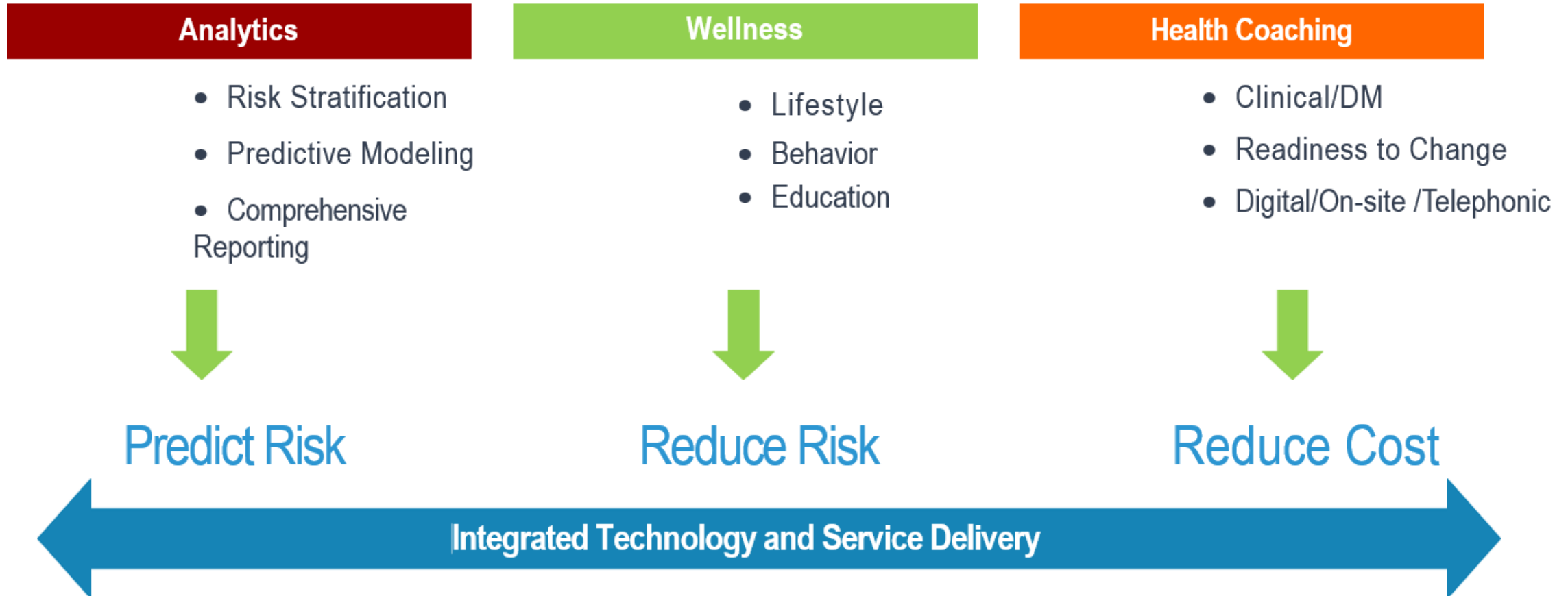




HEALTHY SOLUTIONS

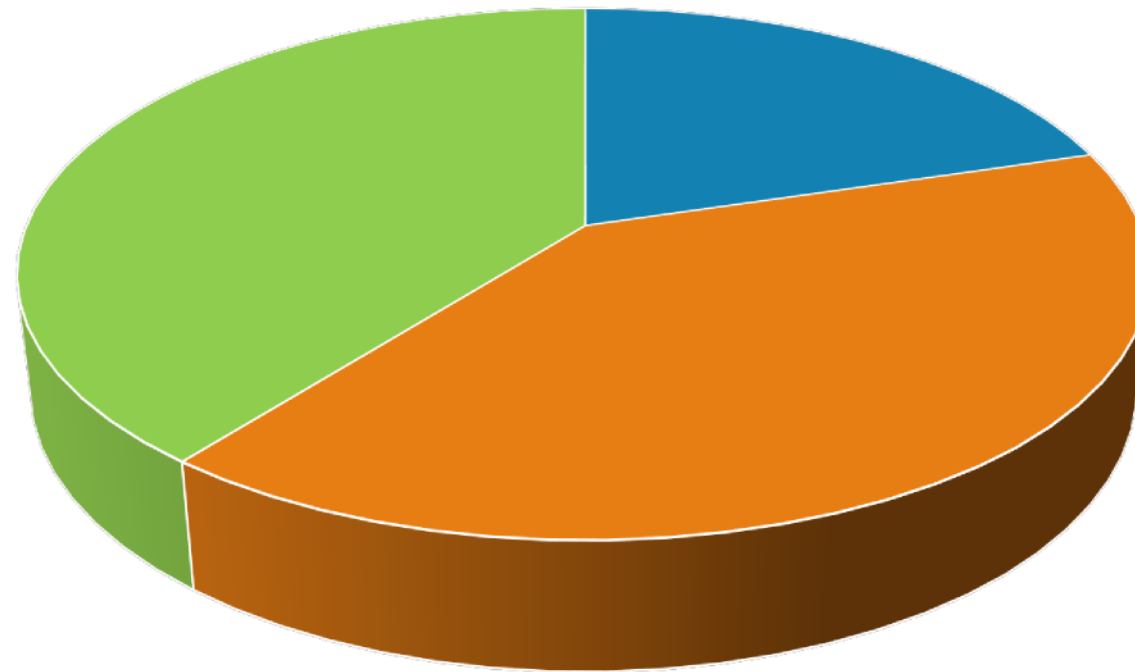
AmWINS
Group, Inc.

Population Health Management (PHM)



POOR HEALTH COSTS EMPLOYERS \$576 BILLION PER YEAR

Health and Productivity Costs



■ Wage Replacement Medical and Pharmacy Productivity

Operational Costs:

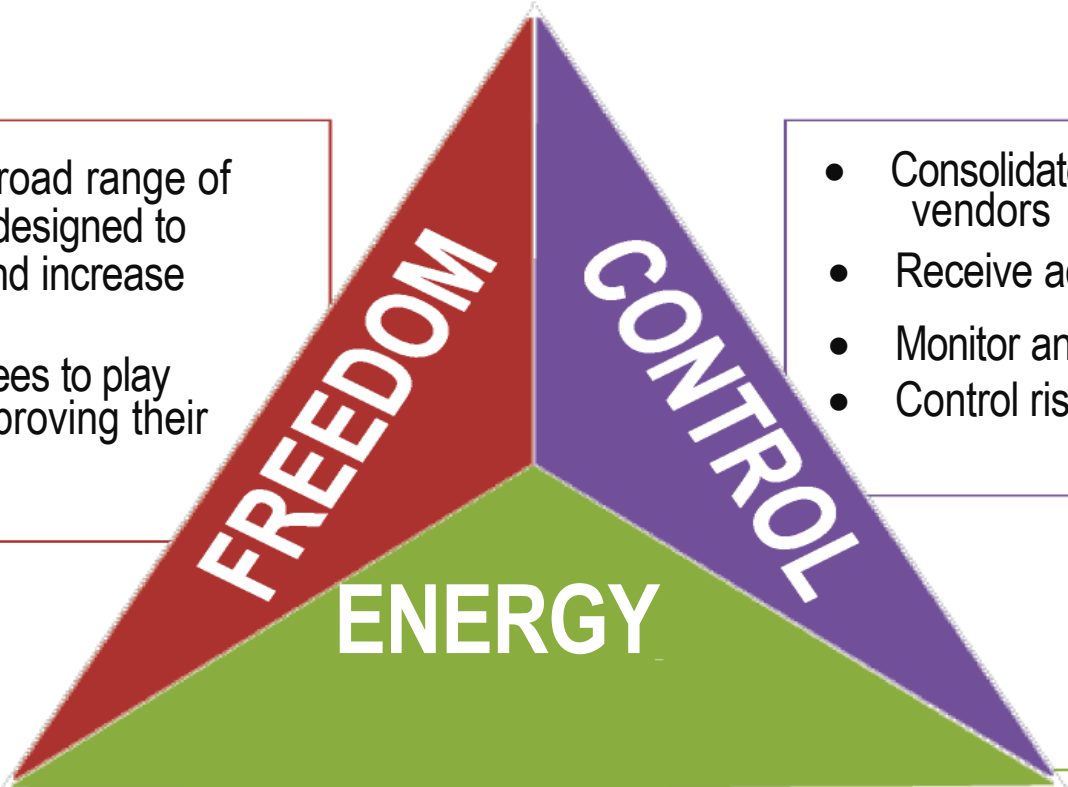
Pre-Absenteeism

- Working Slow
- Lower Quality
- Customer Dissatisfaction

Absenteeism

- Overtime
- Turnover
- Temp Staffing
- Replacement Training
- Workload Shifts

Source: Integrated Benefits Institute, 2012

- 
- Choose from a broad range of wellness resources designed to engage members and increase participation
 - Liberate employees to play an active role in improving their health

- Consolidate healthcare and wellness vendors
- Receive actionable claims info
- Monitor and track program ROI
- Control rising healthcare costs

ENERGY

- Increase morale and wellness participation
- Improve employee health and productivity
- Decrease employee absenteeism
- Attract and retain the best employees

Freedom

	Assessment Year 1	Awareness Year 1+	Action Year 2	Adoption Year 3+
Screenings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Health Risk Assessment (HRA)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review Lab Results w/Health Coach (if screening is onsite)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review Member Comp Report w/Health Coach		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outbound Health Coaching Calls for HR and MR Groups			<input type="checkbox"/>	<input type="checkbox"/>
Digital Health Coaching Modules			<input type="checkbox"/>	<input type="checkbox"/>
Monitor Diet and Exercise Behaviors Through Member Portal			<input type="checkbox"/>	<input type="checkbox"/>
Onsite / Online Seminars			<input type="checkbox"/>	<input type="checkbox"/>
Goal Setting w/Health Coach				<input type="checkbox"/>
Meet Biometric Outcome Targets (i.e. reaching ideal weight, BMI)				<input type="checkbox"/>
Increase Medication Compliance Habits				<input type="checkbox"/>
Health Challenges				<input type="checkbox"/>
Targeted Health Coach Outreach for Specific Issues (tobacco cessation, diabetes management, etc.)				<input type="checkbox"/>

INVITE MEMBERS TO PARTICIPATE IN THEIR HEALTH

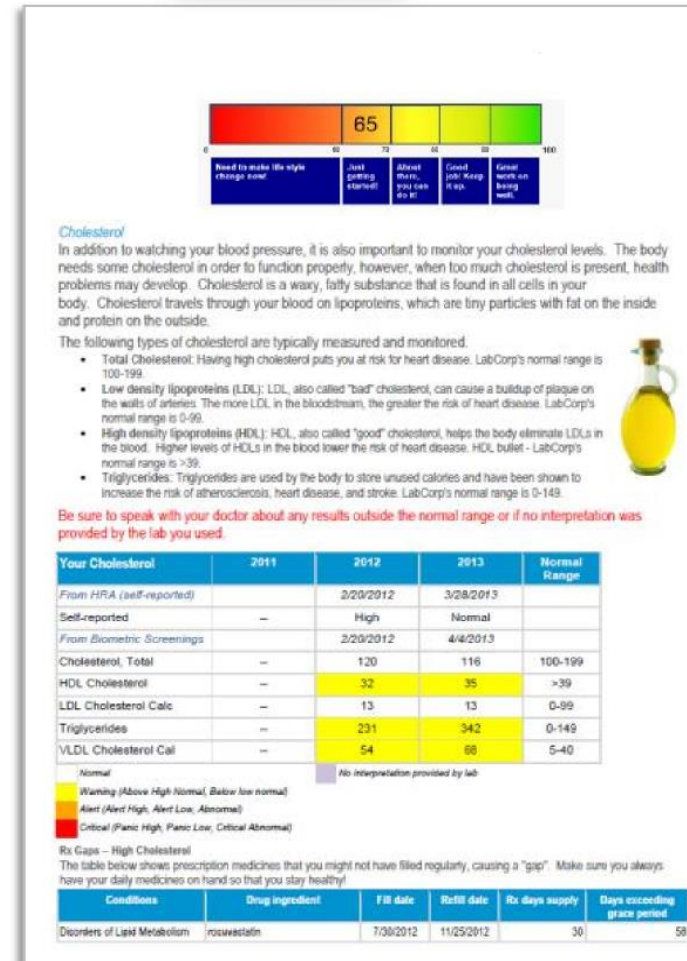
Health Risk Assessments

Members Complete:

Health Risk Assessment (HRA) that utilizes scientific methodology to assess clinical health AND members' "readiness to change."

Members Receive:

- Comprehensive Wellness Report
- Wellness summary score
- Consolidated picture of health:
 - Claims summary, Lab / Biometrics
 - Drug gaps, HRA results
 - Preventive care status
- Actionable areas to focus on health improvement and prevention



START MEMBERS ON THE PATH OF HEALTH AWARENESS

Screenings

Blood Screening

- Cholesterol, diabetes, and tobacco use
- Instant, minimally-invasive tests (e.g. finger stick)
- Screenings offered on-site or off-site at any LabCorp

Biometric Screening

- Blood pressure, height & weight, and waist circumference



The Big Five Are Preventable

According to the Centers for Disease Control and Prevention (CDC), heart disease, stroke, cancer, diabetes and arthritis are among the most common, costly, and preventable illnesses in the US.¹ In addition to direct medical costs, productivity losses related to personal and family health problems cost US employers \$1,685 per employee per year, or \$225.8 billion annually.²

¹ Centers for Disease Control and Prevention. Chronic Diseases and Health Promotion. Available at: www.cdc.gov/chronicdisease/overview/index.htm. Accessed Sept. 7, 2012.

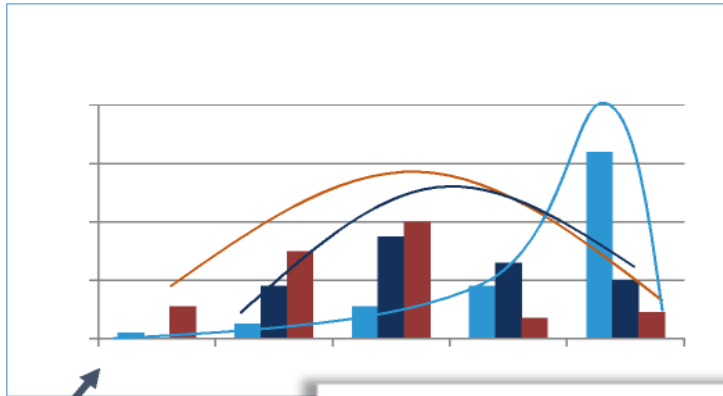
² Stewart WF, Ricci JA, Chee E, Morganstein D. Lost productive work time costs from health conditions in the US: results from the American productivity audit. J Occup Environ Med.

Control

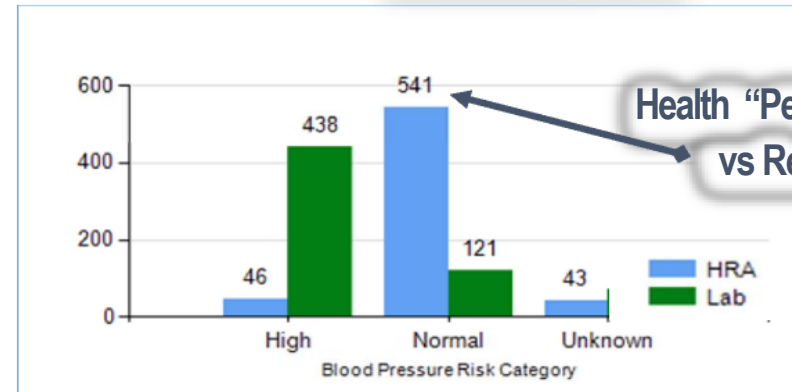
CONSOLIDATE KEY FUNCTIONS THROUGH A SINGLE SOURCE



LEVERAGE REPORTING TO MAKE BETTER DECISIONS



“Readiness to Change” Profiling



Cross-tab of BMI v. Diet – Portion Size: Average predicted healthcare cost per member

Diet/BMI - Avg Cost per Mbr	Underweight	Normal	Overweight	Obese
Healthy amount of nutritious food	\$1,495	\$4,858	\$3,871	\$2,792
Average – Normal	\$7,027	\$1,299	\$2,586	\$4,332
Too much unhealthy food	\$1,422	\$2,841	\$8,794	\$3,290

Cost Impact of Lifestyles

Condition	Patient Count	Observed per 1000	Age/Sex Expected Per 1000	SMR	Confidence Of Significance	Direction	98% below	95% below	66% below	Norm	66% above	95% above	98% above
Nutrition	213	237.46	16.45	14.43	99.99%	+							
Nutritional disorders, other	20	22.30	0.06	343.73	99.99%	+							
Obesity	186	207.36	13.54	15.31	99.99%	+							
Cardiovascular	617	687.85	254.72	2.70	99.99%	+							
Cardiovascular signs and symptoms	243	270.90	41.25	6.57	99.99%	+							
Congestive heart failure	16	17.84	7.69	2.32	97.836%	+							
Disorders of lipid metabolism	470	523.97	136.63	3.83	99.99%	+							

Health Conditions

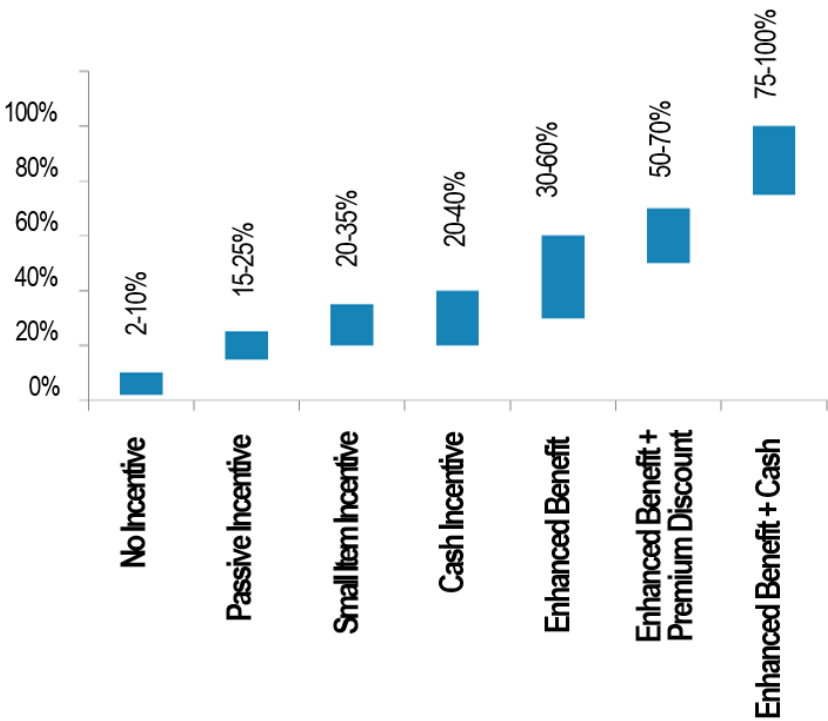
Energy

INCENTIVIZE PARTICIPATION IN WELLNESS ACTIVITIES

Incentives **significantly** increase participation



Initial Participation rates with Incentives



Source: Zero Trends, *Health as a Serious Economic Strategy* by Dee Edington.

COMMUNICATE WITH CUSTOMIZABLE MATERIALS

- Welcome Kit
- Enrollment Management
- Wellness Promo Kit
- Comprehensive Wellness Report
- Screenings Promo Kit
- Health Coaching Promo Kit
- Education Press Kit



REINFORCE MEMBER ENGAGEMENT WITH:

- Top-down leadership support
- Cash, debit cards (\$25 to \$200)
- Premium discounts
- Promotional items (hats, shirts, etc.)
- Population programs
- Surprise events
- Organizational rewards (departments)
- Team rewards

“The good thing about health promotion is that people generally see the benefits right away. They feel better, so that eventually becomes the intrinsic incentive.”

Michael O'Donnel, PhD, MBA, MPH, President American Journal of Health Promotion

HARNESS THE BENEFITS OF AN ENERGIZED PHM SOLUTION



The Member Experience

PARTICIPATE IN LIFESTYLE CHANGES



Fruits and Veggies

- Focuses on eating 5 fruits and veggies daily
- Activities involve learning about, trying, tracking, and increasing the number of fruits and vegetables you eat



Biggest Loser

- Members compete against their peers to lose the most weight
- Member has the ability to record weight each week online



Walking Challenge

Perfect for members who are new to recreational walking

- Activities are fun and engaging
- Members complete activities and track program online



10K-A-Day

- Similar to the Walking Challenge, for a more advanced walker
- Goal is to reach 10,000 steps per day
- Counting is done by pedometer or fitness band

COMPLETE INFORMATIVE DIGITAL COACHING MODULES



Food Log & Review

Guides member to log food, health coach (via phone) reviews the data, and provides a summary report



Managing Your Weight

Positively impact your weight through a healthy diet, physical activity, and managing your emotions.



Managing Blood Pressure

Coaches on effective behaviors for managing blood pressure



Smoking Cessation

Incorporates both digital coaching modules and RN health coach outreach



Healthy Pregnancy

Helps expectant mothers (and fathers!) introduce healthy behaviors for this special time in life.



Managing Stress

Learn why it is important to manage stress, and how to positively impact your stress level



Managing Diabetes

Learning practical ways to incorporate healthy habits when living with diabetes



Lowering Cholesterol

Managing cholesterol through a diet, exercise, and medication.

RECEIVE HOLISTIC 1ON 1 HEALTH COACHING

- Rx and Care Gap Intervention Member Health Portal

- Rx non-compliance flags
- On-line and mobile claims access
- Gaps in care flags
- One-stop benefit portal
- Health and wellness tools

- Referral Protocol

- Risk-focused
- Disease-focused (e.g., diabetes / metabolic syndrome)
- Lifestyle-focused (e.g., smoking)

- “Readiness to Change” Health Coaching

- Behavior change through methods scientifically proven
- RN Health Coaches following protocol
- Digital Coaching modules

Journals indicate “Readiness to Change” based strategies are

20-50% More Effective

than motivational coaching or other interviewing techniques

GET MOTIVATED WITH MOBILE HEALTH DEVICES



**+150 other Med /
Fitness Devices**

- Member stats sync to most desktops, tablets and smart phones
- Data tracked includes: food intake, calories burned and daily activity
- Great as an optional tool or an incentive reward

POSSIBLE CHALLENGES

“I missed the onsite screening.”

I can help you **RESOLVE** this.
Did you know there is an offsite option?

I can **HELP** you register. Let's start with
your name on your insurance card...

Let me **EXPLAIN** how the challenge works.
This is how you **EARN** points for completing it

Here are some **ALTERNATE ACTIVITIES**...
I can also submit an **APPEAL** for you.



Wellness Navigators

8:30 a.m.– 10:00 p.m. ET

Toll Free 800 Number

ROI

STEP 2A: MODEL COSTS IMPACTED BY HIGH/MED RISK COACHING

Summary		High Risk	Medium Risk	Low Risk
Total Employee Lives	4,486			
Total Members in Employer Group	8,657			
Total Members in Risk Groups	8,657	190	1,560	6,907
Average # of Conditions per Member	1.6	7.6	4.2	0.8
Percentage of Members In Specific Risk Groups		2.20%	18.00%	79.80%
Percentage of Members at High & Medium Risk	20.20%			
Average Age	32.2	49.5	47.5	28.2
Male	0	0	0	0
Female	8,657	190	1,560	6,907
Employee	4,486	108	999	3,379
Spouse	1,534	67	461	1,406
Child	2,637	15	102	2,520
Potential Costs of High + Medium Groups	\$105,879,378			
Potential Costs by Specific Risk Group		\$19,301,181	\$86,578,197	\$76,706,792
Predicted Probability of High Cost Claims		53.80%	10.90%	2.40%
Predicted Costs Due to High Cost Claims	\$21,613,132	\$10,387,083	\$9,408,164	\$1,817,885
Average Predicted Costs Per Member		\$54,669	\$6,031	\$263
Total PBM Costs				
Total PBM Costs Reported	\$2,807,685	\$1,178,545	\$1,293,443	\$335,698
Average PBM Costs Per Member	\$324			
Average PBM Costs Per Member per Risk Group				\$49
Predicted Probability of High Cost PBM Claims		74.10%	15.90%	0.40%

190 High Risk Members
1,560 Medium Risk Members



2% High Risk Members
18% Medium Risk Members

54%
Probability of a
high cost claim

8 Unique Conditions per High Risk
Members
4 Unique Conditions per Medium Risk
Members

\$19m in future potential medical costs

STEP 2B-MODEL ROI FROM HIGH/MED RISK COACHING

Predictive Model KPIs	
Employees	4,486
Members	8,657
Total High Risk Members - 2.2%	190
*Projected PMPY High Risk	\$54,669
Projected Medical Expense for High Risk Members	\$10,387,083.00
Total Medium Risk Members - 18%	1,560
*Projected PMPY Medium Risk	\$6,031
Projected Medical Expense for Medium Risk Members	\$9,408,164.00

31% savings
on high risk
claims

7 % savings
medium risk

Engage Investment	
PEPM Investment for Total Population Health Management	\$7.45
Annual Investment/ Monthly Investment (\$33,421)	\$401,048
Screenings - 80% Lab Screening (\$70 per person x 3589)	\$251,230
Annual Investment	\$652,278

Engage Return on Investment (ROI) Model			
	Referral Rate	Total Referrals	
High Risk Members Referred (@97.4% for 2012)	97.4%	185	
Medium Risk Members Referred (@55.4% for 2012)	55.4%	864	
Member Participation Rate	41.6%	63.3%	80.0%
# High Risk Members	77	117	148
*Projected Medical Expense High Risk Participating Members	\$4,209,513	\$6,396,273	\$8,091,012
*Net Projected Medical Savings High Risk (@31.1% for 2012)	\$1,309,159	\$1,989,241	\$2,516,305
# Medium Risk Members	360	547	691
*Projected Medical Expense Medium Risk Participating Members	\$2,171,160	\$3,298,957	\$4,167,421
*Net Projected Medical Savings Medium Risk (@7.3% for 2012)	\$158,495	\$240,824	\$304,222
Total Projected Medical Savings High Risk and Medium Risk	\$1,467,653	\$2,230,065	\$2,820,526
Net Return on Investment (ROI)	2.8 to 1	3.7 to 1	4.3 to 1

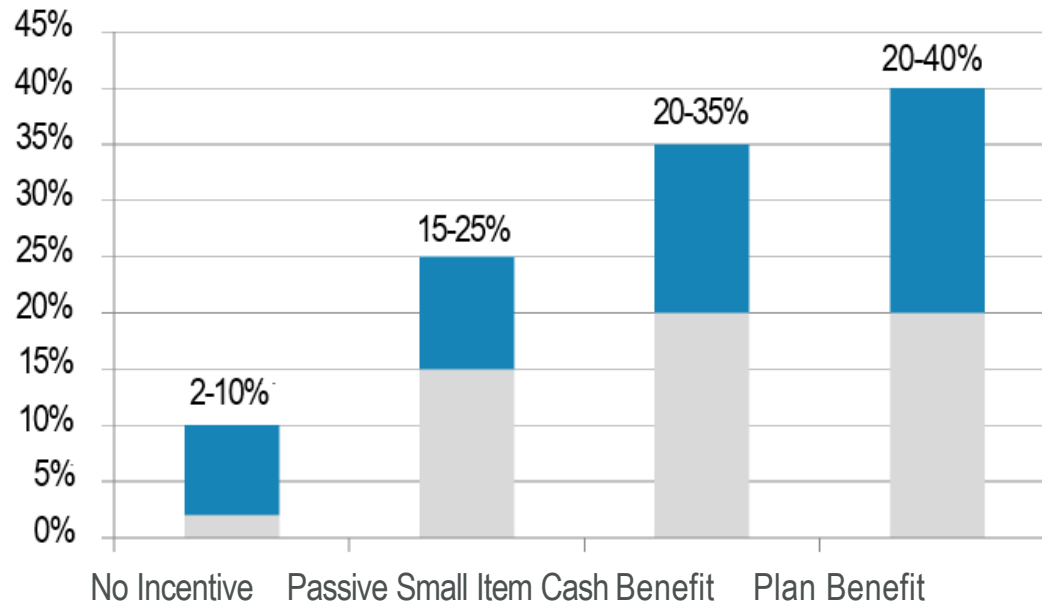
Health Coaching ROI
Based on the
3 Wellness Scenarios

STEP 3-INTEGRATE ALL COSTS AND SAVINGS

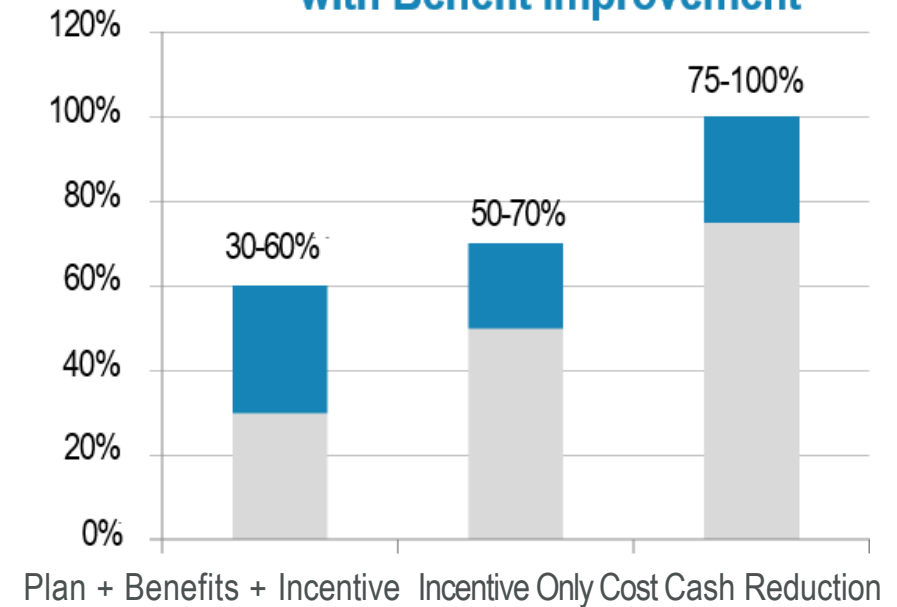
Program Details: 4486 Employees and 8657 Members		PENALTY: \$0 bi-weekly payroll reduction	PENALTY: \$20 bi-weekly payroll reduction	PENALTY: \$45 bi-weekly payroll reduction
		REWARD: \$ 750 Avg PEPY	REWARD: \$ 250 Avg PEPY	REWARD: \$ 0 Avg PEPY
Est. Screening Costs from Participants	% Screening Participation	41.6%	63.3%	80.0%
	Employee Count	4486	4486	4486
	Screening Cost	\$70	\$70	\$70
	Est. Employees	1868	2841	3589
	Total Screening Costs	\$ 130,760	\$ 198,870	\$ 251,230
Recouped \$ from Non-Participants	Bi Weekly Penalty	\$0	\$20	\$45
	% Participating	0%	63%	80%
	% Not Participating	0%	37%	20%
	No of Employees w/ Penalties	0	1645	897
	Penalty PEPY	\$0	\$520	\$1,170
Incentive \$ from Participants	Total Penalty	\$0	-\$855,400	-\$1,049,490
Fixed Program Costs	Average Reward PEPY	\$750	\$250	\$0
	% Reward Participating	41.6%	25.0%	0.0%
	No of Employees w/ Rewards	1,868	1,121	0
	Total Reward Costs	\$1,401,011	\$280,274	\$0
Cost of Plan Design	Total Program PEPM Costs	\$401,048	\$401,048	\$401,048
Savings from Health Coaching	Total Program Costs (Screening+Penalty+Reward+PEPM)	\$1,932,820	\$24,792	-\$397,212
	Health Coaching ROI Savings	-\$1,467,653	-\$2,230,065	-\$2,820,526
	Total Program Performance (Total Costs + Health Coaching)	\$465,167	-\$2,205,272	-\$3,217,738

KEYS TO SUCCESS

Influence of Incentives on Initial Participation



Influence of Incentives with Benefit Improvement



Incentives

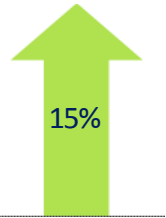


Participation/Health Outcomes



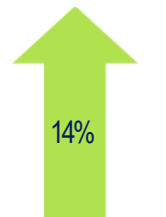
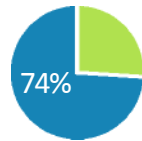
Results

IN THE MARKETPLACE...



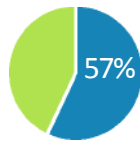
Employer spend on wellness-related rewards **increased 15% over 2013** to an average of **\$594/employee**

74% of employers polled said they will use **financial incentives to drive engagement** in wellness programs in 2014

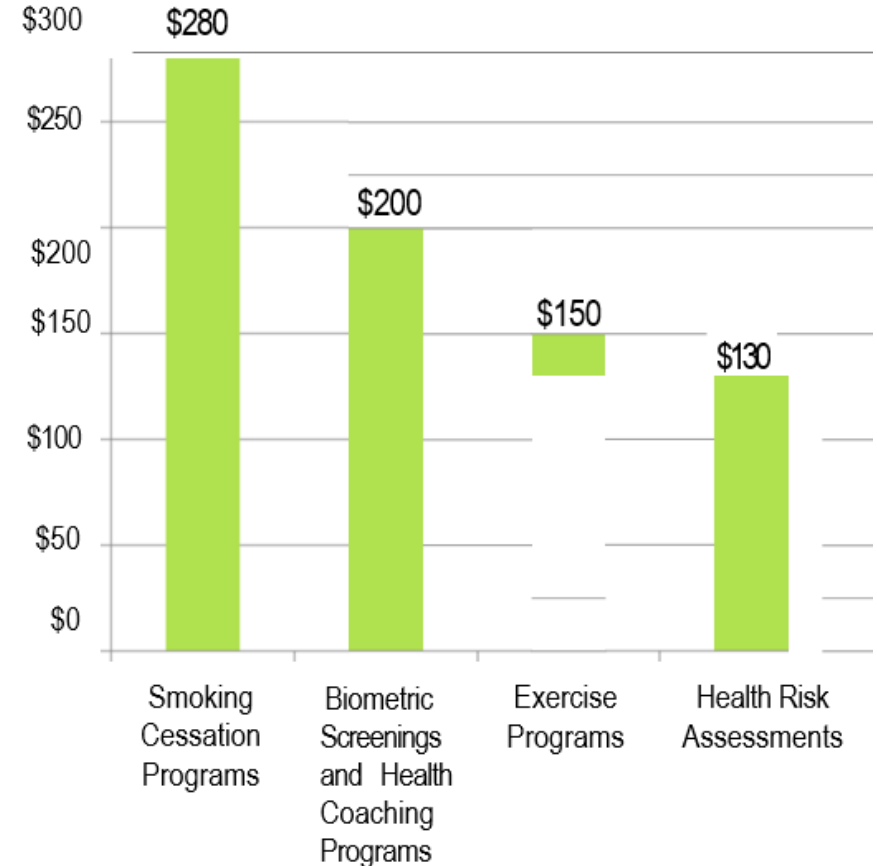


In 2014, **employer spending on wellness incentives with spouses** is expected to rise 14% to an average of **\$530/Member**

57% of employers plan to **expand their wellness incentives** strategies over the next 3-5 years



On average, employers paid employees for participation in...



AREAS OF VALUE FROM AN INTEGRATED PRODUCT

- Health Plan Risk Management: Improve Plan Performance
 - Predictive Modeling/Analytics = Actionable Insight
 - Condition-Specific Population Health Management (Target)
 - Targeted Individual Health Improvement and Cost Mitigation
- One Vendor: Fully Integrated Wellness/Pop Health
 - Data Integration (Eligibility, Claims, HRA, Lab)
 - Holistic Health Coaching + Disease Management
 - Incentive Management and Member Engagement
 - Member and Employer Portals
 - Comprehensive Reporting for Member and Group

HEALTHY SOLUTIONS

Start building your foundation to a
HEALTHIER workplace!



Healthy
Living

