



17th Annual Customer Conference

August 29, 2024

UNMASK THE SECRETS
to controlling health care costs.



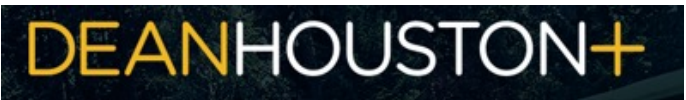
WELCOME

AMANDA GUINAN
VICE PRESIDENT, BUSINESS DEVELOPMENT & COMPLIANCE



SILENT
AUCTION

THANK YOU TO OUR PARTNERS





Talbert House is empowering children, adults and families to live healthy, safe and productive lives. The agency's network focuses on prevention, assessment, treatment and reintegration. Originally established as a halfway house, Talbert House has grown to offer services in Addiction, Community Care, Court & Corrections, Housing, Mental Health, and Primary Care. These services are provided at multiple sites throughout Southwest Ohio.

With a workforce of over 900 employees, Talbert House is focused on the men, women, and children entrusted to its care each day, making it easier for them to access services and take advantage of all that is offered.

Last year, Talbert House served over 39,000 clients face to face with an additional 103,000 receiving prevention and hotline services.

For more information, visit www.talberthouse.org.



we put people to work!

Ohio Valley Goodwill is a nonprofit organization dedicated to enhancing the quality of life for individuals and families by strengthening communities, eliminating barriers to opportunity, empowering individuals, and elevating the human potential through the power of work. Goodwill, a valuable community partner for more than 100 years, envisions the Ohio Valley region as a vibrant, sustainable community, rich with opportunities for individuals to live dignified and purposeful lives.

The organization also has a long-standing commitment to the environment to re-use, renew, and recycle. Through its network of donation centers and retail stores that fuel Goodwill's mission, the organization diverts more than 44 million pounds of donated product from area landfills each year.

For more information, visit <https://www.cincinnati goodwill.org/>.



CHNK Behavioral Health continues its evolution of service to community from its humble beginnings as an orphanage to the premiere trauma-informed health care organization it is today. It provides behavioral health and substance use treatment services for children, teens and adults in an inclusive, innovative and inspiring environment.

CHNK Behavioral Health envisions a community free from adverse environments and childhood experiences that limit hope and opportunity – a community that is safe, acknowledges human emotion and loss, and empowers future possibilities.

For more information, visit www.chnk.org.

SURVEYS

Customer Satisfaction Survey



Customer Satisfaction Survey

We value your feedback. Thank you for completing this survey.

Please tell us about your relationship with CDB – check which applies to you:

I am:

☐ Self-Funded Group Customer

☐ FSA/HSA/HRA Customer

☐ FMLA Customer

☐ COBRA Only Customer

☐ Other _____

☐ Broker/Consultant

Conference Survey



Customer Conference Survey

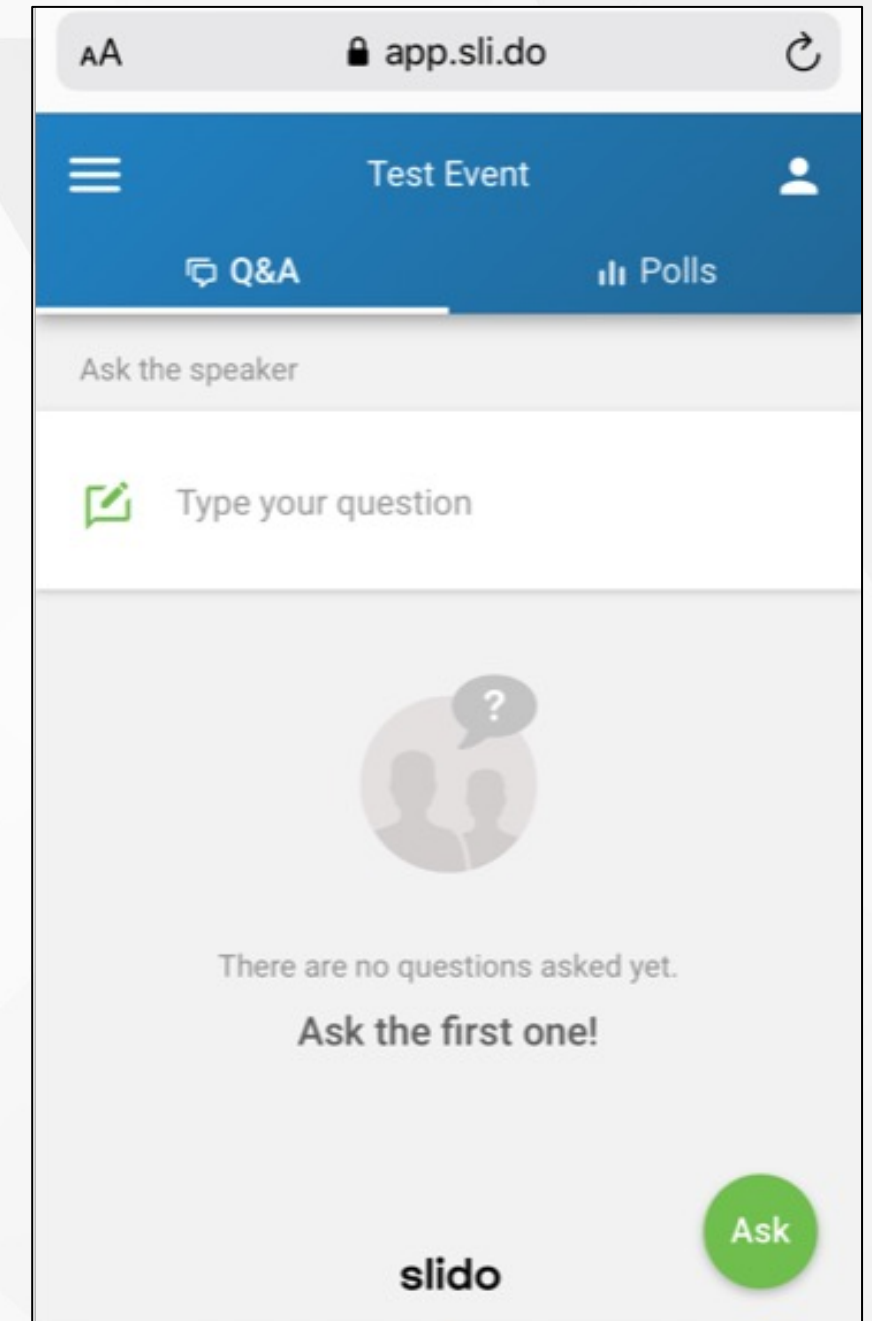
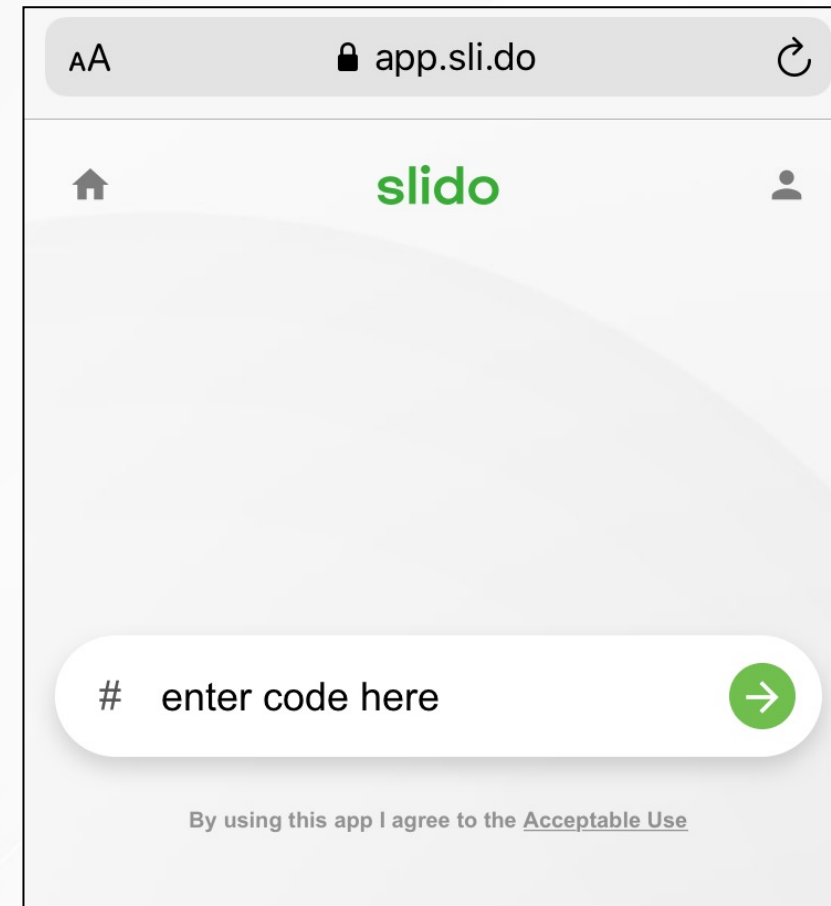
Please complete this brief survey. Your comments are appreciated and will help us plan future conferences.

Please indicate your satisfaction with the following ...	Very Satisfied	Satisfied	Dissatisfied	Very Dissatisfied	Comments
The Conference overall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
The Conference facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
The Conference Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



Q&A

- Go to slido.com
- Enter event code # **1979797**



OUR AGENDA

8:30-8:45am	Welcome
8:45-9:30am	Year in Review and A Look Ahead
9:30-10:30am	Weighing in on Coverage of Weight Loss Drugs and Programs: GLP-1 The New Era of Treatment
BREAK	
10:45-11:15am	End-to-End Management for Cell & Gene Therapies
11:15-12:00pm	Managing Pharmacy Spend in a Self-Funded Health Benefit Plan
LUNCH	
12:45-1:15pm	Demystifying Artificial Intelligence
1:15-1:40pm	TrueCost 3.0
BREAK	
1:50-2:55pm	The Future State of Health Plan Design and Cost Containment
2:55-3:00pm	Wrap Up
3:00-4:30pm	Happy Hour & Silent Auction * Silent Auction closes at 3:30pm

YEAR IN REVIEW AND A LOOK AHEAD

JULIE MUELLER
PRESIDENT & CEO



WHO WE ARE

Founded in 1991

The Region's Largest Independent, Full-Service Third-Party Administrator

National Leader in Reference-Based Pricing Plans since 2012

A Top Workplace

A Certified Women's Business Enterprise



Twenty-three Fundamentals that describe who we are, how we do our work, and how we treat our clients, partners and each other.

1. TAKE CARE OF OUR CLIENTS
2. GET THE FACTS
3. DELIVER RESULTS
4. BE A FANATIC ABOUT RESPONSE TIME
5. OWN IT
6. BE A GREAT TEAMMATE
7. HONOR COMMITMENTS
8. CHALLENGE THE PROCESS
9. LISTEN GENEROUSLY
10. MAKE QUALITY PERSONAL
11. BE POSITIVE AND "BRING IT"
12. SPEAK OPENLY
13. GET CLEAR ON EXPECTATIONS
14. ASSUME POSITIVE INTENT
15. PRACTICE BLAMELESS PROBLEM SOLVING
16. ALIGN WITH CHANGE
17. COMMUNICATE PERSONALLY
18. CREATE THE "WOW"
19. WORK SMART
20. BE A LIFE LONG LEARNER
21. TAKE CARE OF YOURSELF
22. CELEBRATE SUCCESS
23. KEEP THINGS FUN

OUR STRATEGIC FOUNDATION

Who We Serve/Our Core Client

Employers who value benefits and long-term partnerships

Core Strength

Excellent customized
service driven by The
Custom Way

Competencies

Critical Thinking
Challenge the Process
Manage External Partnerships

Operating Model

Customer-Focused
Relationships

Core Values & Beliefs – Serving with C.A.R.E.

C – Commitment
R – Respect & Integrity

A – Accountability
E – Excellence

Purpose (Why We do What We do)

We care about improving lives

What We Do

Providing innovative cost containment solutions for employee benefits

FULL SERVICE & FULLY CUSTOMIZABLE

Administration of Self-Funded Plans	Compliance Administration & Support Solutions	Medical and Pharmacy Risk Management	Cost Containment Solutions	Advanced Data Analytics	Administration of Custom Flex	FMLA & Leave Management
<ul style="list-style-type: none"> • Medical with PBM integration • Dental • Vision • Hybrid Insurance Plan (HIP) - Advanced HRA 	<ul style="list-style-type: none"> • Compliance Support • COBRA administration • SPD & Plan Documents • Claim fiduciary services 	<ul style="list-style-type: none"> • TrueCost Rx – Reference-Based Pricing on Pharmacy • Independent Specialty Drug Prior Authorizations • Custom Care Population Health Management • In-House Utilization & Case Management 	<ul style="list-style-type: none"> • TrueCost Reference-Based Pricing • Bundled payments and Centers of Excellence • Telemedicine • Behavioral health & EAP • Find a Provider • Direct Primary Care 	<ul style="list-style-type: none"> • Executive Dashboard • Integrated medical & prescription data • Monthly & on-demand reporting 	<ul style="list-style-type: none"> • Flexible Spending Accounts • Health Savings Accounts • Health Reimbursement Arrangements 	<ul style="list-style-type: none"> • FMLA • Short Term Disability

EXCEPTIONAL QUALITY & CUSTOMER SERVICE



- 99.95% Financial Accuracy
- 100% of all high-dollar claims over \$10,000 are reviewed pre-distribution
- 99.50% of calls answered before abandoned
- 99.50% Payment Accuracy
- 99.78% Procedural Accuracy
- 100% of all phone calls recorded and tracked

LEADERSHIP TEAM



Julie Mueller
President & CEO



Amanda Guinan
VP, Business Development & Compliance



Steve Fiorino
VP, Operations



Alberta Manga, R.N.
Director, Medical & Risk Management



Rachel Jones
Director, Client Services



Deb Williams
Director, Finance



Anna Brooks
HR Manager



Barb Carmack
Sr. Project Manager

ACCOUNT MANAGERS



Tyler Daniels



Nicole Dornbusch



Jen Kiefer



Amie Wiesman



Ashley Brueshaber



Debbie Schmidt



Nicole Smith

CLIENT SUPPORT SPECIALISTS



Shalana Caldwell



Marcia Homer



Maggie Laib

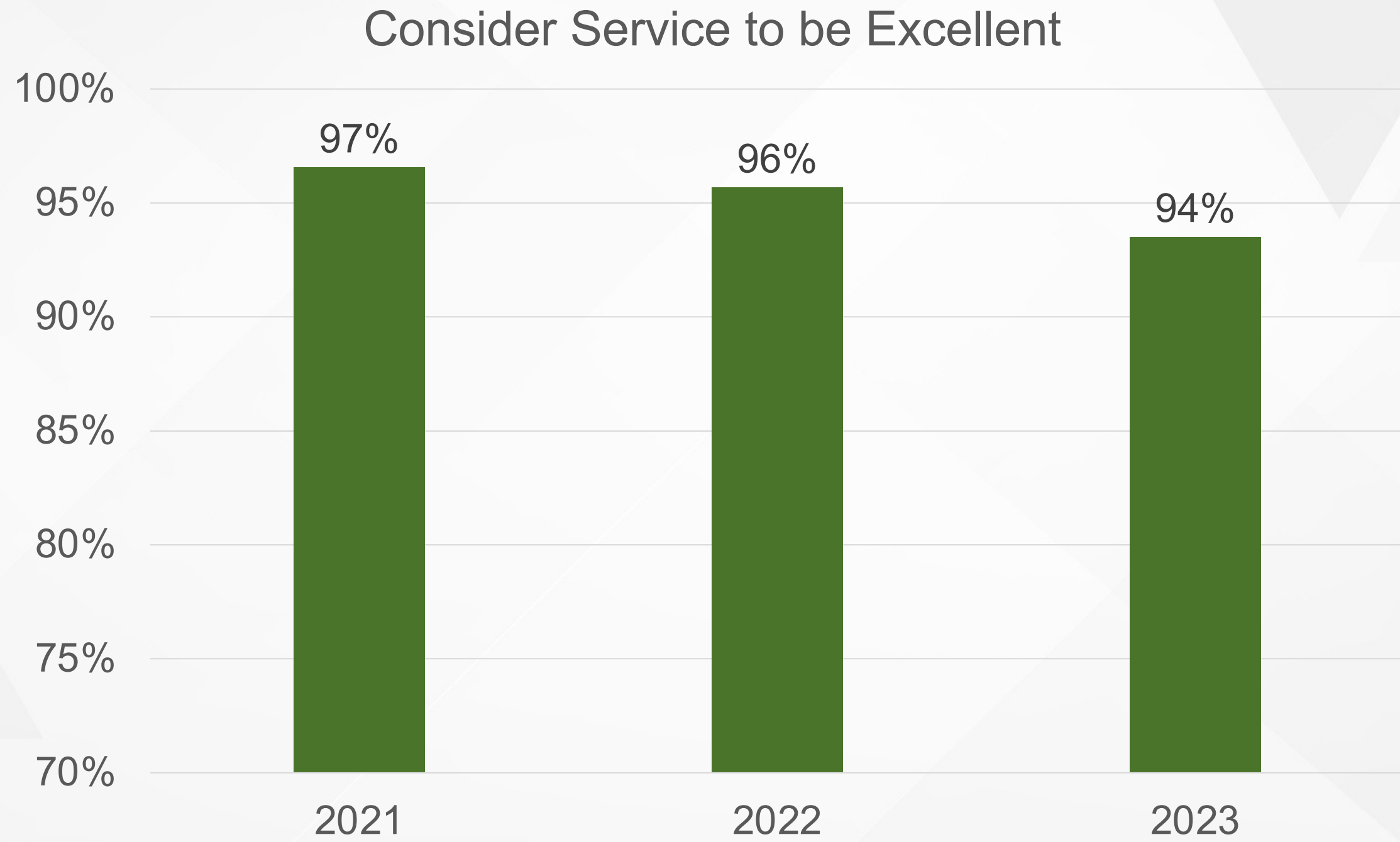


Tianna Shelby

YEAR IN REVIEW



2023 CUSTOMER SATISFACTION SURVEY RESULTS



2023 ORGANIZATION STRUCTURE

Client Services

- Sales
- All Account Managers - Group & CDS
- Customer Support Specialists *
- FMLA
- Compliance
- Stop Loss
- Reporting

Operations

- All Member & Provider Customer Service Calls
- All Eligibility & COBRA
- All Claims – Medical, HIP, Flex, HRAs
- All Systems – VBA, Wex, COBRApont, AbenceSoft, Profits
- All Disbursements
- All EDI

Shared Services

- Medical & Risk Management
- QA/Training
- Accounting
- Marketing
- IT
- HR

REALIGNMENT ACCOMPLISHMENTS

- Completed Items:
 - Moved of all Systems, Claims, Eligibility, and EDI to Group Operations
 - Added Data Coordinator role to process all Eligibility and Contribution files
 - Added Flex Benefits Administrator role
 - Moved HIP claims processing to VBA (medical claims system)
 - Merged Cobra and Eligibility teams
 - Merged CDS Account Managers with Group Account Managers to form Client Services Team
 - Additional training on technologies
- In progress:
 - Updating and streamlining plan profiles
 - Cross-training MSSs and BAs for Flex, HIP and Medical



OUR PARTNERSHIP WITH CURALINC HEALTHCARE



CuraLinc provides a contemporary and engaging workforce mental health program

Founded in 2008 • 271 employees • Access to over 28,000 providers in the U.S.



Global footprint

- Headquartered in Chicago
- Employee assistance (EAP) and mental health programs in over 200 countries and territories
- Over 8 million employees served



Quality

- CuraLinc Net Promoter Score: 74
- Data-driven approach to care delivery
- 94% member satisfaction rate



Partnership goals

- Fill the gap of behavioral health
- Reduce unnecessary MHSA claims
- Increase plan efficiencies when acute MHSA cases arise
- Positively impact health and productivity



CuraLinc Healthcare

Transformative Mental Health Care Fueled by Connectivity

	1q23	2q23	3q23	4q23	1q24	Benchmark	Total
Population	5,444	5,566	5,871	6,870	8,976		
Case Utilization (annualized)	3.31%	4.38%	3.20%	1.75%	2.63%	3-5%	2.89%
Program Utilization (annualized)	56.21%	34.42%	27.93%	33.13%	32.75%	20-30%	32.15%

89%
Of users with depression showed improvement
(Tool used: PHQ-9)

78%
Of users no longer had a productivity problem after treatment
(SPS-6)

93%
Of users with anxiety showed improvement
(GAD-7)

5.8
EAP participants missed 5.8 fewer work hours after treatment
(WOS)

74
Net Promoter Score

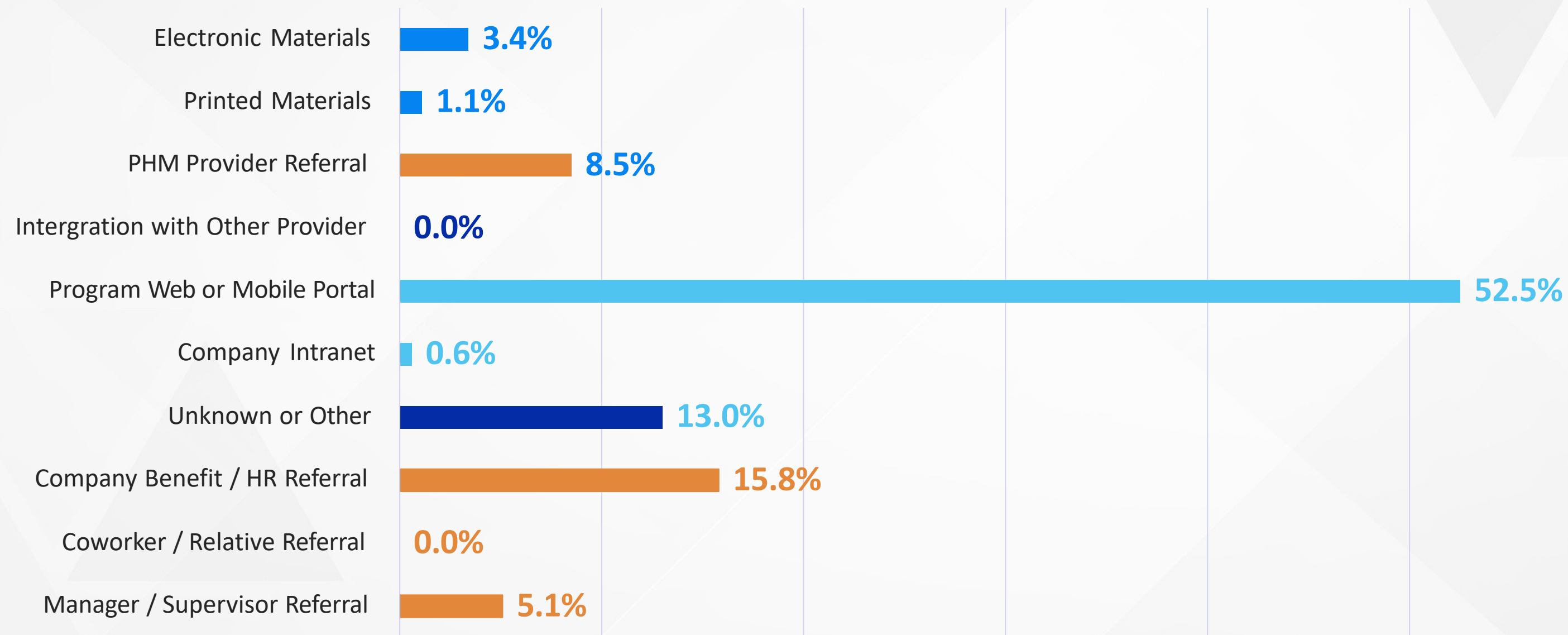
1.5
Average speed to care (in days)

5.2-to-1
Client ROI across BoB

99.49%
Of cases resolved within the program

PROGRAM ENGAGEMENT

Origin of engagement with the program



Communication

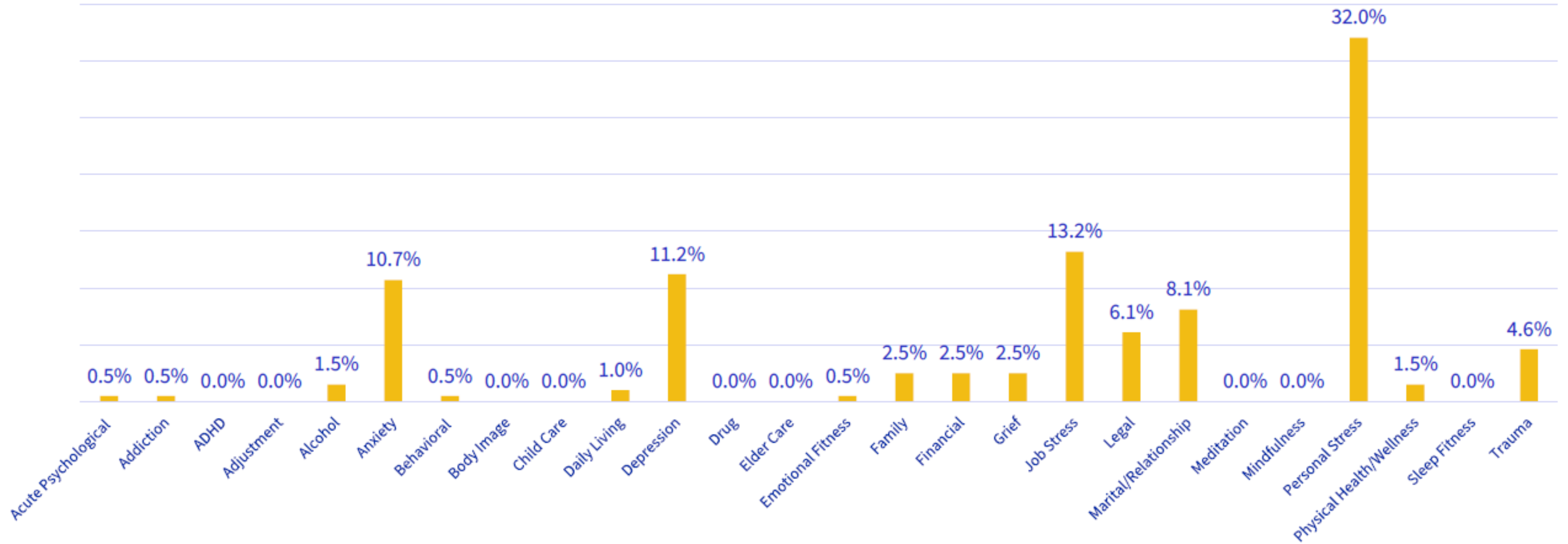
Integration

Technology

Referral

SUPPORT: PRESENTING ISSUE

Presenting issue



MINDSTREAM™

A “FITNESS STUDIO” FOR THE MIND

Mindstream™ fosters a habit-forming experience, powered by choice and preference

Dynamic live and on-demand modules that strengthen emotional fitness

- Users can choose their favorite instructor, topic/subject, modality (audio/video) or session length (2 min, 5 min, 10 min, 15 min, 20 min)
- Regular guest instructors with a large social or subscription base (example: Breathwrk series)
- Choose one **session** at a time – or a **stream** of sessions that meet a specific goal or objective
- Woven into the workplace (Zoom, Microsoft Teams, Microsoft Outlook, iCal and Google Calendar)

Benefits

- Engages hard-to-reach employees, increasing utilization of the EAP
- Provides users with a new avenue to consume care and support
- Supports the portion of every population who needs preventative care
- Reduces the likelihood of a clinical mental health problem

- Topics include:
- Addiction
 - Diversity, Equity and Inclusion
 - Emotional Health
 - Family & Parenting
 - Grief & Loss
 - Leading People
 - Thriving at Work
 - Mindfulness & Meditation
 - Personal Growth
 - Physical Health
 - Relationships
 - Sleep & Rest
 - Stress & Worry

Sample Stream

Sleep Better Tonight	
Learn practical strategies and breathing techniques for a restful night.	
Sleep 101	5 min
Finding calm	5 min
Everyday actions to improve sleep	5 min
Resetting the brain's anxiety response	3 min
Sleep well	10 min

DIRECT PRIMARY CARE & NEAR SITE CLINICS

Increase quality of care while decreasing healthcare costs for an employee health plan

- Insurance is not billed
- No fee or copay for each office visit
- Visits are unlimited
- Average Direct Primary Care Practice has 600 patients vs typical Fee-for-Service Primary Care Doctor has 2,500
- Near-site clinics shared by employers; locations with close proximity to work, home or virtual



CDB

PLAN RECOMMENDATIONS

- ✓ Cell and Gene Therapy – Exclude or use COE*
- ✓ TrueCost*
- ✓ TrueCost Rx*
- ✓ Direct Primary Care*
- ✓ Near-site Clinic*
- ✓ Children's Hospital Age Limit*
- ✓ Teladoc*
- ✓ Mental Health Services*
- ✓ Spousal Parity*
- ✓ Eliminate Dispense as Written*
- ✓ Update Subrogation Language*
- ✓ Christ Hospital Centers of Excellence (Knee/Hip/Shoulder & Cardiac)*
- ✓ Organ Transplant Centers of Excellence*
- ✓ Trailing Spouse*
- ✓ Alternate Specialty Rx Funding*
- ✓ Non-Network Reference Based Pricing (PPO only)

* Part of CDB's own health plan

WHAT'S AHEAD



- A successful open enrollment season
- TrueCost 3.0 In-House End-to-End Patient Advocate with Patient Defense
- Expansion of Cell & Gene Therapy Solutions
- Near-Site Clinic Update
- WEX FSA/HRA/HSA Platform Enhancements
 - Enhanced Reporting through Smartview
 - WEX Mobile Wallet

POTENTIAL MEMBER RESOURCES FOR MENTAL HEALTH AND WELLBEING



- Sober SideKick
 - App & social network that helps you maintain sobriety by connecting anonymously with people who can empathize with where you are
 - 24/7 AA meetings
 - Accountability partners
- Goldfinch Health
 - Faster surgical recovery
 - Lower costs
 - Evidenced-based, opioid minimizing pain management

OUR CLIENTS





QUESTIONS?

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www.CustomDesignBenefits.com
800.598.2929

MANAGING PRESCRIPTION DRUG COSTS

AMANDA GUINAN



MANAGING PRESCRIPTION DRUG COSTS

CDB'S 8 STRATEGIES TO CONTROL PHARMACY COST

Strong PBM contracts

Specialty drug prior-authorizations through RxResults

Copay assistance programs for Specialty Rx

Alternate funding programs for Specialty Rx

TrueCost Rx/RBP

Carve out Cell and Gene Therapy

International Sourcing - Pilot

Manage Pharmacy Cost in the Medical Plan

PARTNER IN
TRANSPARENCY & SAVINGS



100% transparent pricing

Preferential Contract Terms

- Single source of AWP
- One MAC List
- Pass-through pricing limits invoice amount to exact amount paid for each dispensed RX (no spread)

In addition to formulary rebates, CDB passes through price protection, performance incentives & market share rebates

Book of Business Revenue Reconciliation Additional pharmacy revenue to Plan		
	2022	2023
Rebates Guaranteed	\$3,139,160	\$3,139,160
Total Rebates Received	\$3,863,511	\$3,863,511
Additional Rebates Passed to Clients	\$724,351	\$913,647

PHARMACY COST STRATEGY #1

PARTNER IN TRANSPARENCY & SAVINGS



Kroger
Prescription
Plans



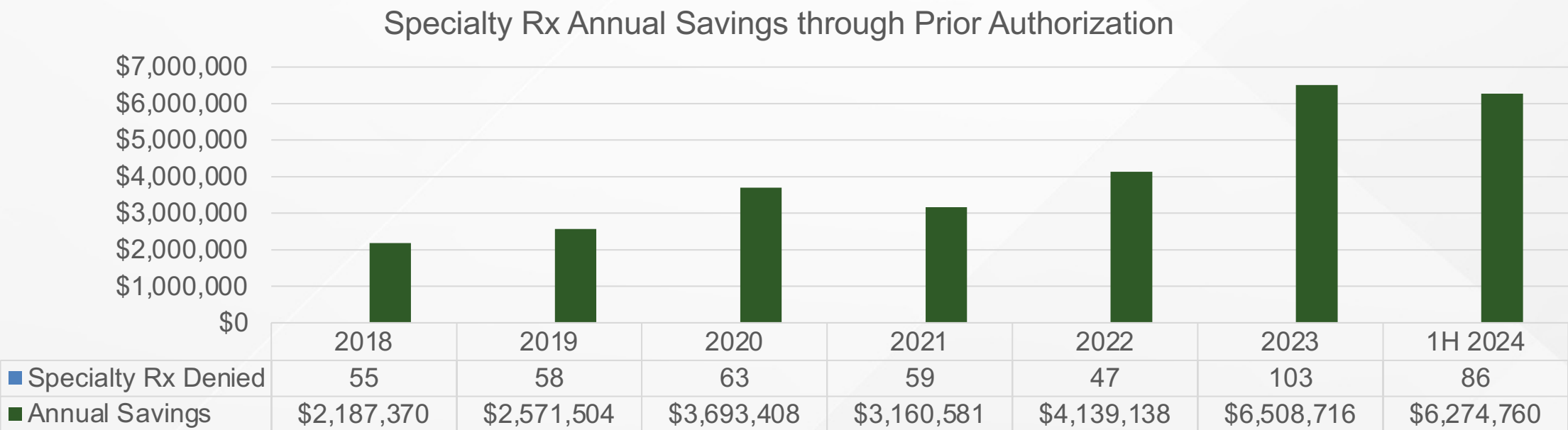
- 100% transparent pricing
- Wholly owned subsidiary of The Kroger Co.
- Providing PBM services since 1993
- Contracted with over 65,000+ pharmacies nationwide
- Over 292,000 members
- Maximize discounts by leveraging 2,200+ Kroger Pharmacy's retail locations

Book of Business Rebates		
	2022	2023
Total Rebates Received	\$1,224,534	\$2,267,690

PARTNER IN TRANSPARENCY & SAVINGS



- Independent prescription risk management company reimbursed by flat monthly fee – no other revenue
- Partners with University of Arkansas College of Pharmacy
- PA of Specialty Medications broken out from PBM 2018
- All approved specialty medications followed by nurse case manager
- Evidence-based recommendations
- Non-biased peer-reviewed studies
- Immune to marketing trends
- Priority on efficacy over rebates



ALTERNATE FUNDING/ PATIENT ASSISTANCE



- Designed to comply with ERISA, HSA, HDHP, tax and discrimination regulations
- No international sourcing
- Appropriate utilization of alternate funding programs
- Reduces member specialty drug copay by using alternate funding to offset out of pocket.
 - 01% of RXs
 - Significant Plan Savings
 - Member saves deductible, coinsurance or copay

Many Factors Can Influence Meeting Alternative Funding Program Criteria:



Disease based



No “off-label” use; FDA approval for the therapy



US Citizen



Residency – State, County, City



Household income - Size & \$ =
“economic burden”

2022 Book of Business Cost Avoidance

Distinct Members	140
Cost Avoidance (net fees)	\$3,548,685

2023 Book of Business Cost Avoidance

Distinct Members	145
Cost Avoidance (net fees)	\$3,121,415

TRUECOST RX

THE CUSTOM SOLUTION FOR ESCALATING RX PLAN COSTS

Reference Pricing – All Recommended Therapeutic Classes

- Includes ADHD, antidepressants, and anticonvulsant/neuropathic drug classes
- 15-30% expected member savings on targeted drugs

SAVINGS

9 -11% expected
overall Rx plan savings

Book of Business Savings

11 Clients	2022	2023
	\$132,078	\$142,633

PHARMACY COST STRATEGY #6

CELL & GENE THERAPY TREATMENTS

1 IN 10 AMERICANS HAVE A RARE DISEASE

UP TO \$17.2 BILLION IN ESTIMATED GENE THERAPY COSTS BY 2027

UP TO \$3 MILLION COST ON A SINGLE CLAIM



Why is it important to have a solution for Cell and Gene Therapy Treatments?

- ✓ Control future risk and avoid costly new lasers
- ✓ Provide members with access to breakthrough treatments

INTERNATIONAL PHARMACY OUTSOURCING

1st Pilot in 2022 investigated international/Canadian pharmacy sourcing with Magellan Rx

- Repriced 111 prescriptions for a 1500+ CDB client
- Client had \$775,076 in drug spend
- Only \$102,769 could be imported
- Program required to be strictly voluntary
- No ROI after considering communication costs

2nd Pilot in 2024 investigated international/Canadian pharmacy sourcing with Magellan Rx

- 55 employees
- HR meets with employee
- Savings with ScriptSourcing

Rx	MRx Plan Paid	ScriptSourcing Plan Paid (including 20% fee)	Savings
Humira Pen 40mg/0.8 ml - 84 day supply	\$21,494.73	\$12,410.98	\$9,083.75
Enbrel Sureclick 50mg/mL (1 mL) – 84 day supply	\$22,622.97	\$11,764.79	\$10,858.18

MANAGE PRESCRIPTIONS IN THE MEDICAL PLAN

NEW in 2024

Specialty Rx is not just the pharmacy benefit

Unique approach to medical pharmacy spend

Partnering with Leaf Health to access rebates for medical plan pharmacy spend.

Include high-cost injectable drugs and medications

- Chemotherapy
- Immunosuppressant drugs

Leaf Health – independent Pharmacy Consultant





QUESTIONS?

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WEIGHING IN ON COVERAGE OF WEIGHT LOSS DRUGS AND PROGRAMS: GLP-1 THE NEW ERA OF TREATMENT

DAVID LASSEN, PRIME THERAPEUTICS



Prime perspectives: GLP-1s the new era of treatment

David Lassen

Chief Clinical Officer, Prime Therapeutics



Reimagine pharmacy management to provide the same care we want for our loved ones

Traveling a different path and creating a new standard for the industry



80+
Health plans

26
States + D.C.

25M
PBM Members

7K+
Employees

613M+
Claims processed

\$71B
Drug spend managed

Creating the future

- Modernize
technology
platforms
- Enhance
foundational
capabilities
- Deliver
differentiated
solutions
- Create
exceptional
experiences

Meeting the evolving market

- Specialty
trend
- Engaged
consumers
- Medicare
growth
- Vertical
integration
- Artificial
intelligence
- Regulatory
pressure

Delivering reliable foundational capabilities

- Network
discounts
- Rebates &
formulary
- Claims
processing
- Utilization
management
- Customer
service

Reimagining
Pharmacy
Management

- Improve **affordability** and **efficiency**
- Deliver better **experiences** and **transparency**
- Drive better health **outcomes**
- Enable **growth**



GLP-1s: Key headlines and topics we will review



How did we get here?

Effective therapies + social media hype prompted unprecedented market event



Where are we headed?

Looking ahead at market factors that could drive significant utilization



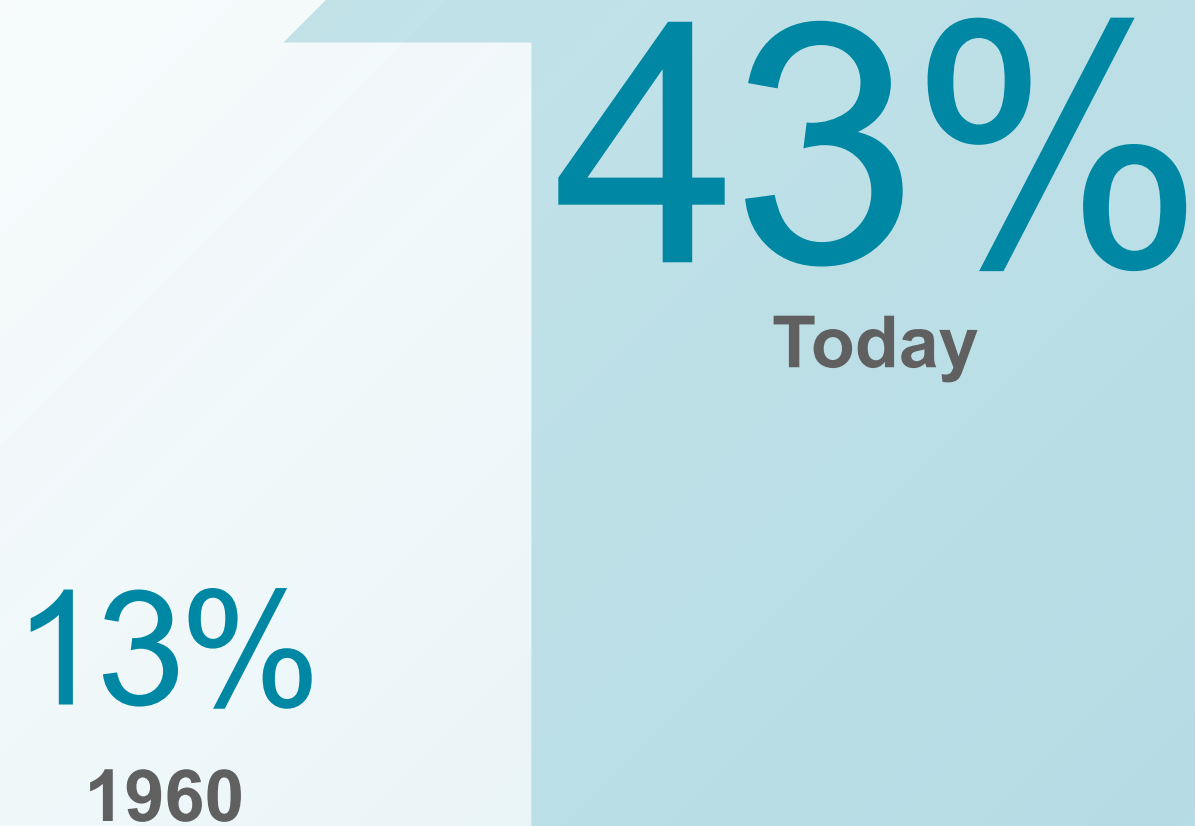
Prime & Blue Management Strategy

Using our integrated value to drive total cost of care value

¹JP Morgan. The increase in appetite for obesity drugs. Nov 2023.

How did we get here?

Obesity prevalence over time



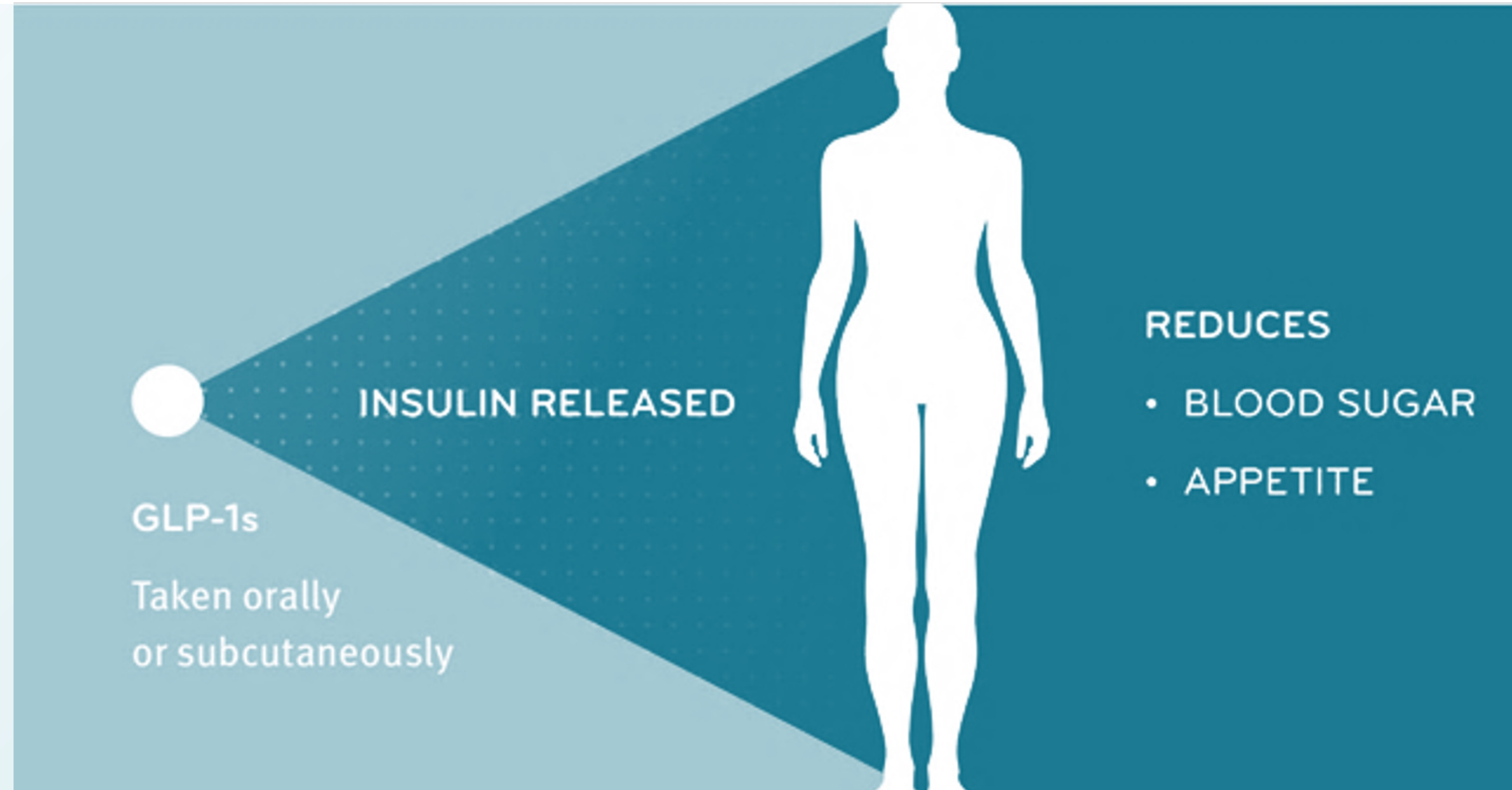
Diabetes prevalence over time



Glucagon-like peptide-1 (GLP-1) receptor agonists

GLP-1s stimulate glucagon-like peptide-1 receptors in the pancreas

- ▶ Improved insulin production and glycemic control
- ▶ Promotes satiety and reduced gastric emptying
- ▶ Highly effective at lowering A1Cs



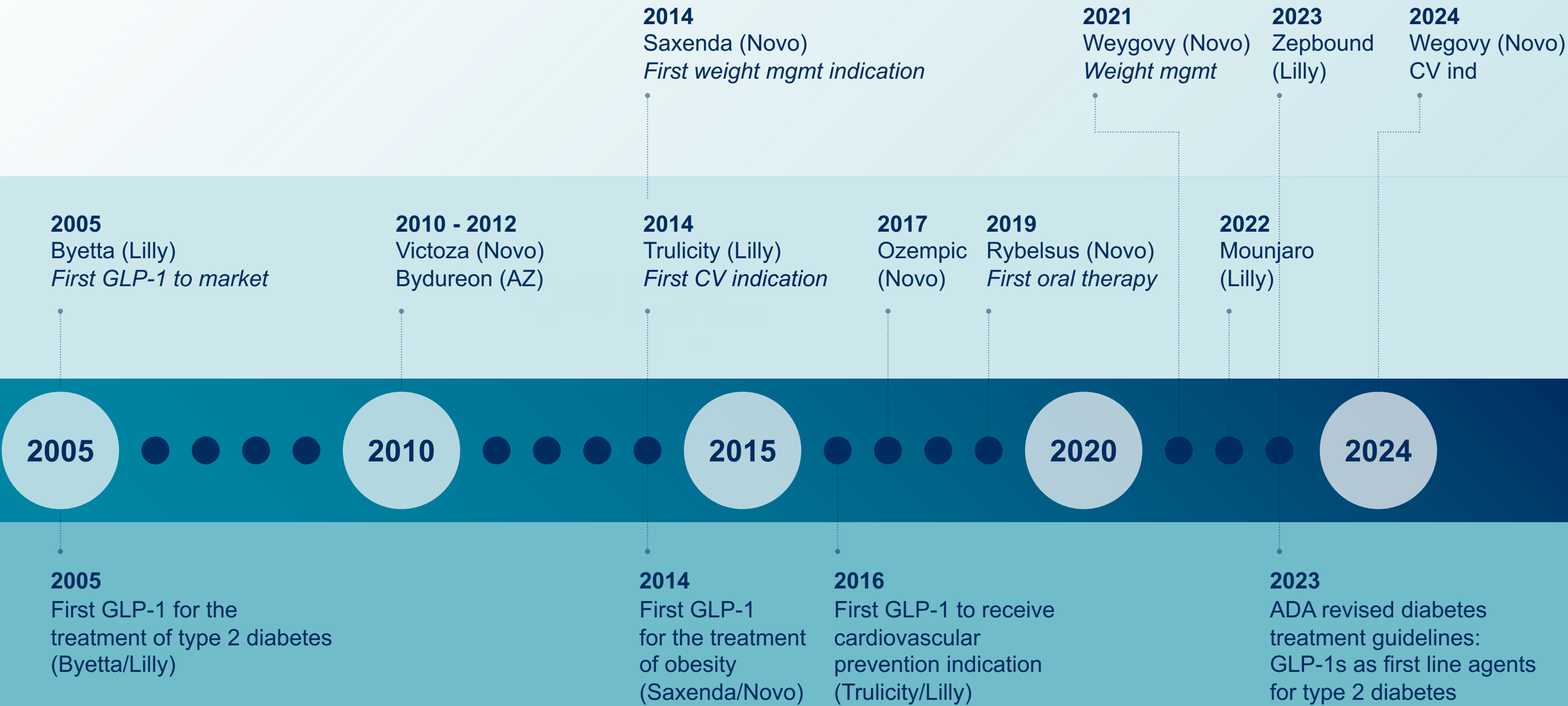
GLP-1s are highly effective and safe medications

Timeline of events and GLP-1 market launches

Weight loss products

Diabetes products

Key market events



Number of GLP-1 FDA approvals and pipeline¹



Diabetes

- 9 approved³
- 6 in pipeline



Chronic weight management

- 3 approved
- 10 in pipeline



Obesity – reduce risk of CV events²

- 1 approved (Wegovy)
- 1 in pipeline (Zepbound)

Number of phase 3 studies

5 new non-weight
indications in progress

- Heart failure
- Peripheral artery disease
- Obstructive sleep apnea
- Polycystic ovarian disease
- Alzheimer's disease
- NASH (phase 2)

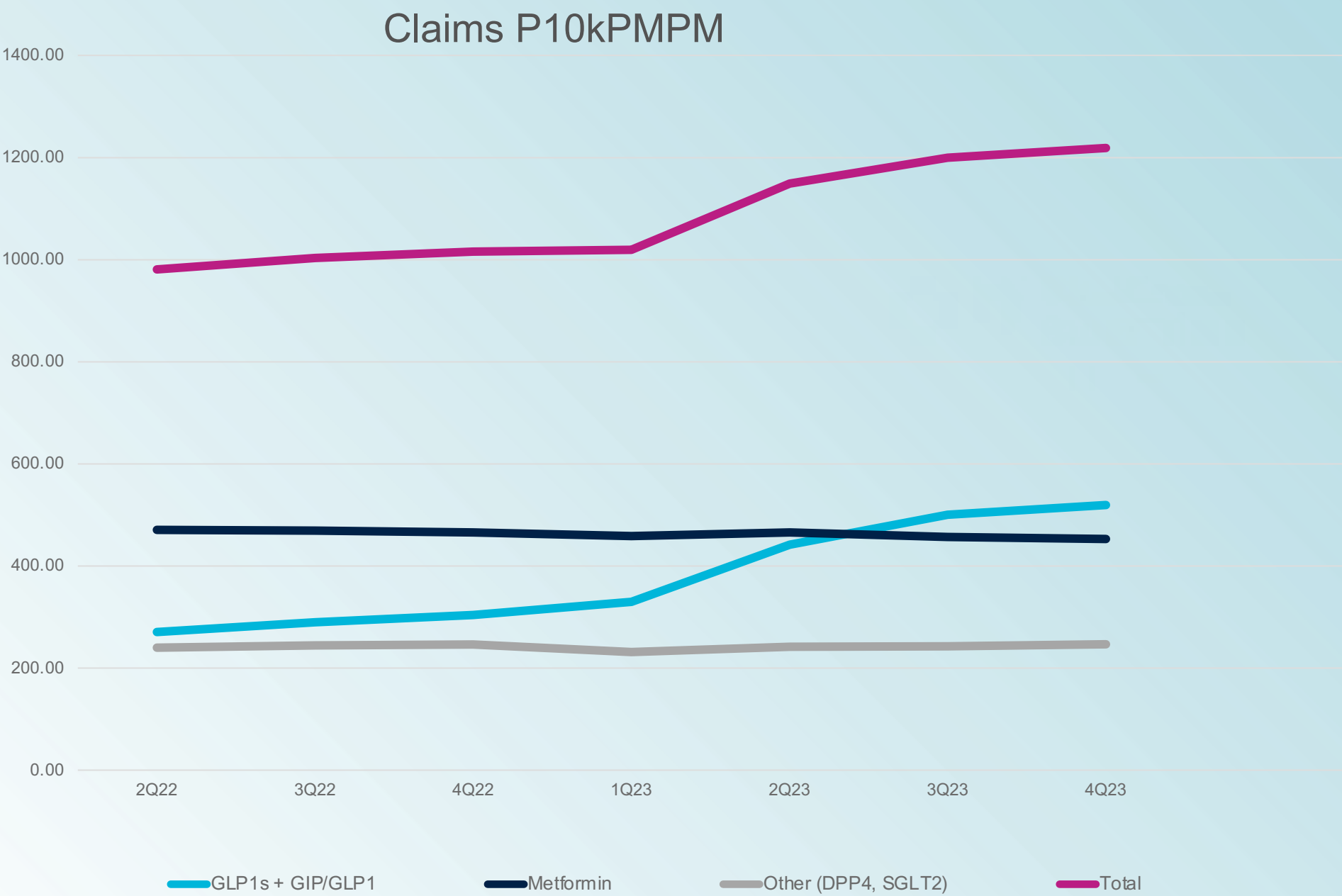
¹ Phase 2/3 trials

² CV = Cardiovascular events, specifically for major adverse cardiovascular events (MACE) indication

³ Includes two combination products that include basal insulin + a GLP-1

GLP-1s are becoming the dominant category driving utilization for type 2 diabetes

Prime Commercial Book Diabetes Utilization Trend through 4Q23



Overall use of type 2 diabetes medications up 18%, driven by



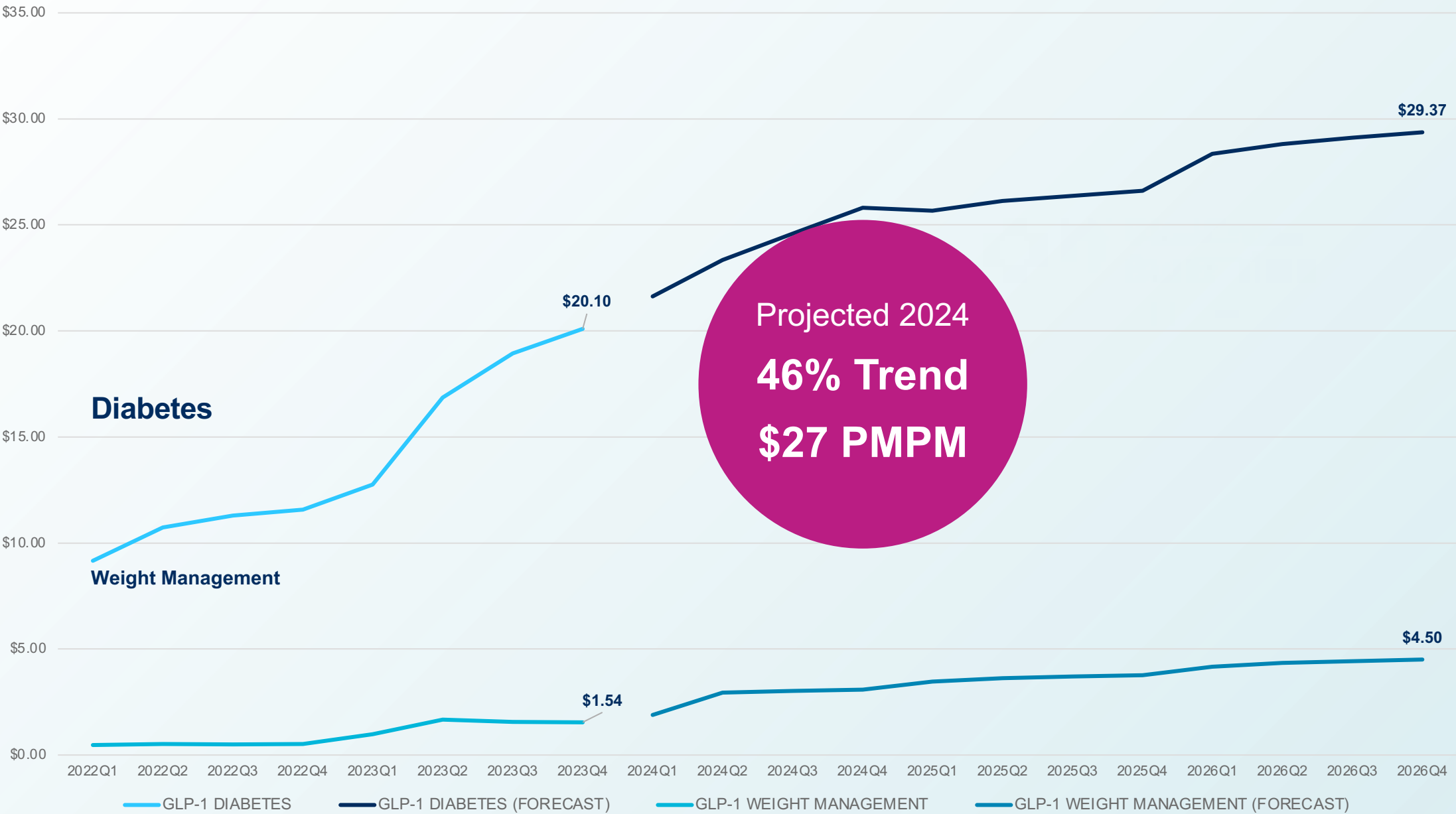
Increased prevalence of diabetes (1% every 5 years)¹use



75% growth in GLP-1s linked to mix and off-label use

¹CDC.Gov National Diabetes Statistics Report

PMPM Drug Trend Driven by Diabetes



Prime Anticipates High Trends to Continue into 2024

- Driven by newer more effective drugs, Mounjaro® and Zepbound™
- Reflects 3% of Prime BOB to fill a GLP-1 in 2023
- No consideration of future benefit coverage changes; forecast reflects current 20% of Prime BOB with weight management coverage
- Does not consider utilization for Wegovy® approval for cardiovascular indication

On March 8 2024, FDA approved a new indication for the use of Wegovy®

- Criteria: Obese, Non-Diabetic, Age 45 or older and pre-existing cardiovascular disease
- Assume 10% of eligible members will try Wegovy® in 12 months, with 50% adherence rate (10% x 50% = 5%)
- Assume \$1,250 average ingredient cost for 28-day supply

Commercial

- Based on 1.1% meeting Wegovy® label expansion criteria and not currently filling any GLP-1 product
- Dependent upon weight loss GLP-1 coverage position



Recommendation is to add a pathway to coverage for the cardiovascular indication regardless of benefit coverage for weight loss

Spending change: One-year comparison for all members

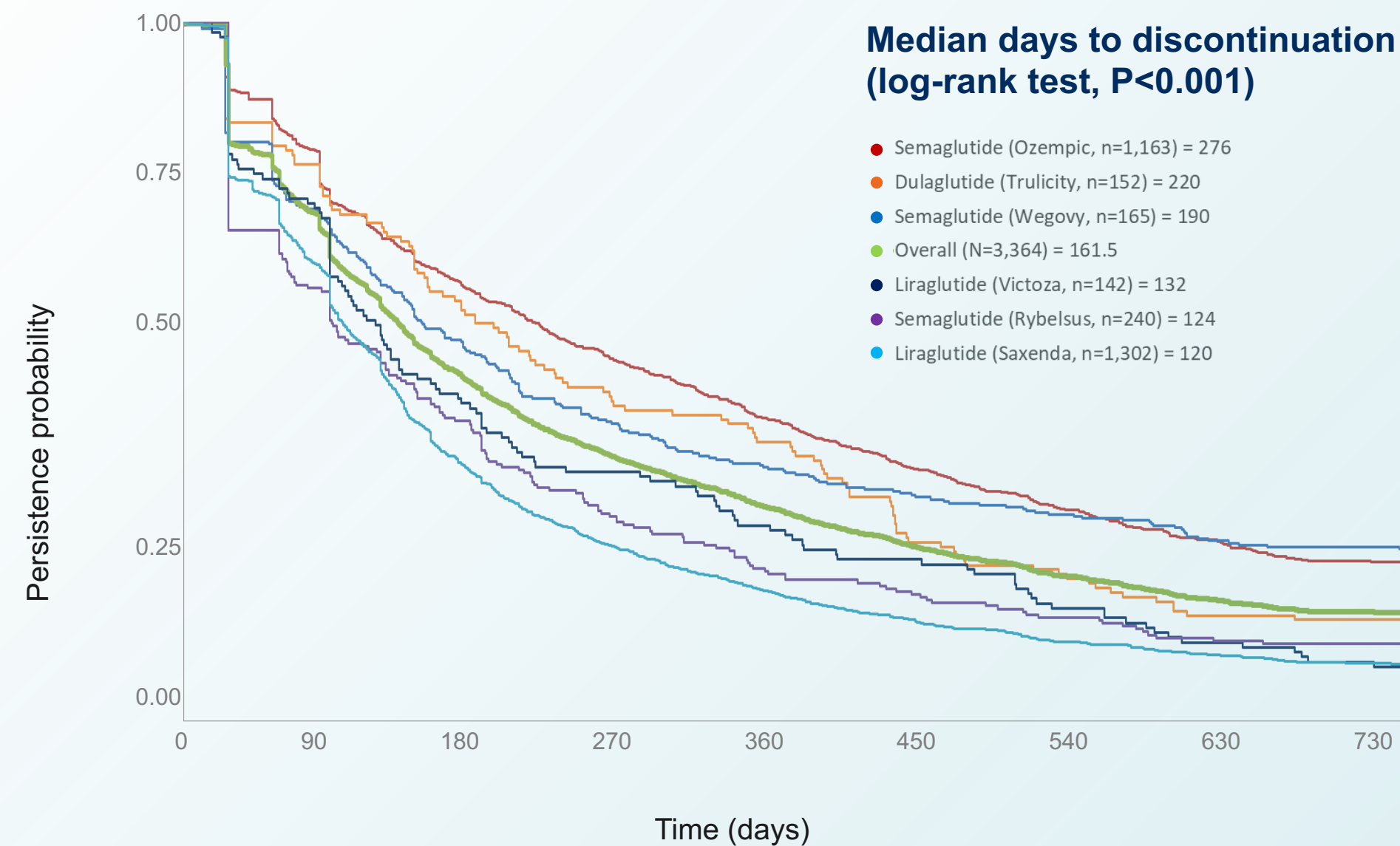
Weight loss treated GLP-1 new initiators compared to match control

	GLP-1 pre-year (N=4,255)	GLP-1 post-year (N=4,255)	Control pre-year (N=12,379)	Control post-year (N=12,379)	Annual difference-in-difference (95% CI)	P-value
Rx (total) mean spending*	\$2,780	↑ \$8,945	\$2,129	↑ \$2,539	\$5,755 (\$4,918 to \$6,678) favors control	<.0001
Medical (total) mean spending*	\$9,620	↑ \$10,792	\$9,479	↓ \$8,636	\$2,015 (\$1,149 to \$2,957) favors control	<.0001
Rx & medical (total) mean spending*	\$12,371	↑ \$19,657	\$11,590	↓ \$11,150	\$7,727 (\$6,541 to \$8,989) favors control	<.0001

- Key findings
- GLP-1 group annual mean medical spend increased \$1,172 while control group decreased \$843
 - \$7,727 total cost of care one-year increase per GLP-1a weight loss treatment member compared to untreated

*All members annual cost capped at \$250,000 due to outlier skew impact and stop loss generally starts at \$250,000 annually / CI = confidence interval

2-year GLP-1 obesity treatment persistence



Obesity treatment GLP-1 users	% persistent at 2 Years
Overall (N=3,364)	14.8%
Wegovy (n=165)	24.1%
Ozempic (n=1,163)	22.2%
Trulicity (n=152)	13.8%
Rybelsus (n=240)	10.4%
Saxenda (n=1,302)	7.4%
Victoza (n=142)	7.0%

Prime and Magellan integration experience passed onto our mid-market and national accounts

Key pieces of real-world data sets the stage

Our health outcomes analysis reveals

27%

adherence rate one year after start of GLP-1 for weight loss¹

Once members go off therapy

MOST

will return to baseline weight and cardiovascular risk factors

Two keys to ensure total cost of care value for GLP-1s

1

Manage unit price

- Leverage formulary and UM strategies to ensure lowest net cost

2

Manage effective use

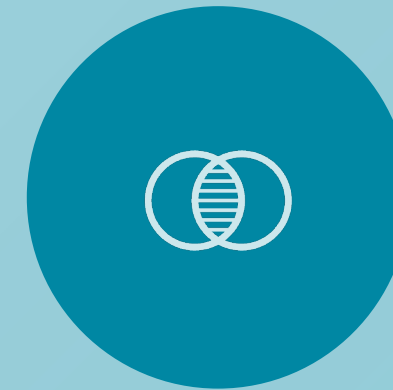
- Ensure adherence to therapy through lifestyle coaching and behavior modification
- Mitigate fraud, waste and abuse

¹ <https://www.reuters.com/business/healthcare-pharmaceuticals/most-patients-using-weight-loss-drugs-like-wegovy-stop-within-year-data-show-2023-07-11/>



Innovative benefit designs

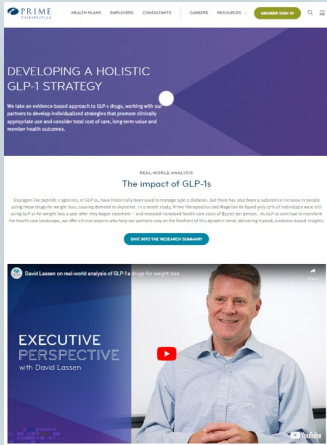
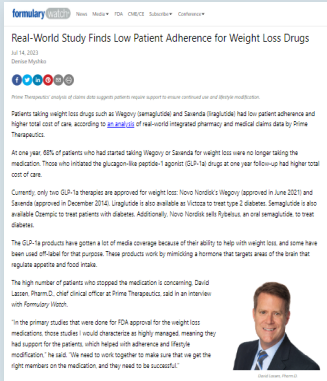
- Point-of-sale rebates
- Incentive based benefits tied to achieving key health measures
- Benefit riders/buy-ups
- Cross-benefit step protocols (GLP-1 vs. bariatric surgery)



Whole person health

- Data interoperability/integration
- Wearables, prescription digital solutions
- Food as Medicine/formularies
- Expanding third-party support and lifestyle programs

Marketing our GLP-1 strategy





QUESTIONS?

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www.CustomDesignBenefits.com
800.598.2929

BREAK

END-TO-END MANAGEMENT FOR CELL & GENE THERAPIES

TERRI MARTIN, CUSTOM DESIGN BENEFITS
CHRIS FORD, EMERGING THERAPY SOLUTIONS



EMERGING THERAPY SOLUTIONS (ETS)



ETS offers access to a Center of Experience for managing Cell & Gene Therapy requests. This partnership provides a strategy for clients to manage the cost and quality of these high-cost therapies. Examples include -

- CAR-T for blood cancers, leukemia, lymphoma, myeloma
- Transfusion-dependent beta-thalassemia - inherited blood disorder, severe anemia
- Retinal Dystrophy - Inherited eye disease can lead to blindness
- Muscular Dystrophy - Inherited disease leads to progressive muscle weakness
- Sickle Cell Disease – Inherited blood disease, affects shape of red blood cells

CDB/ETS PARTNERSHIP

- Together CDB and ETS will provide an end-to-end program to manage cell & gene therapy costs, & episodes of care, for CDB members and clients

CDB'S ROLE IN CELL & GENE THERAPY PROGRAM

Account Manager & Compliance

- Execute True Cost client plan document amendments for cell & gene therapy. Clients sign Exhibit B as payer.

Sales

- Share Cell & Gene Therapy strategy with prospective True Cost Clients

Medical Management

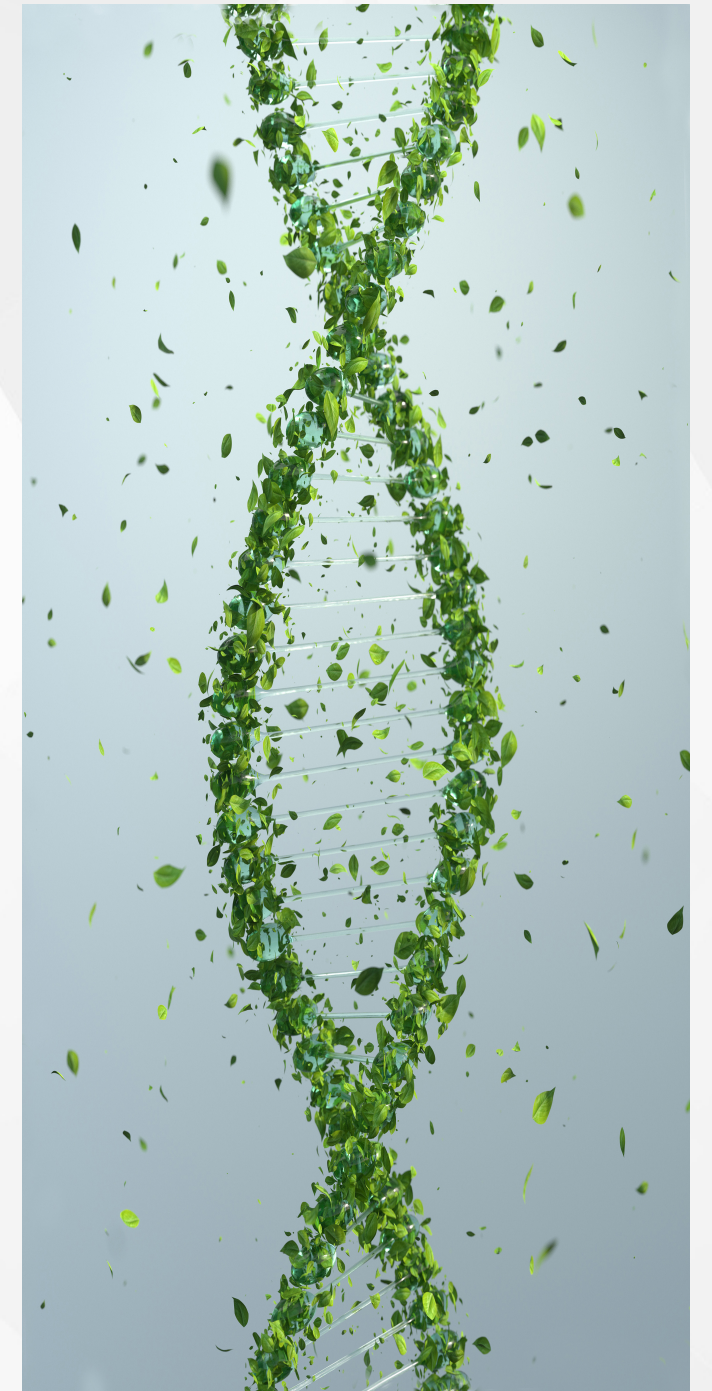
- Identify cell & gene therapy members
- Perform prior authorization
- Refer approved requests to ETS for COE & contract negotiation
- Perform case management

Account Manager

- Provide ongoing communication & cost savings data to client on individual cell & gene therapy cases

Stop Loss

- Communicate with stop loss carriers on individual cell & gene therapy cases & request ETS fee be paid as part of medical claims when meeting spec





ETS Overview

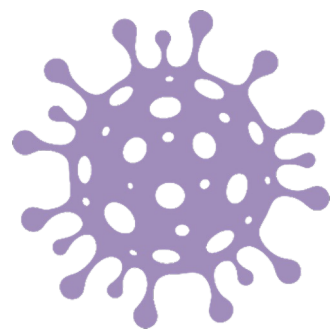
End-to-End Management for the Highest Cost Therapies
Emerging Therapy Solutions® (ETS)

Cell & Gene Therapy (C>) Overview

Potentially Curative | Treat the Rarest Conditions | Highest Cost Drugs Ever & Rising

Cell Therapy

Transfer of live cells into the body



Gene Therapy

Add new genes or edit / remove existing genes



By the Numbers

>2X

Expected increase in cell & gene therapy approvals by end of '25*

\$4.25M

Current highest-priced gene therapy for ONE patient

\$13PMPM

Expected CGT total cost of care spend by 2026, up from \$4 - \$5 PMPM today*

**Based on ETS estimates from forecast, for commercial population and total cost of care*



Emerging Therapy Solutions (ETS)

*End-to-End
Management for the
Highest Cost Therapies*

www.emergingtherapies.com

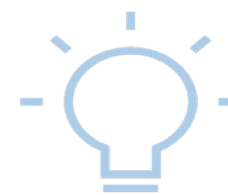
WHO WE ARE

Founded in '19 by Dave McLean, who created first Transplant model in the 1990s

Only company with exclusive focus on Cell & Gene Therapies + Transplant

OUR SERVICES

Comprehensive portfolio of C> management solutions for payers of all types



Knowledge Portal
Know your risk



Centers of Excellence
Optimal centers on merits of quality & cost



Clinical Management
C> clinical expertise



Risk Management
Financing multi-million-dollar C>s

Trusted Cell & Gene Therapy Experts

OUR ADVANTAGES

- 1 One-stop-shop for C>
- 2 Best C> expertise
- 3 Excellent Provider contracts & rates

BY THE NUMBERS

- 130+** Contracted centers
- 80M+** Lives leveraging ETS
- 90%** Of stop-loss / reinsurers contracted with ETS
- 68%** % Provider contract savings per case*

FDA Approved C>*: 24 Approvals Since 2017 (10 Cell, 14 Gene)

Cell Therapies			
Therapy Brand Name	Condition(s)	Approval Date	Therapy List Cost†
Cell Therapies – Chimeric antigen receptor (CAR) T-cell			
Kymriah®	Acute lymphoblastic leukemia; Diffuse large B-cell lymphoma; Follicular lymphoma	August 2017; May 2018; May 2022	\$581,895; \$456,941; \$456,941
Yescarta®	Diffuse large B-cell lymphoma, follicular lymphoma	October 2017	\$462,000
Tecartus®	Mantle cell lymphoma; Acute lymphoblastic leukemia	July 2020; October 2021	\$462,000
Breyanzi®	Diffuse large B-cell lymphoma; Chronic lymphocytic leukemia or small lymphocytic lymphoma; Follicular lymphoma	February 2021; March 2024; May 2024	\$487,477
Abecma®	Multiple myeloma	March 2021; April 2024	\$498,408
Carvykti™	Multiple myeloma	February 2022; April 2024	\$522,055
Cell Therapies – Tumor-infiltrating lymphocytes (TIL)			
Amtagvi™	Metastatic melanoma	February 2024	\$515,000
Cell Therapies – Other			
Rethymic®	Congenital athymia	October 2021	\$2,729,500
Omisirge®	Hematologic malignancies (Blood cancers)	April 2023	\$338,000
Lantidra®	Diabetes Type 1	June 2023	Not available

Gene Therapies			
Therapy Brand Name	Condition(s)	Approval Date	Therapy List Cost†
Gene Therapies (in vivo)			
Luxturna®	Retinal dystrophy	December 2017	\$456,875 per eye
Zolgensma®	Spinal muscular atrophy	May 2019	\$2,322,044
Hemgenix®	Hemophilia B	November 2022	\$3,500,000
Adstiladrin®	Bladder cancer	December 2022	\$60,000 per instillation
Elevidys®	Duchenne muscular dystrophy	June 2023	\$3,200,000
Roctavian®	Hemophilia A	June 2023	\$2,900,000
Beqvez™	Hemophilia B	April 2024	\$3,500,000
Gene Therapies (ex vivo)			
Zynteglo®	Transfusion-dependent beta-thalassemia	August 2022	\$2,800,000
Skysona®	Cerebral adrenoleukodystrophy	September 2022	\$3,000,000
Casgevy™	Sickle cell disease	December 2023	\$2,200,000
Lyfgenia™	Sickle cell disease	December 2023	\$3,100,000
Casgevy™	Transfusion-dependent beta-thalassemia	January 2024	\$2,200,000
Lenmeldy™	Metachromatic leukodystrophy	March 2024	\$4,250,000
Gene Therapies – Topical			
Vyjuvek™	Dominant and recessive dystrophic epidermolysis bullosa	May 2023	\$631,000** (\$900,000 maximum†)



†List cost for cell & gene therapies does not include any administration expense, which can range from \$300k - \$800k

*US Food and Drug Administration (FDA) approved; Prices as of May 2024, and subject to change.

**Expected average annual cost per patient after induction and based on per vial cost of \$24,250 for 26 weeks; commercial members capped at \$900k with manufacturer terms.

C> Pipeline ('24-'25): Up to 30 New C>s by End of '25

Blood Disorders / Hematology

- Fanconi anemia (gene, *ex-vivo*)
- Hemophilia A (gene, *in-vivo*)
- Ornithine transcarbamylase deficiency (gene, *in-vivo*)

Cancers / Oncology

- Acute lymphoblastic leukemia (CAR-T) **PDUFA 11/16/2024**
- Cervical cancer (TIL)
- Epstein-Barr virus-associated post-transplant lymphoproliferative disease (CTL)
- Mantle cell lymphoma (CAR-T/expanded indications) **PDUFA 5/31/2024**
- Marginal zone lymphoma (CAR-T/expanded indications)
- Myxoid/round cell liposarcoma (TCR)
- Synovial sarcoma (TCR) **PDUFA 8/4/2024**

Inherited Immunodeficiencies / Immunology

- Leukocyte adhesion deficiency type 1 (gene, *ex-vivo*) **PDUFA 6/30/2024**

Neurodegenerative Disorders

- Spinal muscular atrophy (gene, *in-vivo*/expanded indications)
- Aromatic l-amino acid decarboxylase deficiency (gene, *in-vivo*) **PDUFA 11/13/2024**

Skin Disorders / Dermatology

- Recessive dystrophic epidermolysis bullosa (gene)

Musculoskeletal Disorders

- Duchenne muscular dystrophy (gene, *in-vivo*) **PDUFA 6/21/2024**

Metabolic Disorders

- Glycogen storage disease type Ia (gene, *in-vivo*)
- Mucopolysaccharidosis type II (gene, *in-vivo*)
- Mucopolysaccharidosis type IIIa (gene, *in-vivo*)

Inherited Retinal Disease & Ocular Disorders

- Leber hereditary optic neuropathy (gene, *in-vivo*)
- Wet age related-macular degeneration (gene, *in-vivo*)
- X-linked retinitis pigmentosa (gene, *in-vivo*)

Conditions with Approved Therapies

- | | |
|--|--|
| • Acute lymphoblastic lymphoma | • Follicular lymphoma |
| • Biallelic <i>RPE65</i> mutation associated retinal dystrophy | • Hemophilia A |
| • Bladder cancer | • Hemophilia B |
| • Cerebral adrenoleukodystrophy | • Mantle cell lymphoma |
| • Chronic lymphocytic leukemia | • Metachromatic leukodystrophy |
| • Congenital athymia | • Metastatic melanoma |
| • Diabetes Type 1 | • Multiple myeloma |
| • Diffuse large B-cell lymphoma | • Sickle cell disease |
| • Duchenne muscular dystrophy | • Small lymphocytic lymphoma |
| • Dystrophic epidermolysis bullosa | • Spinal muscular atrophy |
| | • Transfusion dependent beta-thalassemia |

Cell Therapy Types

- CAR-T = chimeric antigen receptor T-cell
- TCR = T-cell receptor
- TIL = Tumor infiltrating lymphocyte
- CTL = EBV-cytotoxic T lymphocyte (CTL)

*Based on ETS 2024 proprietary estimations

End-to-End C> Management



Knowledge Center

Identify your risk

- Client-specific forecasting & proactive identification of members with highest likelihood of being treated with C>
- News & expert webinars
- Plan documents written by innovative legal experts



Centers of Excellence (COE)

Get members to the best centers (quality & cost)

- Robust Provider quality evaluations developed by Physician KOL panel
- COEs selected on merits of highest quality & lowest cost
- High-touch patient support by expert nurse navigators
- Identify financial assistance programs to lower patient OOP \$\$



Clinical Management*

Appropriate clinical coverage

- Medical policies for best clinical coverage
- Clinical criteria reviews
- Comprehensive and curated clinical content
- Care management
- Genetic counseling



Outcomes Contracting

Refunds if gene therapies don't work

- Pharma outcomes-based contracting to get refunds if therapy was ineffective
- Longitudinal patient tracking

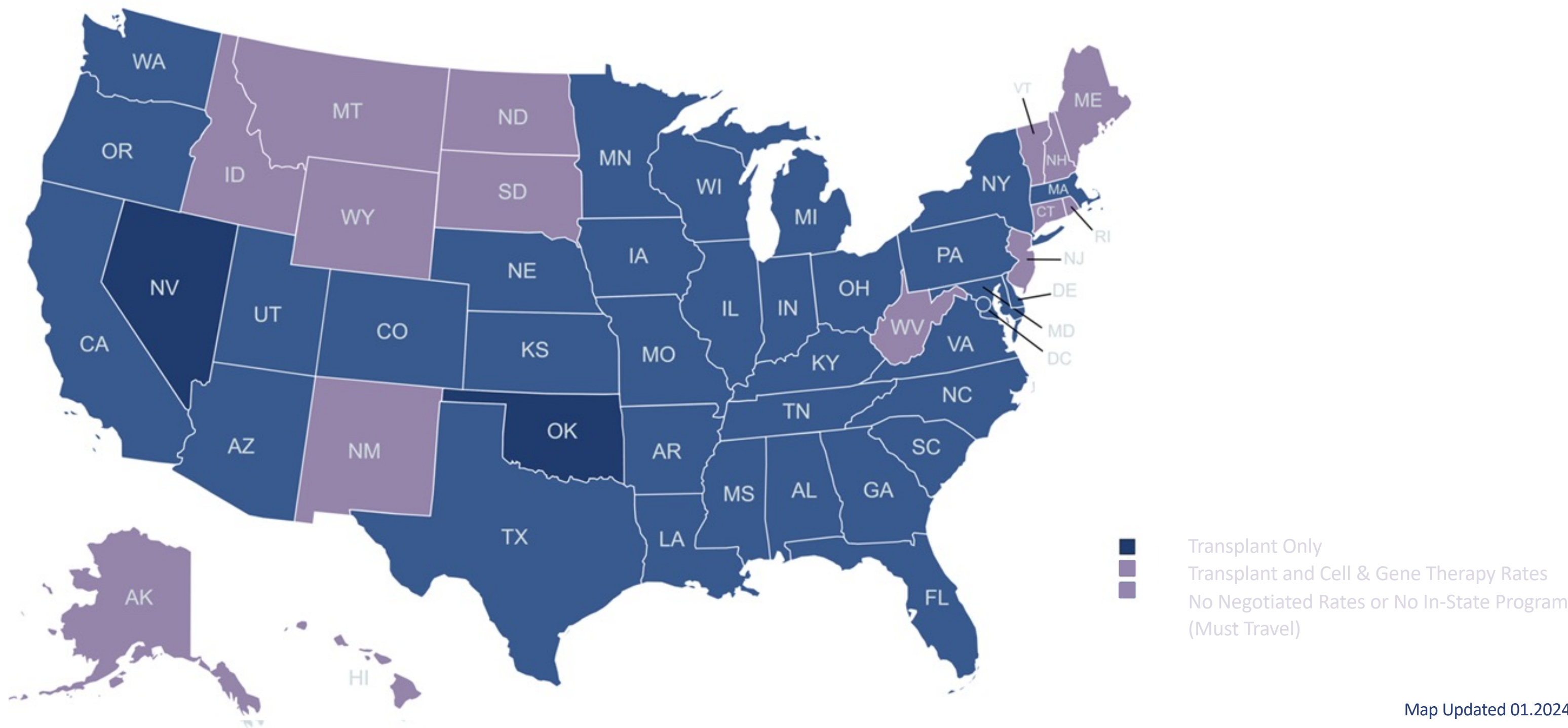
Strategic Advantage

One-Stop-Shop

Best C> Expertise

Excellent Rates

ETS Nationwide Network Access & Negotiated Rates





Thank You!

To learn more, please contact Emerging Therapy Solutions®

Chris.ford@emergingtherapies.com

877.445.4822

www.emergingtherapies.com

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QUESTIONS?

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MANAGING PHARMACY SPEND IN A SELF-FUNDED HEALTH BENEFIT PLAN

ROB SHELLEY, LEAF HEALTH





Leaf Health

We Are YOUR Advocate.

Rob Shelley

Founder & CEO, Leaf Health



Rob has been working as an executive in the Pharmaceutical, Pharmacy Benefits Management, and Pharmacy Benefit Consulting sector for more than 30 years. Rob's passion is to advocate and help improve the overall competitive position of Leaf's clients without sacrificing care, or access to services of members.

His expertise includes a broad understanding of the entire health care landscape with a specialization in pharmaceutical benefit industry. Rob's area of knowledge includes, drug manufacturer formulary rebate administration, specialty drug costs, utilization trends, PBM pricing evaluation and audit.

Agenda

1 Introductions

2 About Leaf Health

3 New Developments | Rebate Access

4 Updated Activities on the PBM front

5 What's next?

6 Questions



Getting to the Root of the Problem

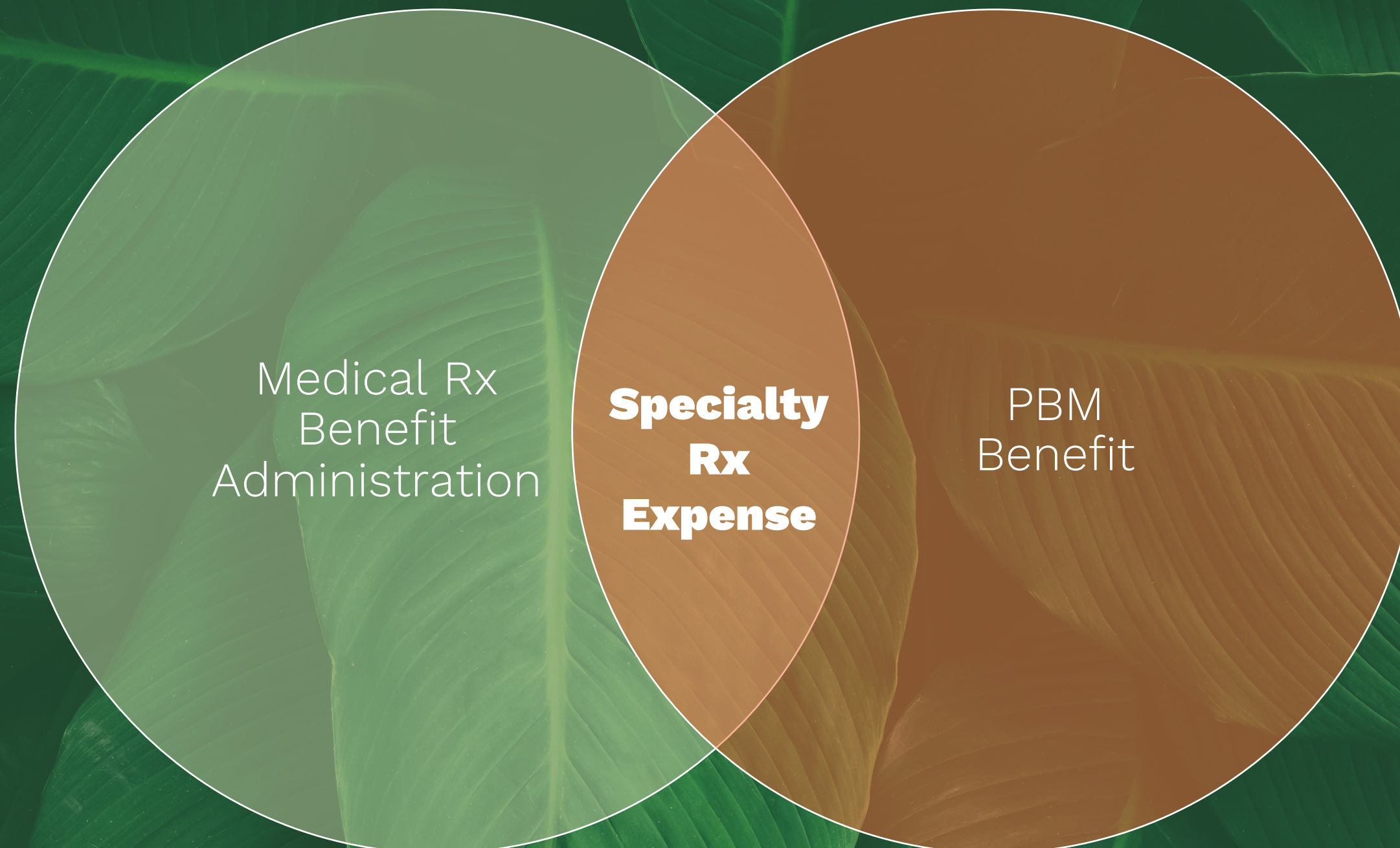
FACT: Pharmacy spend is out of control and wreaking havoc on the bottom line of employers nationwide.



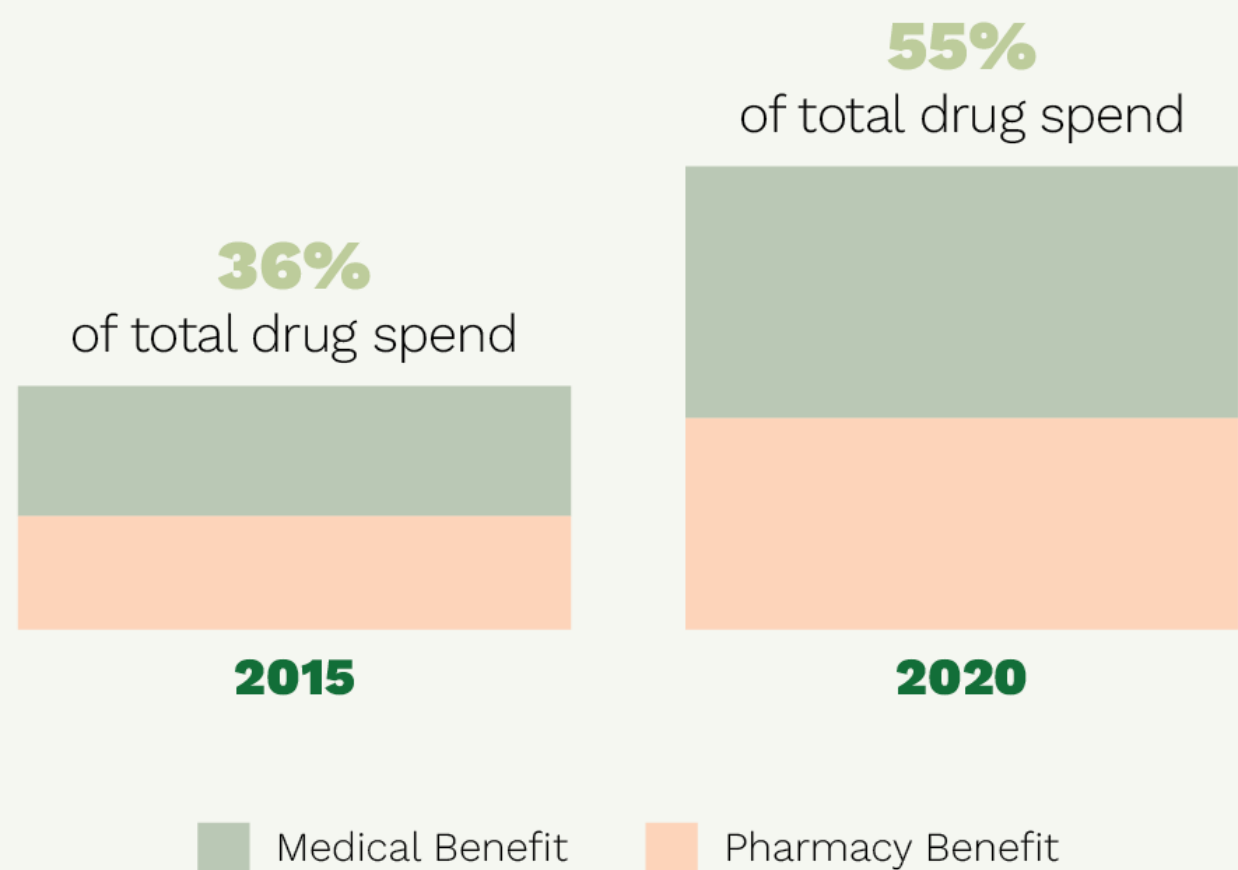
Why Should You Care?

Many small and mid-sized employers are only **ONE large specialty drug claim away** from losing the ability to fund their benefits—ultimately reducing or eliminating employee access to potentially **life-saving medications.**

Leaf Health offers a unique perspective on **BOTH**
medical and pharmacy benefits.



TOTAL INDUSTRY SPECIALTY SPEND



Half of spend is under medical benefit which has limited visibility

Data Source: Medicines Use and Spending in the U.S. IMS, April 2016. NHE, Artemetrx, CVS Health Internal Analysis, 2016.

Specialty Rx is not just the pharmacy benefit

Medical Rebates

What are Medical Rebates?

- These are newer monies that can be secured from drug manufacturers for infusion medications
- They are noted and evaluated from medical provider claim payment.
- These are noted under specific “J code”, “Q Code” and “HCPCS” claims.
- Comprise a component of the medical infusion oversight and management process already in process.

Are they material?

Not as robust at PBM rebates due to the means of drug purchasing in hospitals.

- Hospital purchase under GPO agreements and secure upfront discounts from manufacturers.
- The medical rebates are an add-on discount for payers and assessed after the drug has been administered.
- Note 340B Hospital pricing is not eligible for Rebates
- Traditional Pharmacies do not purchase under GPO contracts and pricing schedules.

Vary from 2% to 12% on very select medications

- 2% -5% are access rebates
- 8% - 12% indicates a competitive class (very few unless a biosimilar is present)

When did we start?

Processed commenced on 7/1 with a look back to 1/1/2024.

Data currently with drug manufactures

About a 5-month process until payment.

- These monies process on slightly longer lag times.

PBM Contracting and Oversight Enhancements

Why use Leaf for PBM Contract Negotiations?

- We leverage our 3.5M lives
- 33 Plus unique PBM data feeds for benchmarking
- Audit driven
- Contract experts
 - ❖ Definitions
 - ❖ Term flexibility
 - ❖ Build for growth



PBM Optimization

Building on a Strong Established Foundation

Work with your
targeted PBM as a
priority

Leaf Health will
re-negotiate the
current contracts
upon cycle of
respective PBM
contract terms

Leverage

Financial
comparisons,
highlighting
improvement

Auditable financial
terms and
validated periods

PBM Savings Analysis



PBM Analysis

We analyzed several unique PBM offers. The top ones and the incumbent are summarized below.

5-day
turnaround
from date
data received



Client Name	Sample Client	Employees	261
Effective Date	1/1/23	Members (approx.)	450
Dates Analyzed	1/1/2022 - 12/31/2022	Rx Claims	23090

		Alternative PBMs						
Financials	Incumbent	PBM 1 - Open	PBM 2 - Open	PBM 1 - Closed	PBM 2 - Closed	PBM 3	PBM 4 - Open	PBM 5 - Closed
Gross Employer Paid (includes Copay assistance)	\$ 3,240,049	\$ 2,897,895	\$ 2,845,098	\$ 2,897,895	\$ 2,845,098	\$ 2,907,399	\$ 2,791,136	\$ 2,791,136
Plus Administrative Fees	\$ 122,526	\$ 257,454	\$ 257,454	\$ 257,454	\$ 257,454	\$ 352,123	\$ 357,895	\$ 357,895
Specialty Drug Alternative funding	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Impact to Rebate from Alternative Funding	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Less Rebates	(\$ 354,490)	(\$ 1,242,725)	(\$ 1,398,025)	(\$ 1,400,735)	(\$ 1,449,295)	(\$ 1,004,861)	(\$ 1,092,133)	(\$ 1,263,680)
Net Employer Paid	\$ 3,008,084	\$ 1,912,623	\$ 1,704,527	\$ 1,754,613	\$ 1,653,257	\$ 2,254,661	\$ 2,056,898	\$ 1,885,351
Net Employer Paid per Script	\$ 130.28	\$ 82.83	\$ 73.82	\$ 75.99	\$ 71.60	\$ 97.65	\$ 89.08	\$ 81.65
Savings								
Savings Amount		\$ 1,095,461	\$ 1,303,557	\$ 1,253,471	\$ 1,354,827	\$ 753,424	\$ 951,186	\$ 1,122,733
Savings %		36.42%	43.34%	41.67%	45.04%	25.05%	31.62%	37.32%
Savings Rank		5	2	3	1	7	6	4
Additional Savings:								
Impacted Members								
Additional Savings: Specialty Carve Out (60% of total - no fees)	N/A	N/A	N/A	N/A	N/A	\$718,505.65	\$718,505.65	\$718,505.65
Additional Savings: International Sourcing (est.)	N/A	N/A	N/A	N/A	N/A	\$25,000.00	\$25,000.00	\$25,000.00
Savings with Additional Programs		\$ 1,095,461	\$ 1,303,557	\$ 1,253,471	\$ 1,354,827	\$ 1,496,929	\$ 1,694,692	\$ 1,866,239
Rank with Additional Program Savings		7	5	6	4	3	2	1

Based on guarantees audited for returns

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Oversight



100% CLAIMS
MONITORING



PBM RECONCILIATION



DRUG TRENDS –
SPECIALTY, ETC.



NEW OPPORTUNITIES
AND MARKET THREATS

PBM Financial Performance Review

Client Name	Sample Client
PBM	PBM Name
Dates Analyzed	10/1/2023 - 12/31/2023

Channel	Number of Claims	Claims Ingredient Cost	Actual Claims Discount	AWP	Contract Discount	Contract Ingredient Cost	Performance - Over / Under	Variance
Retail Brand 30	286	\$ 157,152.69	18.80%	\$ 193,543.45	19.50%	\$ 155,802.48	-0.70%	\$ (1,350.21)
Retail Generic 30	1,526	\$ 41,472.59	78.08%	\$ 189,239.25	86.25%	\$ 26,020.40	-8.17%	\$ (15,452.19)
Retail Brand 90	21	\$ 20,601.57	25.15%	\$ 27,522.65	22.00%	\$ 21,467.66	3.15%	\$ 866.09
Retail Generic 90	836	\$ 27,606.23	88.90%	\$ 248,784.24	87.00%	\$ 32,341.95	1.90%	\$ 4,735.72
Mail Brand 90	8	\$ 11,092.83	24.25%	\$ 14,643.98	24.00%	\$ 11,129.42	0.25%	\$ 36.59
Mail Generic 90	88	\$ 2,834.71	91.66%	\$ 33,977.79	88.00%	\$ 4,077.33	3.66%	\$ 1,242.62
Brand Specialty	31	\$ 241,008.95	15.81%	\$ 286,279.52	20.00%	\$ 229,023.62	-4.19%	\$ (11,985.33)
Generic Specialty	14	\$ 7,833.05	49.58%	\$ 15,535.97	20.00%	\$ 12,428.78	29.58%	\$ 4,595.73
			0					
Totals	2,810	\$ 509,602.62	0.00%	\$ 1,009,526.85		\$ 492,291.64	-3.40%	\$ (17,310.98)

Based on contractual discount guarantees

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What's Coming Next?

- Alternative Funding / Variable Copay – Today & Where it is headed?
- Further releases of high-cost medications
- Government regulations on PBM
 - Federal
 - State
- **Government Activities in Drug Pricing**
 - Rebates (AMP Cap) – more price reductions versus rebates
 - Medicare Direct Negotiations

List Price Cuts: Inhalers

- **\$35 / Month**
 - AstraZeneca
 - Berringer Ingelheim
 - Glaxo Smithkine
- **Fallout from a U.S. Senate Committee letter to pharma on opening an investigation into inhalers.**
- **Medicaid rebate formula (AMP Cap Removal)**
 - Counter-Inflation driven program that penalizes manufacturers with over the top price increases.
- **Expect rebates to dry up in this category**
- **Similar to insulin? What's next?**



Top 10 Drugs Medicare Direct Negotiation

Drug	Type	Old Price 2023	New 2026	Savings
Eliquis	Bld Thinner	\$521	\$231	\$290
Xarelto	Bld Thinner	\$517	\$197	\$320
Januvia	Diabetes	\$527	\$113	\$414
Jardiance	Diabetes	\$573	\$197	\$376
Enbrel	RA	\$7,106	\$2,355	\$4,751
Imbruvica	Cancer	\$14,934	\$9,319	\$5,615
Farxiga	Diabetes	\$556	\$178	\$378
Entresto	Heart F	\$628	\$295	\$333
Stelara	Psoriasis	\$13,836	\$4,695	\$9,141
Fiasp and NovoLog	Diabetes	\$495	\$119	\$376

\$1.5B in OOP savings
15 more for next year and subsequent years
What does it mean for the commercial market?

Thank you!

Questions & Next Steps

Let's Talk Soon!

Contact:

Robert Shelley

612.940.6390

Rshelley@leafhealth.net



QUESTIONS?

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LUNCH

DEMYSTIFYING ARTIFICIAL INTELLIGENCE

JON ADAMS, SALIX DATA



SALIXDATA



Making Data Meaningful



The background is a dark blue gradient with abstract digital elements. A large, glowing blue sphere with a grid-like texture is positioned in the center. To its right, a wireframe cube is visible. Scattered throughout the background are various geometric shapes, including triangles and lines, some of which are faint and others more prominent. The overall aesthetic is futuristic and technological.

11 Million Documents in
30 Days...Can you help?

How AI is impacting our lives?



Smart phones



*Security &
surveillance*



*Social media
platforms*



Navigation



E-Commerce



*Banking &
finance sector*



*Autonomous
vehicles*



*Smart
home*





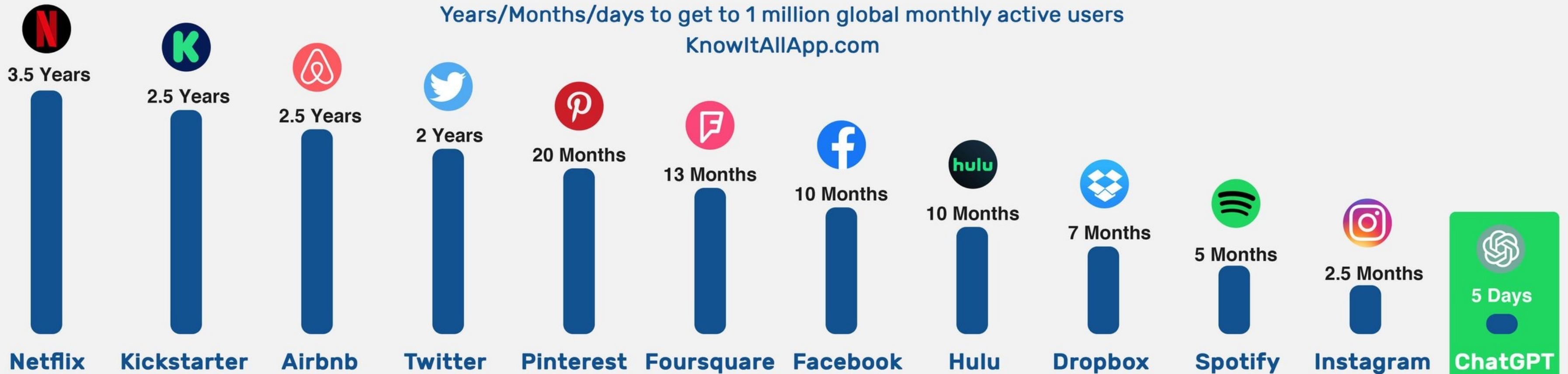
ChatGPT: Optimizing Language Models for Dialogue

We've trained a model called ChatGPT which interacts in a conversational way. The dialogue format makes it possible for ChatGPT to answer followup questions, admit its mistakes, correct incorrect premises, and reject inappropriate requests. GPT-4 is a sibling model to InstructGPT, which is trained on a large dataset of human instructions in a prompt and provide a



Time to Reach 1 Million Users

Years/Months/days to get to 1 million global monthly active users
KnowItAllApp.com



Source: UBS / Yahoo Finance

@KnowItAllApp




Goals for Today

- **What is AI?**
- **What are the Benefits of AI?**
- **What are the Risks of AI?**
- **Is your Organization Ready for AI?**
- **What are realistic Use Cases for AI?**

**What if your best people
can do what they are best
at more often?**



Making Data Meaningful

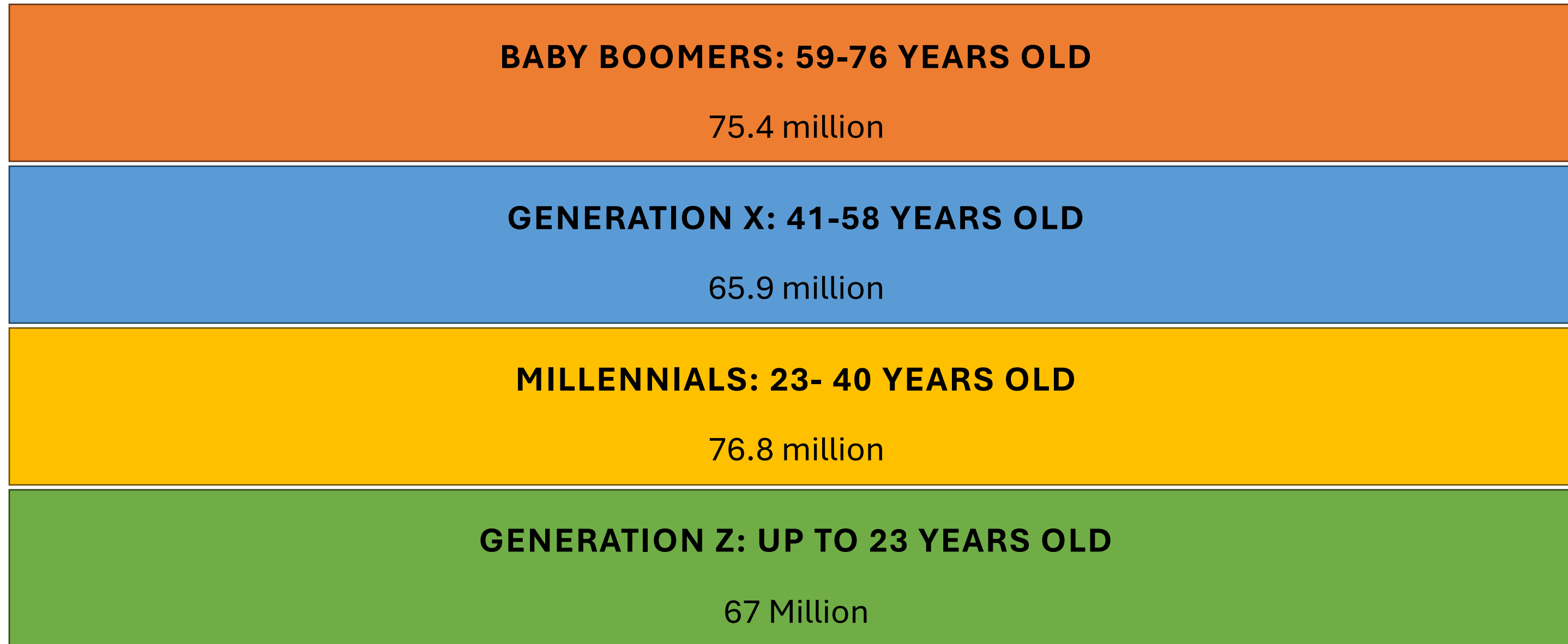


Addressing the Labor Shortage through Automation & Outsourcing



THE POPULATION MATH PROBLEM

DEMOGRAPHIC SHIFTS HAVE CREATED A BATTLE FOR EMPLOYEES



LABOR PARTICIPATION RATES:

Historic: 68%

Today: 62.3%

In April of 2023, the unemployment rate declined to its lowest level since 1969 — meaning there are few available workers left to hire.

Despite all the talk of how "no one wants to work anymore," there's actually a higher share of 25- to 54-year-olds with a job today than before the pandemic.

And the shortage is just getting started.

The Congressional Budget Office projects the potential labor force to expand by a mere 3.6% between 2022 and 2031 — one-eighth of the pace in the 1970s.

Over the following decade, that growth is projected to slow even more, to 2.9%. That means employers face *decades* of an essentially stagnant labor pool.

The Forever Labor Shortage

As boomers retire, workforce growth will plunge for decades

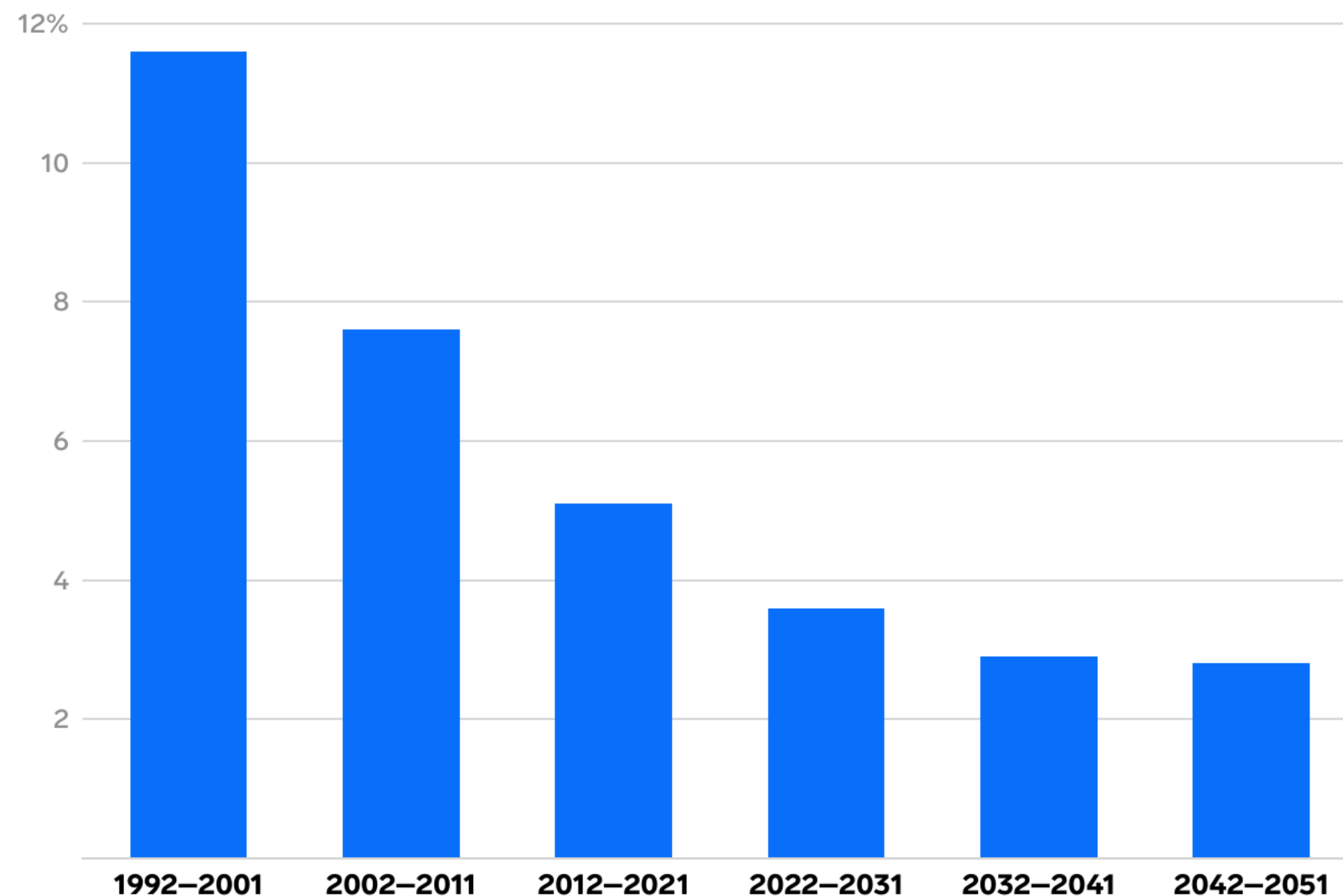


Chart: Chay Thawaranont/Insider • Source: Congressional Budget Office

INSIDER

The Most Successful Workforce is the Combination of a Human & Digital Team

Your human workforce



Act



Think



Analyze



Socialize

Your digital workforce



Robotic
Process
Automation

+



Artificial
Intelligence

+

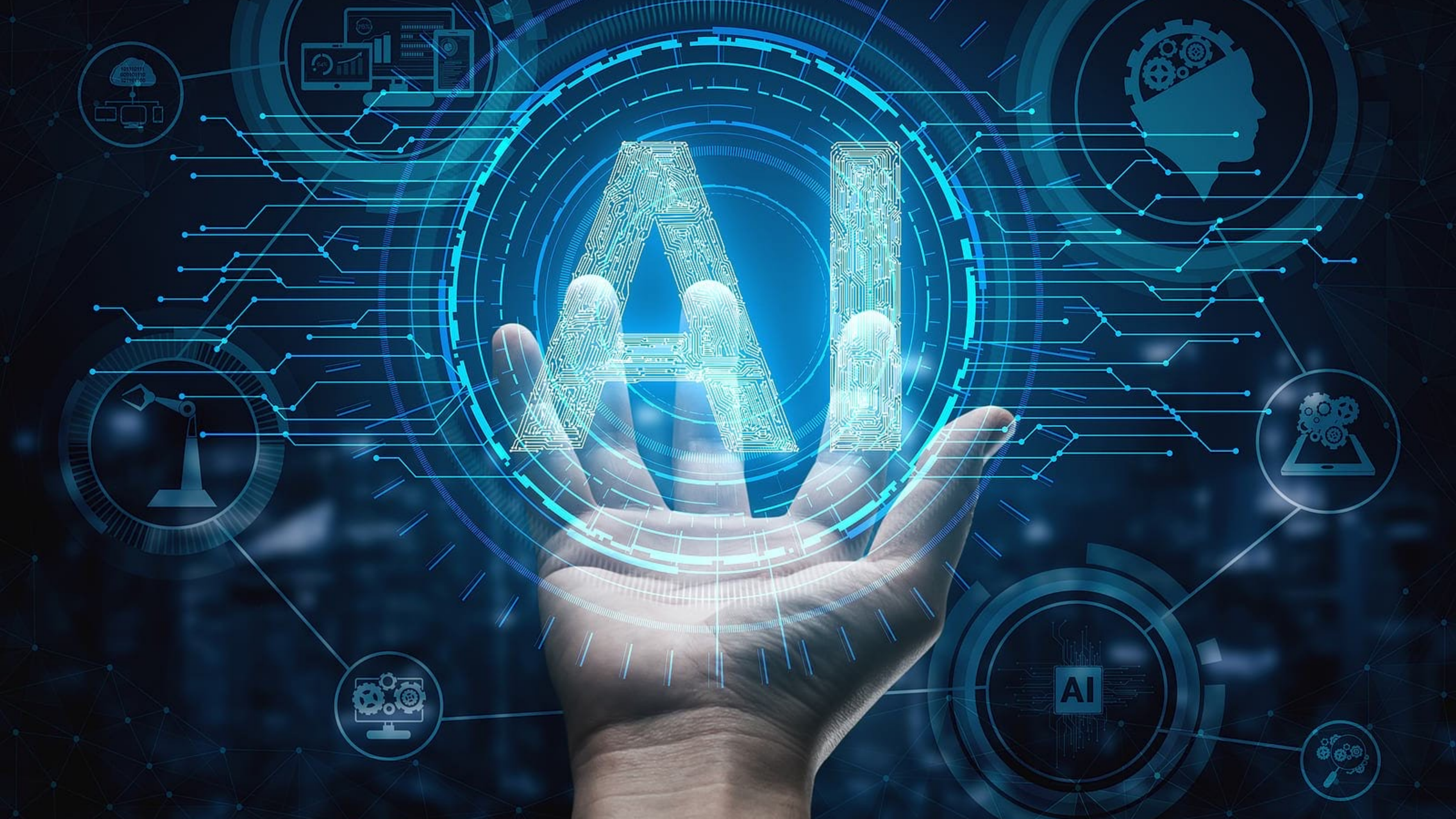


Advanced
Analytics

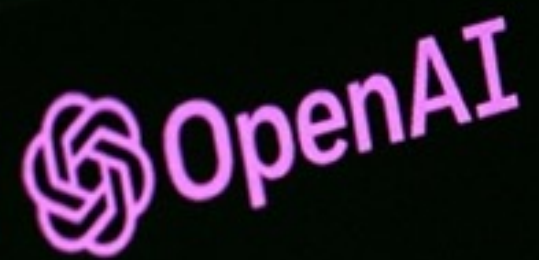
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SALIX
Digital
Workforce







ChatGPT: Optimizing Language Models for Dialogue

We've trained a model called ChatGPT which interacts in a conversational way. The dialogue format makes it possible for ChatGPT to answer followup questions, admit its mistakes, correct incorrect premises, and reject inappropriate requests. GPT-4 is a sibling model to InstructGPT, which is trained on a large dataset of human instructions in a prompt and provide a



WHAT IS A CAT?



Cats are domestic mammals and they are a subspecies of the family Felidae.

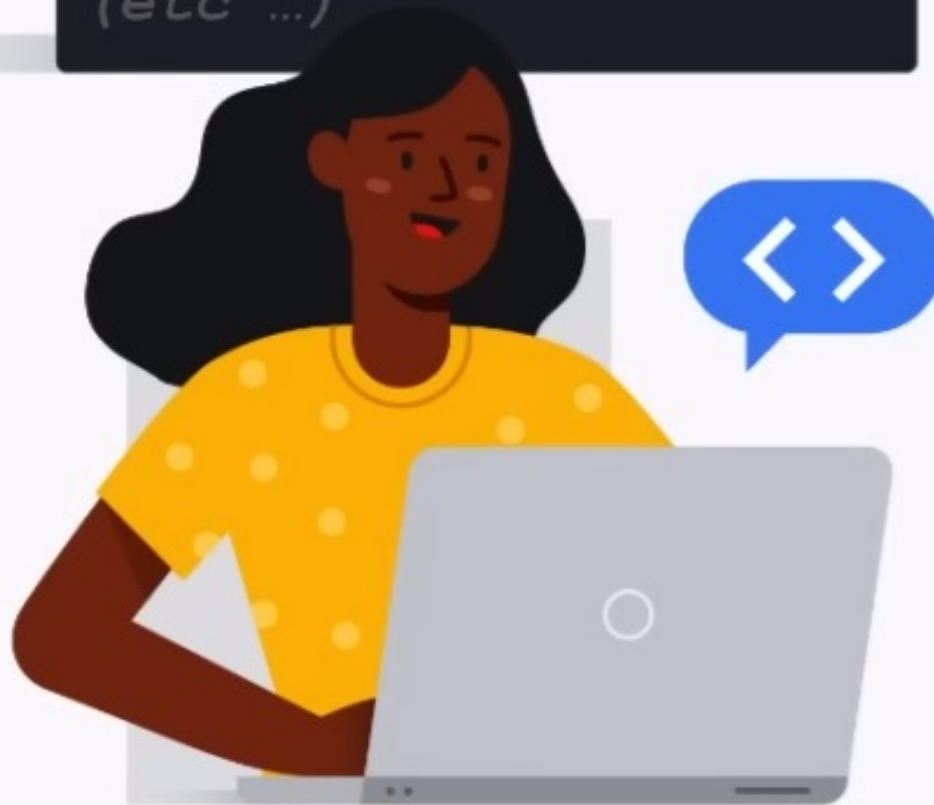
Cats are carnivores and they mainly eat meat. They eat a variety of **fish**, such as salmon, trout, tuna and whitefish; and **poultry** like chicken, turkey and pheasant.

Cats are one of the two most popular domestic animals in the world (Dogs are the other).

Some **characteristics of the cats** are: they have the **largest eyes** of any mammal, they are **covered by fur** and they have an **excellent sense of hearing and smell**.

Traditional programming

```
Cat:  
  type: animal  
  legs: 4  
  ears: 2  
  fur: yes  
  likes: yarn, catnip  
  (etc ...)
```



**How did AI
Scientists
finally
figure this
out?**



Deep learning uses Artificial Neural Networks - allowing them to **process more complex patterns** than traditional machine learning.

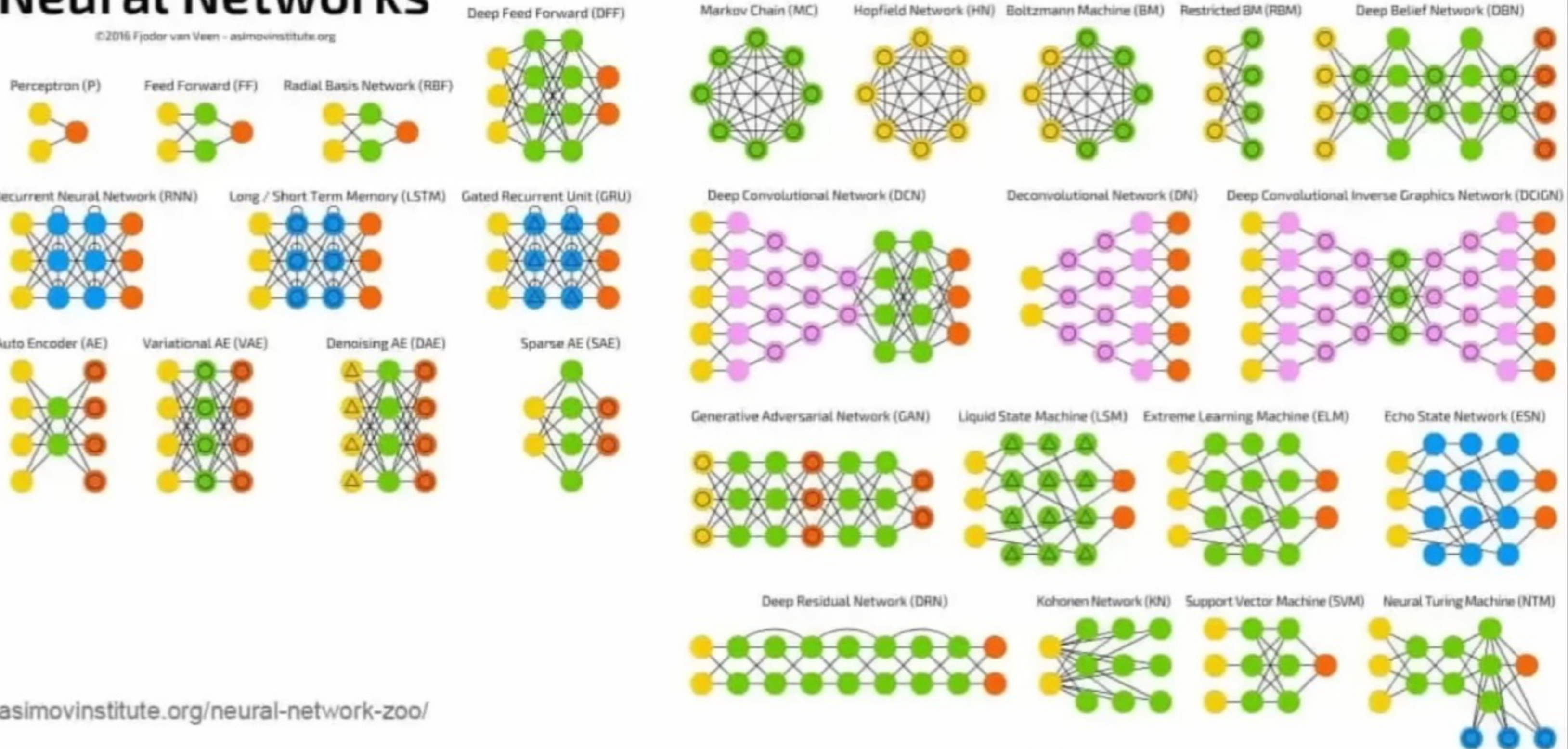


More complex types of neural network patterns

A mostly complete chart of Neural Networks

©2016 Fjodor van Veen - asimovinstitute.org

- Backfed Input Cell
- Input Cell
- Noisy Input Cell
- Hidden Cell
- Probabilistic Hidden Cell
- Spiking Hidden Cell
- Output Cell
- Match Input Output Cell
- Recurrent Cell
- Memory Cell
- Different Memory Cell
- Kernel
- Convolution or Pool



Source: <http://www.asimovinstitute.org/neural-network-zoo/>

Unsupervised Learning Then Supervised Learning

UNSUPERVISED LEARNING

- Human babies learn to speak languages before being formally education at school.

SUPERVISED LEARNING

- Children then get fine tuned from school with exams to provide structured feedback and evaluation, guiding them towards what is considered a "correct" or "good" answer.



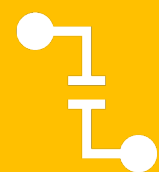
How did ChatGPT 3 “Learn”



For Unsupervised Learning, ChatGPT was given an incredible amount of text data from the internet up to the year 2021. It took 1 year to ingest this data.



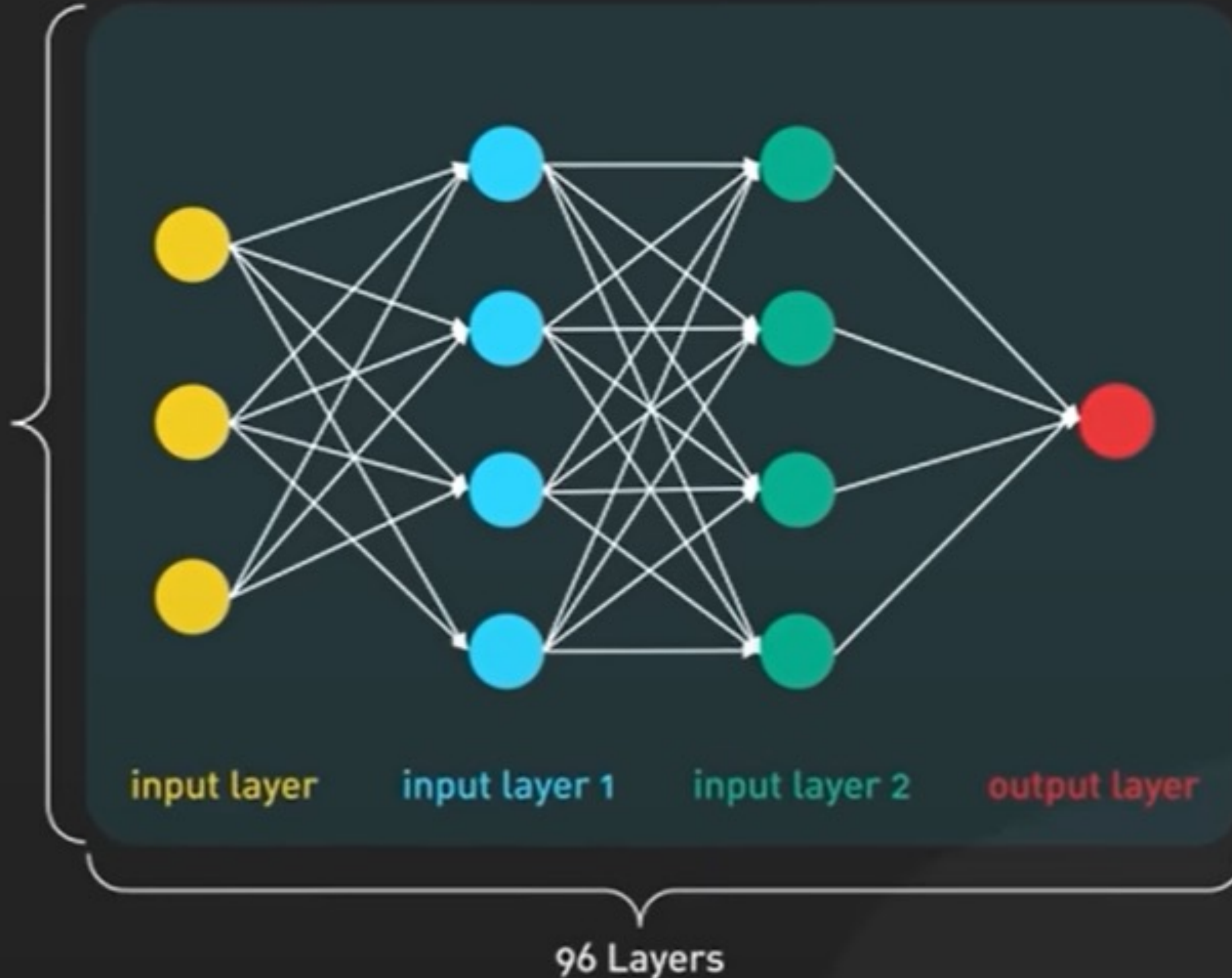
For Supervised Learning, ChatGPT was guided by human judges (teachers) for about 6 months.



Once the neural network was made, it serves customers for a period of time until the new version is released. In between the version releases, the neural networks are being enhanced by adding additional parameters.

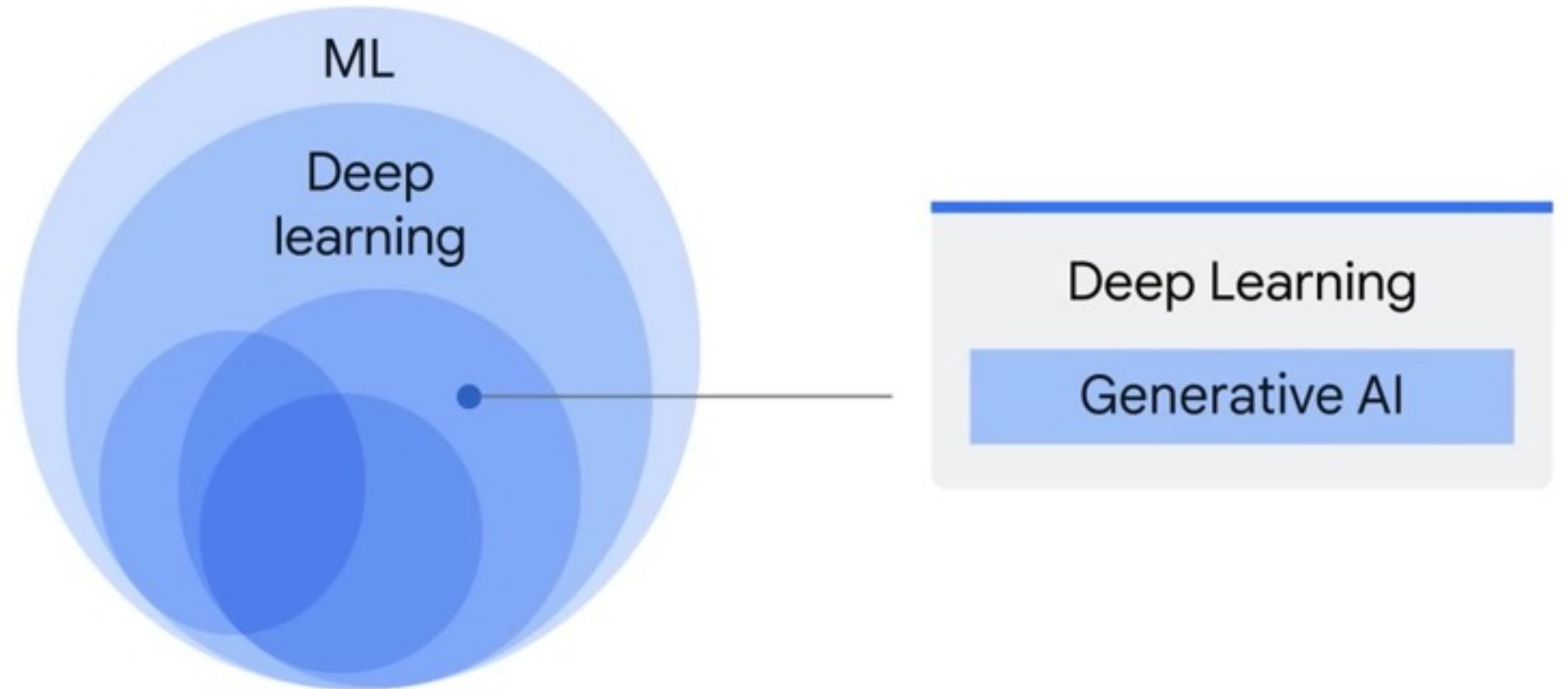
LLM (GPT-3.5) (Large Language Model)

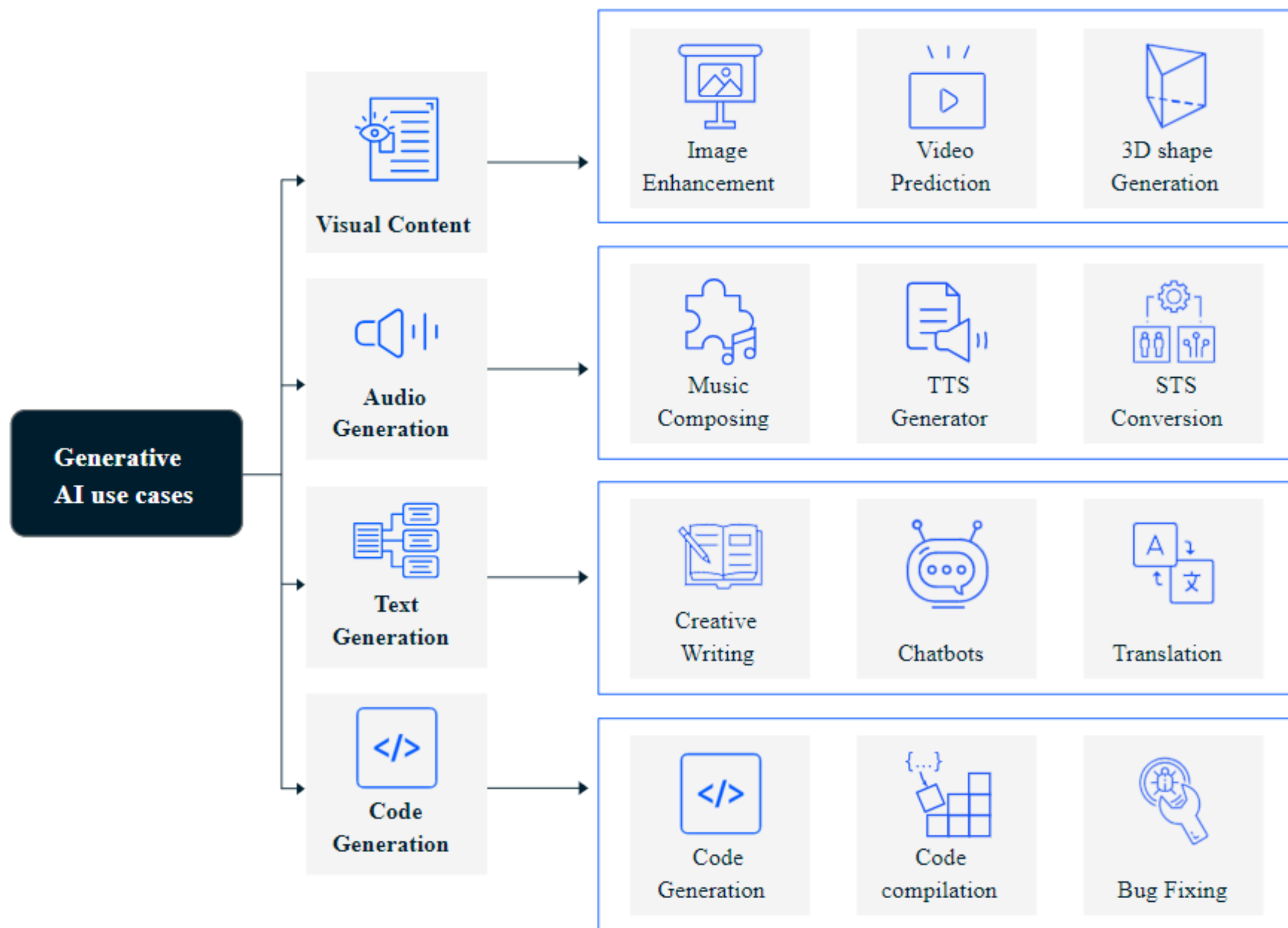
175
Billion
Parameters

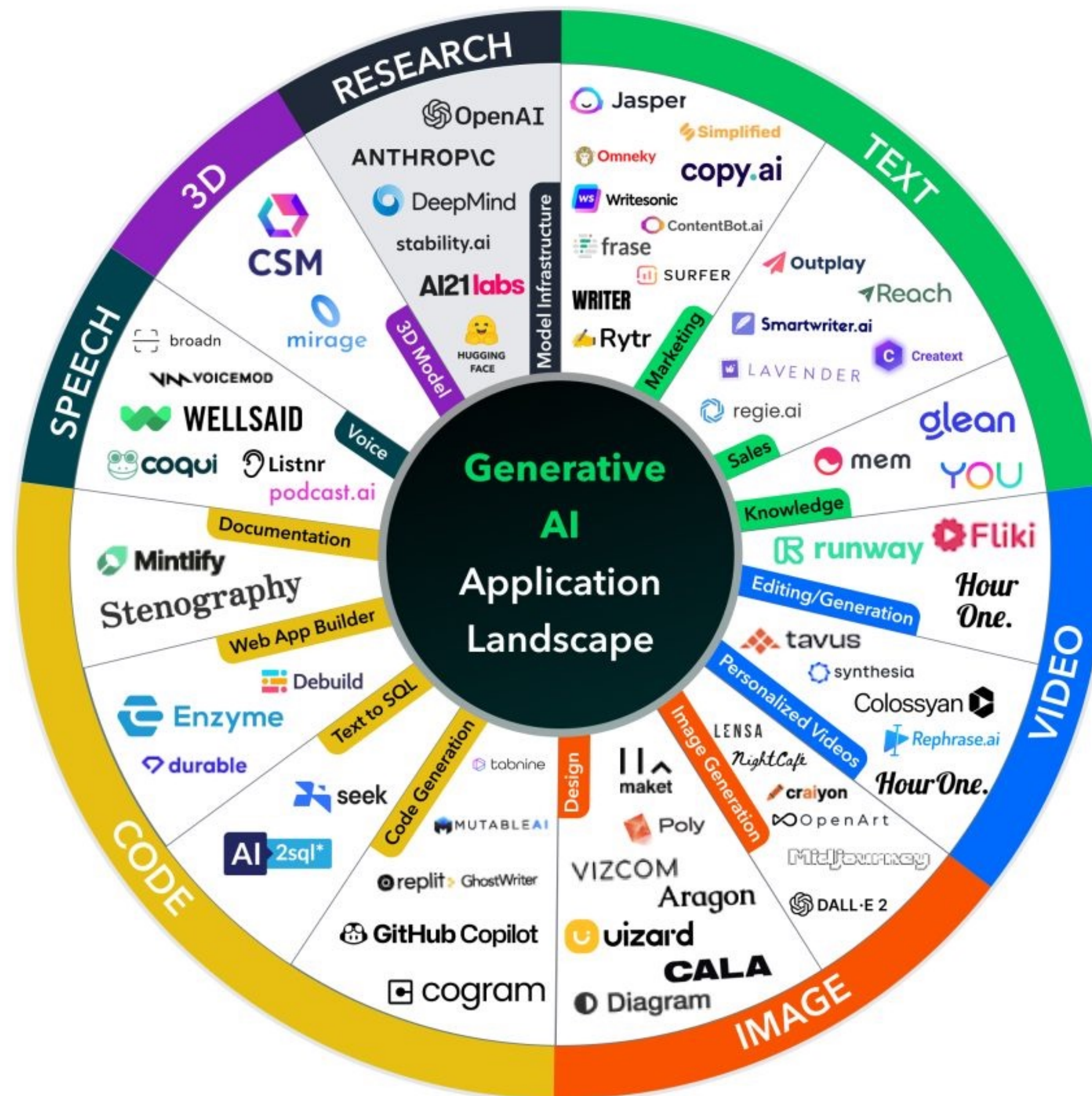


**ChatGPT 4
has 170
trillion
parameters.**

Generative AI
is a **subset of**
Deep Learning







What are the Benefits of AI?

12 important benefits of AI for business

1. Better decisions

2. Efficiency and productivity gains

3. Improved speed of business

4. New capabilities and business model expansion

5. Personalized customer services and experiences

6. Improved services

7. Improved monitoring

8. Better quality and reduction of human error

9. Better talent management

10. More innovation

11. Increased profitability

12. Industry-specific improvements



What are the Risks of AI?



Error

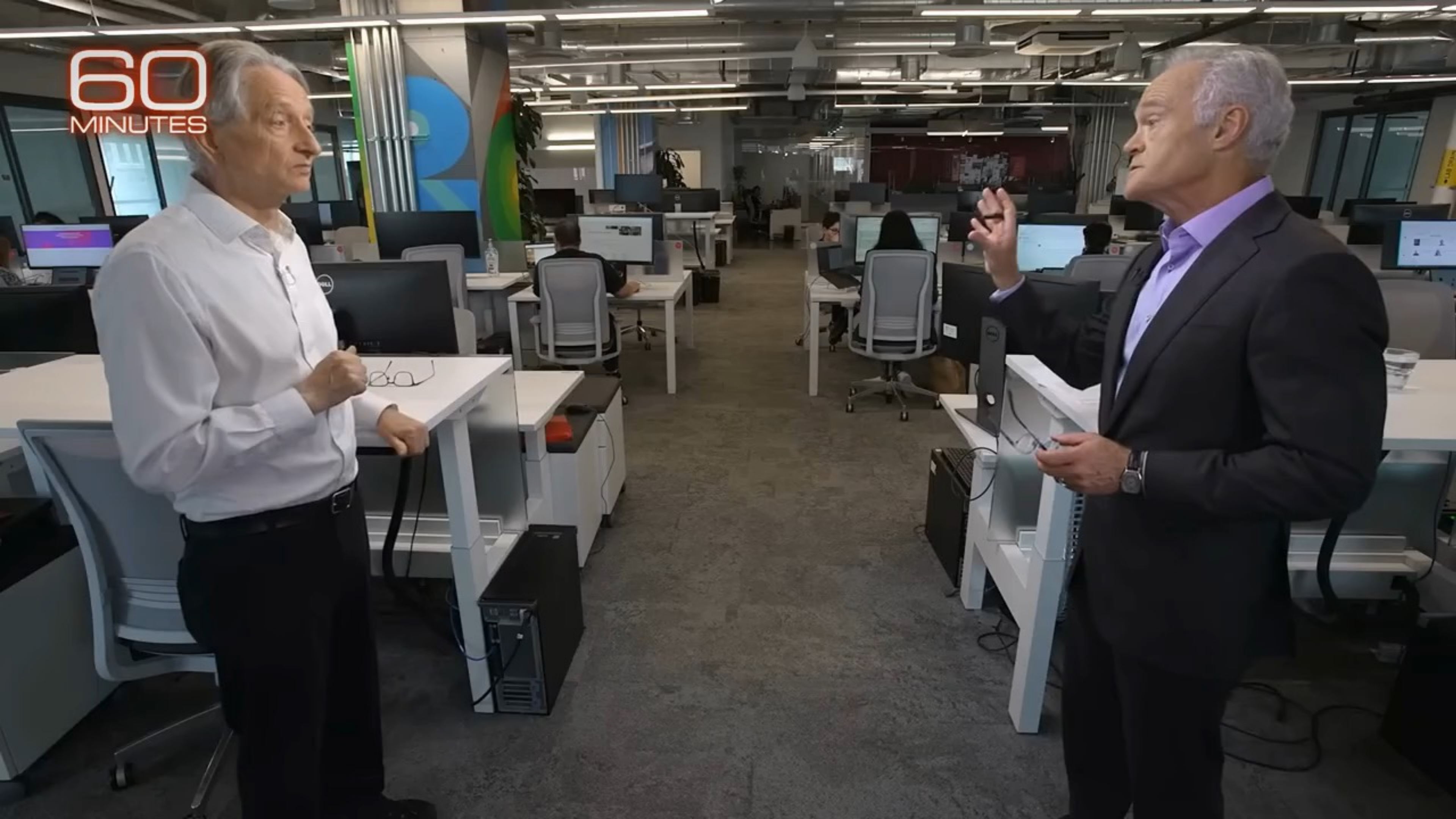
What is an AI Hallucination?

An AI hallucination is a false or misleading output generated by an artificial intelligence system. It can be a confident response by an AI that does not seem to be justified by its training data.

Example:

When asked about Microsoft's annual revenue in **2021**, a hallucinating chatbot falsely states that the figure is **\$10 billion** (the right answer should have been **\$168.1 billion**).

60
MINUTES



ETHICAL CONCERNS AROUND A.I.



**JOB
DISPLACEMENT**



**DECISION-
MAKING BIAS**



PRIVACY



**POTENTIAL
MISUSE**

Is your Organization Ready for AI?

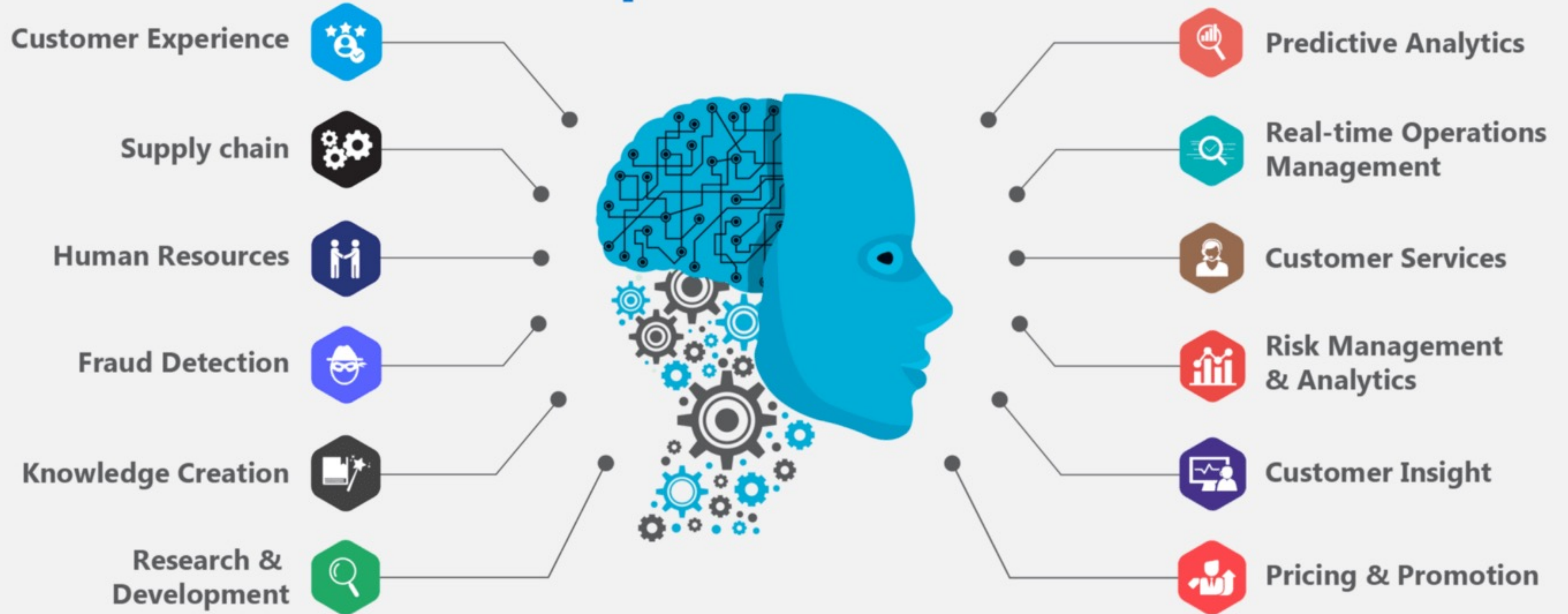


Question to Ask Yourself

- **Is my organization willing to change?**
 - You can't assume that AI is always right, so there will be significant data validation.
- **Will we make decisions based on the data?**
 - If you know no matter what the data says, you are still going to go with your "gut" then save the time and money.
- **Do you have leadership buy-in?**
 - The way processes are completed and decisions are made will change?
- **What area is most excited about being the Guinea Pig?**
 - The best technology fails if the culture does not want to embrace it. Start in the area that wants it the most.
- **How do our values impact how we implement AI?**

What are the Use Cases of AI?

Top AI Use Cases





Use Cases

- Internal & External Chatbots
- Programming
- Data Analytics
- Creating Marketing Content
 - Text, Images, and Video
- Enhancing Customer Experience
 - Understanding user preferences, behaviors, and contextual cues
 - Automating and personalizing customer service
 - Sentiment Analysis
- Invoice Processing & Document Intake



Consumer goods and retail

- Providing virtual fitting rooms
- Scheduling delivery and installation
- Providing in-store product-finding assistance
- Optimizing demand prediction and inventory planning
- Generating novel product designs



Manufacturing

- Serving as expert copilot for technicians
- Allowing conversational interactions with machines
- Providing prescriptive and proactive field service
- Enabling natural language troubleshooting
- Assessing warranty status and documentation
- Understanding process bottlenecks and devising recovery strategies



Media and entertainment

- Providing intelligent search and tailored content discovery
- Writing engaging headlines and copy
- Providing real-time feedback on content quality
- Curating personalized playlists, news digests, and recommendations
- Enabling interactive storytelling, driven by viewer choices
- Delivering targeted offers and subscription plans



Financial services



- Uncovering potential trading signals and alerting traders to vulnerable positions
- Accelerating underwriting decisions
- Optimizing and rebuilding legacy systems
- Reverse-engineering banking and insurance models
- Monitoring for potential financial crimes and fraud
- Automating data gathering for regulatory compliance
- Extracting insights from corporate disclosures

Automation Across Your Departments

Driving cross department adoption to accelerate the journey to a fully automated enterprise



Enterprise Departments

-  Finance
-  CX/Contact Centers
-  IT
-  Legal & Contracts
-  Supply Chain
-  HR

Sample Use Cases for Generative AI

NLP

Text Generation, Q&A, Summarization, Enterprise Search, Classification, Entity Extraction, Intent Recognition, Translation, Rewrite, Text to Speech

Computer Vision

Image generation, Image Classification, Object Detection, Video Classification, Text annotation for images

Software Engineering

Code generation, Code analysis, Search, Documentation, DevOps Automation

General Sciences & Others

Drug Discovery, Genomic Sequencing, Chemical Formulation, Human-Robot Interaction

Exercise 1- Generative AI Vision and Benefits

Business Goal	Sample Use Cases (see examples in next slide)	Metrics
Improved Customer Satisfaction		
Workforce Productivity		
Reduce Costs		
Accelerated New Product/Service Creation		

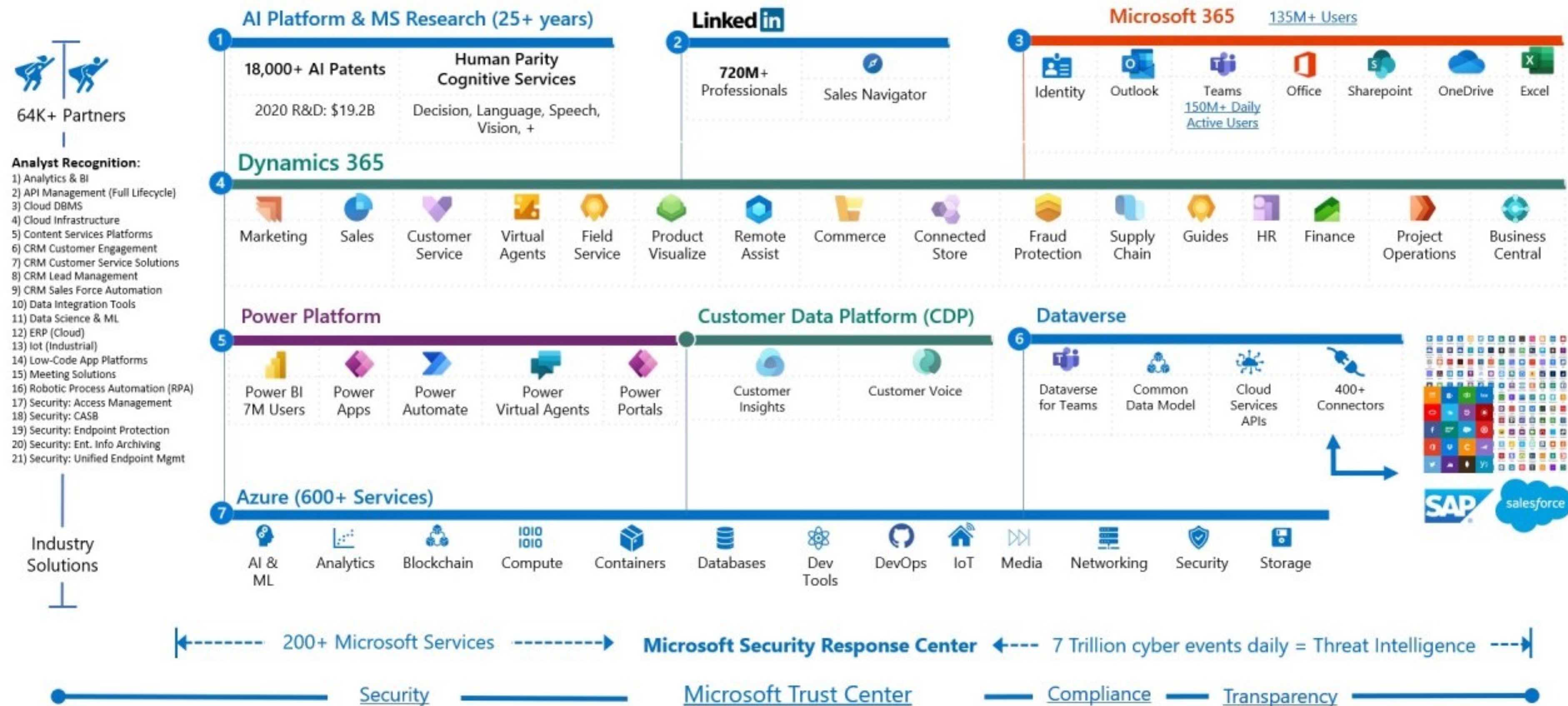
Exercise 1- Generative AI Vision and Benefits

Business Goal	Sample Use Cases (see examples in next slide)	Metrics
Improved Customer Satisfaction	Product bundle recommendation	Increase bundle sales by 10%
Workforce Productivity	Improve access to critical data for call center team.	Reduce call time by 22%
Reduce Costs	Improve code testing process	Add testing procedures without increasing headcount.
Accelerated New Product/Service Creation	Generate more options for product designs & prototypes	Increase the number of viable options by 50%



Business Application Solution Ecosystem

Microsoft's Business Applications are built on **Azure**, using a **Common Data Model** that unifies data in **Dataverse**. **Power Platform** is the low code development platform for Microsoft's **Office 365**, **Teams**, **Dynamics 365** business applications (CRM & ERP) and integrates with **400+ services**.



We cannot avoid the wave of emerging technology, so we must embrace what these new experiences have to offer

**Greater
productivity**



**Increased
efficiency**



**More flexibility
for employers
and employees**



**More
meaningful and
fulfilling work**



This is the evolution of text to video generation
in just two years...



2024
OpenAI

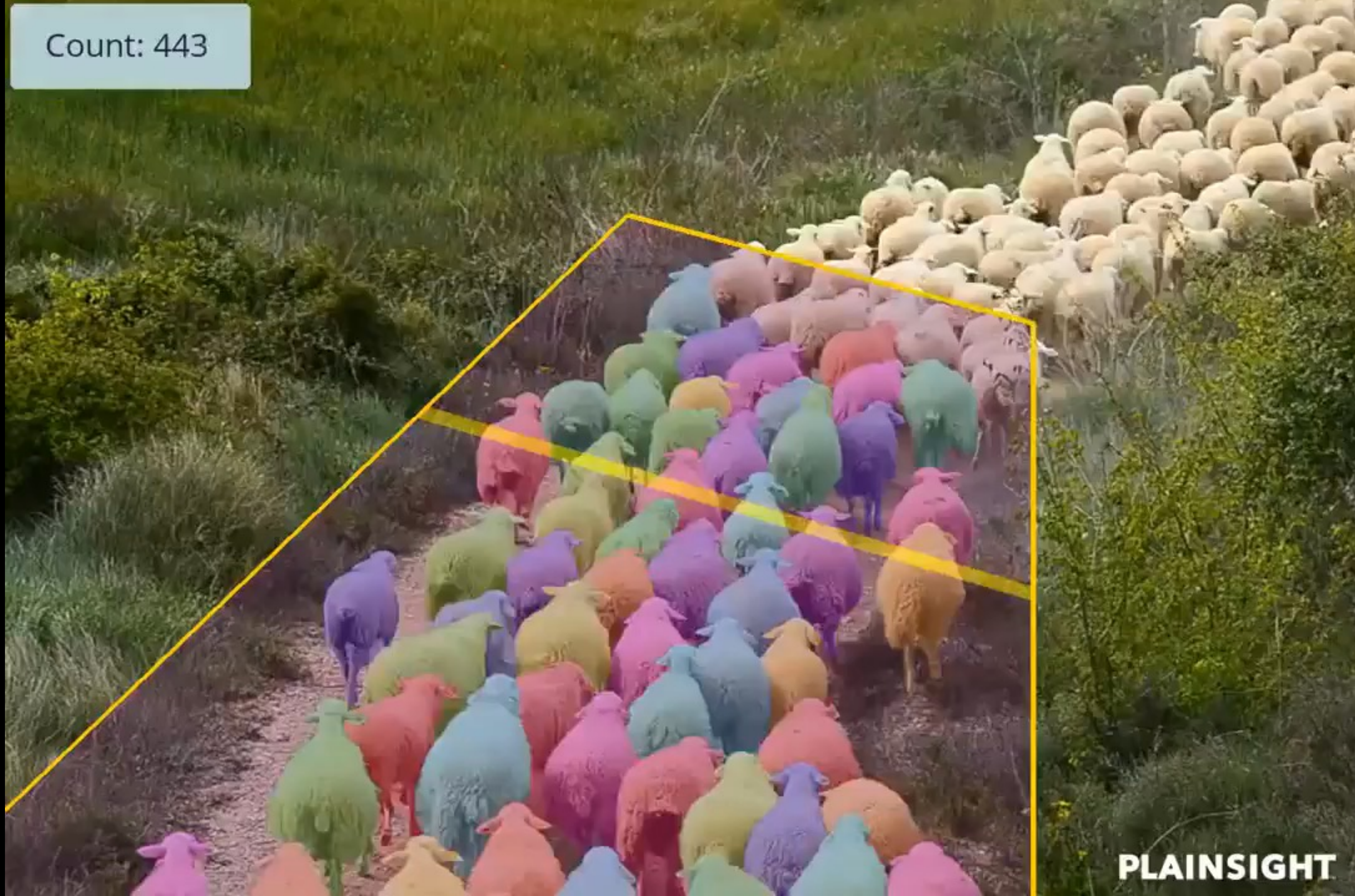


This AI-powered laser herbicide and weed remover is making farming much easier...



Count: 443

PLAINSIGHT



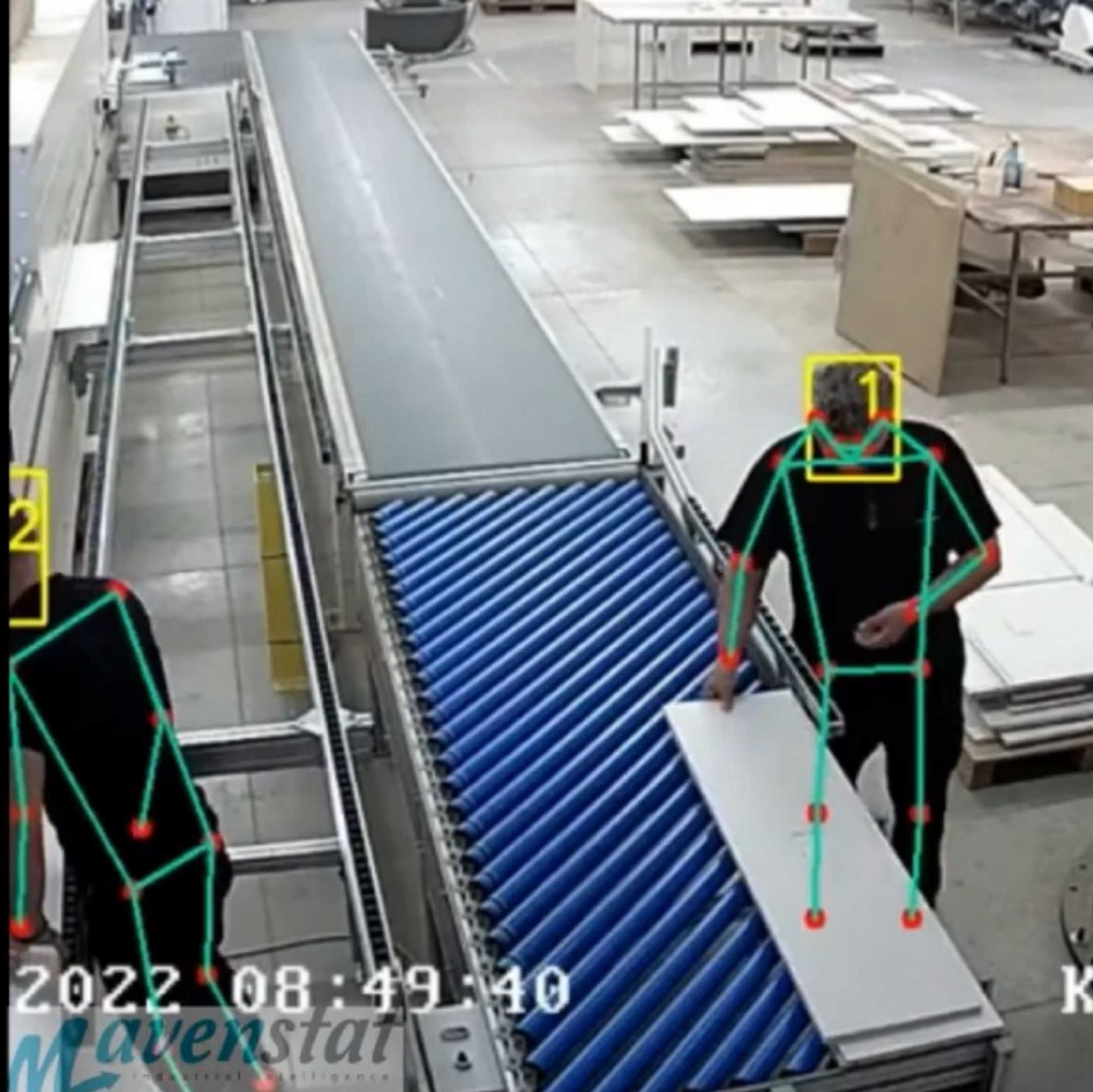
AI can now understand emotions and is being used to make phone calls...

AI learned to understand human emotions.

This is a Wendy's using AI to take drive thru orders...







2022 08:49:40

Lavenstat
Industrial Intelligence

K



ANY
QUESTIONS?



Gen AI Tools in 2024



- **General Purpose:** Bing (Free ChatGPT 4)
- **Write Anything:** Scribe
- **Generates Art:** Stable Diffusion
- **Generates Code:** AlphaCode
- **Generates Video:** InVideo.io
- **Microphone Enhancement:** Adobe Enhance
- **Generates Presentations:** Tome.app
- **Summarize Video Meeting:** Parrot.ai
- **Summarize PDFs:** PDF GPT
- **Voiceover:** Prime Voice
- **Search Engine:** Perplexity.ai
- **Translate Video:** Heygen.com
- **Voice Conversion:** Elevenlabs.io

Vizcom AI

Vizcom is an AI-powered tool that quickly transforms sketches and drawings into visually captivating concept drawings. The app supports both importing existing drawings and sketching directly within the platform.





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513-772-8484



QUESTIONS?

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www.CustomDesignBenefits.com
800.598.2929

TRUE COST UPDATE

JULIE MUELLER



GAIN TRUE SAVINGS WITH TRUECOST

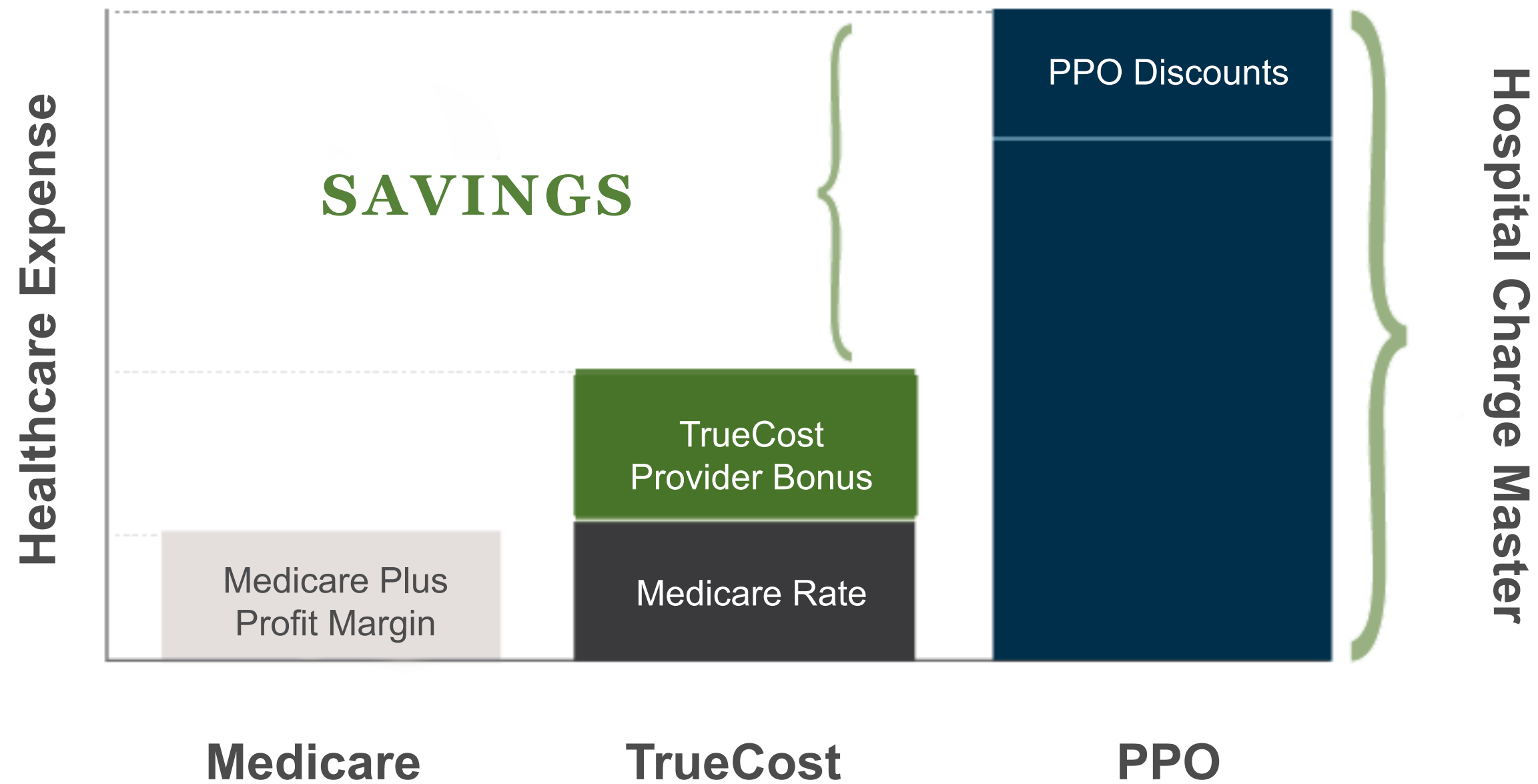
An innovative and creative approach launched in 2012, TrueCost is the solution to the rising costs of healthcare - helping to contain and reduce employee benefits costs, while improving the plan benefits offered to employees.

TrueCost delivers:

- ✓ True transparency with fixed Reference-Based Pricing
- ✓ Direct contracts with the highest quality healthcare providers
- ✓ Lower healthcare cost
- ✓ Simple copay-only, member-friendly plan designs
- ✓ Fair and reasonable provider reimbursement
- ✓ Eliminated complexity of in-network and out-of-network providers



COST PLUS VS. CHARGE DISCOUNTS



TRUECOST BY THE NUMBERS



75%
of Custom Design Benefits
clients using TrueCost

\$340
Average OOP
per member

15-20%
Average savings on
fixed and claim cost

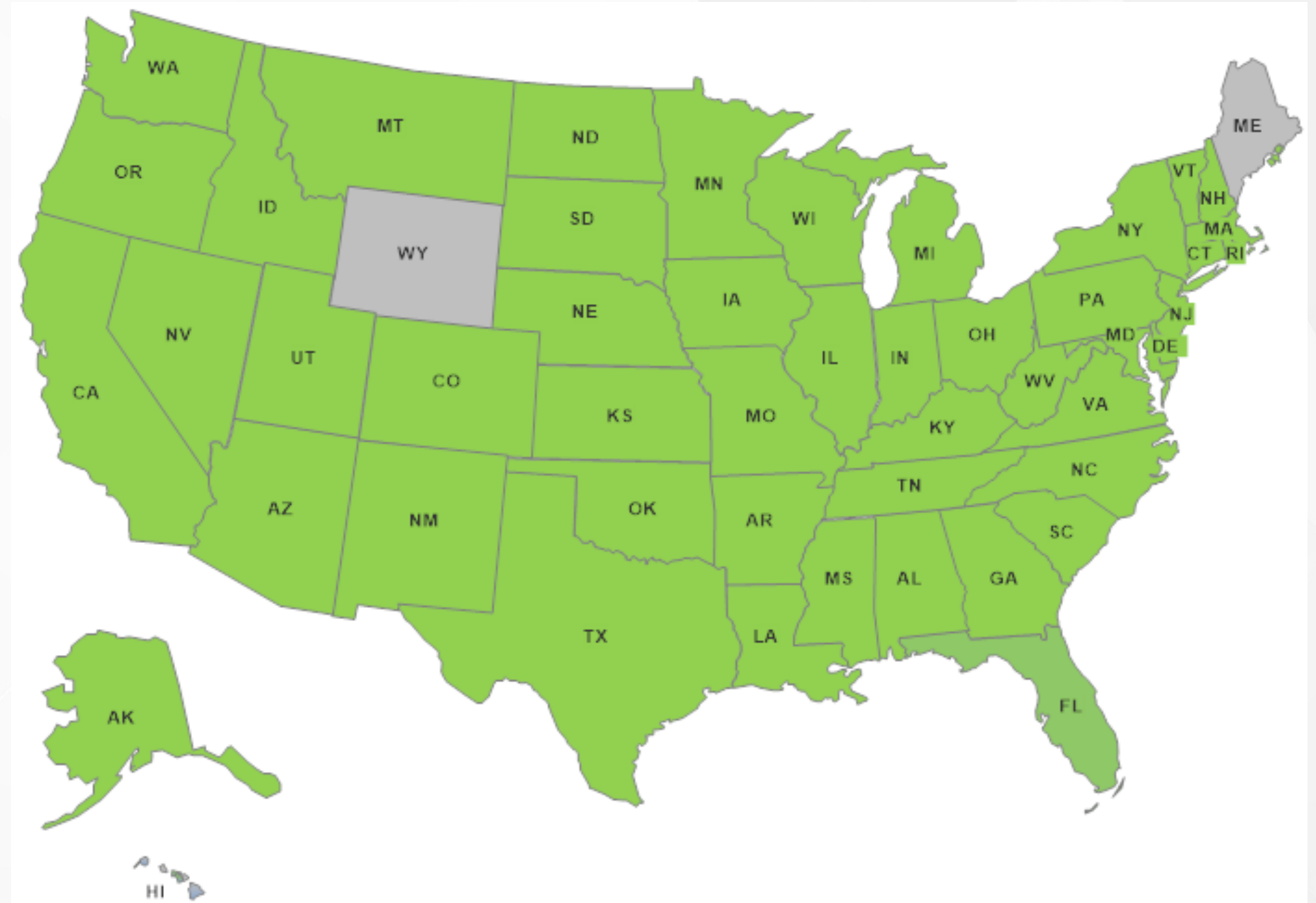


99.93%
of 2023 claims did not
have a balance bill

100%
Balance bill claims resolved
without legal intervention

WHERE OUR MEMBERS ARE

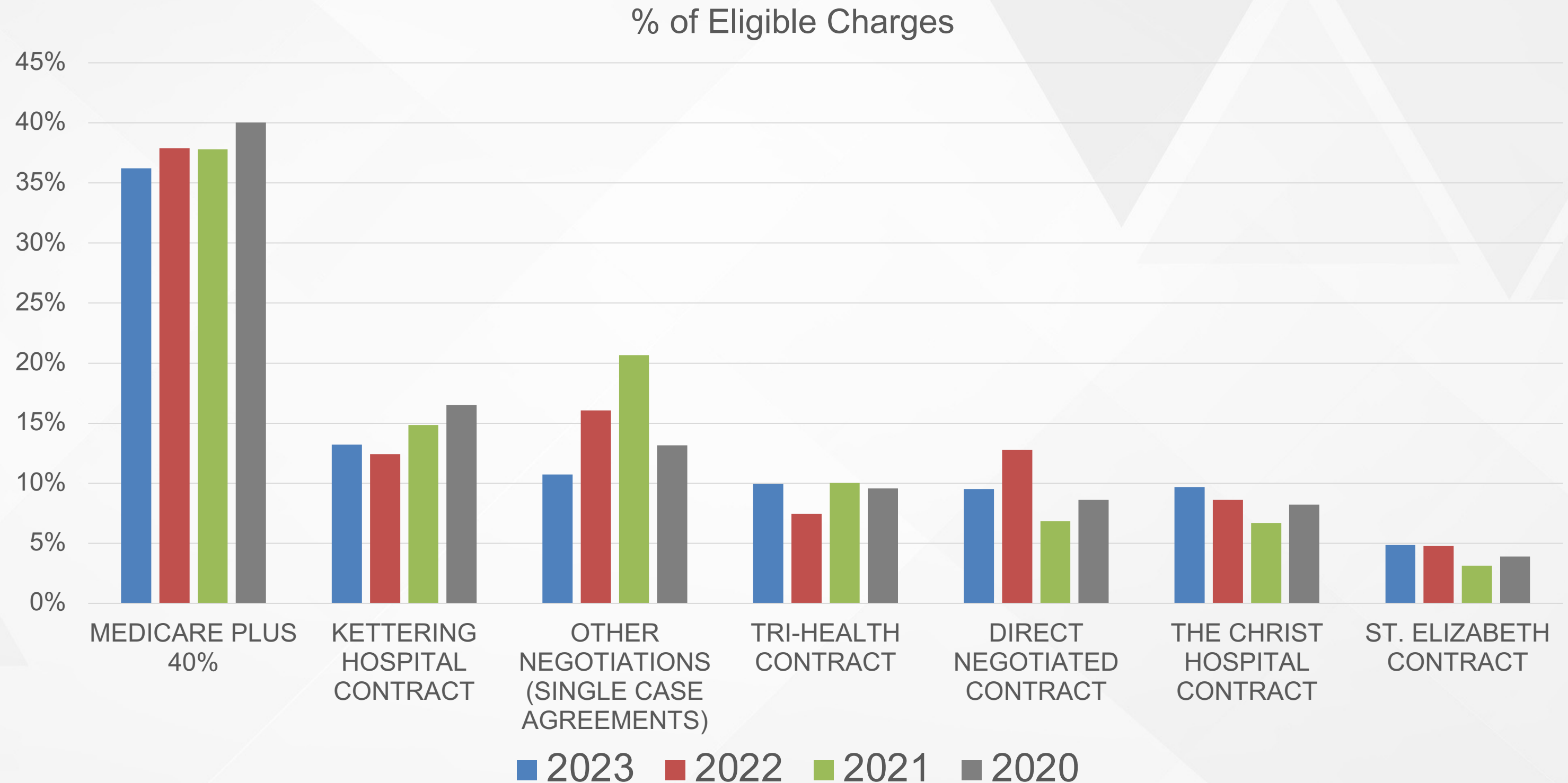
*80% of
our total
Members
are on a
TrueCost
Plan*



*Green States indicate where CDB members live

TRUECOST REPRICING BOOK OF BUSINESS

2023-2020



TRUECOST 3.0



THE TRUE COST PLAN INCLUDES A PATIENT ADVOCATE

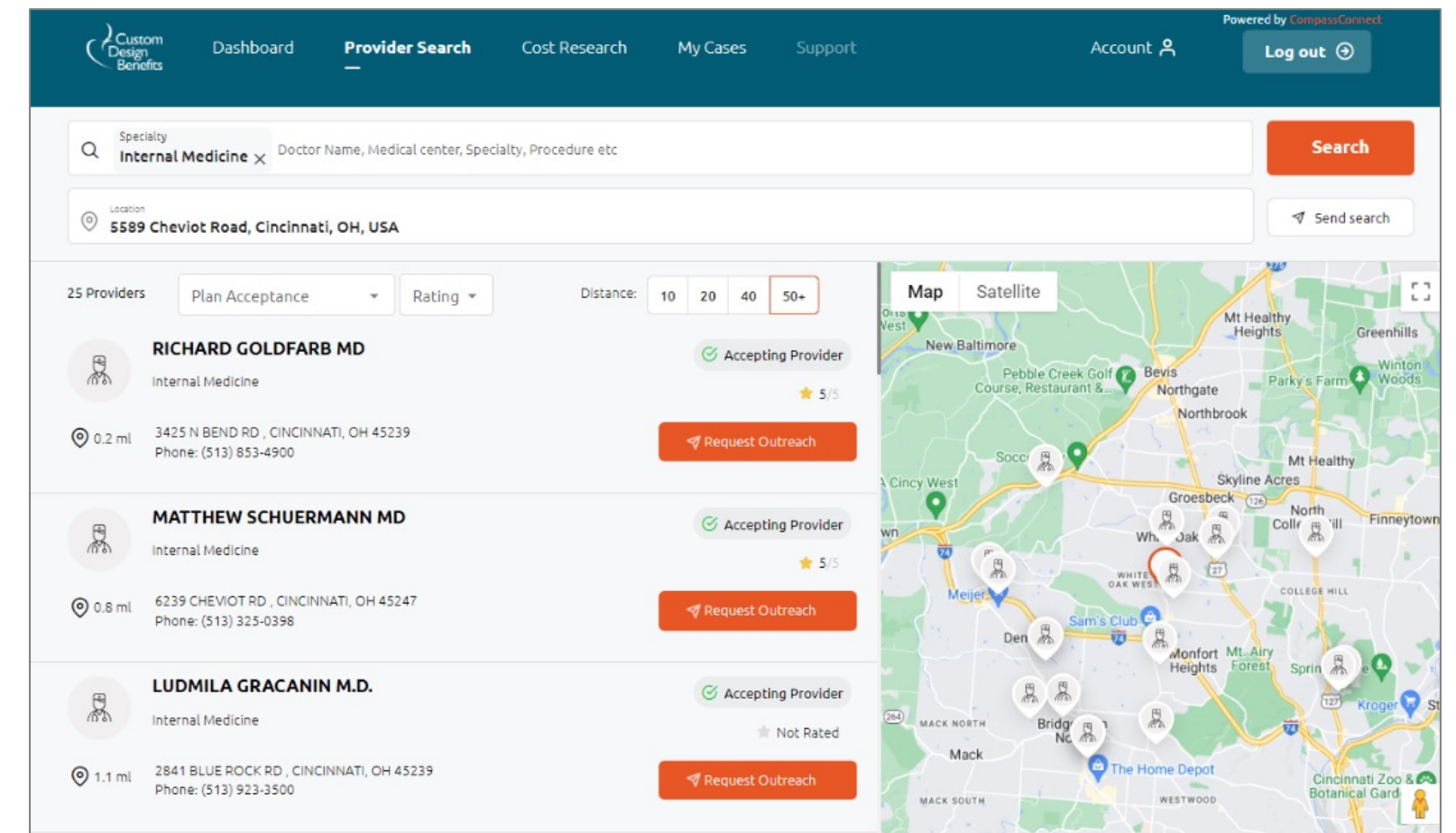
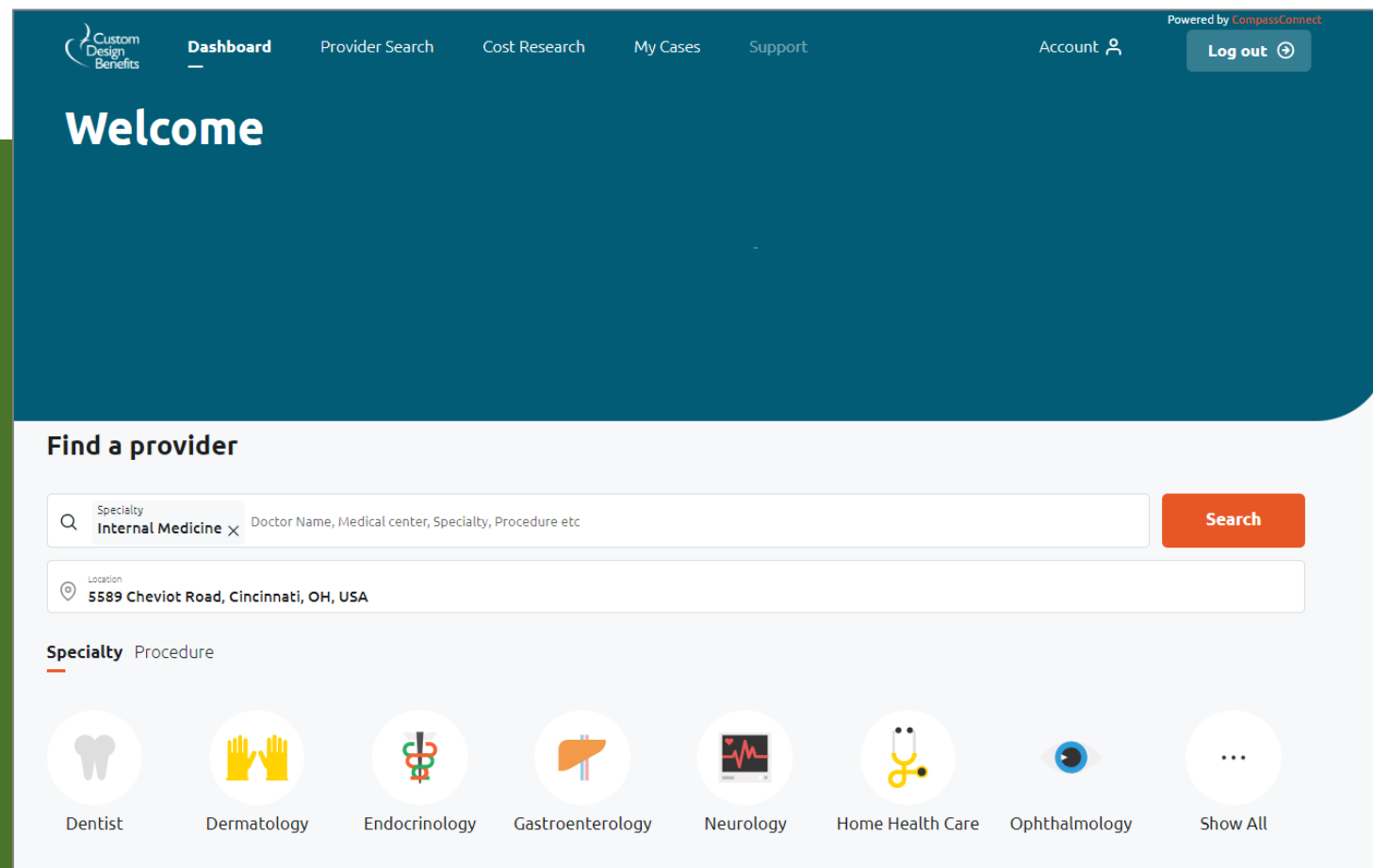
The Patient Advocate:

- ✓ Assists with finding providers that participate in TrueCost reimbursement rates.
- ✓ Provides information about reimbursement rates for certain procedures through the plan ... and more.



TRUECOST CONNECT

TrueCost Connect brings next-generation transparency that bridges the gap between care and patient while removing barriers to access and value.



- The resource for transparency, quality and cost.*
- ✓ Search for a medical procedure or find providers in your area.
 - ✓ Compare providers that accept the TrueCost plan and offer quality care.
 - ✓ Receive high quality care and save on out-of-pocket costs.

PHASE I RECAP

- Member Support Specialists empowered to be Patient Advocates
- Assist members in finding quality providers at a reasonable price using the TrueCost Connect tool
- Steering members to preferred hospital systems and independent providers

1577 Patient Advocate Outreaches in 2024

PHASE II OVERVIEW

PATIENT ADVOCACY IN HOUSE

Goal is to ensure ease of access to quality providers and increase member satisfaction

- Negotiate Single Case Agreements (SCA)
- Facilitate MOUs with Providers which benefit all CDB clients and members on TrueCost
- Negotiate resolution of a member's bill, excluding his/her responsibility (copays, deductible, coinsurance)
- Shorten timeframe for balance bill resolution through Accord & Satisfaction
- Educate Providers on RBP and CDB's payment rate



Courtney Sexton



New position added: **Patient Advocate**

Courtney joined CDB in October 2018

- Started as a CSR in Operations
- Moved to Medical Management as a Utilization Management Specialist
- Most recently held the role of Benefits Administrator in Operations

BENEFITS

Faster turnaround time on Patient Advocate requests

No middle-man

No delays in escalating balance bill issues to PHIA

Access to repricing tools to determine percentage of Medicare rates for SCAs and MOUs

Increased client and member satisfaction

TRUECOST SUPPORT



NEW: Patient Defense – Independent legal representation at **no additional cost** for:

- Members that have a balance bill of \$2,500 or more
- Members that provider has taken legal action against

FUTURE OF TRUECOST – NEXT STEPS

Use quality data to help members select not only accepting providers but with

- High quality
- High value
- Best location for the procedure





QUESTIONS?

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800.598.2929

BREAK

THE FUTURE STATE OF HEALTH PLAN DESIGN AND COST CONTAINMENT

ADAM RUSSO, THE PHIA GROUP



The Future State of Health Plan Design and Cost Containment

August 29, 2024



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Problem, Purpose, Process

The Problem – **Health Care Costs too Much** and the Price is increasing; Employers are Forced to Offset Costs Through Higher Co-Pays and Deductibles

Our Purpose – To **Make Health Benefits Affordable** for Employers and Employees

Why? – Because **Hard Working Americans Deserve Access** to High Quality, Affordable Healthcare



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Our Purpose Has Driven Us to Grow

2020



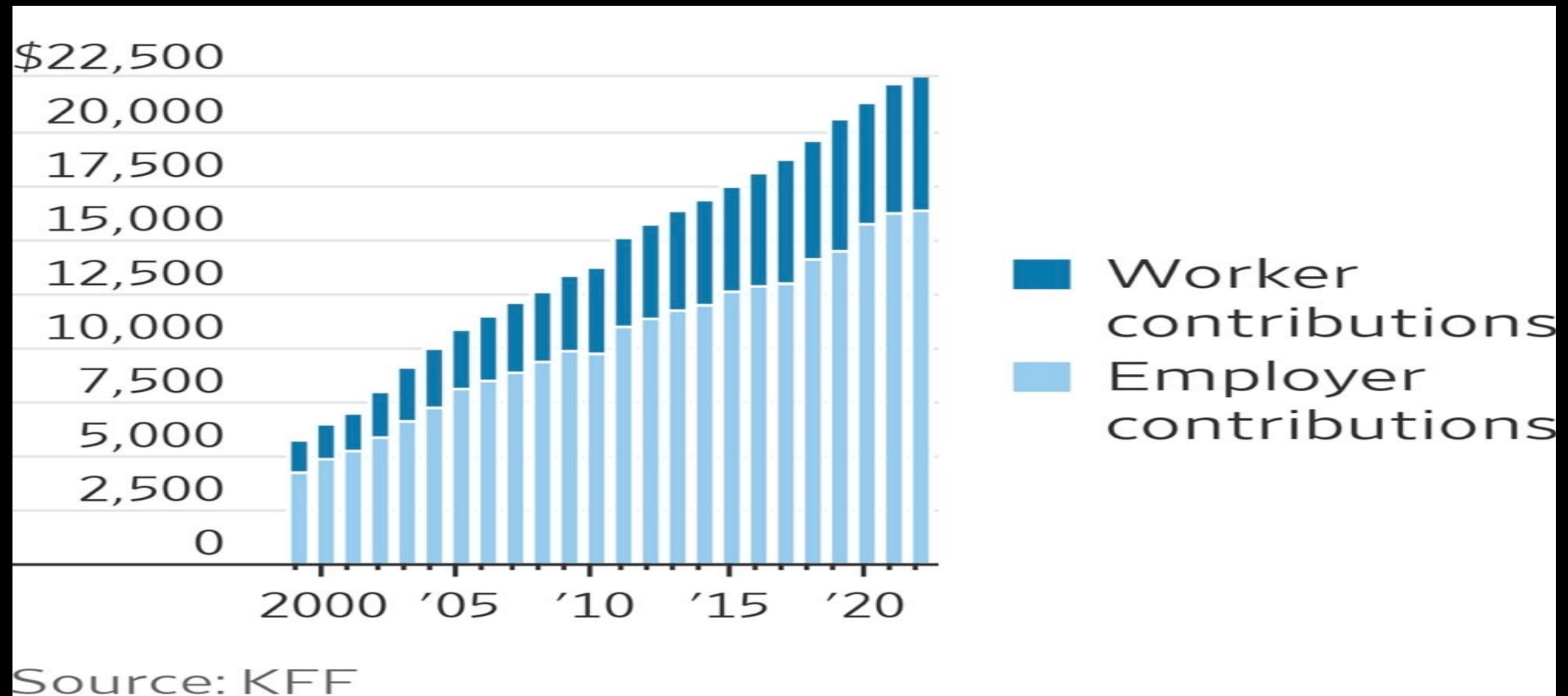
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Annual Premiums for Employer Family Health Coverage



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The source is KFF: <https://www.kff.org/>

TPA Service Components Today

NOT MANY TRUE TPAS LEFT IN THE INDUSTRY

Plan Design Consultation and Development
Provider Price Negotiation and Contracting
Claims Processing and Re-pricing
Claims Auditing
Data Analytics and Reporting
Member Support Services
Financial Management
Compliance and Legal Support
Network Management – DPC Options
Value-Based Payment Arrangements
Member Education and Communication
Customer Service
Risk Management



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Fiduciary Concerns

Julie A. Su v. UMR - Summary

- 8/23, DOL Sued UMR for two counts of fiduciary breach, alleging it improperly denied thousands of claims incurred by self-funded plan participants
- These emergency room claims that UMR allegedly denied based solely on diagnosis codes and not standard established by ACA and CAA – “prudent layperson” standard
- The DOL is seeking reimbursement to plan participants whose claims were denied incorrectly by the TPA from January 2015 to the present and a nationwide injunction to prevent the company from improperly denying claims in this way

Key Takeaways

- Again, TPAs can be charged with fiduciary breach – automation can cause breach
- TPAs must check their automated claims adjudication to ensure accuracy
- TPAs must monitor regulatory changes to ensure accurate claims and appeals



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Drug Pricing & Fiduciary Duties

Lewandowski v. Johnson & Johnson

- The Case
 - EE filed class action accusing ER of fiduciary breach for overpaying for prescription drugs through health plan
 - 801% markup for HIV drug; 6,392% markup for prostate cancer drug, 12,403% markup for leukemia drug, etc.
- The Impact
 - A harbinger of litigation to come against ERs
 - Comparable to those filed against ERs for paying excessive fees or mismanaging investments in 401(k) plans
- What Can/Should Plan Sponsors Do?
 - Plan language & plan design
 - Contract review
 - Be diligent – constantly vet vendor programs



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Relentless. v. Dept. of Commerce (Chevron Deference)

Background

- Federal courts have used the Chevron doctrine for decades to defer to an agency's reasonable interpretation of an ambiguous statute

Issue

- Case involves a rule issued by the National Marine Fisheries Service (NMFS)

Industry Impact

- First, the Court may discard the Chevron doctrine in its entirety
- Second, the Court may adopt a middle-ground approach that would limit Chevron's applicability
- Third, the Court may keep the Chevron doctrine intact

Impact on Self-Funded Plans

- If the Court overrules or limits Chevron, significant impacts and uncertainty will be felt by regulated entities at all levels of the public and private sectors



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Loper Case Industry Impact (Overturning Chevron)

Industry Impact

- As a result of this case, fed agencies just became much weaker. Expect litigation challenging agency rulemaking across the federal gov't, especially in healthcare
- Important for fiduciaries to be aware of regulations being fought in court & which are suspended
- What healthcare regulations are now under threat? Examples
 - Any Regulations for Which Interpretations Have Shifted Between Administrations
 - All NSA regulations under threat (QPA calculation, regulations related to emergency services)
 - FDA's authority to review safety of drugs (e-cigarettes, menthol ban, allowing medication abortion)
 - How ACA, Medicare and Medicaid operate
 - EEOC interpretation of Pregnant Workers Fairness Act to include time off for elective abortions
- First casualty of post-Chevron world - on 7/3/24 federal court in Texas issued injunction against FTC's Noncompete Rule, so the rule will not take effect for now



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PACE Final Level Appeals

- PACE Reviews – What's the Biggest Problem Area
 - Compliant adverse benefit determinations
 - Timely response to first level appeals
 - TPAs accepting NSA related negotiations requests after the 30-day negotiation period as an appeal
- Claim Decisions Are Getting Harder & Harder
 - Why? Plan language versus federal mandate conflicts: ACA, MHPAEA, NSA etc.
 - Legal landscape shifting re: Fiduciary Liability
 - Final internal appeals should take into consideration plan language and mandates. Employers are not informed of the changing rules around federal mandates



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Review Plan Claim Data

Once You Review the Data it Tells You the
Story Regarding Pricing, Utilization,
Overcharges, and Risk Management

The You Can Design the Plan to Meet the
Needs of the Population



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Price Transparency is Not a Silver Bullet

FAT Joe!



Price Transparency is Not a Silver Bullet

The Problem?

- We Are Fighting Against Human Nature



If it costs more, it must be better.

(“Momma said you get what you pay for.”)

Price Transparency is Not a Silver Bullet

- We Recognize That Price Transparency on its Own is at Best Mildly Useful and at Worst, Dangerous.
- People Assume More Expensive Option is Better One.
- Need Quality Metrics as Well!
- Industry Entities Provide One or the Other – But Not Both!



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Mandatory Health Plan Workshops for All Employees *Create Consumerism!!!*

Discuss Incentive Programs



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Hospital Alternatives

Urgent Care – Co-pays waived when utilizing Urgent Care instead of an Emergency Room; save the ER for real emergencies!

Example of Independent Urgent Care:

- ConvenientMD Urgent Care
- PhysicianOne Urgent Care
- American Family Care [AFC]
- CareWell
- North Attleboro Urgent Care

Examples of Urgent Care that are Not Independent:

- Mass General Brigham Urgent Care
- Melrose Wakefield Health Urgent Care at Lawrence Memorial Hospital
- Beth Israel Lahey Health Urgent Care



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Health Consumerism

The Phia Group's Plan Participants Are:

1. Provided with Price Transparency
2. Provided with Quality Metrics
3. Incentivized to Care about Cost AND Quality of Care!
4. FREE HEALTH PLAN ENROLLMENT / NO CONTRIBUTIONS OR PREMIUMS FOR ENTIRE FAMILY

The Primary Care Problem - DPC

- Cost of UTI at hospital ER over \$2,000 - at Primary Care Setting \$300
- In 2020 Milliman study - impact of DPC, employees who engage DPC had 40% fewer ER visits, 20% fewer hospitalizations, and 13% lower total healthcare utilization
- According to Patient-Centered Primary Care Collaborative, for every \$1 spent on primary care, companies can save \$13 in downstream healthcare costs
- The average wait time to see a family medicine doctor is 20 days – DPC is same day
- PCP exceed 2,000 patients, DPC have 500 – *Source: The Milbank Memorial Fund*



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Why Should You Add DPC to Your Benefits?

Cost Savings

- DPC experiences 13% reduction in total healthcare costs in first year
- Employers offering it for free – roughly \$65/PEPM

Healthier and happier employees

- Employees are more likely to seek preventative care, decreasing the risk of chronic conditions that may lead to costly treatments and lost productivity
- Milken Institute report - employers could save \$1 trillion in lost productivity yearly investing in primary care

Employee engagement & satisfaction

- 80% of employees stated opinion of employer increased significantly and health improved when using DPC – *Source The Milbank Memorial Fund*



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AI's Impact - Process Improvements



☰ ClaimSearch®

20210220000843

Hello, Daiana!

✉

📖

⋮

⚠️ 20210220000843 - No Alerts, 1 Match

📍 LOCATION OF LOSS ADDRESS
CA

BOTH CLAIMANT AND INSURED

👤 KIMBERLY POLIS

🏠 SUMMARY

🕒 VIEW HISTORY

✎ EDIT CLAIM

🔄 REFRESH CLAIM

🖨️ PRINT CLAIM

20210220000843

🚑 Accident & Health

Date of Loss: 01/07/2021

Matching Claims

🚗

🏠

Feb 2020Jan 2021

📅 DATE OF LOSS

🔃 TYPE

🔃 DESCRIPTION

🔃 COVERAGES

🔃 COMPANY

🔃 CLAIM NUMBER

UPDATED

02/13/2020

Commercial Auto

IV REARENDED CV *CO*

PROPERTY DAMAGE, BODILY INJURY

PROGRESSIVE GROUP OF INS COMPANIES

0120207380159

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?

Mass Torts

Average MVA Value is \$8,000 in Claims Paid by Plan

Average Mass Tort is \$170,000


- 3M Settlement: Proactively Pursuing Subrogation Rights in “Forever Chemicals” Settlement
- How Is Mass Tort Subrogation Different?
- Examples - Devices (knee, hip), Toxic Ovarian Cancer (Talc Powder), Toxic Non Hodgkin Lymphoma (Round Up)
- Key is Access to Pharmacy Data







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ICE Bot Phia Knowledge Base Application


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
Hi Hemant Dua (Appeal Review) •  + o b | e a u   


Search Chat


New Chat - KB


New Chat - Open AI


 Do the reimbursement and cash price post...


 Can a plan carve out gene therapy?


 What is the issue in the Burwell case?


 What is the PCORI fee?

 FAQ from DOL

 Do the reimbursement and cash price post...

 Is a plan required to cover OTC COVID test?

 Does an employer required to offer cobra ...

 What are the rules for people with H1-B vis...

Chat - Knowledgebase

5/30 09:01


Do the reimbursement and cash price posting requirements under section 3202 of the CARES Act apply to COVID-19 diagnostic tests furnished after the end of the PHE?

5/30 09:01

Results shown from KnowledgeBase

No. Section 3202(a) of the CARES Act requires plans and issuers providing coverage for COVID-19 diagnostic tests under section 6001 of the FFCRA to reimburse any COVID-19 diagnostic test provider the cash price listed on the provider's website if a negotiated rate was not in effect before the PHE. This applies only to COVID-19 diagnostic tests furnished during the PHE beginning on or after March 27, 2020. Similarly, section 3202(b) of the CARES Act, which requires COVID-19 diagnostic test providers to make public the cash price of a COVID-19 diagnostic test on the provider's public internet website, applies only during the PHE beginning on or after March 27, 2020. However, providers of diagnostic tests for COVID-19 are encouraged to continue to make the cash price of a COVID-19 diagnostic test available on the provider's public internet website for a sufficient time period (e.g., at least 90 days) after the end of the PHE. This will help plans and issuers process claims for tests furnished prior to the end of the PHE in accordance with the cash price reimbursement requirements.

Type a question or topic






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Phia University



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MENU

Basics of Health Insurance

Welcome

Basics of Health Insurance

Disclaimer

A Message from Our Leaders

Introduction

Health Care vs. Health Insurance

Fully-Insured Health Plans

Fully-Insured (Pros & Cons)

Self-Funded Health Plans

Self-Funded (Pros & Cons)

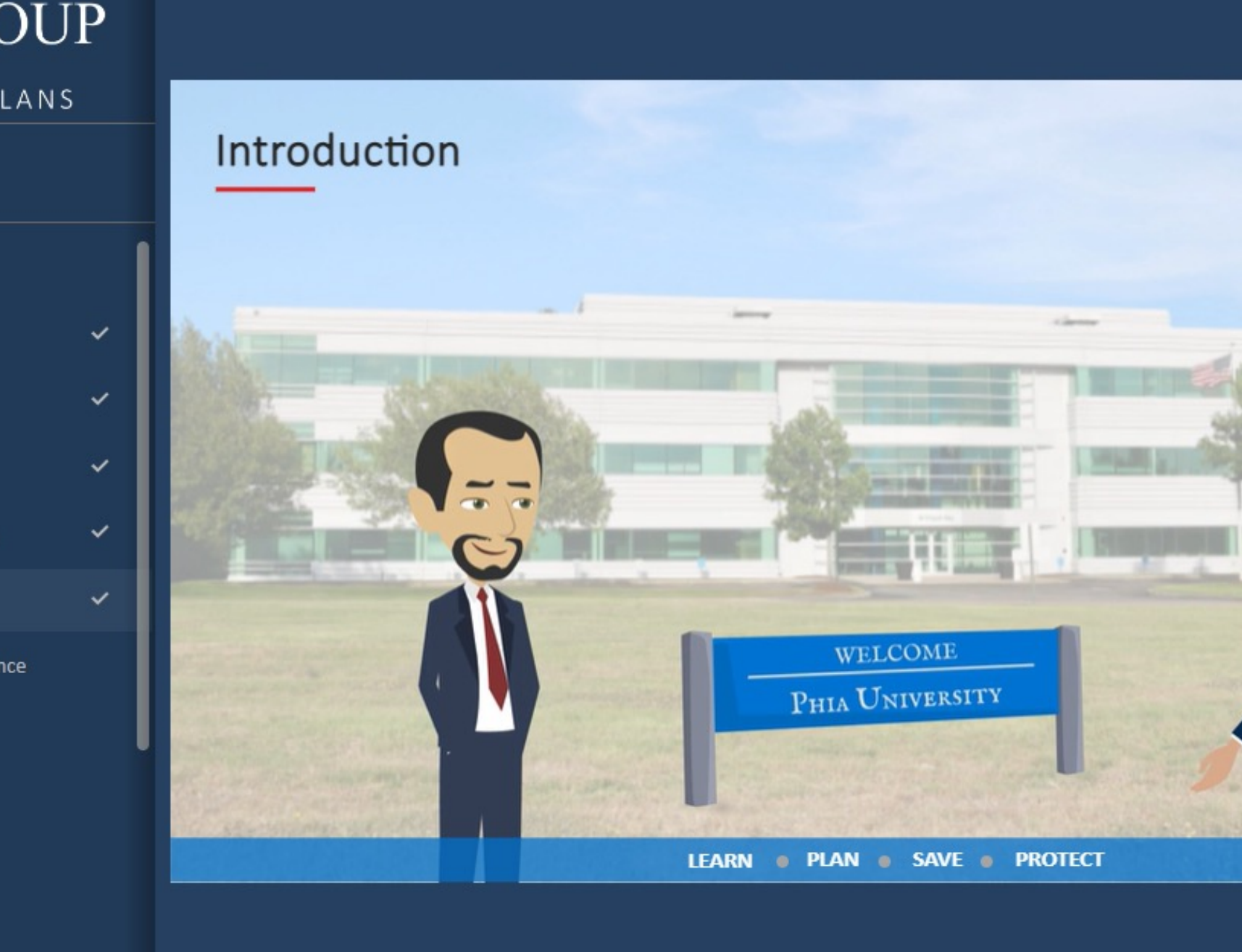
Knowledge Check

State v. Federal Law - Preemption

Basics of Health Insurance

EXIT

Introduction



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Brookings Initial NSA Data Results Jan - June 2023

<https://www.brookings.edu/articles/a-first-look-at-outcomes-under-the-no-surprises-act-arbitration-process/>

Median IDR decision is 370 % of Medicare

50% higher than mean in-network commercial prices

Pricing is closer to what payers have historically paid for out of network care

Definitely not how CMS expected this to all play out

Phia strategy and coordinated client partnership improve results in NSA

- Phia received case timely.
- Phia established as the contact.
- Phia used multi benchmark supported offer based on reasonable costs and market
- Phia developed an established relationship and cadence with the provider system

Phia Settlements Averaging 210% of Medicare To Date



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Custom Design Benefits

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Provider Experience Application

Facility Compare
(Cost/Quality/Balance Billing)

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Search Facilities

Dallas

Search by City or Zip

Dallas - 48 results

Map View

Cost & Quality Chart

Map View

Cost & Quality Chart

Facility List

Facility Name	Address	City	State	Zip Code
UT SOUTHWESTERN UNIVERSITY HOSP	6201 HARRY HINES BLVD	DALLAS	TX	75235-
TEXAS SCOTTISH RITE HOSPITAL FOR CRI	2222 WELBORN STREET	DALLAS	TX	75219
METHODIST REHABILITATION HOSPITAL	3020 WEST WHEATLAND ROAD	DALLAS	TX	75237
OUR CHILDRENS HOUSE	3301 SWISS AVENUE	DALLAS	TX	75204
KINDRED HOSPITAL DALLAS CENTRAL	8050 MEADOW ROAD	DALLAS	TX	75231
KPC PROMISE HOSPITAL OF DALLAS	7850 BROOKHOLLOW ROAD	DALLAS	TX	75235
MEDICAL CITY GREEN OAKS HOSPITAL	7808 CLODUS FIELDS DRIVE	DALLAS	TX	75251
CHILDRENS				

UT SOUTHWESTERN UNIVERSITY HOSP

Address: 6201 HARRY HINES BLVD, DALLAS, TX 75235-

Type: Hospital

Total Performance Score: 34.08333333

Billing Ratio Outpatient: 4.474495509

Billing Ratio Inpatient: 2.92850106

CCR: 0.329282204 \$1000 billed would be \$329.28

Balance Bill Experience: Yes

Repricing Experience: Yes

Negotiations Experience: No

NSA Experience: No

Notes Tags: null


Comments: Almost every bill repriced has resulted in a balance bill.

Facility List

Facility Name	Address	City	State	Zip Code
UT SOUTHWESTERN UNIVERSITY HOSP	6201 HARRY HINES BLVD	DALLAS	TX	75235-
TEXAS SCOTTISH RITE HOSPITAL FOR CRI	2222 WELBORN STREET	DALLAS	TX	75219
METHODIST REHABILITATION HOSPITAL	3020 WEST WHEATLAND ROAD	DALLAS	TX	75237
OUR CHILDRENS HOUSE	3301 SWISS AVENUE	DALLAS	TX	75204
KINDRED HOSPITAL DALLAS CENTRAL	8050 MEADOW ROAD	DALLAS	TX	75231

Provider Experience Map

Facility Compare
(Cost/Quality/Balance Billing)




Search Facilities

Dallas

Search by City or Zip

Dallas - 48 results

Map View



Cost & Quality Chart

- **Phia Preferred** (Blue)
- High Quality, Lower Cost and Accept **Reasonable** Payments (Green)
- A History of Balance Billing (Red)
- Data to be Updated with Experience (Grey)
- **How Does Phia Define Reasonable?**

Provider Cost and Quality Comparison



Cost & Quality Chart



- High Quality, Lower Cost and Accept Reasonable Payments...
- Billing History as Multiple of Medicare (Bars)
- Quality Overlay (Green)
- Cost and Quality are a Start, But Do They Accept Reasonable Payments (Balance Billing and Negotiations History)

Provider Experience Detail

UT SOUTHWESTERN UNIVERSITY HOSP X
Address: 6201 HARRY HINES BLVD, DALLAS, TX 75235-
Type: Hospital
Total Performance Score: 34.08333333
Billing Ratio Outpatient: 4.474495509
Billing Ratio Inpatient: 2.92850106
CCR: 0.329282204 \$1000 billed would be \$329.28
Balance Bill Experience: Yes
Repricing Experience: Yes
Negotiations Experience: No
NSA Experience: No
Notes Tags: null
Comments: Almost every bill repriced has resulted in a balance bill.

Facility List

Facility Name	Address	City	State	Zip Code
UT SOUTHWESTERN UNIVERSITY HOSP	6201 HARRY HINES BLVD	DALLAS	TX	75235-
TEXAS SCOTTISH RITE HOSPITAL	2222 WELBORN	DALLAS	TX	75210

- High Quality Lower Cost Based on the Previous Data, However –
- Based on Actual Repricing and Balance Bill Support Experience This Provider Balance Bills on Almost Every Bill Repriced
- Provider Data Apps Need to Allow its Navigators and Negotiators to Update and Enhance the Transparency Data for the Full Experience-Based Story

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Trending Risks and Issues

Stop-Loss Case Studies

- New Uptick in Disclosure Based Denials
 - Know what must be disclosed and when
 - Understand the stop-loss policy – READ THEM!
 - **Phia Stop Loss**
 - Mistakes can lead to million-dollar denials

New Mental Health Parity Guidance - NQTL

- On 7/25/23 Departments released proposed regs to gain access to MH benefits
- Increased enforcement and ID of non-compliance sited
- NQTL task force will be 25% of total investigators
- DOL is less willing to grant extensions to production requests, whether part of audit or investigation



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Major Stop-Loss Updates

- How Carriers Are Handling NSA Claims vs. ACA External Appeals - Similar Scenario; Different Response
- ACA Created Expanded Rights for Beneficiaries to File External Appeals - Plan May be Forced to Pay Previously Denied Claim AFTER Stop-Loss Policy had Expired
- Stop-Loss Carriers Responded with Amendment to their Policies, Extending Coverage if Plan Must Pay
- Reimbursement of Vendor Fees - NSA/negotiation/IDR/Med management - Get approval from Carrier first!
- *Fees considered Eligible Expenses only if You can demonstrate that the work that generated fees resulted in cost savings. If Plan can show cost savings, We will reimburse You up to 25% of the amount saved*



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The Phia Group's Services

The Phia Group Is Empowering Plans To Contain Costs Through Comprehensive Consulting, Legal Expertise, Innovative Plan Design, Superior Claim Negotiation & Unrivaled Recovery Services

Learn:

- ▶ Independent Consultation & Evaluation (ICE)
- ▶ General Consulting & Third-Party Agreement Review
- ▶ Family and Medical Leave Act – Policy Review & Drafting

Plan:

- ▶ Phia Document Management® (PDM) & the Flagship Template
- ▶ Plan Drafting Services – Including Wraps & SBCs
- ▶ Gap Free Review® – Including Stop-Loss & Employee Handbooks

Save:

- ▶ Subrogation & Reimbursement
- ▶ Overpayment Recovery
- ▶ Claim Negotiation & Sign-Off (CNS)
- ▶ Phia Unwrapped – Out-of-Network Solution

Protect:

- ▶ Plan Appointed Claim Evaluator® (PACE)
- ▶ Balance Bill Resolution & Reference-Based Pricing Support
- ▶ No Surprises Act

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Media

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The Phia Group, LLC



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www.phiagroup.com/Media/Blog

Being Mindful of Telemedicine Access

November 9, 2023

By Jen McCormick, Esq. and David Ostrowsky From a healthcare standpoint, two of the most significant byproducts of the COVID-19 pandemic have been the exploding popularity of Telemedicine, the practice of providing medical and mental health services remotely, and a heightened awareness of many Americans' longstanding mental health issues. Due to a confluence of prolonged extenuating circumstances, it became readily apparent to healthcare providers, politicians, social workers, employers, teachers, and parents on both sides of the Mississippi that a.) the inimitable convenience of virtual healthcare does not compromise quality (at least for some patients and practitioners) and b.) many Americans ...

Update on the Federal IDR Process

October 27, 2023

By: Kendall Jackson, Esq. Recently there has been significant discussion about the federal IDR process. The IDR process is an important tool of the No Surprises Act ("NSA") as it resolves claims for payment for out-of-network items and services. It not only provides a procedure for settling disputed claims but is also an integral mechanism for supporting the NSA's protection for plan members against potentially crippling expenses from balance billing for high-cost out-of-network claims. In *Texas Medical Association v. United States Department of Health and Human Services*, Case No. 6:23-cv-59-JDK (TMA IV), the U.S. District Court for the Eastern District of ...



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Join Us for Our Next Free Webinar:

October 17, 2024 at 1:00 p.m. EDT

www.phiagroup.com/media/webinars





QUESTIONS?

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800.598.2929

A vertical photograph on the left side of the slide shows three glasses of champagne in the foreground, slightly out of focus. In the background, a woven basket filled with bread is visible, also out of focus. The overall tone is warm and celebratory.

THANK YOU

Join us in the Atrium for
Happy Hour
and
Silent Auction