

ON YOUR TEAM.

**AmWINS**  
Group, Inc.

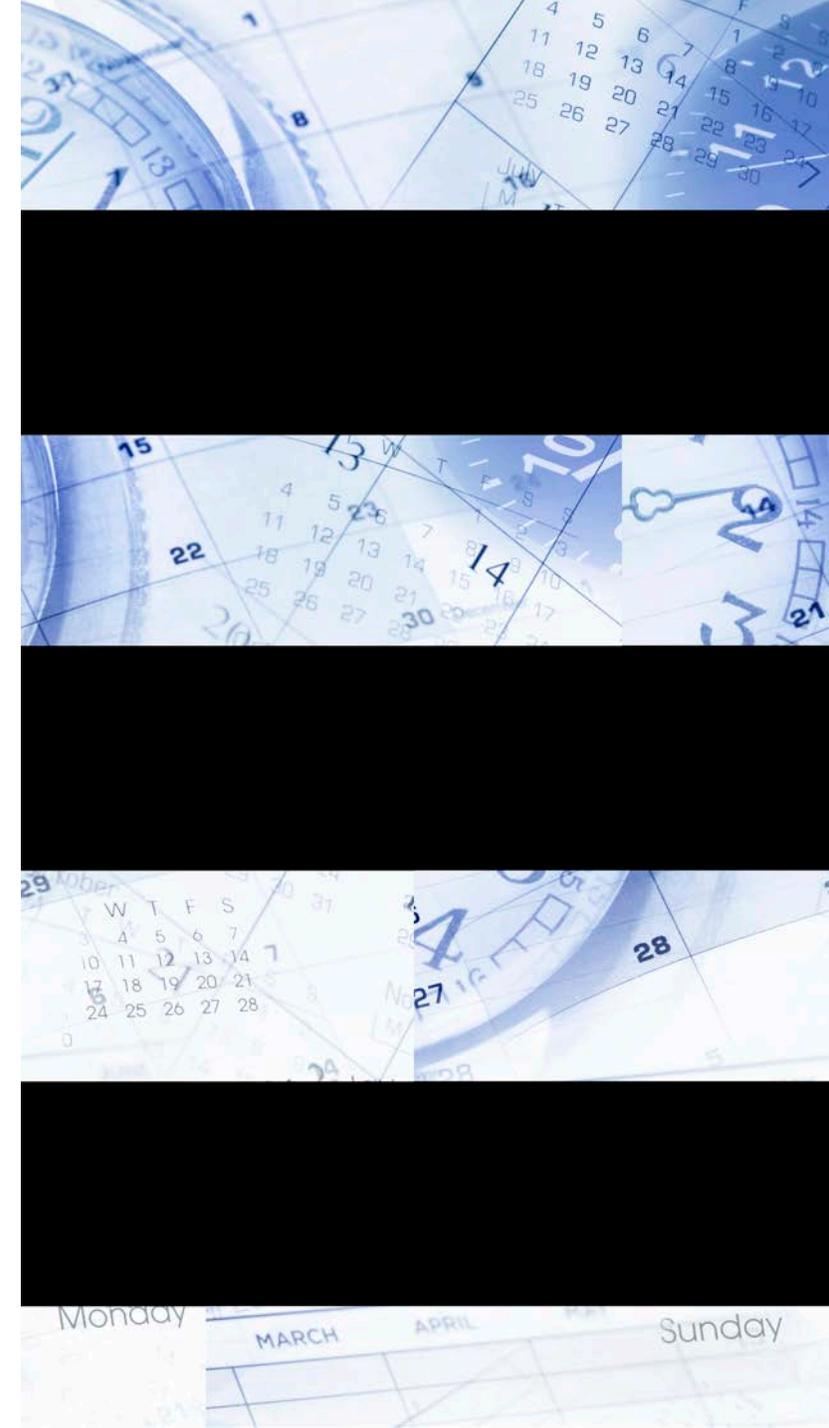
# POPULATION HEALTH MANAGEMENT

PRESENTED BY:  
DAVID CARDWELL SR.  
EXECUTIVE VICE PRESIDENT

# AGENDA

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- Wellness in the Workplace
  - It starts with you and what does it really mean
  - What are we going to do about it
- Population Health Management
  - When diet & exercise doesn't work!
  - Nobody cares....well actually, they do!



# IT STARTS WITH YOU...MEET RALPH!



Ralph is a trained actor.... do not try this at home

# WELLNESS IN THE WORKPLACE

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- Programs that contain fitness & population health management components reduce healthcare costs by 20% to 55%
- Preventable illness makes up 70% of illness costs
- Reducing ONE health risk factor can increase a persons productivity on the job by 9% and reduce absenteeism by 2%

## Workforce Prevalence and Lost Productivity Impact of Selected Chronic Health Conditions

**Avg. monthly hours lost for employees with a condition**

Condition	% of employees With condition	Due to Absence	Due to Presenteeism	Total	Annual Impact (FTE days) in a 1,000 person workforce
Allergies	34.0%	1.1	1.3	2.4	1,326.0
Arthritis	16.2%	4.1	3.1	7.2	1,895.4
Asthma	7.9%	2.6	1.6	4.2	539.2
Congestive heart failure	0.3%	25.7	12.9	38.6	188.2
Chronic obstructive Pulmonary disorder (COPD)	0.2%	18.7	6.0	24.7	80.3
Coronary heart disease	2.0%	12.2	1.3	13.5	438.8
<b>Depression</b>	<b>11.2%</b>	<b>5.6</b>	<b>10.8</b>	<b>16.4</b>	<b>2,948.8</b>
Diabetes	4.7%	4.4	0.7	5.1	389.5
Gastro esophageal reflux disease (GERD)	12.6%	3.8	3.6	7.4	1,515.2
Irritable bowel	5.5%	3.9	4.9	8.8	786.5
Migraine	7.2%	4.9	3.0	7.9	924.3

*Notes: Adopted from Loeppke et al, 2009, Tables 3 and 4 (phase 2) (46). The sample reflects outcomes for 34,622 employees drawn from 10 employers. Lost hours reflect the marginal lost productive hours – both absence and presenteeism – in a 28-day period for a person with the condition compared to a person without the condition. All health conditions are self-reported.*

*Annual impact is the product of prevalence and total lost monthly hours, assuming 1,000 employees who work eight hours per day for thirteen 28-day periods per year. As some employees will have more than one of the conditions listed, the annual impacts for each condition should not be summed to obtain total workforce lost productivity for these conditions.*



# 6 REASONS TO ENGAGE IN WORKPLACE WELLNESS

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# REASON #1

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## UNHEALTHY USA

- Our nations population is largely sedentary
- Obesity is reaching monumental proportions
- Tobacco use continues to be popular
- World Health Organization describes stress as a World Wide Epidemic
- High risk alcohol consumption
- Chronic Health Conditions





# REASON #2

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## PREVENTABLE ILLNESS

- Over 95% of our nations health expenditures is committed to diagnosing and treating disease only after it becomes manifest
- Preventable illness makes up approximately 70% of the burden of illness and the associated costs
- Of the 2+ million people who die each year, approximately 1 million of these deaths are from preventable causes

# REASON #3

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## HEALTHCARE COSTS

- Our country spends more dollars on healthcare than any other country in the world
  - In 2016, over \$3.4 trillion dollars on healthcare, the equivalent of 17.5% of the gross domestic product
- Healthcare cost per person totals \$9,255 per year
  - Lifetime costs are estimated at \$518,000 per person





# REASON #4

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## IDEAL SETTING

- Majority of Americans work
- People spend most of their waking hours at work
- Employers have a vested interest in health-related issues
- Poor health habits take an enormous toll on American business

# REASON #5

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## IMPROVE HEALTH, SAVE MONEY AND PRODUCE A RETURN ON INVESTMENT

- Programs that target smoking can save more than \$6 for every dollar spent
- Reduce employee related health care costs and absenteeism





## REASON #6

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### BUILDING WORLD CLASS WELLNESS PROGRAMS

- Coca-Cola
  - Fitness program recouped \$500 per year per employee
  - 60% of their staff was enrolled
- Coors Brewing Company
  - \$5.50 savings per \$1 spent on fitness
  - Absenteeism dropped by 18%
- Johnson & Johnson
  - Reduced absenteeism by 15% within two years
  - Cut hospital costs by 34% after three years

‘There are many reasons why we CAN’T start exercising - our everyday lives require less physical activity than in our grandparents’ day, we rely on cars to get around and spend hours sitting in front of computers.’

~Dr. Gill Jenkins

# LAYING THE FOUNDATION TO GOOD HEALTH & WELLNESS

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Building Knowledge, Changing Habits  
and Preparing for Success!!!



# WHY WELLNESS?

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- Dr. Burg, Director of Cleveland Clinic –“Top 4 items that cause disease”
  - # 1 - Stress (Mental & Physical)
  - # 2 - Smoking (Tobacco use)
  - # 3 - Lack of Diet (Nutrition)
  - # 4 - Lack of Exercise (Oxygen)



# KNOW THE FACTS

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- Obesity is a DISEASE
- \$190 billion -- That's the amount of added medical costs every year that are estimated to stem from obesity-related problems.
- The average American is 85% less physically active than in 1900.

# FIRST LAYER OF FOUNDATION IS STRESS MANAGEMENT

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- Managing stress is critical for long-term health
- Prolonged stress can:
  - Increase blood pressure
  - Increase pain & headaches
  - Suppress the immune system
  - Trigger anxiety & depression
- Limiting stress is important to a healthy lifestyle
  - It affects both physically & mentally
- Both exercise & relaxation techniques are useful in combating stress

# SITTING & SMOKING ROBS YOU OF YOUR OXYGEN AND CLEARING CARBON MONOXIDE

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**Sitting stressed is not breathing full breaths!**

# THE THIRD LAYER OF THE FOUNDATION OF HEALTH IS PAVED WITH HEALTHY EATING HABITS.....

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# THE FORTH LAYER OF THE FOUNDATION OF HEALTH IS STACKED WITH FITNESS....

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# HIGH LEVELS OF PHYSICAL ACTIVITY CAN...

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- Reduce Cancer Mortality rates by 38%
- Reduce the risk of developing Adult Onset Diabetes by 23-46%
- Reduce the risk of Coronary Heart Disease by 14-52%
- Health experts recommend a goal of 10,000 steps a day
  - Regular walking
    - Reduces high blood pressure
    - Reduces the risk of coronary heart disease
    - Reduces the risk of osteoporosis
    - Enhances mental well being
    - Helps maintain body weight and lowers the risk of obesity

# SO GET UP & MOVE!

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Do you ever have a “3:00pm Slump” towards the end of your work day?

Sitting can be a big part of why you feel groggy in the late afternoons.



# GET A GOOD NIGHT'S SLEEP

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- On average, adults should get about 8 hours of sleep per night. Getting the right amount of sleep can prevent the urge to nap halfway through the day.
  - Go to sleep earlier
  - Make sure your bedroom is a dark, cool environment
  - Don't watch television or look at a computer screen for an hour before bed
  - Avoid sugar before bed
  - Avoid caffeine after 12pm
- Sleep is the body's way to recharge & refresh the body and mind
- Sharper memory, better moods, & better concentration

**“Diet and Exercise is  
100% MENTAL!  
Your body WON’T GO,  
where your MIND doesn’t  
TAKE it!”**

# Population Health Management “When Diet and Exercise Fails”



**Say Hi to Ralph!**

# Population Health Management (PHM)

## Analytics

- Risk Stratification
- Predictive Modeling
- Comprehensive Reporting

## Wellness

- Lifestyle
- Behavior
- Education

## Health Coaching

- Clinical/DM
- Readiness to Change
- Digital/On-site /Telephonic



Predict Risk

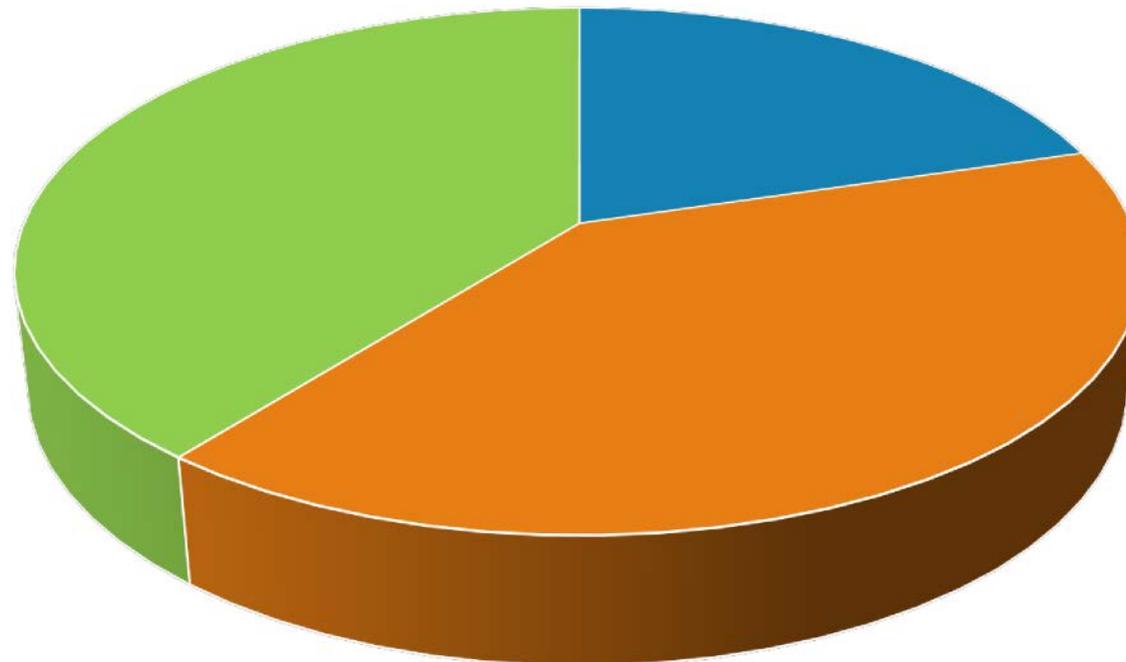
Reduce Risk

Reduce Cost

Integrated Technology and Service Delivery

# POOR HEALTH COSTS EMPLOYERS \$576 BILLION PER YEAR

## Health and Productivity Costs



■ Wage Replacement Medical and Pharmacy Productivity

## Operational Costs:

### Pre-Absenteeism

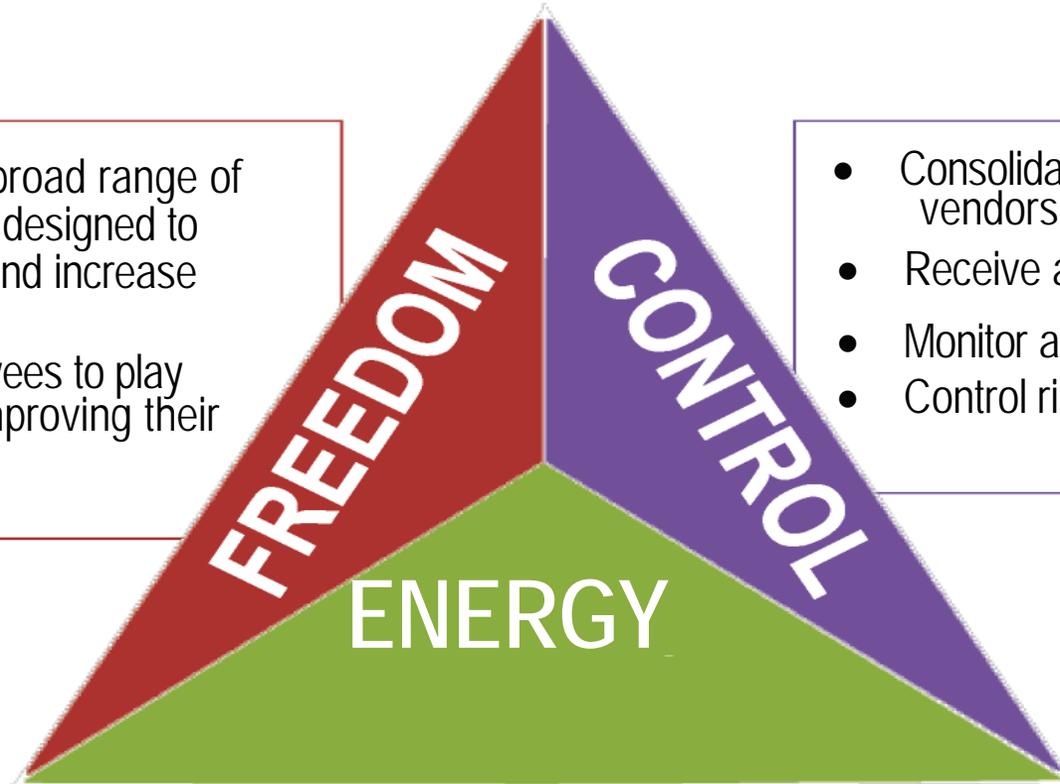
- Working Slow
- Lower Quality
- Customer Dissatisfaction

### 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

- 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



**Cholesterol**

In addition to watching your blood pressure, it is also important to monitor your cholesterol levels. The body needs some cholesterol in order to function properly, however, when too much cholesterol is present, health problems may develop. Cholesterol is a waxy, fatty substance that is found in all cells in your body. Cholesterol travels through your blood on lipoproteins, which are tiny particles with fat on the inside and protein on the outside.

The following types of cholesterol are typically measured and monitored.

- **Total Cholesterol:** Having high cholesterol puts you at risk for heart disease. LabCorp's normal range is 100-199.
- **Low density lipoproteins (LDL):** LDL, also called "bad" cholesterol, can cause a buildup of plaque on the walls of arteries. The more LDL in the bloodstream, the greater the risk of heart disease. LabCorp's normal range is 0-99.
- **High density lipoproteins (HDL):** HDL, also called "good" cholesterol, helps the body eliminate LDLs in the blood. Higher levels of HDLs in the blood lower the risk of heart disease. HDL bullet - LabCorp's normal range is >39.
- **Triglycerides:** Triglycerides are used by the body to store unused calories and have been shown to increase the risk of atherosclerosis, heart disease, and stroke. LabCorp's normal range is 0-149.

**Be sure to speak with your doctor about any results outside the normal range or if no interpretation was provided by the lab you used.**

Your Cholesterol	2011	2012	2013	Normal Range
From HRA (self-reported)		2/20/2012	3/28/2013	
Self-reported	--	High	Normal	
From Biometric Screenings		2/20/2012	4/4/2013	
Cholesterol, Total	--	120	116	100-199
HDL Cholesterol	--	32	35	>39
LDL Cholesterol Calc	--	13	13	0-99
Triglycerides	--	231	342	0-149
VLDL Cholesterol Cal	--	54	60	5-40

■ Normal  
■ Warning (Above High Normal, Below low normal)  
■ Alert (Alert High, Alert Low, Abnormal)  
■ Critical (Plano High, Plano Low, Critical Abnormal)

**Rx Gaps - High Cholesterol**

The table below shows prescription medicines that you might not have filled regularly, causing a "gap". Make sure you always have your daily medicines on hand so that you stay healthy!

Conditions	Drug ingredient	Fill date	Refill date	Rx days supply	Days exceeding grace period
Disorders of Lipid Metabolism	rosuvastatin	7/30/2012	11/25/2012	30	58

# 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.<sup>1</sup> 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.<sup>2</sup>

<sup>1</sup> Centers for Disease Control and Prevention. Chronic Diseases and Health Promotion. Available at: [www.cdc.gov/chronicdisease/overview/index.htm](http://www.cdc.gov/chronicdisease/overview/index.htm). Accessed Sept. 7, 2012.

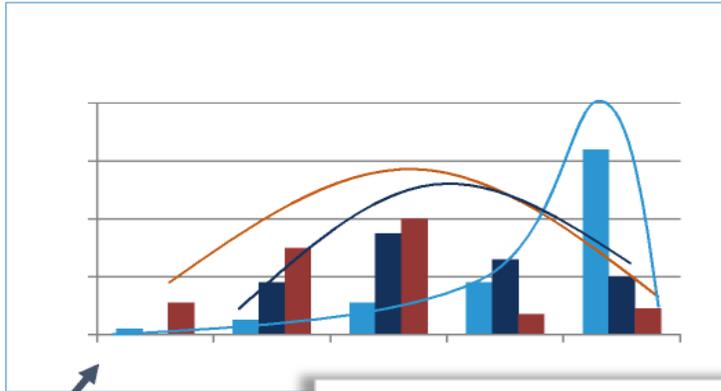
<sup>2</sup> Stewart WF, Ricci JA, Chee E, Morganstein D. Lost productive work time costs from health conditions in the US: results from the American productivity audit. *J Occup Environ Med.*

# Control

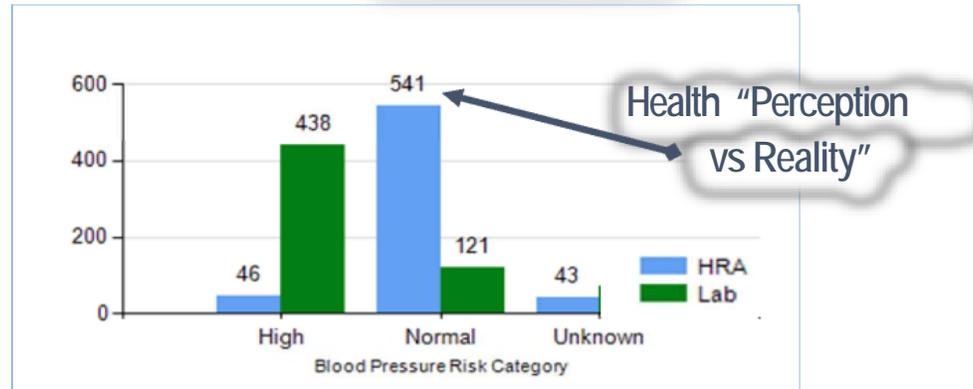
# CONSOLIDATE KEY FUNCTIONS THROUGH A SINGLE SOURCE



# 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

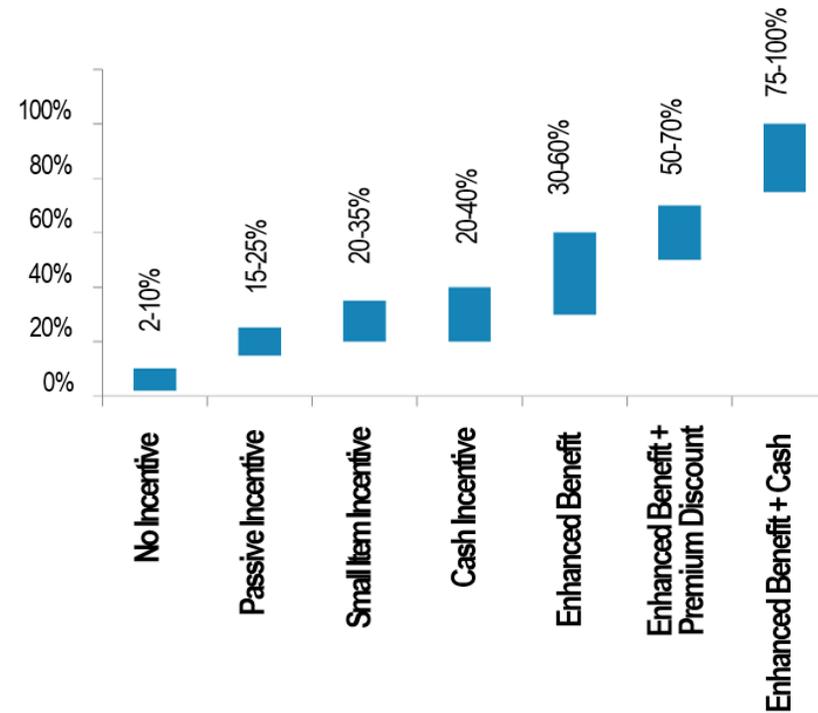
# Energy

# 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:

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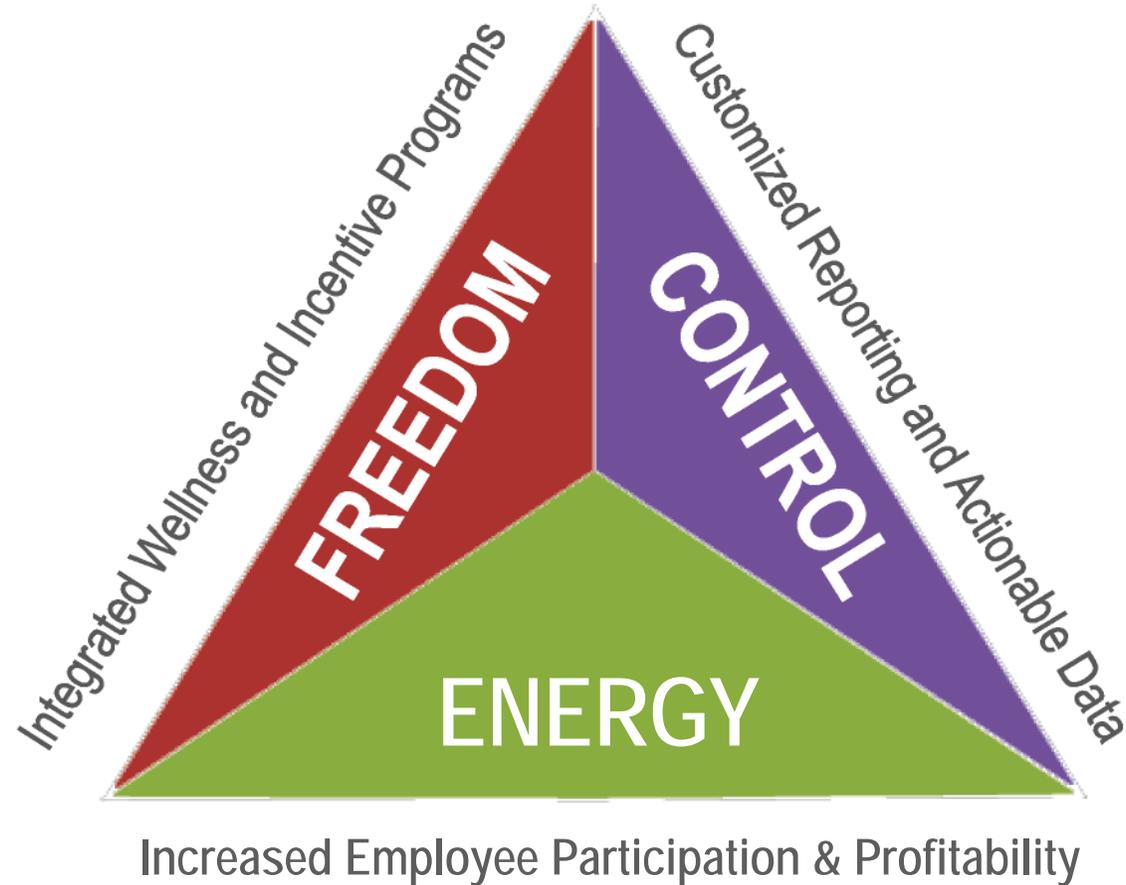
- Top-down leadership support
- Cash, debit cards (\$25 to \$200)
- Premium discounts
- Promotional items (hats, shirts, etc.)
- Population programs
- Surprise events
- Organizational rewards (departments)
- Team rewards

*"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

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# 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

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## 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

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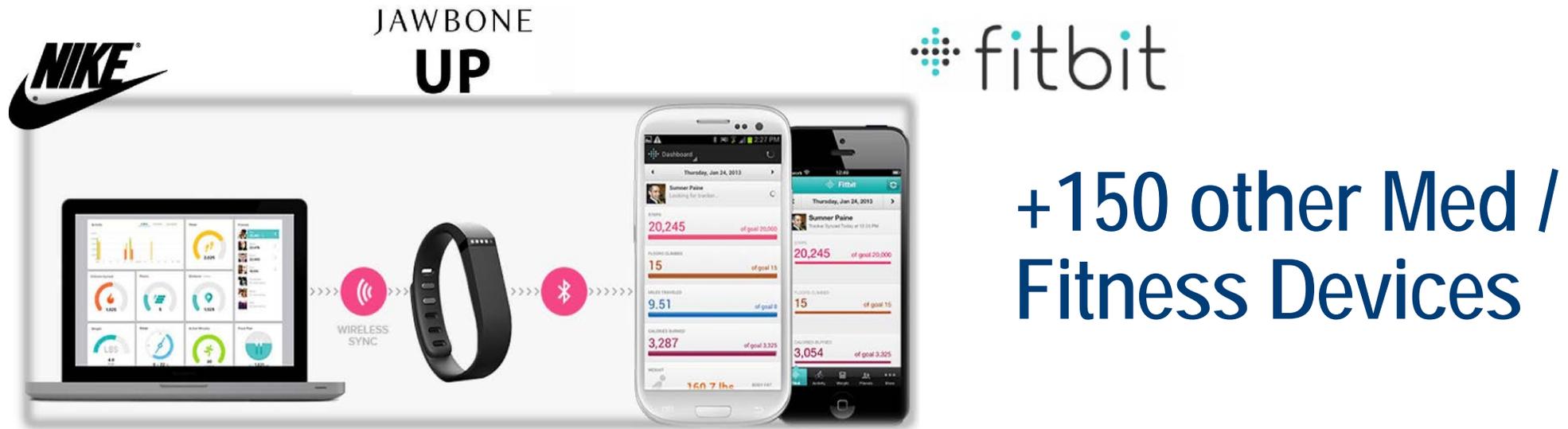
- Rx and Care Gap Intervention Member Health Portal
  - Rx non-compliance flags
  - On-line and mobile claims access
  - Gaps in care flags
  - One-stop benefit portal
  - Health and wellness tools
- Referral Protocol
  - Risk-focused
  - Disease-focused (e.g., diabetes / metabolic syndrome)
  - Lifestyle-focused (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



- 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	995	3,383
Spouse	1,534	67	465	1,002
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
<b>Total PBM Costs</b>				
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
<b>Projected Medical Expense for High Risk Members</b>	<b>\$10,387,083.00</b>
Total Medium Risk Members - 18%	1,560
*Projected PMPY Medium Risk	\$6,031
<b>Projected Medical Expense for Medium Risk Members</b>	<b>\$9,408,164.00</b>

31% savings on high risk claims

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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
<b>Annual Investment</b>	<b>\$652,278</b>

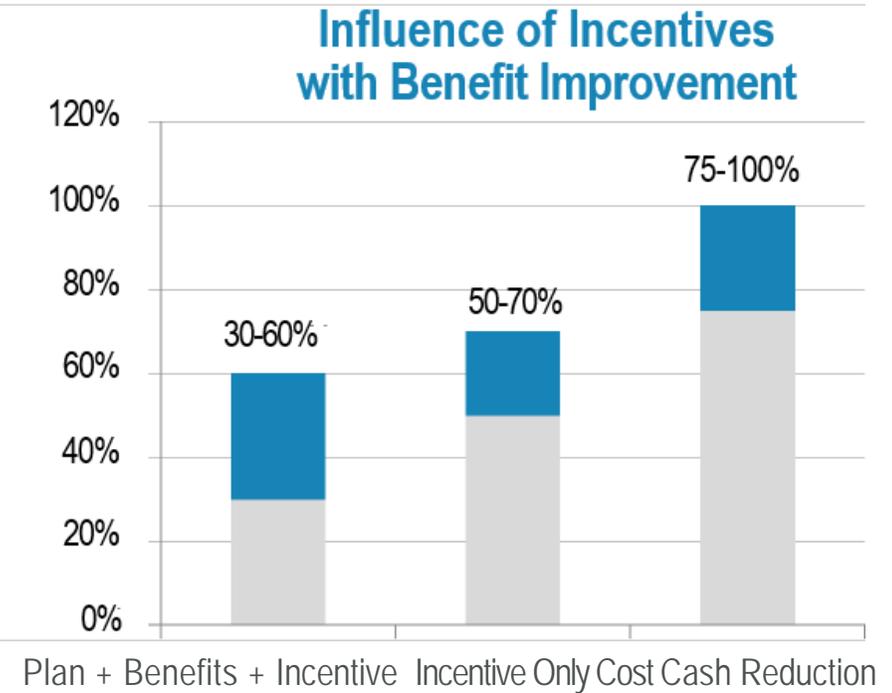
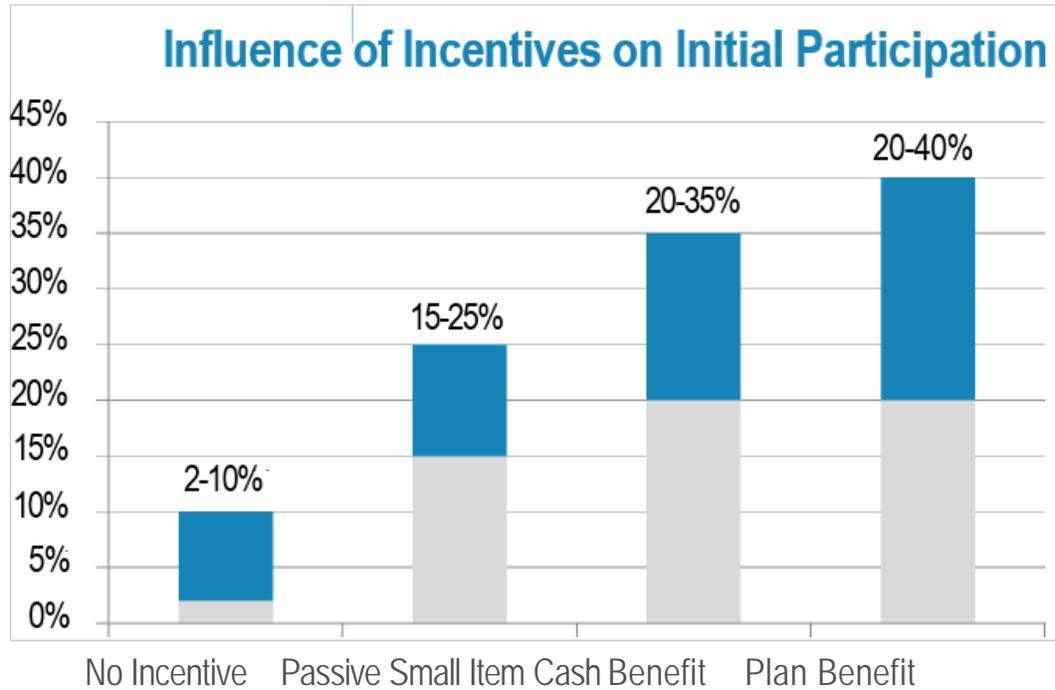
Engage Return on Investment (ROI) Model			
	Referral Rate	Total Referrals	
High Risk Members Referred (@97.4% for 2012)	97.4%	185	
Medium Risk Members Referred (@55.4% for 2012)	55.4%	864	
<b>Member Participation Rate</b>	<b>41.6%</b>	<b>63.3%</b>	<b>80.0%</b>
# High Risk Members	77	117	148
*Projected 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
<b>Total Projected Medical Savings High Risk and Medium Risk</b>	<b>\$1,467,653</b>	<b>\$2,230,065</b>	<b>\$2,820,526</b>
<b>Net Return on Investment (ROI)</b>	<b>2.8 to 1</b>	<b>3.7 to 1</b>	<b>4.3 to 1</b>

**Health Coaching ROI Based on the 3 Wellness Scenarios**

# STEP 3-INTEGRATE ALL COSTS AND SAVINGS

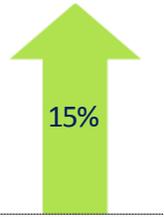
Program Details: 4486 Employees and 8657 Members		PENALTY: \$0 bi-weekly payroll reduction	PENALTY: \$20 bi-weekly payroll reduction	PENALTY: \$45 bi-weekly payroll reduction
		REWARD: \$ 750 Avg PEPY	REWARD: \$ 250 Avg PEPY	REWARD: \$ 0 Avg PEPY
Est. Screening Costs from Participants	% Screening Participation	41.6%	63.3%	80.0%
	Employee Count	4486	4486	4486
	Screening Cost	\$70	\$70	\$70
	Est. Employees	1868	2841	3589
	<b>Total Screening Costs</b>	<b>\$ 130,760</b>	<b>\$ 198,870</b>	<b>\$ 251,230</b>
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
<b>Total Penalty</b>	<b>\$0</b>	<b>-\$855,400</b>	<b>-\$1,049,490</b>	
Incentive \$ from Participants	Average Reward PEPY	\$750	\$250	\$0
	% Reward Participating	41.6%	25.0%	0.0%
	No of Employees w/ Rewards	1,868	1,121	0
<b>Total Reward Costs</b>	<b>\$1,401,011</b>	<b>\$280,274</b>	<b>\$0</b>	
Fixed Program Costs	<b>Total Program PEPM Costs</b>	<b>\$401,048</b>	<b>\$401,048</b>	<b>\$401,048</b>
Cost of Plan Design	<b>Total Program Costs (Screening+Penalty+Reward+PEPM)</b>	<b>\$1,932,820</b>	<b>\$24,792</b>	<b>-\$397,212</b>
Savings from Health Coaching	<b>Health Coaching ROI Savings</b>	<b>-\$1,467,653</b>	<b>-\$2,230,065</b>	<b>-\$2,820,526</b>
	<b>Total Program Performance (Total Costs + Health Coaching)</b>	<b>\$465,167</b>	<b>-\$2,205,272</b>	<b>-\$3,217,738</b>

# KEYS TO SUCCESS



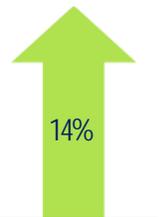
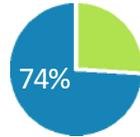
<sup>35</sup>Source: *Zero Trends, Health as a Serious Economic Strategy* by Dee Edington.

# IN THE MARKETPLACE...



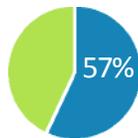
Employer spend on wellness-related rewards increased 15% over 2013 to an average of **\$594/employee**

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

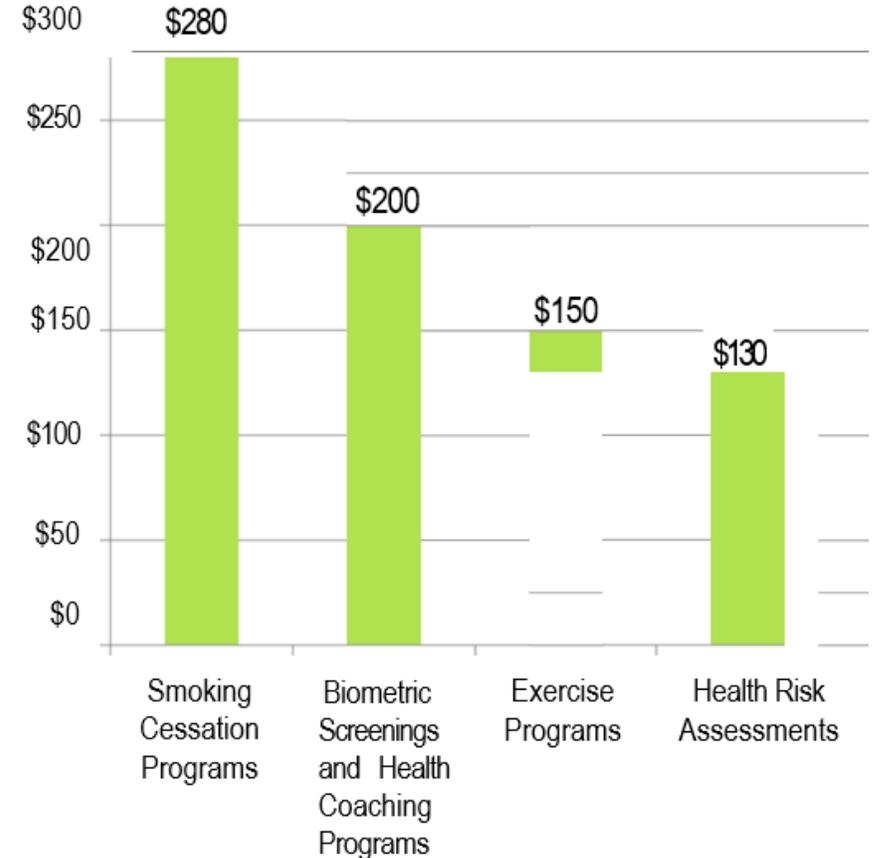


In 2014, **employer spending on wellness incentives with spouses** is expected to rise 14% to an average of **\$530/Member**

**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

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- 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

# THANKS FOR COMING!

Start building your foundation to a

## HEALTHIER workplace!



Healthy  
Living





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# THE NEW RALPH!