

Health and Welfare Today & Tomorrow: Compliance, Cost Mitigation and Wellbeing

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Convocation
The Spirit of Collaboration



Wellness Activity

Health and Welfare Today & Tomorrow

**Compliance, Cost Mitigation and
Wellbeing**

Compliance –

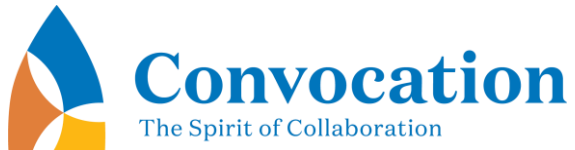
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Cost Mitigation –

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Wellbeing –

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Compliance

Compliance

- ACA Reporting
- Temporary Extension of HDHP Telehealth Relief
- COVID-19 National Emergency Extended... Again
- Public Health Emergency Renewal

Cost Mitigation

Cost Mitigation

- **Self-funding.** More control over your Plan and its costs. Self-funding is easy to do with the right carrier partner and re-insurer. Greater control of benefit decisions, eliminate state premium taxes, able to offer unique benefits
- **Pharmacy Carve-outs.**
 - Carve-outs enable self-funded plan entities to contract separately with a Rx-specific vendor like a PBM
 - Rx utilization and spend continues to rise which dramatically increases the total bottom line – as a result carving out Rx should be on every self-funded plans radar
 - Provides better control, visibility and savings
 - Ensures actual guarantees, better negotiation power, and full access to data
 - More flexibility on plan customization and ability to aggressively manage Rx costs outside of the medical plan
 - Lower costs for members/patients
 - Stronger contract terms with ability for plan to receive and verify full pass-through of rebates, etc.

Cost Mitigation

- **Reference-Based Pricing.** Nothing new as there's been some sort of fee/procedure caps for years. What's different today is that the vendors that offer RBP will negotiate with providers to accept their fee which is usually 110% of Medicare. Only works with self-funded plans.
- Upside? You'll see immediate savings on large procedures.
- Downside? Many members will be balanced billed if the provided doesn't accept the fee.
- **Single Service Providers.** These are vendors that carve out high cost services such as Imaging, certain elective surgeries and virtual primary care. For Imaging, MIRs and other complex radiology would flow through a separate network. Elective surgeries such as a knee replacement would be set up via third-party vendor at one of their contracted facilities. VPC is a hybrid form of telemedicine that is usually capitated and takes full risk of each physician encounter.

Wellbeing

Wellbeing

- **Wellness Programs.** What do your programs look like? Do they work and what is the ROI?
- **Focused Wellness.** In life, its pretty much the 80/20 rule for everything, right? Do you have highly focused wellness programs that target the 20% of your population that uses 80% of your healthcare dollar?
- **Metabolic Syndrome Focus.** High Blood Pressure, Diabetes, Pre-diabetic, Cholesterol and Obesity. Each diabetic on average adds about \$15,000 to Plan costs annually.
- **One Drop.** Is just one of several vendors that are focused on diabetes and compliance to reduce overall costs to the Plan. They also have similar programs that address cholesterol and high blood pressure as many times these conditions are shared.
- **Virtual Primary Care.** 10% to 15% of your population doesn't have a relationship with a PCP which causes them to use urgent care or the ER, both high-cost facilities and they also fail to identify and/or treat any of the above mentioned conditions. Having no-cost access to care would help eliminate some of these costs and also improve the overall wellbeing of your employees.



Discussion

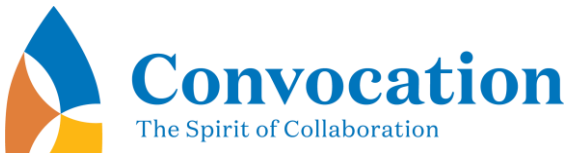
Thank you.

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