

*The
Wild
West
of
Benefits*

SWBA

**43RD ANNUAL
CONFERENCE**

MAY 9-11, 2018

**HYATT REGENCY
LOST PINES
AUSTIN, TX**

Leading the Wagon Train: Aligning Benefits Vendors with a Clear Vision

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Healthcare is in flux

 MERCER

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Monitoring/managing high-cost claimants



Focused action to manage cost for specialty pharmacy



Focused strategy for creating a culture of health



Offering employees more plan/benefit options with decision-support tools



Point solutions – high-tech/high-touch support for physical/mental/financial health



ACO and other high-performance network strategies



Employers rate importance of their strategies for the next five years

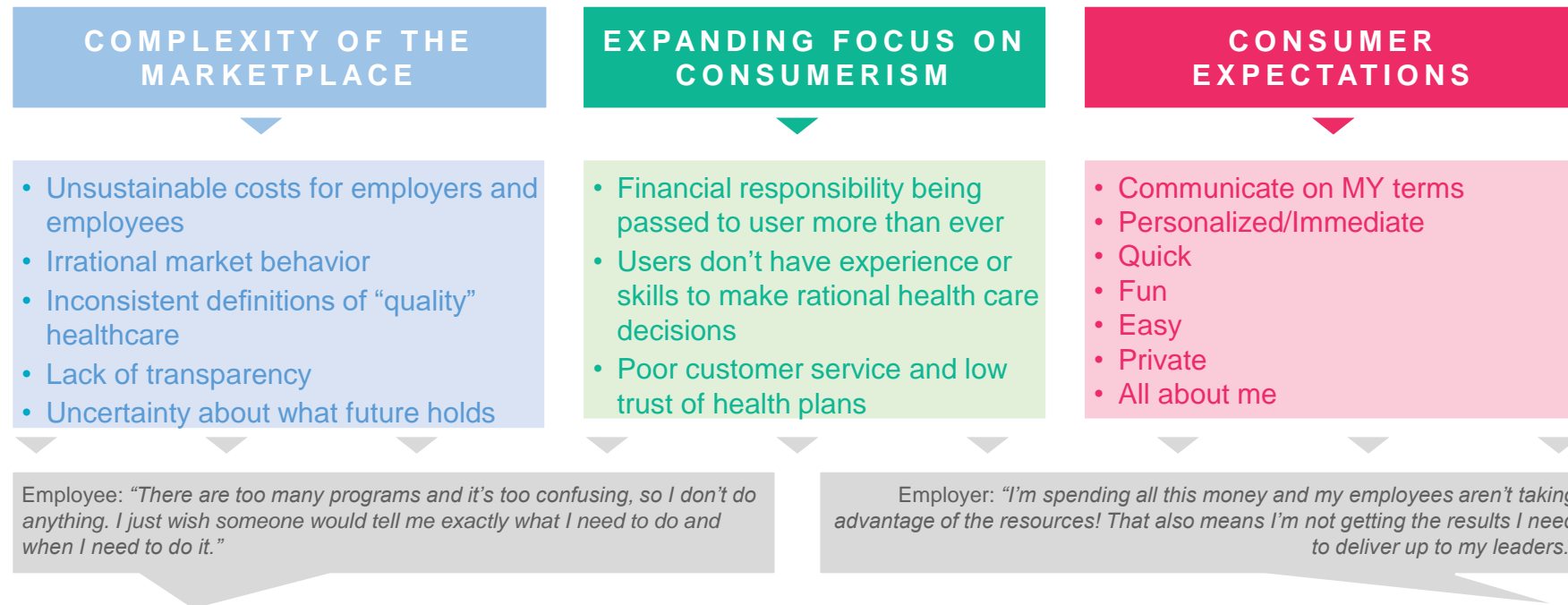
Target health system flaws to improve patient care and manage cost—without cost-shifting



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Why navigation & health advocacy? High tech and high touch

Digital Navigation and Health Advocacy solutions have emerged in response to the following challenges:



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**Wanted! New ways for
employers to manage health
benefits cost and help
employees thrive**



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Highlights: Dean Foods Today



National Brands



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Highlights: Dean Foods Today

- Nation's largest fluid milk processor with 38% of the market share
- 2017 Net Sales of \$8.8 billion
- One of the largest refrigerated Direct Store Delivery (DSD) networks in the country
- 50 regional brands and private labels
- 5,800 company-owned DSD routes
- 75 plants; 160,000 locations served
- Industry consolidating, but still highly fragmented

Dean Foods Health Care Strategy

Recalibrated
benefits
philosophy to:

- Move to **consumer model** where member behaviors and outcomes have **financial implications**
- Shift to **evidence-based medicine** to drive employee **accountability**
- Expand the **choice** of health plan alternatives and **tools** offered to employees

Evidence-
based
Medicine

Consumerism
&
Transparency

Optimized
Plan
Offerings

Enhanced
Account
Vehicles

Targeted
Plan
Eligibility

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2018 Vendor-Partner Governance Model



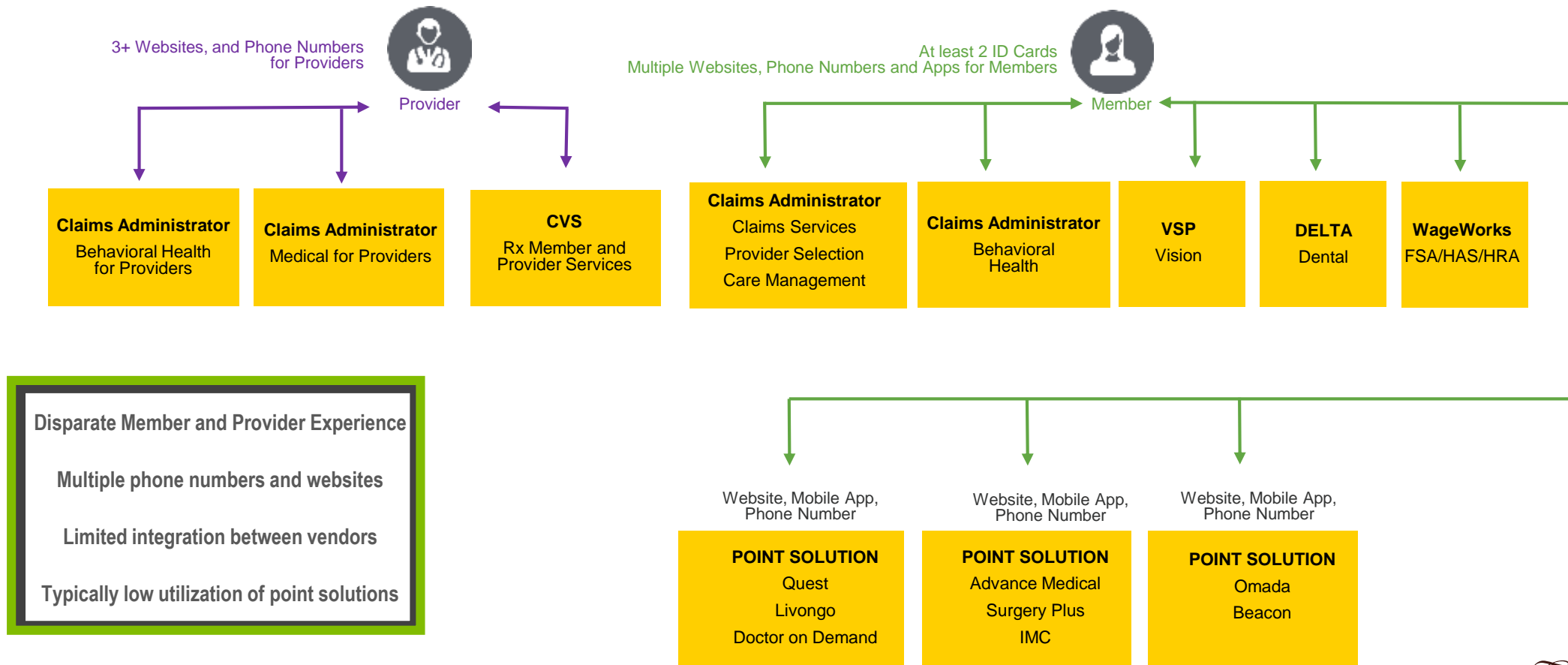
SmartChoice CarePath 1.0

- Hub & Spoke model
- Evive as the Care Navigator (Hub)
- Vendors connected through data exchanges and single sign on connectivity

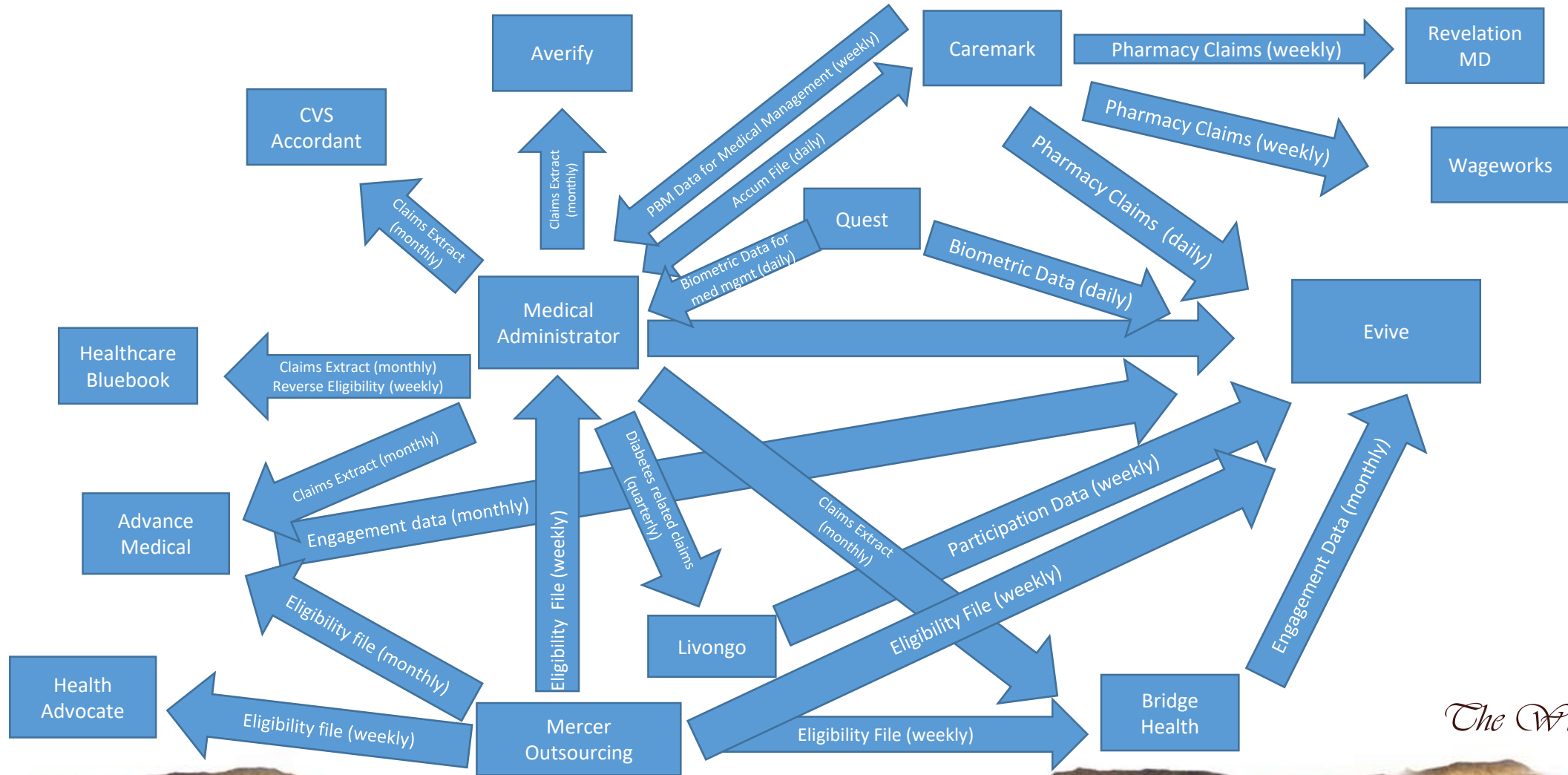


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Member and Provider Experience Prior to Quantum Health (2018)



Vendor-centric model prior to 2018



SmartChoice CarePath 2.0

- One Front Door - one portal, phone number and member app
- Conversion from vendor-centric Hub & Spoke Model to member-centric Funnel Model
- Care coordination, benefit navigation & advocacy from one solution staffed with Quantum Personal Care Coordinators
- Fueled by data analytics from Evive
- Energizes care point solutions



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Healthcare Journey

NO ONE CHOOSES TO BECOME A HEALTHCARE CONSUMER

50% of patients reported confusion and not understanding what doctor told them while in their office

People get stuck and need human help no matter their socio-economic status

Average healthcare journey lasts about **11 months**

Engage with **5 -7 providers**

41 decisions need to be made

61% of Self-Referrals get it wrong, resulting in **33% higher costs**

24% left the physicians office with important **questions unanswered**

Incur on average **25 – 50 claims**

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Quantum Health Model for Dean Foods

1

Front Door for Benefits

2

Customized Carepaths – MSK

3

Integrated Live & Digital Navigation

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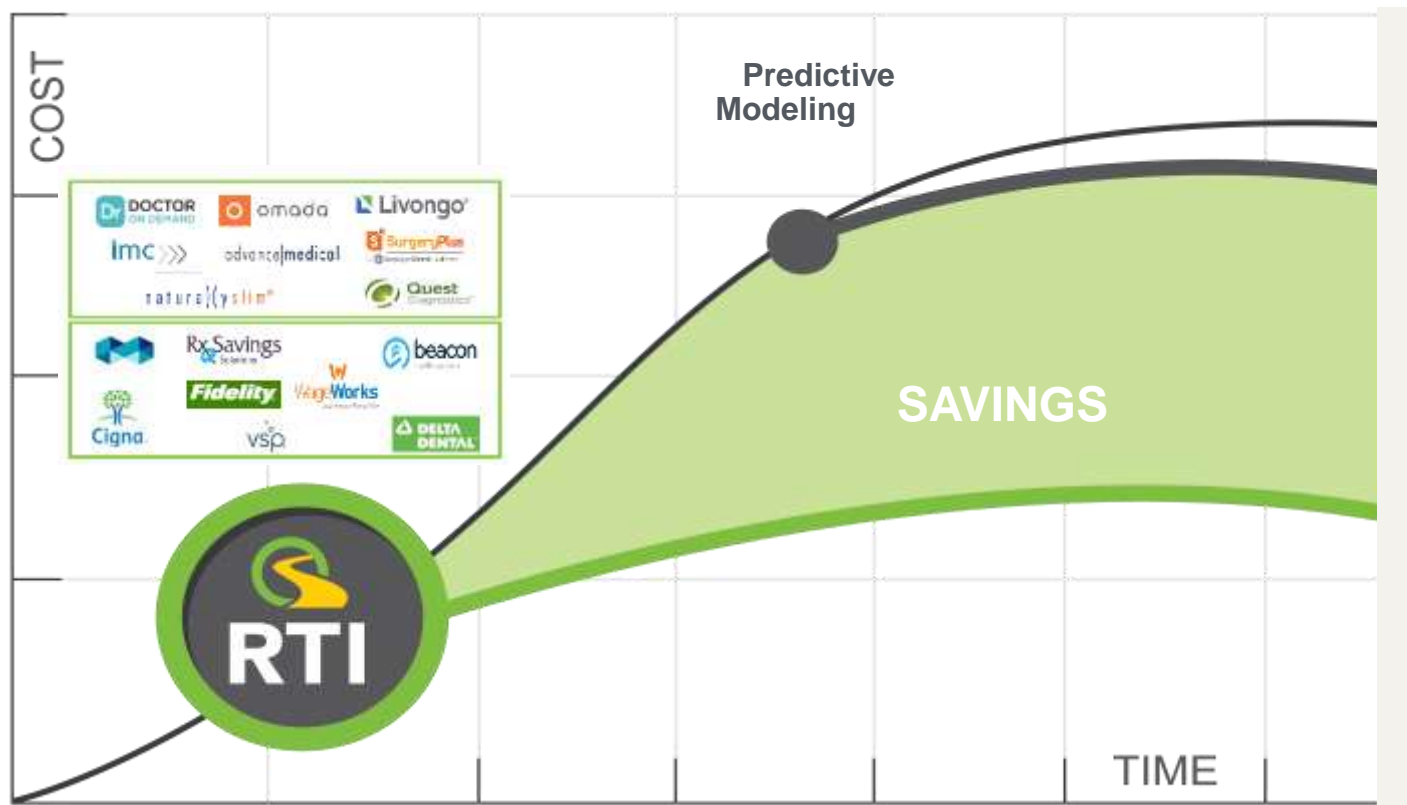
Front Door

Single point of entry for members and providers



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Real-Time Intercept™



FOR THE MEMBER

- Timely engagement—earlier in journey
- Prevent “false starts”
- Provider collaboration leads to member trust

FOR DEAN FOODS

- 87.7% of members identified through Real-Time Intercept
- Optimized utilization of all of Dean Foods’ Benefits and Point Solutions

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Quantum Health Impact*



41% of Employees Engaged
4.0 Conversations/Employee

42% of Members Engaged
2.4 Conversations/Member

- 11,000+ Conversations within first two months
- 7.2 Minutes – average conversation with Employee/Members
- 5.5 Minutes – average conversation with Providers

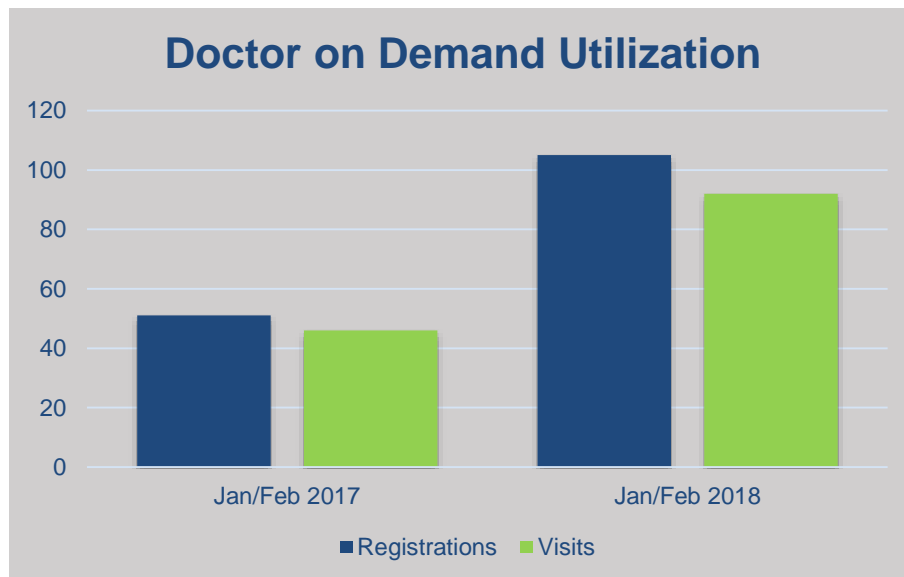
“I just had one of the best experiences I have ever had speaking to my Health Insurance. Nicole took the time to explain it all to me. I really appreciate her. I have had Blue Cross coverage forever, so I was skeptical about calling in. After talking to Nicole I feel like everything is going to be great this year.”

– *Pleased Member*

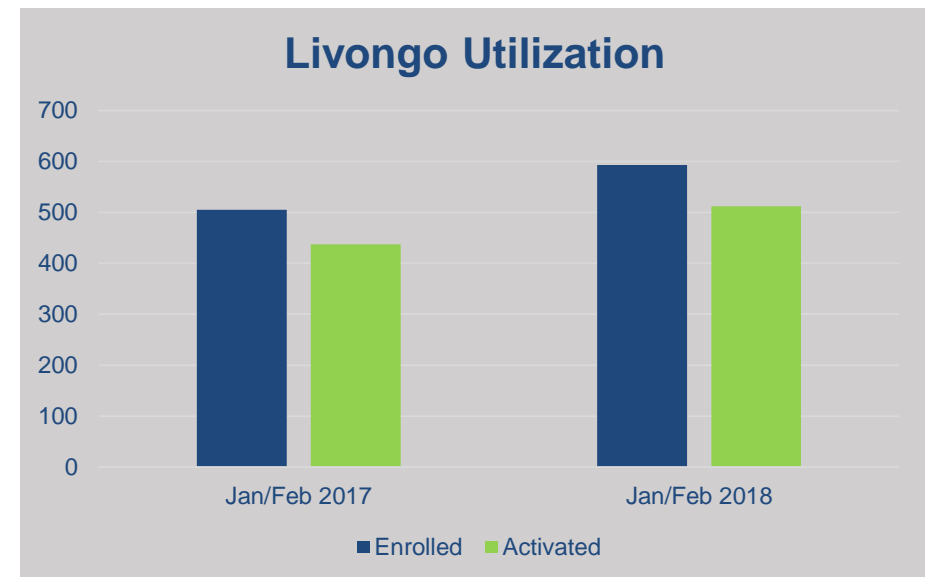
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Quantum Health Impact on Vendor Partner Utilization*

100%+ Increase in Registration/Visits for Doctor on Demand



17% Increase in Enrollment and Activation for Livongo



*Impact for Dean Foods – Thru February 2018

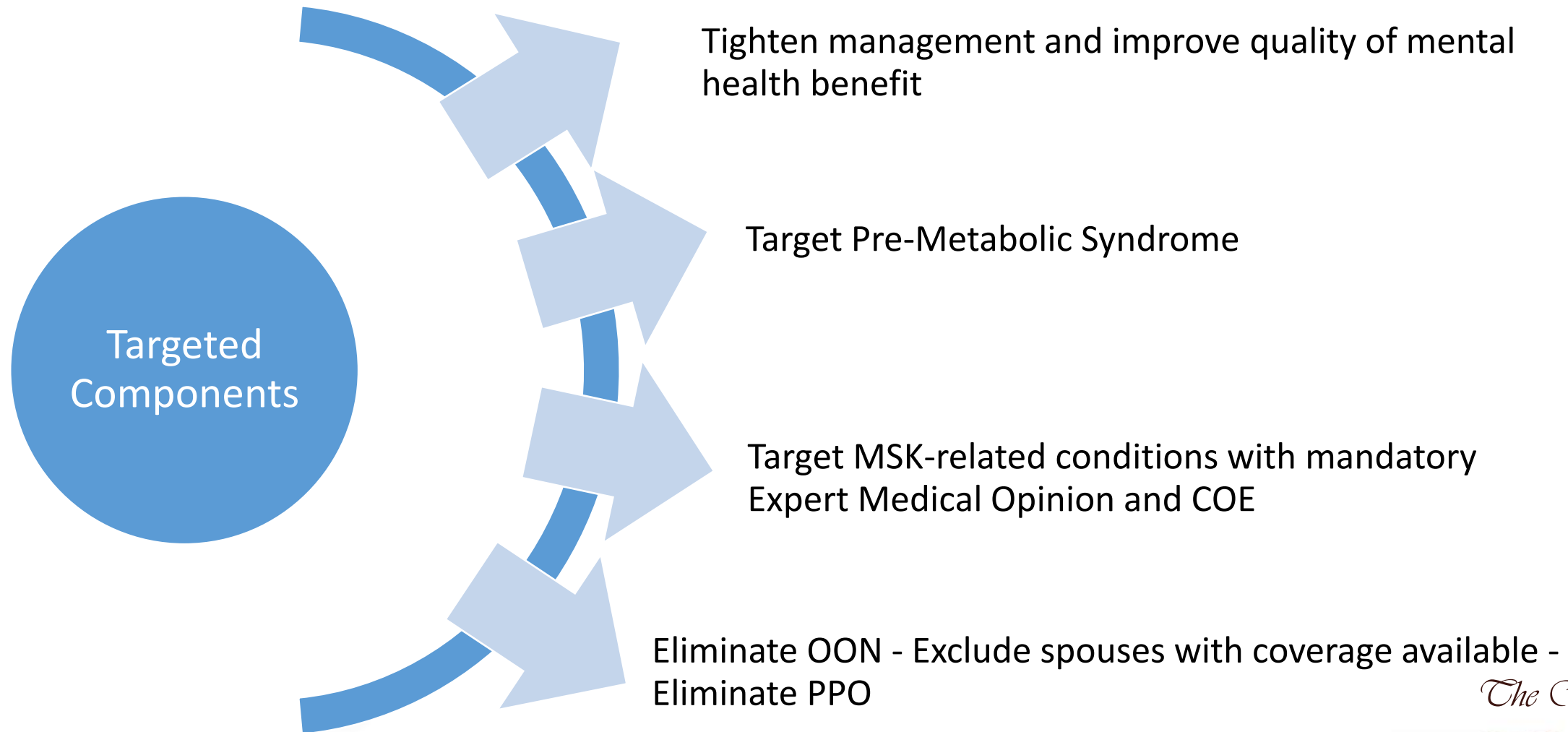
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Quantum Health Book of Business Results Summary

ENGAGEMENT MEMBER NPS of 74	84% of households engaged	95% Engagement on claims over \$10k	99.5% Engaged on claims over \$200k	4.7 to 37.5 Conversations per year
CLINICAL	+14% Increase in primary care & preventive services	-12% Reduction in hospital inpatient days	-32% Reduction in hospital readmissions	-6% Reduction in cost of cases > \$25k
CLAIMS	-5% First year claims reduction	1.9% vs 6.5% Year-Over-Year Trend	-12.5% Savings over 3 years	\$756 Average PEPY gross savings in Year 1

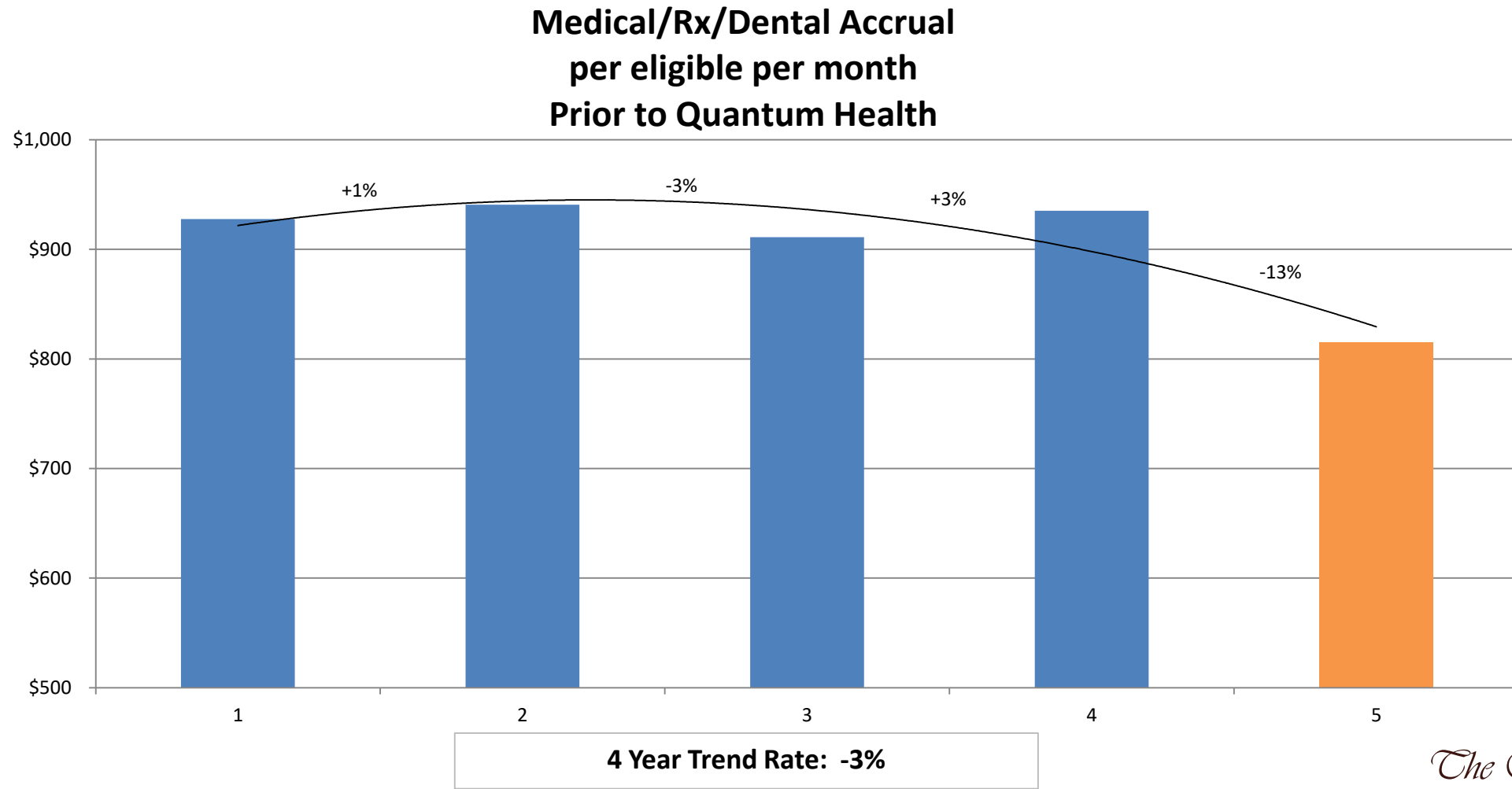
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Sharpening the Focus for 2018



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Expected Results from 2018 Initiatives



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Thank You!

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