



HEALTHFLEX SUMMIT—APRIL 2019



Wespath

BENEFITS | INVESTMENTS

HealthFlex Strategic Update

Outcome of Strategic Focus

3- to 5-Year Plan to Enhance Wespath's Health Benefit Offering

5 Areas for Development

- Participant experience and engagement
- Flexibility and Standardization
- Growth opportunities
- Cost efficiency and market competitiveness
- Population health



Participant Experience and Engagement

Progress in 2018:

Targeted communications

Updates to plan names

Increased social media presence

2019: Developing Participant
Engagement Roadmap
(Forum Breakout Session)



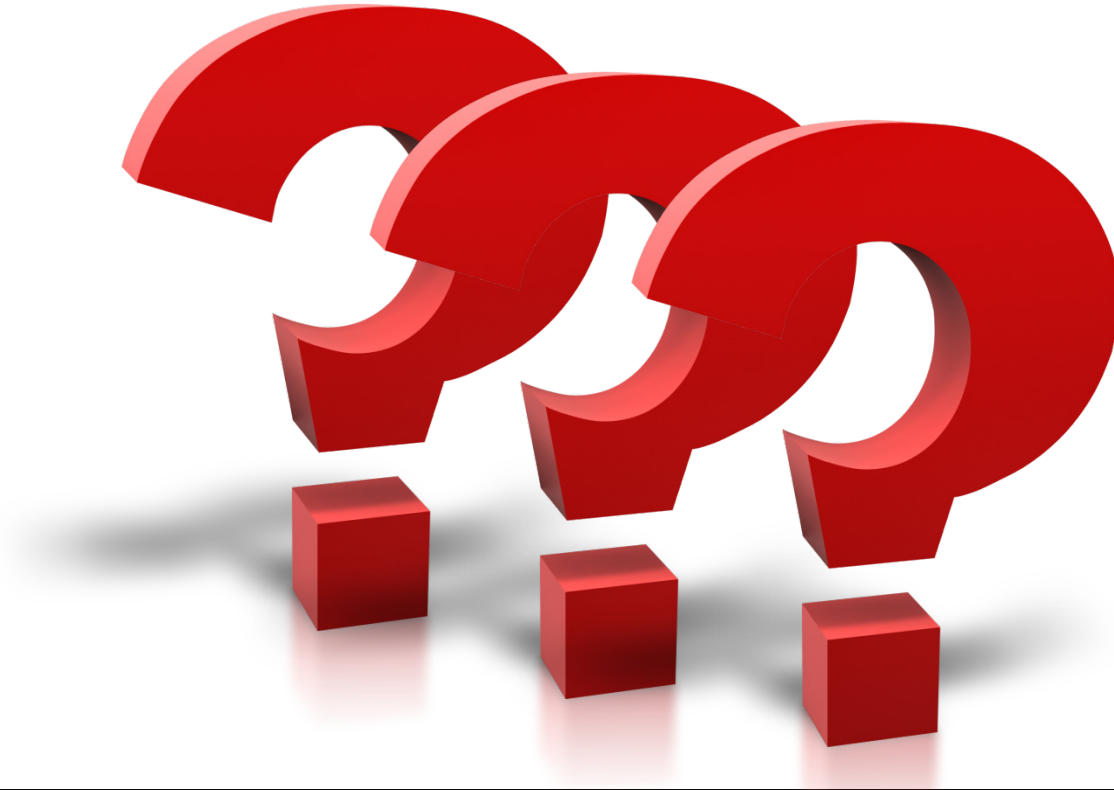
Flexibility and Standardization

Improve Plan Sponsor/Participant Online Experience

- Define and build ongoing reports
- Allow self-service across all plan sponsors
- Create user-friendly job aids



Reporting and Job-Aid Feedback

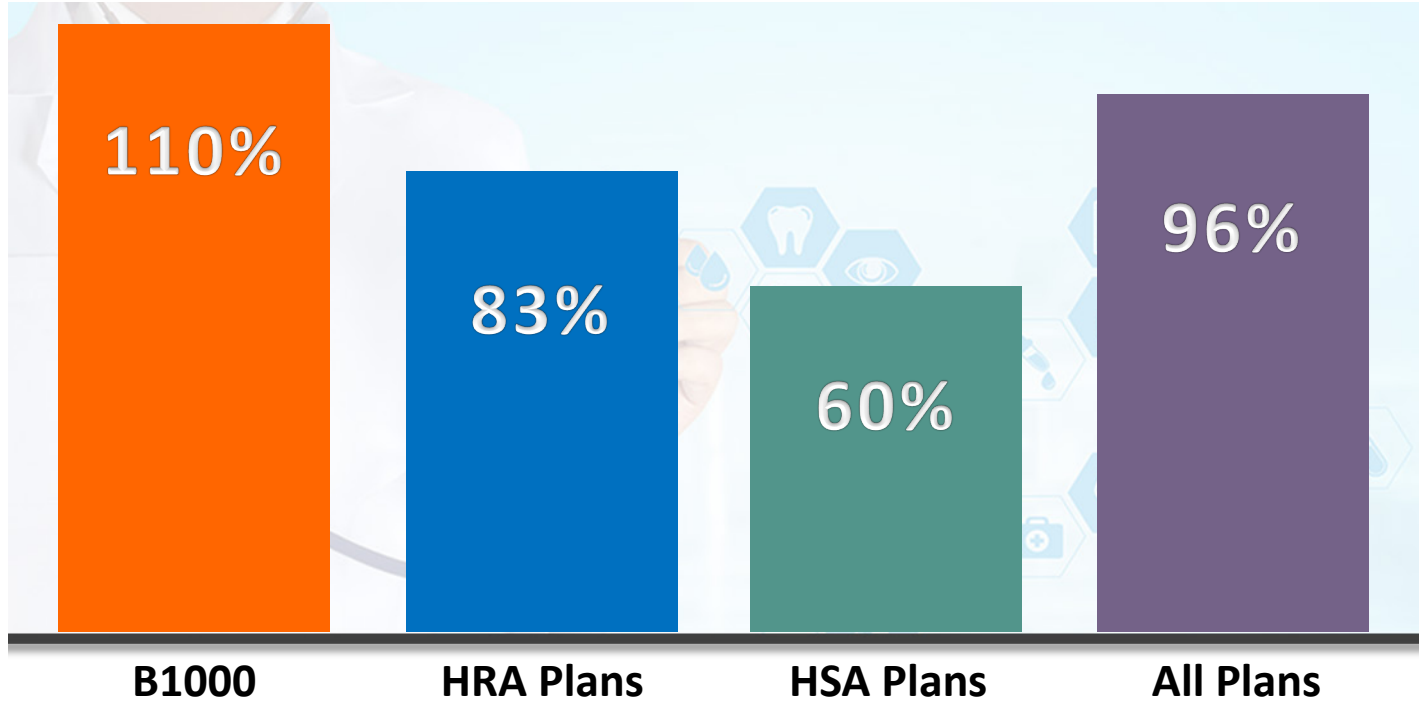


HealthFlex Exchange 2021—Rationale

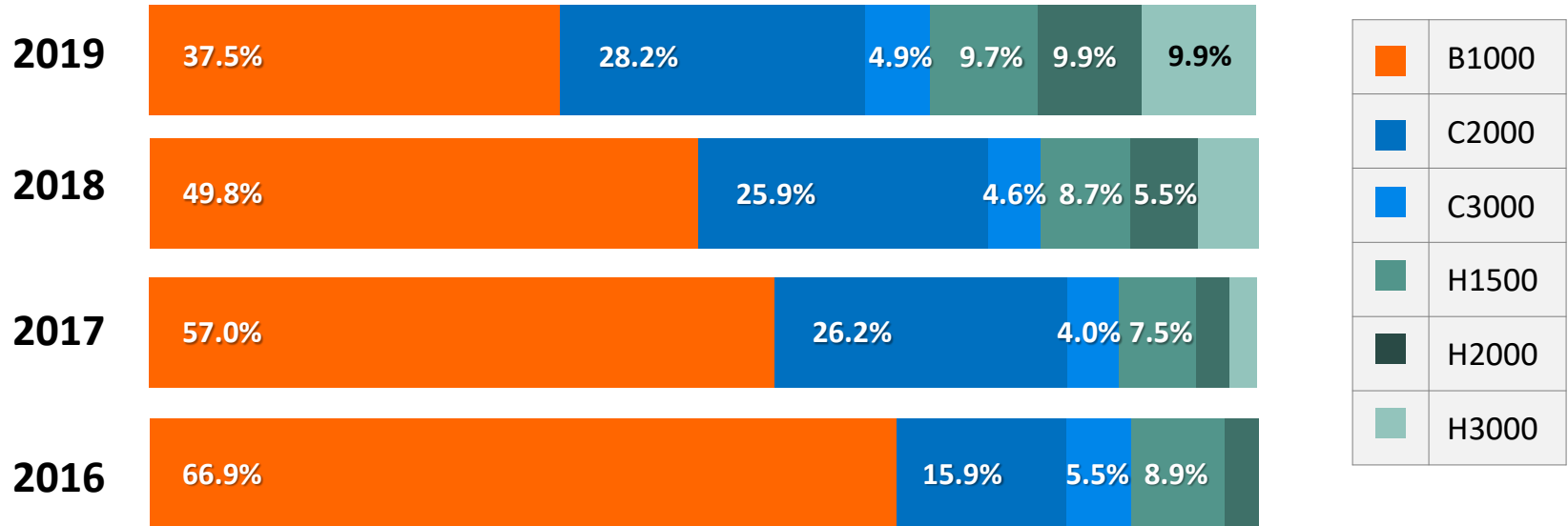
- PEPM and loss ratios lower for account-based plans
- Health account contributions are higher
- All means they are NET lowest cost for participants



Loss Ratio Across Plans—2018



Plan Migration in HealthFlex Exchange



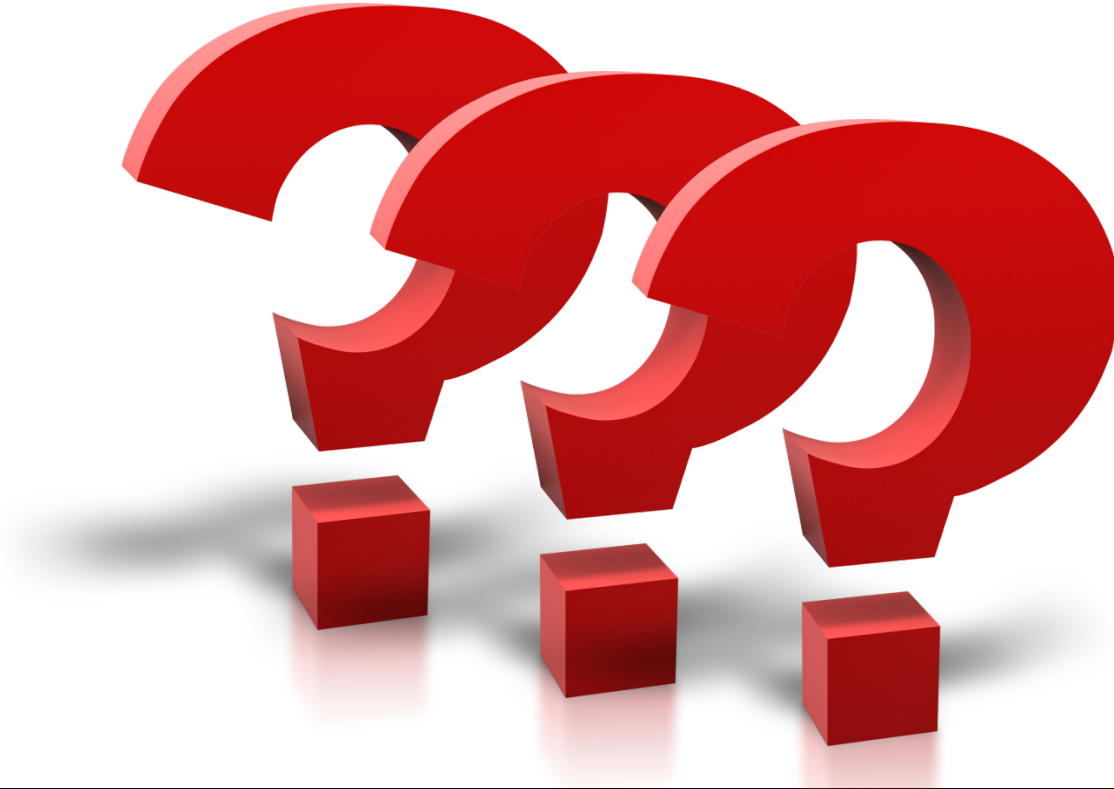
Traditional plan sponsors have 83% enrollment in B1000 in 2019

Opportunities for Growth

- **Welcome to our new 2020 plan sponsors!**
 - Kentucky
 - Oklahoma
 - Others evaluating
- **Other UMC-affiliated employers**
 - Interest from mid-size churches in South Central Jurisdiction
 - Wespath institutional clients



Feedback—Growth Opportunities



Cost Efficiency and Market Competitiveness

Manage Health Care Costs

- Optimizing vendor relationships
- Ensuring the highest level of value from each program offered
- Managing health conditions
- Empowering individuals to make the best choices for health and health care



Cost Efficiency and Market Competitiveness

- Vendor fee renegotiations
 - BCBS: 2% reduction
 - UHC: 8% reduction
 - CIGNA: 33% reduction
- Coalitions and market checks
 - OptumRx: 4.7% reduction (\$1.6M)
- Evaluating alternative networks



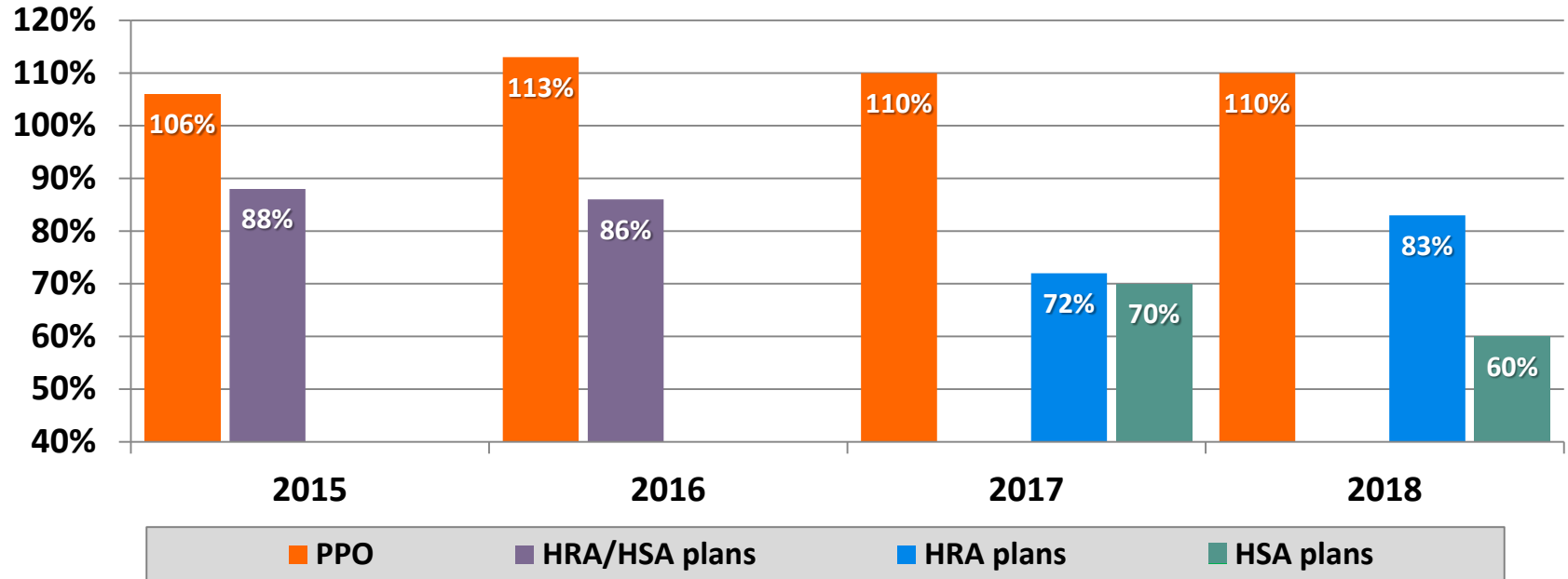
Opportunities to Switch Medical Carriers

- All significant savings opportunities are UHC to BCBS
- Wespath will continue to evaluate UHC's competitiveness in rural areas



Cost Efficiency and Market Competitiveness— Emphasis on Account-Based Plans

Historical Loss Ratios by Plan Type



Rx rebates are not included in 2015-2016 Loss Ratios

Plan Design Optimization— Crosses All Areas for Development

For 2020/2021

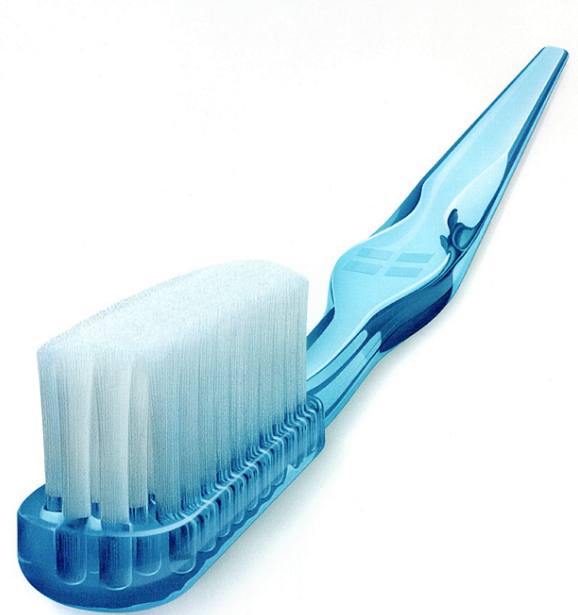
- Review Rx cost sharing
- Offer lower cost dental HMO (removing Passive PPO 1000)
- Reviewing plan designs for 2021
 - Table-top conversation



Elimination of Dental Passive PPO 1000

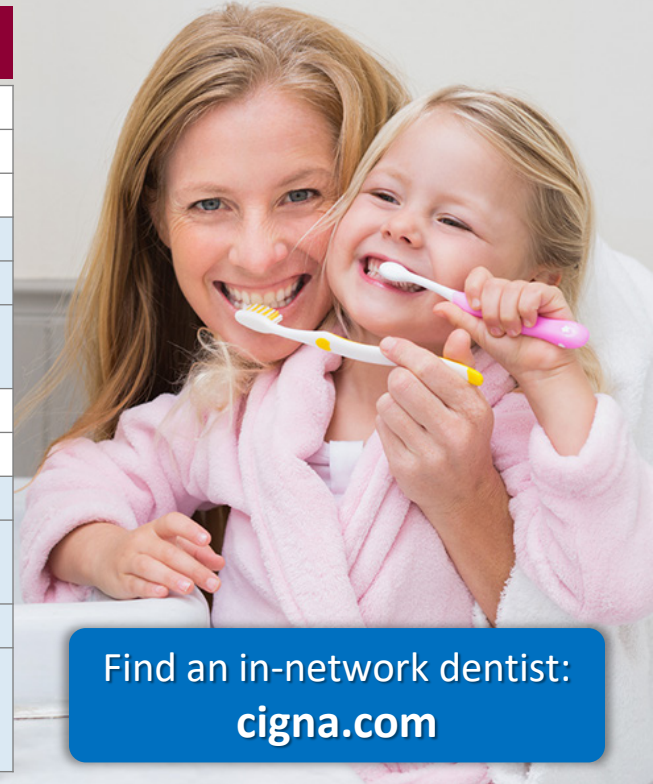
For 2020:

- Individuals enrolled in Passive PPO 1000 in 2019 who do not make an active election will be automatically enrolled in the PPO
- *Exception: new HealthFlex Exchange plan sponsors*



Dental HMO—Charge Schedule

| | Benefit | DHMO Patient Charge |
|---------------------------------------|--|---------------------|
| Preventive and Diagnostic Care | Periodic oral evaluation | \$0 |
| | Cleaning—adult (2 per calendar year) | \$0 |
| | X-rays—4 radiographic images | \$0 |
| Minor Restorative | Resin-based composite (1 surface) | \$47 |
| | Resin-based composite (2 surfaces) | \$59 |
| | Periodontal scaling and root planning (4 or more teeth per quadrant) | \$83 |
| Major Restorative | Core buildup—including any pins (for crown) | \$135 |
| | Crown—porcelain/ceramic substrate | \$490 |
| Orthodontics | Pre-orthodontic treatment visit | \$67 |
| | Children—up to 19 th birthday: 24 mos. treatment fee | \$2,040 |
| | Charge per month for 24 months | \$85 |
| | Adults: | |
| | <ul style="list-style-type: none"> • 24-month treatment fee • Charge per month for 24 months | \$2,376 \$99 |



Find an in-network dentist:
[cigna.com](https://www.cigna.com)

Dental HMO

- **It's not for everyone!**
- Lower premiums
- Narrower network
- Primary dentist required
- *ZIP code driven*
- Addition of a new, more diverse choice to HealthFlex Exchange dental offerings



Behavioral Health Vendor Alignment

- **Objective: Mental/Behavioral Health services to be provided by medical carrier**
 - BCBS medical → BCBS behavioral health
 - UHC medical → UBH/Optum behavioral health
- **Why the change?**
 - In-network BH/MH utilization is down
 - 89% of BCBS utilizers will be in-network
 - Savings opportunities on fees and claims for all



Behavioral Health Vendor Alignment

- **Additional Rationale**

- Our CBA peers are moving in this direction
- Separate behavioral health vendor no longer common in the industry
- Combined Explanation of Benefits (EOBs)
- One clinical platform—better coordination of care
- Streamlined referral process

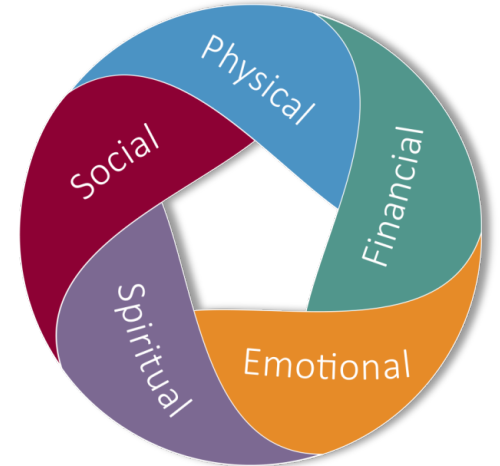
- **Timing: 2020 or 2021**

- Final decision this summer pending EAP RFP

Population Health

Wespath's Commitment to Well-Being through HealthFlex

- We believe in the impact of well-being—well-being will not be modular
- Well-being underscores our focus on cost efficiency and market competitiveness
 - Robust well-being program impacts overall favorable trend
- We will continue to share impact





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Mini-HealthFlex Summit—April 2019



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Population Health Strategy

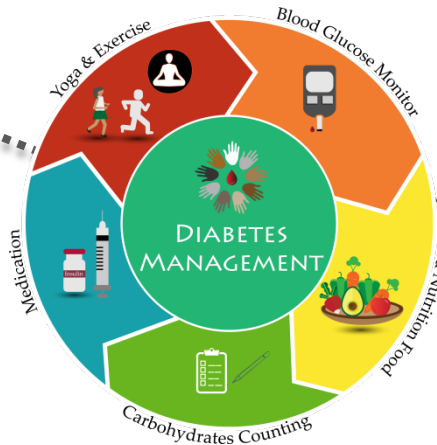
Diabetes Action Plan

Agenda




**Population Health
Approach**

Diabetes Action Plan Diabetes Prevention Program




**Researching
Additional Strategies**

Population Health Approach



1

Track high-cost conditions
(human and/or financial cost)




2

Can it be prevented/better managed?
What proven strategies are available?
Which is most likely to succeed with our population?




3

Implement



4

Evaluate effectiveness



5

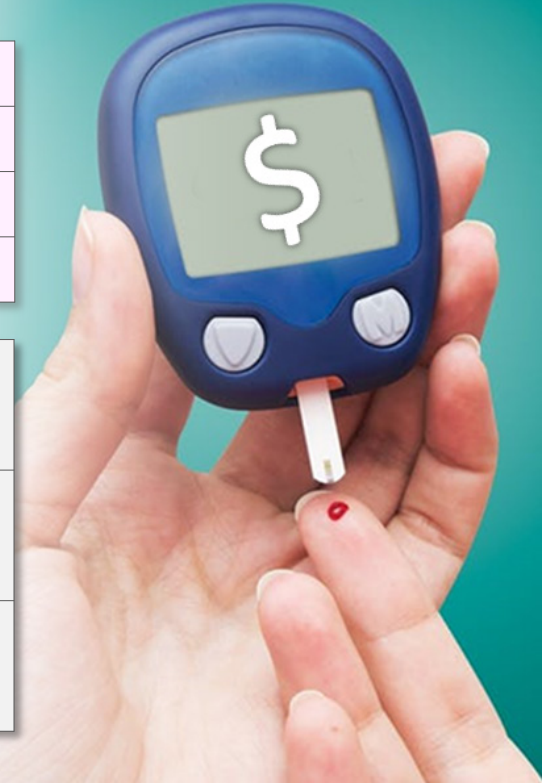
Adjust approach as indicated by data and feedback



Diabetes Action Plan

High Cost of Diabetes

| | |
|--------------------------------------|---|
| Human Costs | Impact on lifestyle |
| | Stress on family + financial stress |
| | 20–25% depression rate |
| | Effects on multiple body systems |
| Financial Costs to HealthFlex | 2017 - Diabetes was most costly condition (medical + pharmacy) |
| | 2018 - Diabetes medications second highest cost prescription drug category |
| | Average total paid/member with diabetes > 2.5 times general HealthFlex population |



HealthFlex Diabetes Facts



Diabetes prevalence: 11% of total HealthFlex population diagnosed with some type of diabetes (1,682 cases)

93% of these cases were type 2
Based on HealthQuotient responses

Diabetes incidence:

- 147 new cases
- 11.2 new cases/1000 members

Diabetes medical + Rx costs = \$747 PMPY*
Next highest is Multiple Sclerosis at \$346 PMPY (25 cases)

** PMPY: Per member per year*

Based on 2017 data; updated data available late April 2018

Diabetes Prevention Program (DPP)



CDC National Effort to Implement DPP

One-Year Program: 16 Foundational Sessions, then follow-up

- Participants lowered risk of developing diabetes by 58%*
- Even 10 years later, participants ⅓ less likely to develop diabetes*

* Reference: www.cdc.gov/diabetes/prevention/prediabetes-type2/preventing.html

Diabetes Prevention Program (DPP)

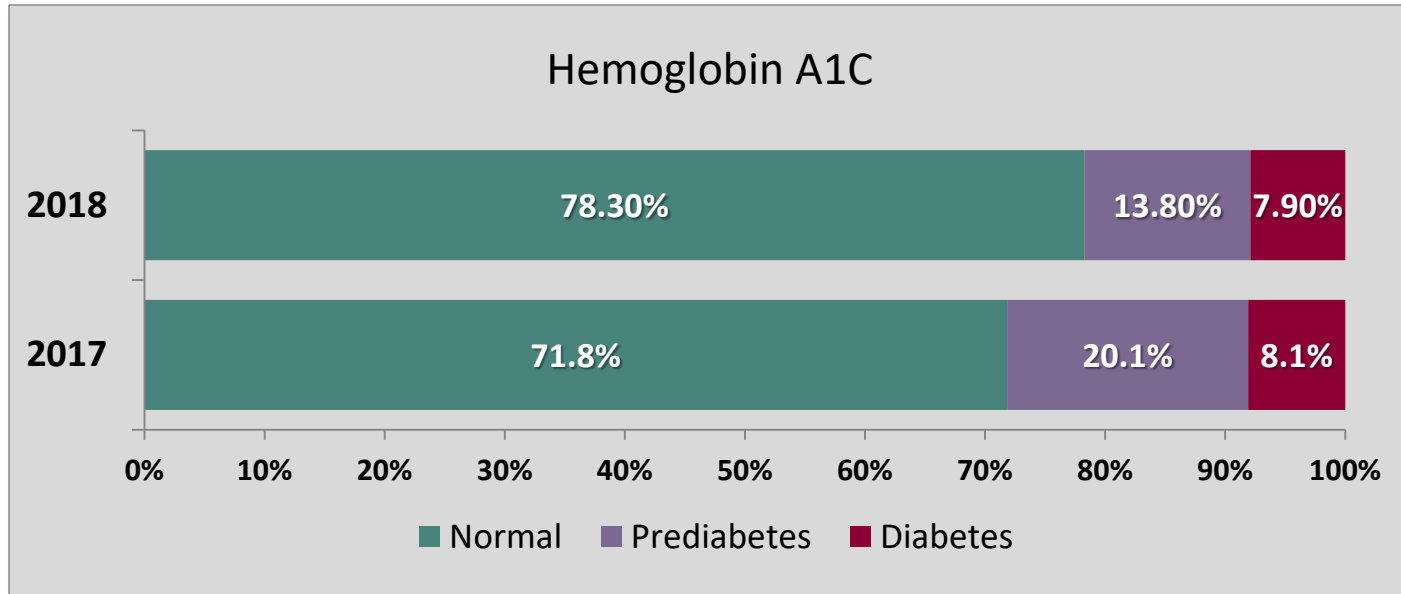


How is this different from other weight loss programs?

- Education modules teaching the **Why** and **How** of lifestyle change
- Standardized curriculum approved by Centers for Disease Control (CDC)
- Focus on improving nutrition, activity, **stress and sleep**
- Group support and encouragement
- Group and individual coaching with weight, food, activity tracking
- Ongoing support, education, coaching for one year (two years with online program)

DPP Target Population

Those with prediabetes **14+%**



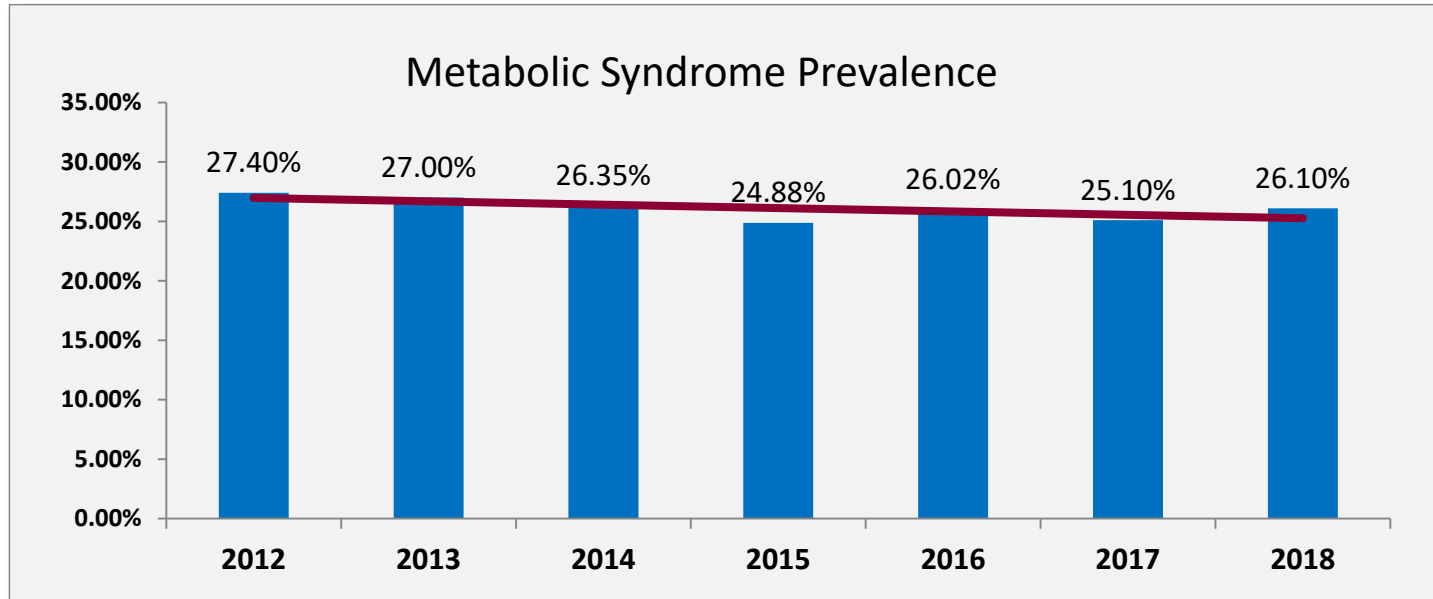
Every 1% **INCREASE**
in HbA1c raises
diabetes risk
four-fold

Leong A, et al.
Diabetes Care. 2017;
[doi:10.2337/dc17-0607](https://doi.org/10.2337/dc17-0607).

Based on Blueprint for Wellness data—completed by approximately 50% of HealthFlex population

DPP Target Population

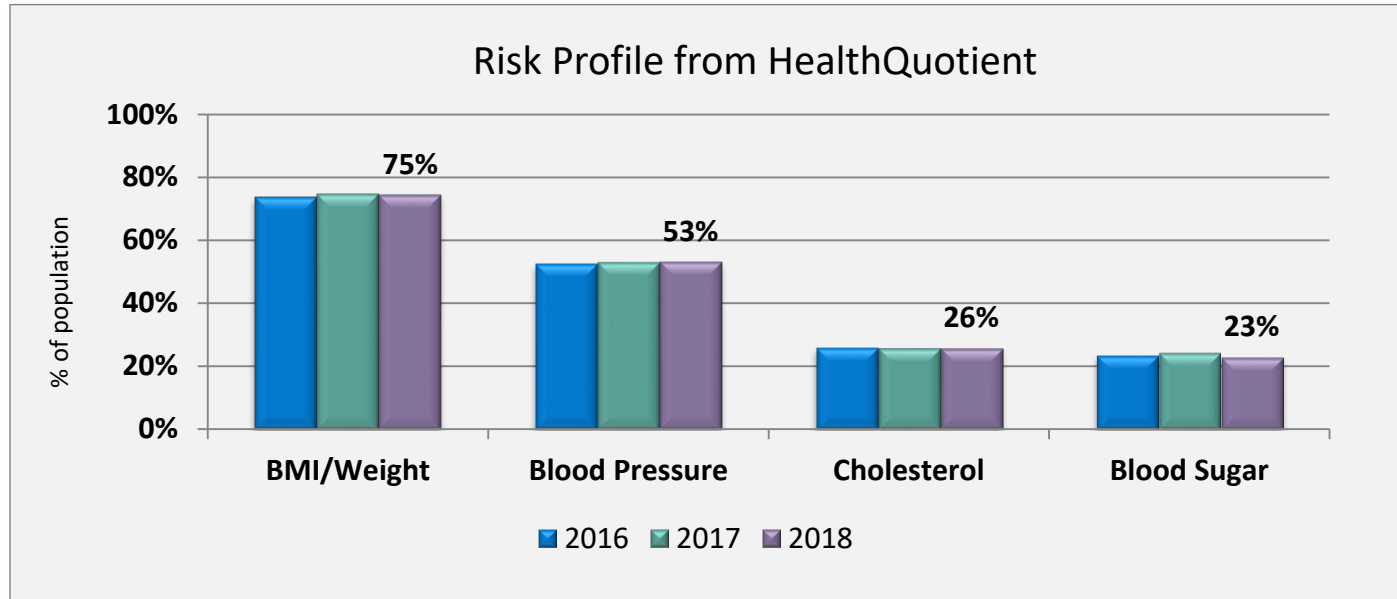
Those with Metabolic Syndrome **26+%**



Based on Blueprint for Wellness data – completed by approximately 50% of HealthFlex population

DPP Target Population

Those with weight risk + cardiovascular(CV) risk factor - **50+%**



Based on HealthQuotient data, completed by 74% of HealthFlex population

DPP for HealthFlex Population

Live Now!



Online



**Community-based—
in person**



Online Program—Omada Health

WHO IS ELIGIBLE?



- Prediabetes
 - Metabolic syndrome
 - BMI of 25 or higher + additional CV risk factor
- OR**
- Type 2 diabetes: non-insulin dependent (separate but very similar program, led by Certified Diabetes Educator)



Online Program—Omada Health

- One-year program with a year 2 maintenance program
- Online lessons, group participation, health coach, wireless uploadable scale, mobile app

Go to omadahealth.com/wespath or call **888-409-8687**

- One minute risk screener
- If at risk, directed to online application



Community-Based DPP

WHO IS ELIGIBLE?

- High risk to develop type 2 diabetes
- Prediabetes
- Metabolic syndrome
- BMI of 25 or higher + additional CV risk factor

~~Already diagnosed with diabetes~~



Community-Based DPP

1 IN 3 AMERICAN ADULTS HAS PREDIABETES. DO YOU?

TAKE THE RISK TEST

WAIT, SO WHAT IS PREDIABETES?

Prediabetes means a person's blood glucose (sugar) level is higher than normal, but not high enough yet for a diagnosis of type 2 diabetes. If left untreated, prediabetes can progress into type 2 diabetes. And if 1 in 3 American adults has prediabetes, that means it could be you, your favorite sibling, or your *other* sibling. Or you, your barber, your barber's barber. Or you—well, you get the picture. It's time to take the risk test to know where you stand.

DoIHavePrediabetes.org

1 minute risk screener—find a DPP class by zip code

Community-Based DPP

- YMCAs and hospital systems partnering with churches to offer DPP!
- Great community-outreach opportunity for local churches and health ministries
 - Visit ymca.net/diabetes-prevention to find a YMCA offering the DPP
 - Contact community outreach department at local hospital system



Community-Based DPP Participation

| | |
|-------------|--|
| WHY | <ul style="list-style-type: none">• May prefer in-person program or referred by health care provider |
| WHAT | <ul style="list-style-type: none">• CDC-recognized programs offered by many YMCAs and health systems• HealthFlex will reimburse up to \$500 for participation in at least 9 DPP sessions |
| HOW | <ul style="list-style-type: none">• Participant calls Wespath Health Team• Claim Form downloaded from WageWorks account• DPP group leader signs Claim Form documenting completing 9 sessions• Member submits receipt + signed Claim Form to WageWorks• WageWorks verifies requirements are met and issues check to member |

Incentives

**Completing at least 9 of 16
foundational DPP sessions**

**150 Wellness Points
\$150 Virgin Pulse PulseCash**

**May take up to 45 days from when 9 sessions
completed or reimbursement approved.**



Communications

- Wespath mailing—mailed April 2
- Introductory e-mail/e-blast from plan sponsor
- E-mails from Omada (with Wespath logo)—starting April 10
- Information on WebMD
- Future—social media, Virgin Pulse, Wespath e-mails



Evaluating Effectiveness

- Compare DPP participants vs non with similar risk profile:
 - Diabetes incidence (new cases)
 - Medical + Rx costs
 - Impact on biometric measures
- Engagement
- Weight loss metrics



Researching Additional Strategies

- Insulin-dependent diabetes support and management
- Preventing diabetes complications:
 - Non-alcoholic fatty liver disease (NAFLD)
 - Kidney failure
- Musculoskeletal conditions
 - Joint replacement
 - Spine surgery





Questions?

Disclaimer

This information is provided by Wespath Benefits and Investments as an educational service. The sharing of this general information should not be construed as, does not constitute, and should not be relied upon as medical advice or other professional advice or services on any specific matter.



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Future Plan Designs—Tabletop Discussion Topics

- What is the right blend of gold-silver-bronze plan choices
- What is the right blend of HSA-HRA-PPO plan choices? Are there other designs you'd like to see represented?
- How important is reducing the out of pocket maximum?
- How important is having HRA/HSA funding included?
- Would you like to see lower cost plans with narrower networks?

Current Plan Designs

