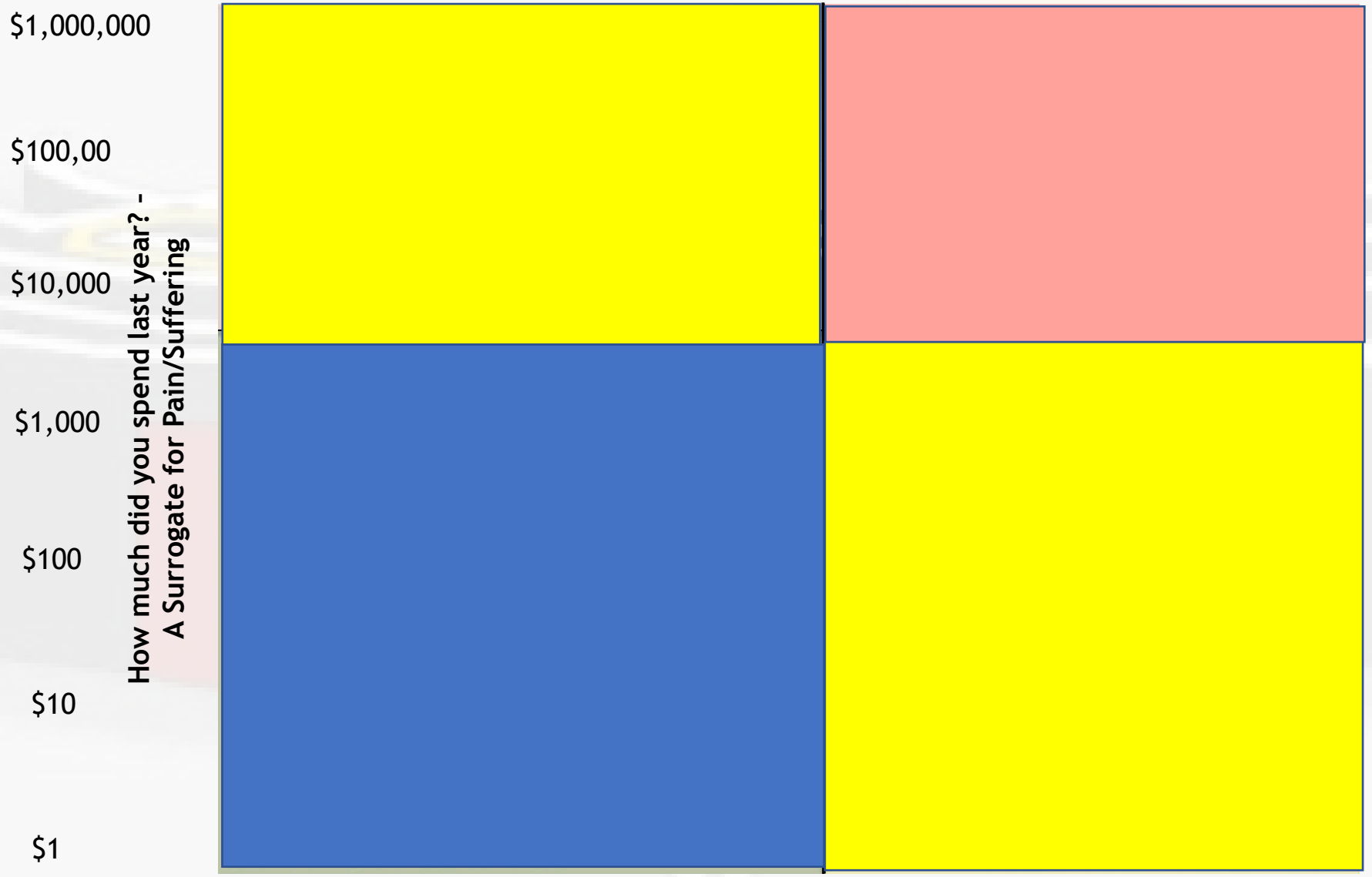
Converging Health Consulting

Intelligent Data

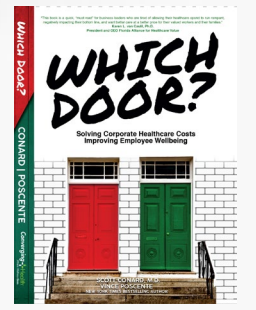
- Whom to engage
- What to do
- In what order?
- With what resource/vendor?



Where Are You?



The Whole Person Risk Score™



\$1,000,000

LOW RISK / HIGH COST
1-4% \$9,700 PEPEY



HIGH RISK / HIGH COST
8% \$35,000 PEPEY



\$100,00

\$10,000

\$1,000

\$100

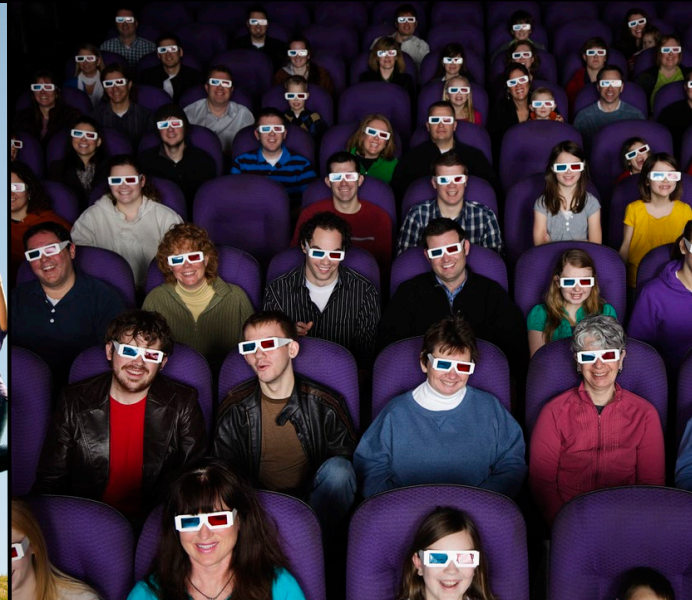
\$10

\$1

How much did you spend last year? -
A Surrogate for Pain/Suffering

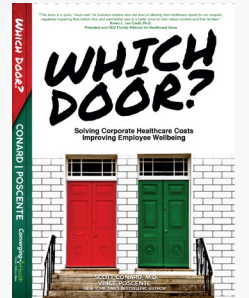


LOW RISK / LOW COST
57% \$400 PEPEY



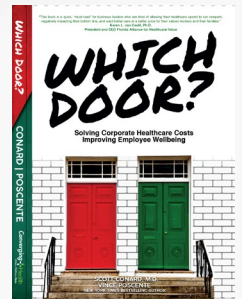
HIGH RISK / LOW COST
32% \$1,800

The Whole Person Risk Score™



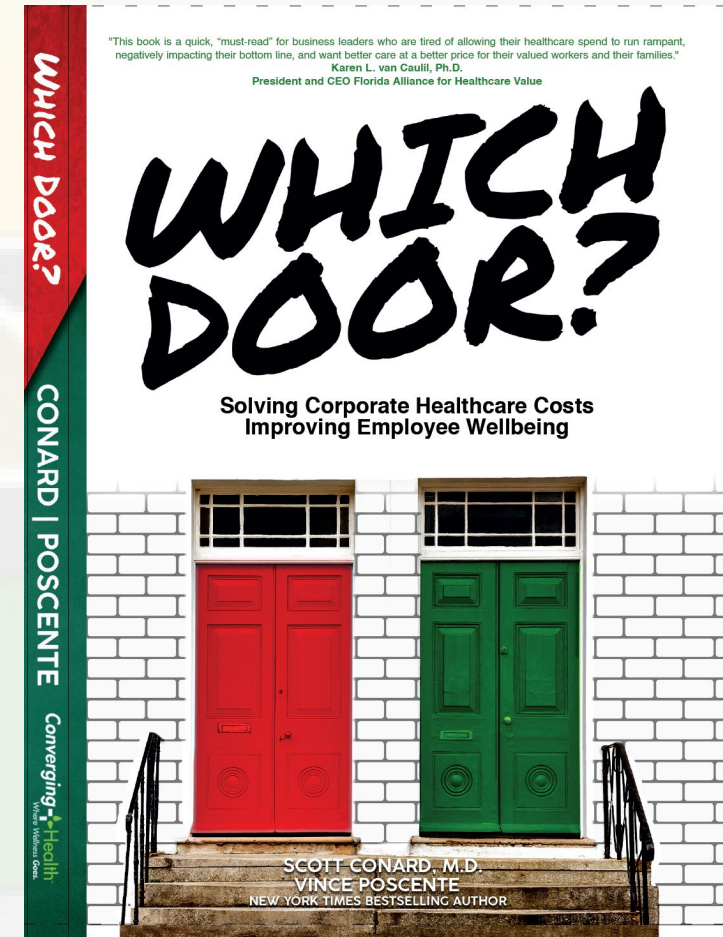
We Know What To Do: Able to Track Progress

- What vendors to use?
- What is the structure of plan benefits to Activate & Engage?
- How do members experience Advocacy & Navigation?
- Who are Primary Care Resource(s)?
- Where do members have Elective Procedures?
- How does plan build Equity?
- How do we keep members on the “Yellow Brick Road”?



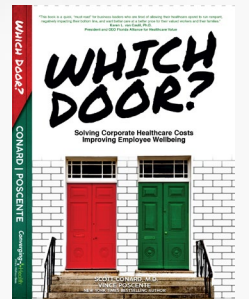
2. Trust but Verify: Fixed Cost Restructuring

Understanding Costs & Contracts



Continual Contract Improvement

- **Medical - 37% reduction**
- **Dental – 49% reduction**
- **Life, AD&D, Disability – 14% reduction**
- **Stop Loss – 10% reduction**
- **Medical & Pharmacy Audits – net savings \$103K**
- **PBM changes - \$626K reduction in fees first year**



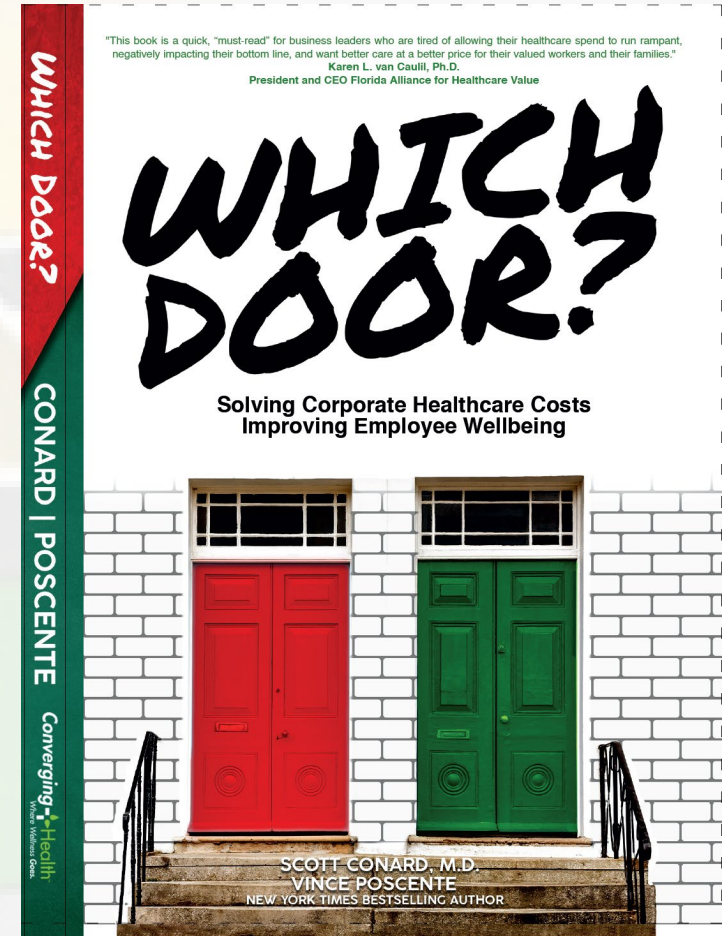
The Consolidated Appropriations Act (CAA)

- “For seven years, Gallagher Benefit Services helped the Osceola School District navigate through the insurance industry by analyzing and making recommendations about which carrier the district should hire.
- In exchange, Gallagher was paid annual fees from the insurance companies, but the School District set a cap at Gallagher’s commissions at \$195,650 “to avoid the self-serving incentives that could accompany this financial arrangement,” the judge wrote in her order.
- In a lawsuit filed last year, the district accused Gallagher of breaking that agreement and getting paid more than \$2 million in “secret commissions from insurance carriers it recommended to the board,” the order said.

<https://floridapolitics.com/archives/536170-osceola-schools-lawsuit-against-insurance-consultant-can-go-on-judge-rules/>

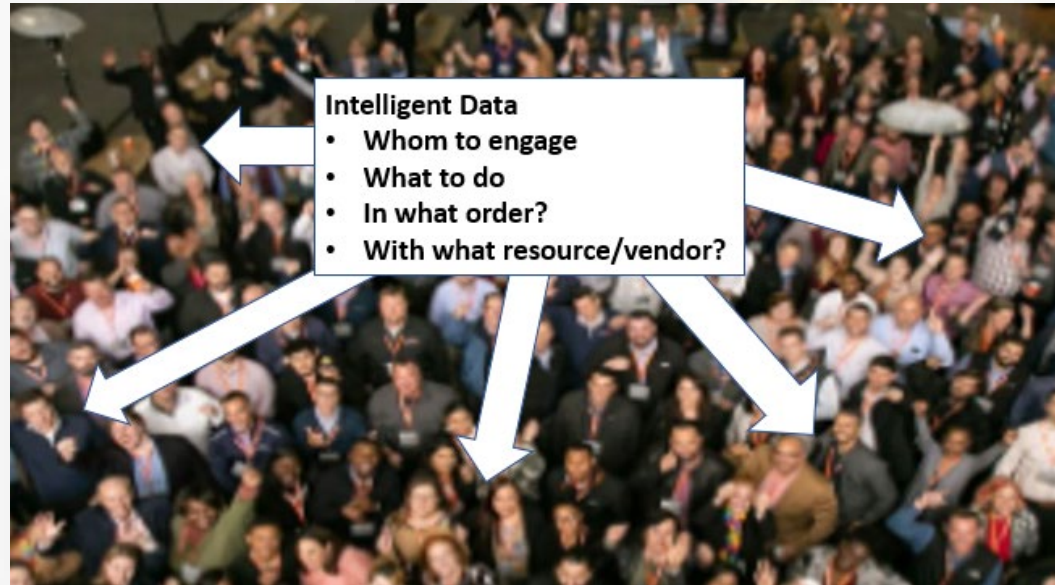


3. Ongoing Health Risk Reduction

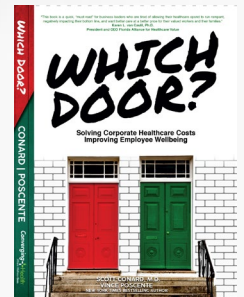


Able To Track Success

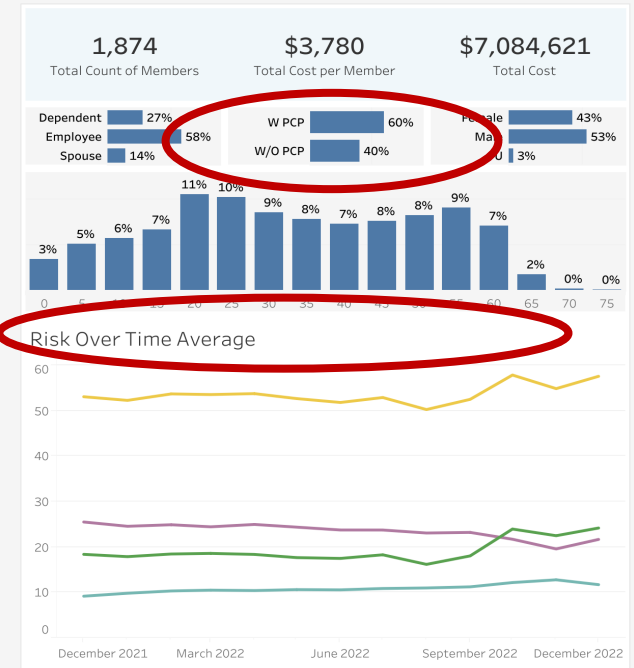
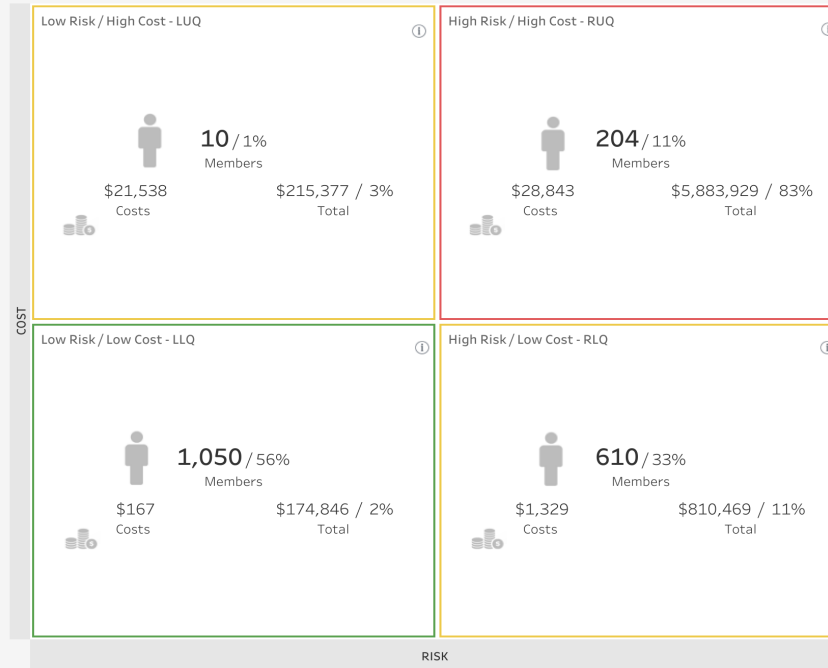
Knowing What to Do



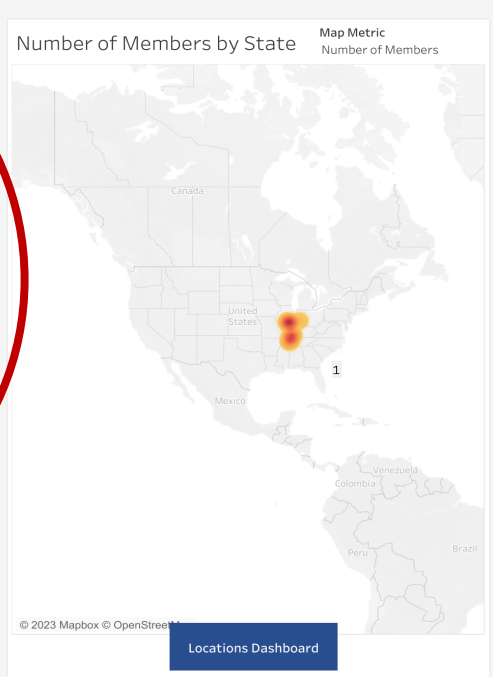
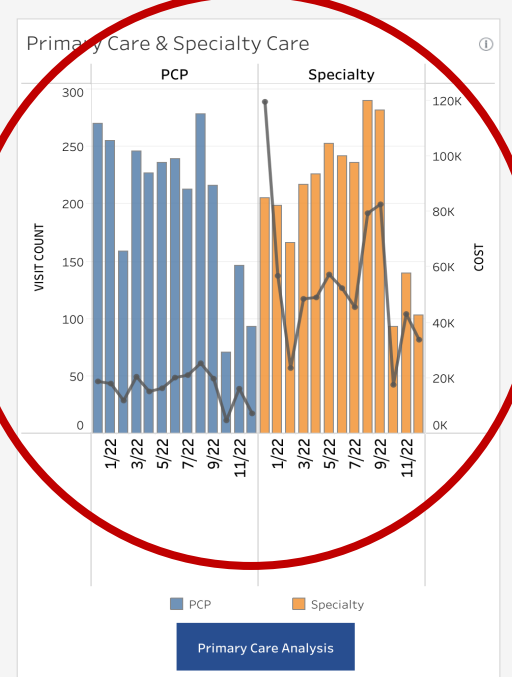
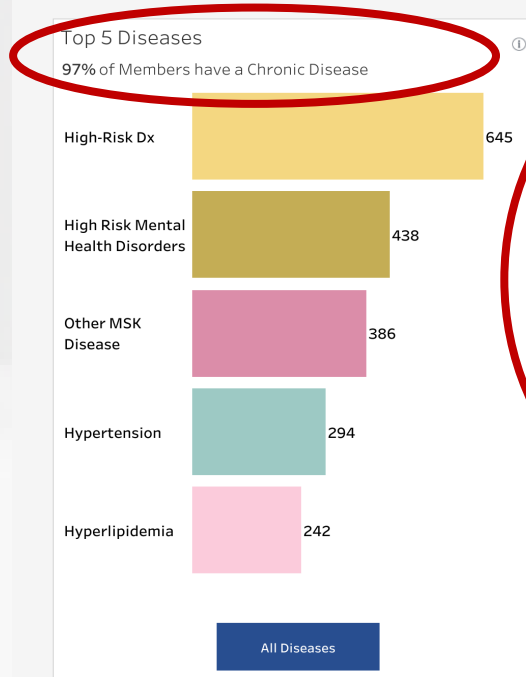
The Whole Person Risk Score[©]



Monitoring the Dashboard: Vendor & Member Partnerships

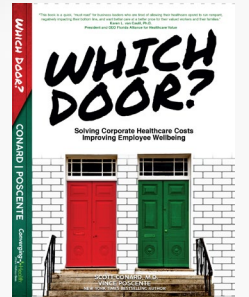


- Groups: Other
- Choose a Cohort: All Members
- Employer: Hydro-Gear
- Member Status: Multiple values
- Relationship: All
- Carrier: All
- Plan: All
- Engaged w PCP: All
- Engaged w PHA: All
- CC Engaged: All
- Hosp. Sys: All
- State: All
- Risk Score Line: 34
- Total Cost Line: 6,500
- Measure Names:
 - Avg. ABSOLUTE_RI..
 - Avg. TOTAL_RISK_S..
 - Avg. FLARE_RISK_S..
 - Avg. GAP_RISK_SC..



Key Clinical Vendors to Reduce Risk

- **Advocacy and Navigation**
- **Advanced Primary Care – Local/Non-Local**
- **Bundled Services – i.e. Elective Surgeries**
- **Mental Health Services**
- **Price/Quality Transparency**



Advocacy & Navigation

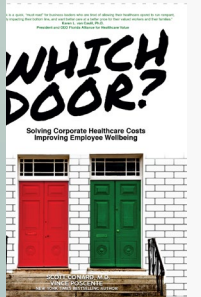
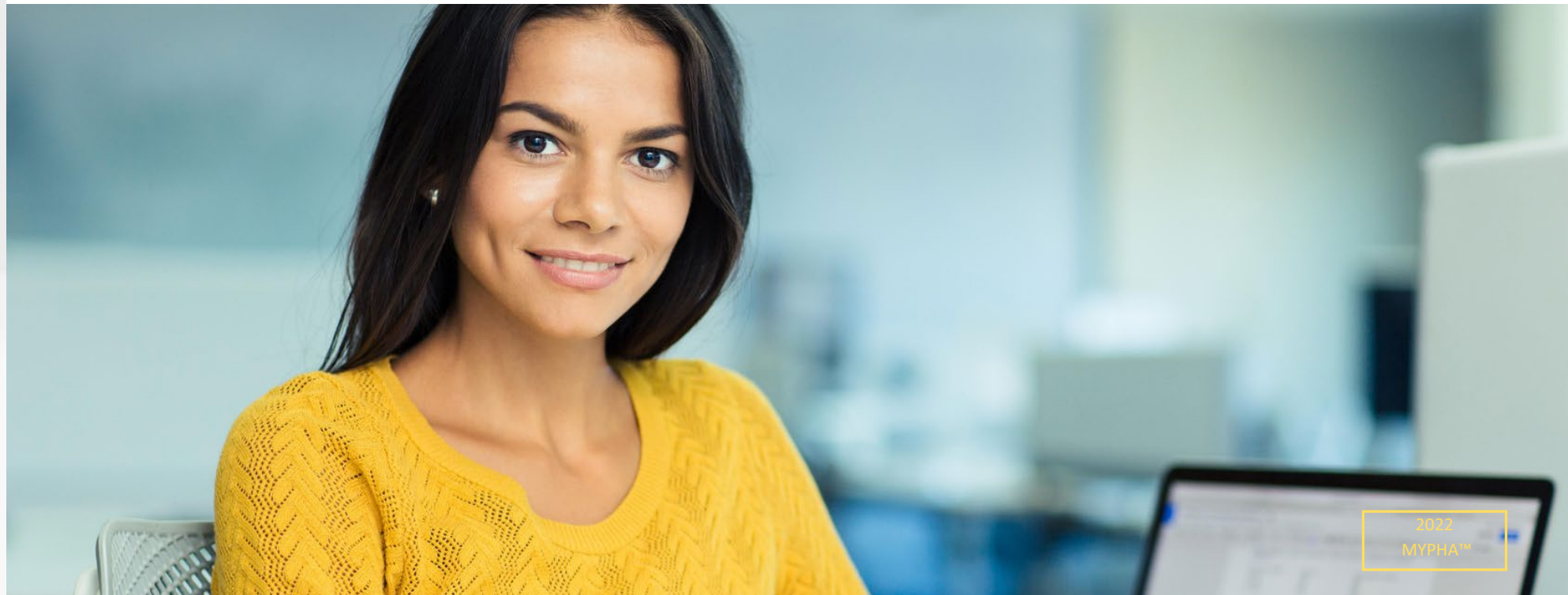


“We don’t make the music; we keep the music sounding better”

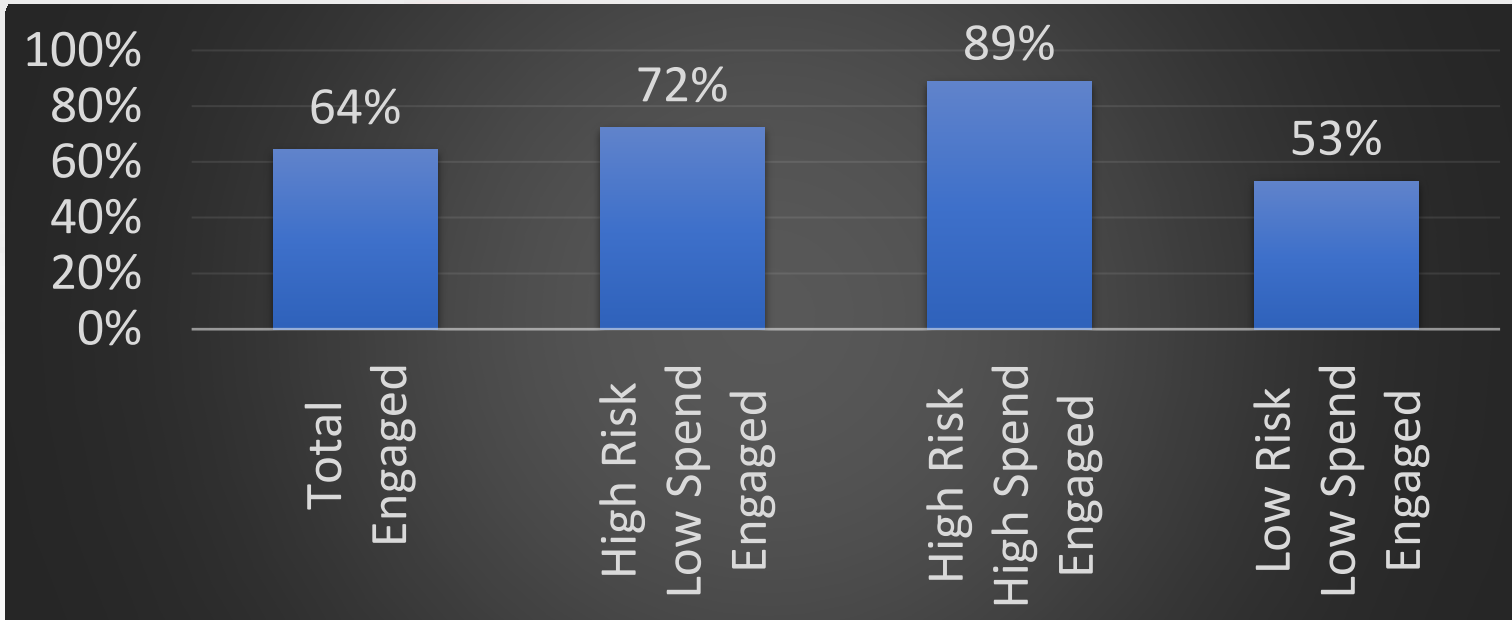
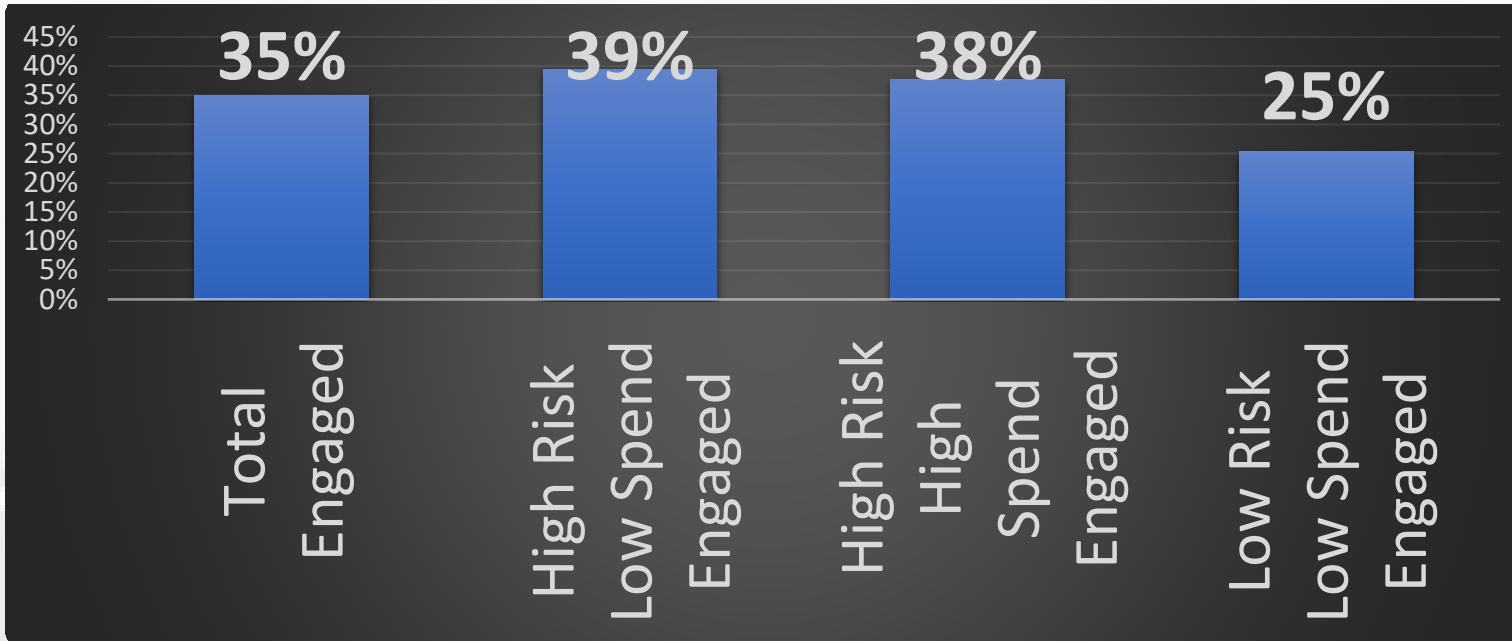


HAVE YOU MET YOUR PERSONAL HEALTH ASSISTANT?

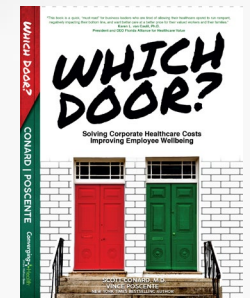
Healthcare is personal, so why trust your care to an anonymous person?
You need a real person you can count whom you trust to answer your questions,
provide coaching and support, and guide you to better health.



2022
MYPHA™



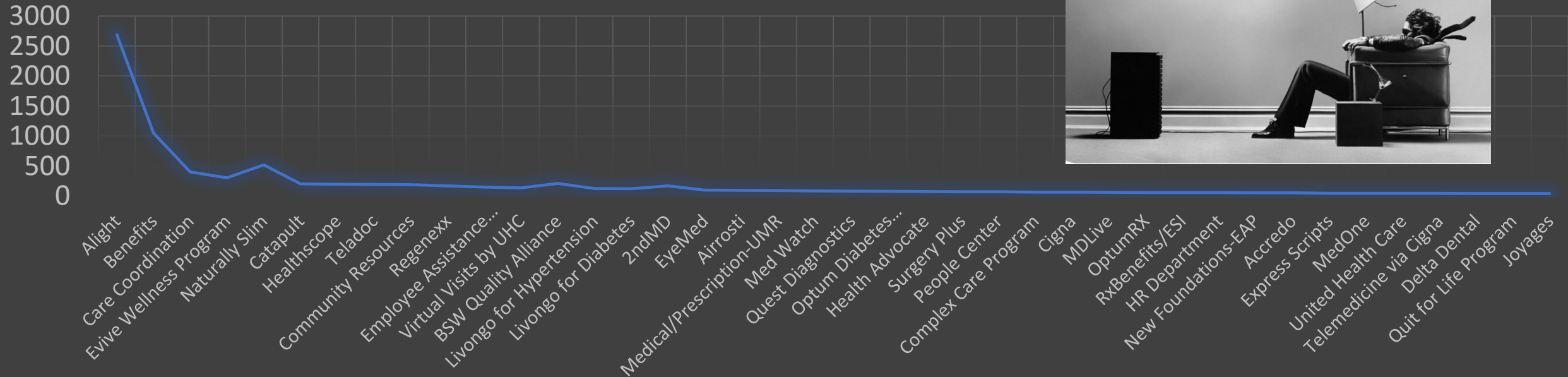
Engagement
After 12
Months
Between
33% & 64%



Making the Benefits “Play” Better

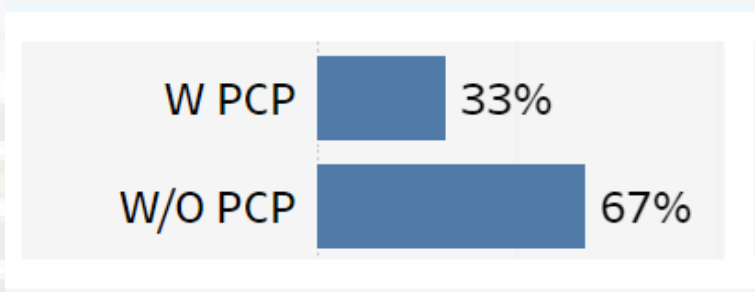
10,081 Referrals to Corporate Programs

Number of Referrals

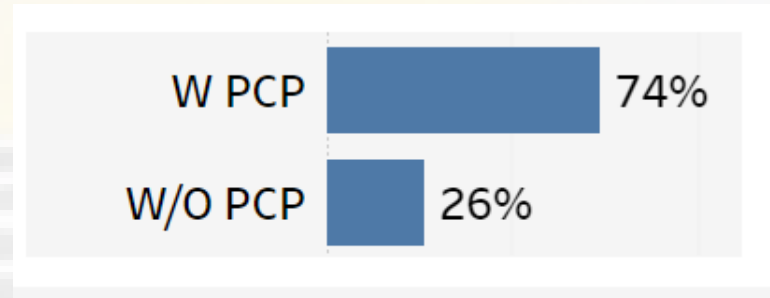


Making Benefits “Play” Better

- Status Quo



- With MyPHA



Quality of Care Analysis (% Meeting Metric)

Preventive Exams

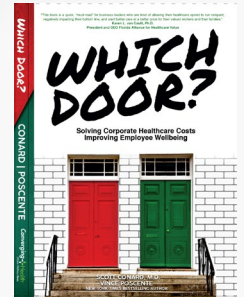
Reporting Date : 2023-02

	Member Count	Total Members	Percentage	Increase
Age 19 – 39 Years with Preventive Visit in Last 12 Months	27	225	12%	104%
Age 40 – 64 Years with Preventive Visit in Last 12 Months	53	193	27%	91%
Age 65+ Years with Preventive Visit in Last 12 Months	2	8	25%	93%

Cancer Screening

Reporting Date : 2023-02

	Member Count	Total Members	Percentage	Increase
Age 45+ Years with Colorectal Cancer Screening	14	152	9%	334%
Women Aged 21 – 65 Years with Recommended Cervical Cancer ...	23	122	19%	111%
Women Aged 50 – 74 Years with Mammogram in Last 24 Months	15	42	36%	29%



Getting the CFO Engaged & Involved

Die, retire, or go on disability

Get Better in return to RLQ

60% Leave the RUQ

1% Migrate to LUQ
Mostly unavoidable, costs can be managed through Network optimization

5% Migrate to RLQ
Most could be avoided w/Proactive intervention

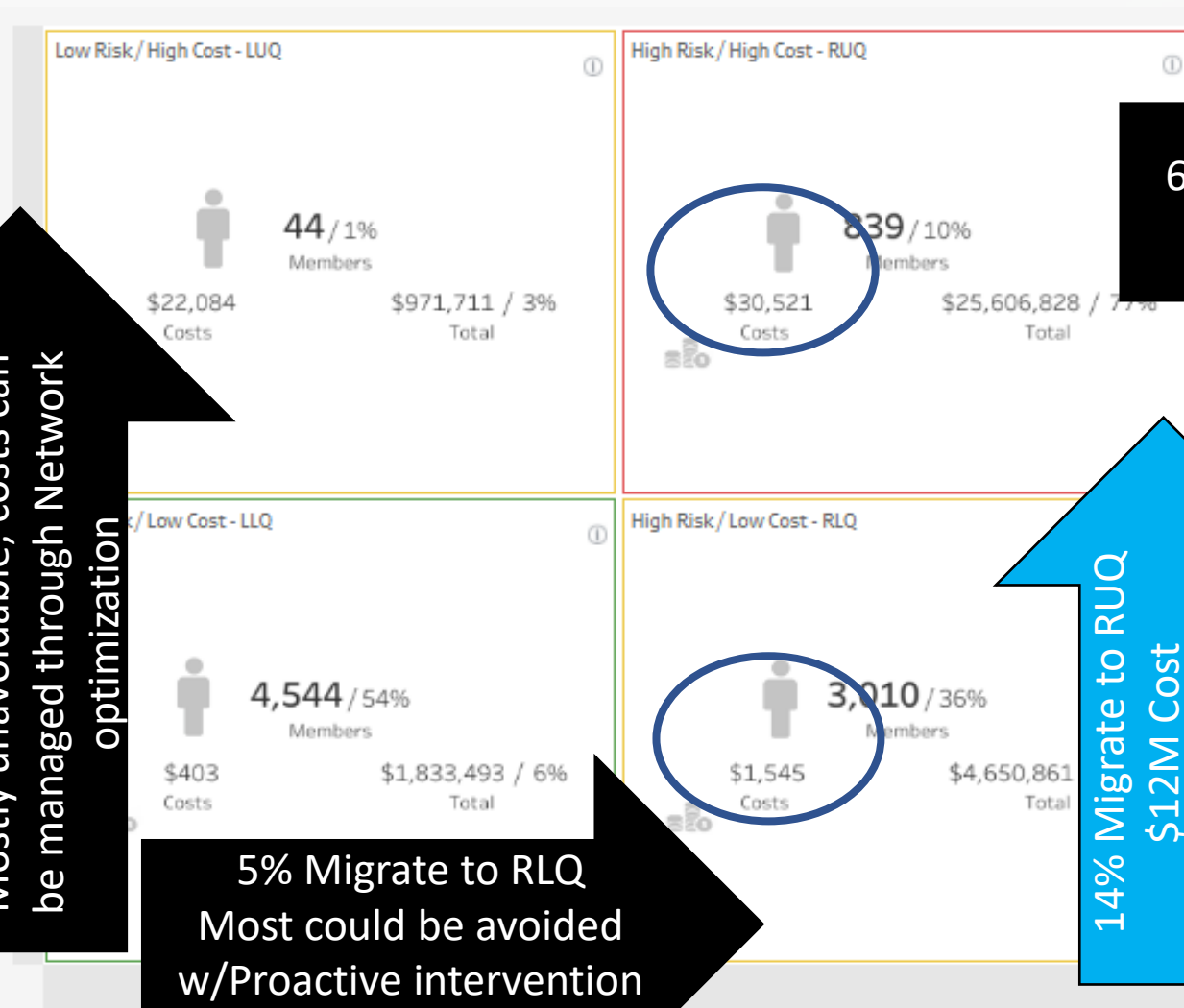
14% Migrate to RUQ
\$12M Cost
\$8.4M Avoidable

A 10% reduction of the manageable migration from RLQ to RUQ completely funds the PHA Program.

For every incremental 10% reduction in the controllable high-risk population, it's an incremental 100% ROI

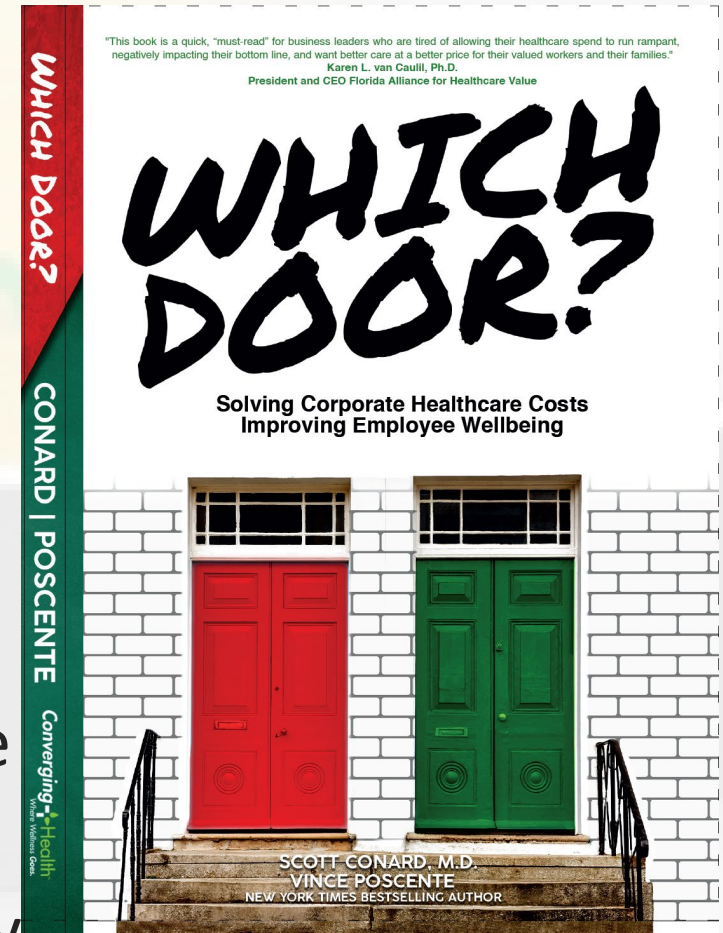
Historical Success is a 5:1 ROI

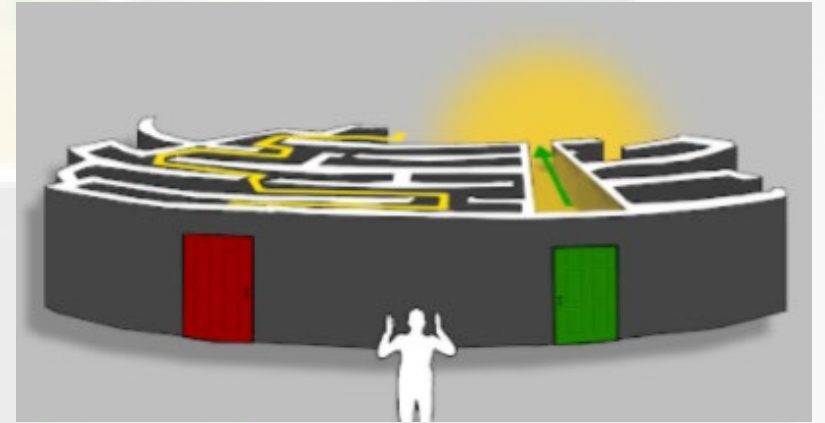
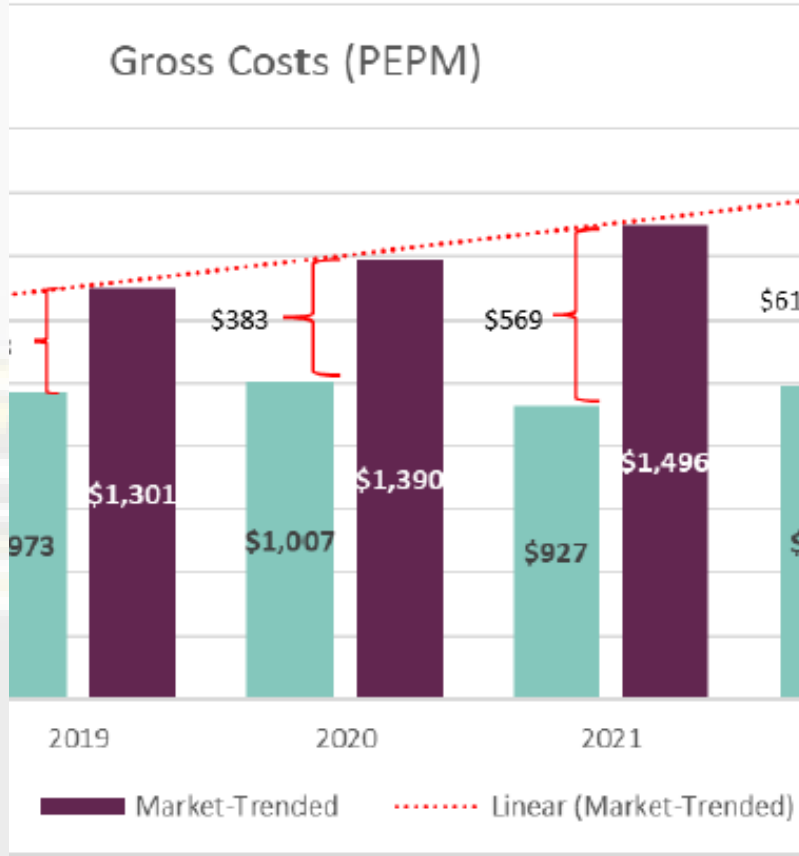
These ROI's do not include the benefit of using other programs or the prevention of low risk migrating to high risk nor Low Risk incurring High Cost



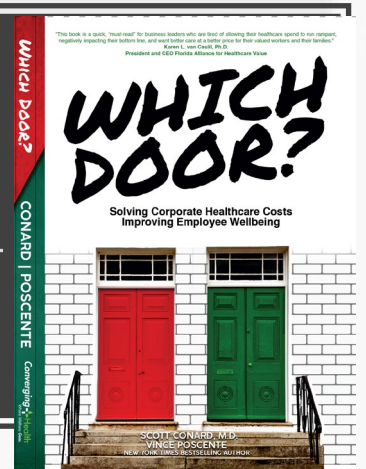
The “New” Door

1. Own Your Data: Intentional Analytics = The Right Data Analytics Platform
2. Trust, but Verify: Fixed Cost Restructuring = The Right Consultant
3. Managing Risk Successfully = The Right Vendors
4. Reduce Corporate Risk = Avoid CAA Risk
5. Creating a Competitive Advantage = The Courage to Act
6. Improving Corporate Profitability = Saving Money & Improving Lives





The Time to Act is NOW!



Saving Money, Improving Lives

*“In times of change, learners inherit the earth,
while the learned find themselves beautifully equipped
to deal with a world that no longer exists.”*

Eric Hoffer

Scott Conard, MD
Converging Health, LLC
scott@scottconard.com

