



AUGUST 8<sup>TH</sup>, 2017

# Annual Performance Review | 2017

## POAH Communities LLC



# Agenda

- I. CBIZ Account Management Team
- II. Prior Plan Year Review
  - a) Summary of Current Programs & Renewal Dates
  - b) 2017 Renewal Review
- III. Plan Performance
  - a) Updated Claims Dashboard
  - b) Loss Ratio Report
  - c) Large Claim Report
- IV. Strategic Plan
  - a) Innovations & Considerations
  - b) 3 Year Strategic Plan
  - c) Timeline
- V. Wellbeing Overview
- VI. Benchmarking and Trend Information
- VII. Compliance and ACA Review
- VIII. Exhibits
  - a) Preliminary 2018 Renewal Calculation
  - b) Current Plan Summaries
  - c) Historic Renewal Action
  - d) NavMD Report
  - e) BlueCross Cost Containment Options



SECTION ONE

# 1

*CBIZ Account  
Management Team*



# CBIZ Account Management Team

## OVERALL RELATIONSHIP MANAGEMENT

**Polly Thomas**

**President**

Phone: 816.945.5509

Email: pthomas@cbiz.com

- Proactive client satisfaction level
- Identify client objectives
- Responsible for strategy development
- Contractual and renewal negotiations
- Marshal resources and client relationship management

## ACCOUNT COORDINATION

**Connor Clune**

*Senior Account Executive*

Phone: 816.945.5264

Email: cclune@cbiz.com

- Responsible for overseeing the performance of the account management team
- Executing the strategy set by the employer and consulting team members,
- Reviewing financial and utilization data
- Assisting in renewal and contractual negotiations
- Regulatory compliance consulting and issue resolution
- Assisting in and monitoring day-to-day client service issues

**Ellen Woltkamp**

*Account Executive*

Phone: 816.945.5163

Email: ewoltkamp@cbiz.com

- Assisting in and monitoring day-to-day client service issues
- Oversee administration process
- Assist with communication strategy
- Regulatory compliance assistance
- Development of open enrollment material/employee communications
- Follow up with carrier on administrative issues
- Develop bid specifications and market comparisons
- Assist in resolving billing and claim issues

**Kelsi Wuller**

*Client Service Representative*

Phone: 816.945.5455

Email: kwuller@cbiz.com

- Assist in development of employee communications and presentations
- Employee claims assistance
- Generate benchmarking and claims reports
- Carrier and Vendor RFP analysis and proof
- Backup of day-to-day service and general administrative issues

**Judy Wood**

*Sr. Client Claims Representative*

Phone: 816.945.5212

Email: jwood@cbiz.com

- Responsible for providing claim resolution for escalated claim issues
- Medicare Secondary payor issues
- CMS audits in a HIPAA compliant format



## WELLBEING AND POPULATION HEALTH MANAGEMENT SOLUTIONS

**Trisa Nickoley**

*Wellbeing Coordinator*

Email: [tnickoley@poahcommunities.com](mailto:tnickoley@poahcommunities.com)

- Day to day management and implementation of wellbeing program
- Incentive design
- Implement wellbeing strategy set by the employer and consulting team members
- Build employee participation and engagement in the wellbeing programs

**Lacey McCourt**

*Wellbeing Consultant*

Email: [lmccourt@cbiz.com](mailto:lmccourt@cbiz.com)

- Incentive design
- Gap analysis and culture assessment
- Vendor partnership
- Industry best practices
- Compliance with federal regulations governing corporate wellness programs

## EMPLOYEE BENEFITS REGULATORY AFFAIRS

**Karen R. McLeese, Esq.**

*Vice President—Employee Benefits  
Regulatory Affairs*

- In-house counsel for employee benefits and insurance laws
- Writes and distributes *For Your Benefit Book*, *At Issue*, *Benefit Beat* and *Health Reform Bulletin*
- Reviews and interprets federal and state laws and regulations impacting employee benefits

## PHARMACY

**Mike Zucarelli, Pharm D**

*National Pharmacy Director*

- Provides analysis and support for all Rx and PBM questions and projects
- Pharmacy plan evaluation, procurement, contract review, and implementation of pharmacy benefit management for self-insured plan sponsors
- Leverage PBM and carrier relationships to advocate vendor accountability and best practices on the client's behalf

## ACTUARIAL

**Dave Rubadue**

*National Director of Healthcare  
Actuarial Services*

- Responsible for helping mitigate actuarial costs
- Specializes in Premium Rate and Reserve Adequacy Development, Reserve and Contingency Fund Assessments
- Leads the National Actuarial Practice

**Dave Coleman**

*Financial Analyst*

Phone: 816.945.5225

Email: [dcoleman@cbiz.com](mailto:dcoleman@cbiz.com)

- Setting funding reserves and projecting trend
- Migration Studies
- Data/claims analysis
- Forecasting and modeling of claims data
- COBRA Rate Setting



SECTION TWO

# 2

## *Prior Plan Year Review*



# Summary of Current Programs & Renewal Dates

Line of Coverage	Carrier	Renewal Date
<ul style="list-style-type: none"> <li>Medical</li> <li>▪ Base</li> <li>▪ Buy Up</li> </ul>	BlueCross BlueShield of Kansas City	May 1, 2018
Dental	Delta Dental of MO	May 1, 2019
Vision	Superior Vision	May 1, 2020
Basic Life and AD&D	Metlife	May 1, 2018
Voluntary Life/Voluntary AD&D	Metlife	May 1, 2018
Short Term Disability (Corporate Employees Only)	Metlife	May 1, 2018
Long Term Disability (Corporate Employees Only)	Metlife	May 1, 2018
Section 125	CBIZ Flex	N/A
EAP	New Directions	N/A
COBRA	CBIZ COBRA	N/A
Accident/ Critical Illness	Voya	May 1, 2018
Voluntary Short Term Disability	KC Life/ Abacus	May 1, 2018
ACA Tracking	ACA Checkpoint	N/A
CBIZ Payroll/ EMS	CBIZ	N/A



# POAH Communities Summary of Current Programs

Line of Coverage	Carrier/Vender	CBIZ commission percentage built into premium	Commissions Received (05/16 - 04/17)	Employer/Employee Split of commission paid
Medical <ul style="list-style-type: none"> <li>■ Base</li> <li>■ Buy Up</li> </ul>	BCBSKC	1% <sup>(1)</sup>	\$23,027	76% ER 24% EE
Dental	Delta Dental of MO	4%	\$7,956	60% ER 40% EE
Vision	Superior Vision	6%	\$1,318	72% ER 28% EE
Basic Life AD&D	Metlife	Graded 15%	\$2,321	100% ER
Voluntary Life/Voluntary AD&D	Metlife	Graded 15%	\$5,366	100% EE
Short Term Disability (Corporate Employees Only)	Metlife	10%	\$1,298	100% ER
Long Term Disability (Corporate Employees Only)	Metlife	Graded 15%	\$1,981	100% ER
Voluntary Accident	Voya	20%	\$3,041	100% EE
Critical Illness	Voya	20%	\$1,945	100% EE
Voluntary Short Term Disability	KC Life/Abacus	15%	\$5,081	100% EE

Wellness Coordinator / Programming <sup>(2)</sup>	Invoiced to POAH	BCBS Wellness Funds (used to offset wellness programming expenses)
	\$35,796	\$25,000

(1) The BCBSKC medical commissions were reduced in 2015 from 2% to 1%

(2) In 2013, CBIZ removed the wellness services fee of \$10,500 annually and built it into our standard scope of services

## Products Net of Commissions

Line of Coverage	Carrier/Vendor
EAP	New Directions
Section 125	CBIZ Flex
COBRA	CBIZ COBRA
ACA Tracking/Reporting	CBIZ ACA Checkpoint
HRIS/Payroll	CBIZ/EMS Payroll

## Override dollars received by CBIZ not built into the premium

Paid by Carrier	% of premium	Compensation Received
BCBSKC	2%	\$46,994
DDMO	2%	\$3,812





## Summary of 2017 Renewals

Medical Renewal	<p><u>2017 Blue Cross Blue Shield of Kansas City Renewal</u></p> <ul style="list-style-type: none"> <li>▪ Initial BCBSKC renewal calculation through October 2016 was 9.9%             <ul style="list-style-type: none"> <li>• Loss Ratio 72% with \$701,528 in ongoing large claim diagnosis</li> </ul> </li> <li>▪ Cost Plus option provided</li> <li>▪ CBIZ negotiated renewal increase to 4.99%, revised calculation through December             <ul style="list-style-type: none"> <li>• No changes to plan design</li> <li>• Includes 1.17% of ACA taxes and fees</li> <li>• \$25,000 wellness stipend</li> </ul> </li> <li>▪ Contribution strategy was reviewed, no major change was implemented this year. The current ER/EE split remained with the renewal increase evenly shared amongst both parties.</li> </ul>
Dental Renewal	<p><u>Delta Dental of Missouri</u></p> <ul style="list-style-type: none"> <li>▪ The initial dental renewal calculation called for a rate pass and no plan changes.</li> <li>▪ CBIZ marketed the dental plan and Guardian, Metlife, and Cigna provided competitive proposals.</li> <li>▪ POAH renewed with DDMO after DDMO revised renewal to 24 month rate guarantee, enhanced new annual maximum rollover feature, added enhanced ortho treatment in process provision, and removed the 12 month waiting period for late entrants provision.</li> </ul>
Vision Renewal	<p><u>Superior Vision</u></p> <ul style="list-style-type: none"> <li>▪ Rates under guarantee until May 1, 2018</li> </ul>
Life/AD&D	<p><u>Metlife</u></p> <ul style="list-style-type: none"> <li>▪ The Life/AD&amp;D short and long term disability programs are under rate guarantee until 2018.</li> <li>▪ Metlife provided a proposal for extending current disability coverage to entire population (currently only offered to corporate employees). This proposed change would increase premium significantly.</li> <li>▪ Final decision was to keep current offering as is with a benefit only available for corporate employees.</li> </ul>
Accident, Critical Illness, & Voluntary STD	<p><u>Voya/KC Life</u></p> <ul style="list-style-type: none"> <li>▪ The Accident, Critical Illness and Voluntary STD products are under rate guarantee until 2018.</li> </ul>
Wellness Program	<ul style="list-style-type: none"> <li>▪ Incentive and program remained the same for 2017/2018 plan year. Same with tobacco surcharge.</li> </ul>



## Summary of 2016 Renewals

Medical	<p><u>2016 Blue Cross Blue Shield of Kansas City</u></p> <ul style="list-style-type: none"> <li>■ Initial BCBSKC renewal calculation called for a 9.6% increase. <ul style="list-style-type: none"> <li>● Loss Ratio was 74%</li> <li>● \$648,328 of ongoing large claims</li> </ul> </li> <li>■ Reviewed several plan alternatives <ul style="list-style-type: none"> <li>● Increasing copays on the base and buy-up plans</li> <li>● Increasing deductibles on the base and buy-up plans</li> <li>● Two consumer driven plan options; (one stand alone and one paired with CBIZ primary care HRA program)</li> </ul> </li> <li>■ Negotiated to a 5.9% increase inclusive of ACA increases with no additional plan changes.</li> </ul>
Dental	<p><u>Delta Dental of Missouri</u></p> <ul style="list-style-type: none"> <li>■ Renewal calculation called for an increase of 8.8%</li> <li>■ Final Negotiated renewal as 5.9% (includes ACA fees)</li> </ul>
Vision	<p><u>Superior Vision</u></p> <ul style="list-style-type: none"> <li>■ Renewal coming off of a 2-year rate guarantee</li> <li>■ Initial and final renewal calculation called for 4% increase with a 4-year rate guarantee</li> </ul>
Life/AD&D and Vol Life/AD&D	<p><u>Metlife</u></p> <ul style="list-style-type: none"> <li>■ Initial and final renewal was 6.6% increase <ul style="list-style-type: none"> <li>● There was a \$47,000 life claim paid in August 2015.</li> </ul> </li> <li>■ Life rate increased form \$0.15 per \$1,000 to \$0.16 per \$1,000</li> <li>■ AD&amp;D rate remains the same</li> </ul>
Disability	<p><u>Metlife</u></p> <ul style="list-style-type: none"> <li>■ The Short Term Disability received a rate pass and 2-year rate guarantee.</li> <li>■ The Long Term Disability received a (-13.51)% decrease reducing the rate from \$0.459 to \$0.397/\$100 month a 2-year rate guarantee</li> </ul>
Voluntary Products	<p><u>Unum – Allstate</u></p> <ul style="list-style-type: none"> <li>■ The Unum and Allstate programs were not receiving an increase, however, the plans were not meeting the needs of POAH.</li> <li>■ Plans were marketed</li> <li>■ New plans as of 2016 <ul style="list-style-type: none"> <li>● Critical Illness and Accident-Voya Financial. Inc.</li> <li>● Voluntary STD- KC Life</li> <li>● Both Programs under 2- year rate guarantee</li> </ul> </li> </ul>





SECTION THREE

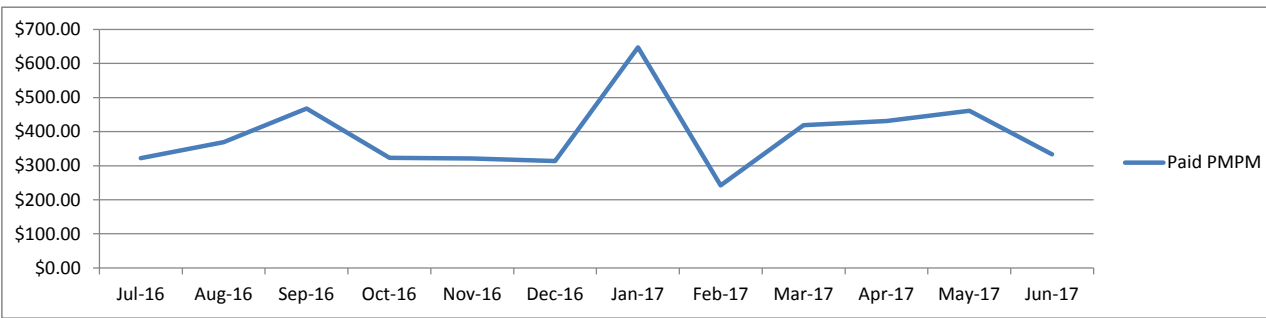
# 3

## *Plan Performance*



## CLAIMS DASHBOARD

### POAH Communities (June 2017)

		Current			Prior	Annual																									
Key Measures		Loss Ratio*	Average Subscribers	Rolling 12 Mos		Trend																									
Paid Claims PMPM						rolling / prior																									
July 2016 - June 2017	PCB Base Plan (4430)	60%	163	\$311		64.5%																									
	PCB Buy-Up Plan (4431)	95%	94	\$506		-14.6%																									
	<b>Combined Total</b>	<b>74%</b>	<b>257</b>	<b>\$388</b>		<b>10.5%</b>																									
	<b>Key Statistics Dashboards</b>				<b># Services per 1,000</b>		<b>Paid Per Member Per Month</b>																								
<b>- Rolling 12 Months</b>				<u>Current</u>	<u>Prior</u>	<u>Annual Trend</u>																									
Inpatient Services				81	55	49.2%																									
Outpatient Services				1,886	1,658	13.7%																									
Professional Services				18,228	17,621	3.4%																									
Prescription Drugs				13,714	13,114	4.6%																									
				<u>Current</u>	<u>Prior</u>	<u>Annual Trend</u>																									
Inpatient Services				\$72.57	\$98.41	-26.3%																									
Outpatient Services				\$162.37	\$89.18	82.1%																									
Professional Services				\$102.80	\$113.77	-9.6%																									
Prescription Drugs				\$68.34	\$43.19	58.2%																									
Rx Detail	<b>Drug Use by Tier</b>			<u>Scripts Filled</u>	<u>% of Total</u>	<u>Paid Benefits</u>	<u>% of Total</u>																								
	Tier 1 - Generic			4,569	87.2%	\$69,471	22.2%																								
	Tier 2 - Preferred Brandname			457	8.7%	\$130,132	41.5%																								
	Tier 3 - Non-Preferred Brandname			214	4.1%	\$113,742	36.3%																								
Paid Per Member Per Month																															
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Month</th> <th>Paid PMPM</th> </tr> </thead> <tbody> <tr><td>Jul-16</td><td>\$311</td></tr> <tr><td>Aug-16</td><td>\$350</td></tr> <tr><td>Sep-16</td><td>\$450</td></tr> <tr><td>Oct-16</td><td>\$320</td></tr> <tr><td>Nov-16</td><td>\$320</td></tr> <tr><td>Dec-16</td><td>\$310</td></tr> <tr><td>Jan-17</td><td>\$650</td></tr> <tr><td>Feb-17</td><td>\$250</td></tr> <tr><td>Mar-17</td><td>\$420</td></tr> <tr><td>Apr-17</td><td>\$430</td></tr> <tr><td>May-17</td><td>\$450</td></tr> <tr><td>Jun-17</td><td>\$330</td></tr> </tbody> </table>						Month	Paid PMPM	Jul-16	\$311	Aug-16	\$350	Sep-16	\$450	Oct-16	\$320	Nov-16	\$320	Dec-16	\$310	Jan-17	\$650	Feb-17	\$250	Mar-17	\$420	Apr-17	\$430	May-17	\$450	Jun-17
Month	Paid PMPM																														
Jul-16	\$311																														
Aug-16	\$350																														
Sep-16	\$450																														
Oct-16	\$320																														
Nov-16	\$320																														
Dec-16	\$310																														
Jan-17	\$650																														
Feb-17	\$250																														
Mar-17	\$420																														
Apr-17	\$430																														
May-17	\$450																														
Jun-17	\$330																														
Additional Information	<b>Top Inpatient Facilities</b>	1	Center Point Medical Center (MO)																												
		2	The General Hospital Corporation (MA)																												
		3	Th Childrens Hospital Corporation (MA)																												
	<b>High Cost Claimants over pooling (Pooling Level - \$65,000)</b>	<b># of Claimants</b>	5																												
		<b>Total Paid</b>	\$513,699																												
	<b>Top Diagnostic Categories</b>	1	Musculoskeletal and Connective Tissue																												
		2	Neoplasms																												
		3	Symptoms, Signs & Ill-Defined Conditions																												

\*Does not include costs for pooling, retention, trend, etc. Reflective of pure paid premium vs. paid claims.

Prepared by:  
 CBIZ Benefits & Insurance Services, Inc.  
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 (816) 945-5500

## Medical Loss Ratio Summary

Rolling Paid - Medical Loss Ratio

POAH COMMUNITIES LLC

Reporting Period = Jul '16-Jun '17

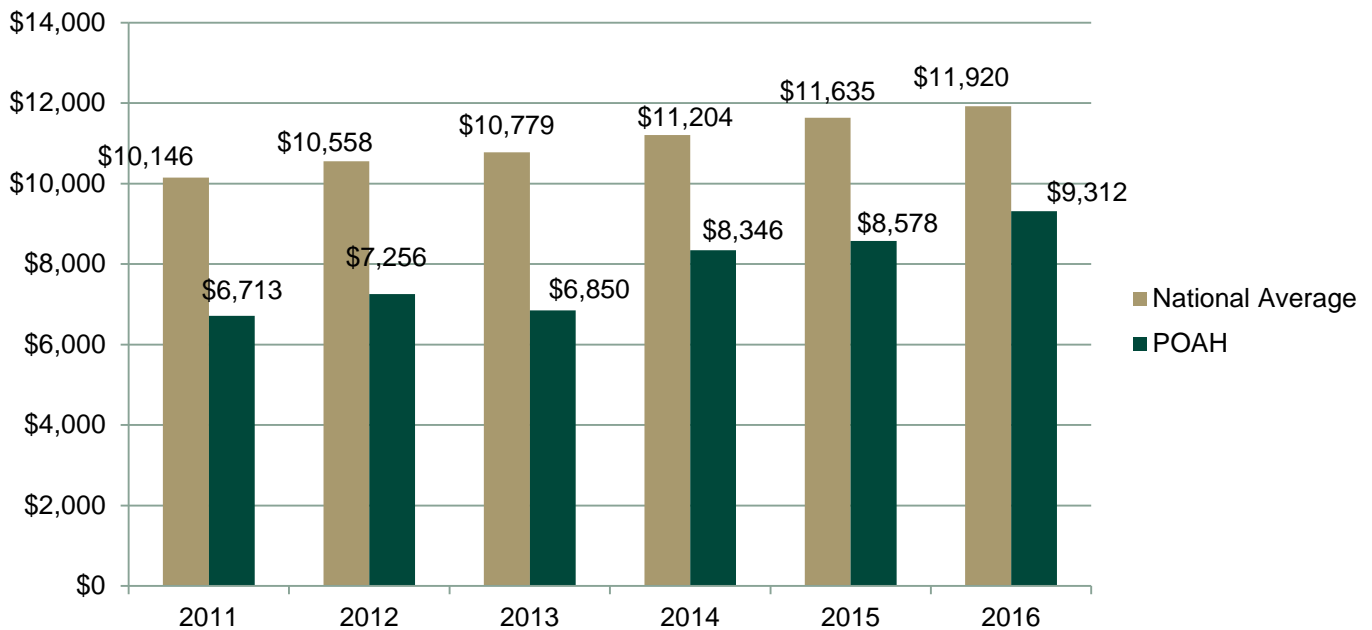
Month	EE Only	EE/SP	EE/Child	EE/Children	Family	Medical Subscriber Months	Medical Member Months	Premium	Medical Paid	Medical Value Payments	Capitation	Pharmacy Paid	Paid	Paid PMPM	Discount	Loss Ratio
Jul-16	186	25	7	16	20	254	384	\$197,731	\$87,979	\$127	\$0	\$35,571	\$123,677	\$322.08	\$225,529	63%
Aug-16	185	26	6	16	19	252	381	\$196,217	\$115,997	\$360	\$0	\$24,710	\$141,067	\$370.25	\$266,886	72%
Sep-16	189	26	6	16	19	256	383	\$198,157	\$163,701	\$302	\$0	\$15,544	\$179,547	\$468.79	\$312,738	91%
Oct-16	195	27	6	15	20	263	390	\$201,958	\$100,851	\$307	\$0	\$25,284	\$126,442	\$324.21	\$195,301	63%
Nov-16	190	27	6	13	20	256	376	\$196,954	\$100,878	\$297	\$0	\$19,891	\$121,066	\$321.98	\$181,081	61%
Dec-16	189	27	6	13	20	255	375	\$196,345	\$92,841	\$308	\$0	\$24,701	\$117,851	\$314.27	\$148,998	60%
Jan-17	189	26	6	13	20	254	375	\$196,510	\$208,512	\$316	\$0	\$34,016	\$242,844	\$647.58	\$297,600	124%
Feb-17	191	25	6	13	20	255	376	\$197,423	\$57,314	\$225	\$0	\$33,701	\$91,241	\$242.66	\$140,382	46%
Mar-17	195	25	6	13	20	259	380	\$199,679	\$122,233	\$332	\$0	\$37,058	\$159,623	\$420.06	\$227,806	80%
Apr-17	193	26	6	13	20	258	379	\$199,223	\$139,578	\$328	\$0	\$23,837	\$163,743	\$432.04	\$194,588	82%
May-17	195	27	7	14	19	262	391	\$214,156	\$165,393	\$370	\$0	\$14,960	\$180,723	\$462.21	\$518,948	84%
Jun-17	190	26	8	14	19	257	386	\$211,977	\$109,099	\$218	\$0	\$19,549	\$128,866	\$333.85	\$817,500	61%
<b>Summary</b>	<b>2,287</b>	<b>313</b>	<b>76</b>	<b>169</b>	<b>236</b>	<b>3,081</b>	<b>4,576</b>	<b>\$2,406,331</b>	<b>\$1,464,376</b>	<b>\$3,491</b>	<b>\$0</b>	<b>\$308,823</b>	<b>\$1,776,690</b>	<b>\$388.26</b>	<b>\$3,527,357</b>	<b>74%</b>

## Rolling Paid - Original Claims: Large Claimant Summary

POAH COMMUNITIES LLC  
Reporting Period = Jul '16-Jun '17

Encrypted Member ID	Paid	Information obtained through NavMD			
		AGE	M/F	REL	TOP CONDITION
MNZH-SWYV-OHM	\$210,694	44	M	SUBSCRIBER	Mal neo GU exc prostate, wo surg, w a/m
SUZH-OUZL-ZHM	\$82,101	37	F	SUBSCRIBER	Arterial inflammation, w comp, w comorb, wo surg
SXZH-ZVGH-ZHQ	\$76,990	19	F	DEPENDENT	Closed fx/dis - knee L/leg, w surg
SUZH-ZNQX-MHM	\$74,308	63	M	SUBSCRIBER	Jt degen -back, w comp, w comorb, w surg
MNZH-SFGX-AHM	\$69,906	50	F	SUBSCRIBER	Other inflam GU sys, w comp, wo comorb, w surg
SVZD-ADSV-QHM	\$61,700	63	M	SUBSCRIBER	Infectious hepatitis, wo comp, wo comorb
STRW-MHMT-OHM	\$46,340	66	F	SUBSCRIBER	Bursitis/tendonitis-shoulder, wo comp, w surg
SXZH-ZVGH-ZHS	\$44,223	43	F	SPOUSE	Orth deformity -unspecified, w surg
SDZH-SVQN-ZHM	\$42,244	52	M	SUBSCRIBER	Non mal neo sm intest & abdom, w surg
SXZH-SNBH-AHM	\$40,934	59	M	SUBSCRIBER	Jt degen -knee L/leg, wo comp, wo comorb, w surg

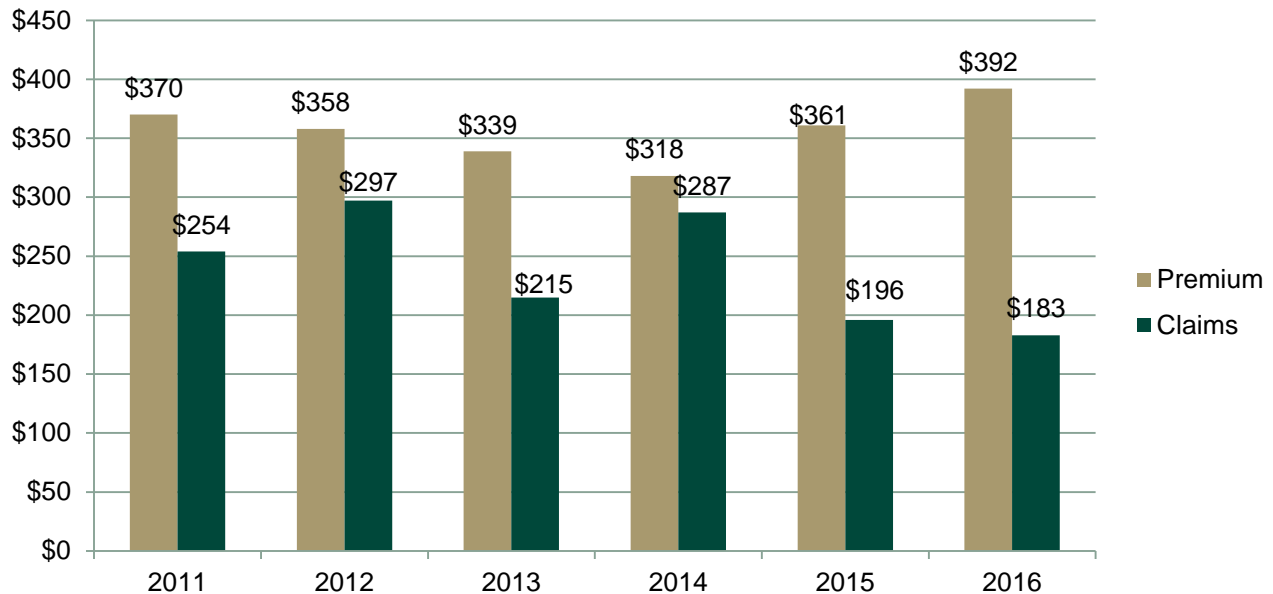
# Health Benefit Cost for Active Employees:



Source: Mercer National Survey of Employer-Sponsored Health Plans 2016

Note: Premium dollars included to not take into account max refund settlements or premium holidays

# Per Member Per Month Premium versus Claims, 2011- 2016:



## Factors Driving PEPY:

- Plan Design
- Dependent Enrollment and Contributions
- Percent Enrolled
- High Usage





SECTION FOUR

# 4

## *Strategic Plan*





# Innovations and Considerations

## Centers of Excellence

providing coverage for certain procedures only when doctors and facilities with **exceptional performance** records perform the service



## High Performance Networks

normally smaller networks of providers with proven efficiencies

Result in lower premiums and better outcomes



## Pharmacy Innovations

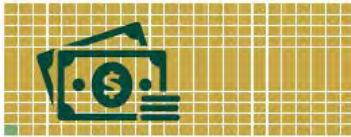
CBIZ' Pharmacy Consultants analyze the feasibility of achieving savings by contracting with purchasing coalitions



**IMPROVE  
PRICE  
TRANSPARENCY**

## Referenced Based Pricing

outside of a traditional hospital network, high cost claims are negotiated by a cost management firm resulting in **substantial savings**



## Decision-Support Technology

interactive "decision tree" responses to help participants narrow their choices based on their personal preferences



## Healthcare and Hospital Collaborations

special provider contracting that exchanges deeper discounts for partnership with a high-quality hospital provider



# 3 Year Strategic Plan

**GOALS:**  
To be reestablished every 3 years

STRATEGY	2017/Current State	2018	2019
<b>PLAN DESIGN</b>	<ul style="list-style-type: none"> <li>Two medical/Rx plans offered to provide employee choice</li> <li>61% are enrolled in the base plan, 39% in the buy-up</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate plan design changes</li> <li>Evaluate HDHPs with HSA</li> </ul>	
<b>PRICING EFFICIENCY</b>	<ul style="list-style-type: none"> <li>Medical and Dental coverage with top networks (BCBS and Delta Dental) that offer superior discounts and access to providers</li> <li>Evaluated cost-plus funding platform</li> </ul>	<ul style="list-style-type: none"> <li>Full Medical Marketing</li> <li>Evaluate alternative funding platforms including hybrid funding and gap plans</li> </ul>	
<b>CONTRIBUTION STRATEGY</b>	<ul style="list-style-type: none"> <li>POAH subsidizes each plan almost equally from a dollar standpoint</li> <li>\$80 wellbeing differential for employees that meet wellbeing requirements. \$20 addition if spouses complete required steps. POAH also has a tobacco surcharge.</li> </ul>		
<b>POPULATION HEALTH STATUS AND WELLBEING PROGRAMMING</b>	<ul style="list-style-type: none"> <li>Premium differentials for wellbeing participation, spouses are incorporated</li> <li>Using BlueKC's A Healthier You platform</li> <li>Senior leadership support</li> <li>Evaluate wellness portal</li> <li>Incorporate safety into wellbeing meetings</li> </ul>	<ul style="list-style-type: none"> <li>Enhance/expand incentive design</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate outcomes-based program</li> </ul>
<b>COMMUNICATION/ OPEN ENROLLMENT</b>	<ul style="list-style-type: none"> <li>Self-service electronic enrollment</li> <li>Communicating Telemedicine, EAP</li> <li>Utilize webinars, videos and Brainshark</li> </ul>	<ul style="list-style-type: none"> <li>Continue self-service enrollment</li> <li>Evaluate communication needs</li> </ul>	

**CLIENT STRUCTURE**

- Organization Changes
- New Locations
- Leadership Changes
- Other

# CBIZ Benefits Team Service Timeline:

Month	Activities/Deliverables	Responsible
<b>August</b>	<ul style="list-style-type: none"> <li>- Annual Performance Summary, data analytics, benchmarking, strategy review</li> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ/POAH</li> <li>- CBIZ/ POAH</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ/POAH</li> </ul>
<b>October</b>	<ul style="list-style-type: none"> <li>- Quarterly Dashboard Claims Report</li> <li>- Quarterly POAH Communities Newsletter</li> <li>- Develop Flu Shot and Urgent Care communication</li> <li>- Develop short benefits overview training video</li> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ</li> <li>- POAH</li> <li>- CBIZ</li> <li>- CBIZ</li> <li>- CBIZ/POAH</li> </ul>
<b>November</b>	<ul style="list-style-type: none"> <li>- Start gathering Schedule A's from carriers for 5500 filing</li> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ</li> <li>- CBIZ/POAH</li> </ul>
<b>December</b>	<ul style="list-style-type: none"> <li>- Receive Renewal from Blue Cross</li> <li>- CBIZ to prepare 5500 filing</li> <li>- Monthly update calls</li> <li>- Develop and Issue RFP</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ/Blue Cross</li> <li>- CBIZ</li> <li>- CBIZ/POAH</li> <li>- CBIZ</li> </ul>
<b>January</b>	<ul style="list-style-type: none"> <li>- Year End Dashboard Claims Report</li> <li>- Quarterly POAH Communities Newsletter</li> <li>- Renewal Delivery</li> <li>- Review of Services Calendar/Timeline and Upcoming Year Planning</li> <li>- Comparison on wellness participation to make a decision on portal</li> <li>- 5500 Filing Due</li> <li>- Renewal Planning Meeting/RFP Results</li> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ</li> <li>- POAH</li> <li>- CBIZ/POAH</li> <li>- CBIZ/POAH</li> <li>- CBIZ</li> <li>- POAH</li> <li>- CBIZ/POAH</li> <li>- CBIZ/POAH</li> </ul>
<b>February</b>	<ul style="list-style-type: none"> <li>- Begin EMS Open Enrollment Build</li> <li>- Finalize Renewal Decisions/Contributions/Plan Designs</li> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ/POAH</li> <li>-CBIZ/POAH</li> <li>- CBIZ/POAH</li> </ul>
<b>March</b>	<ul style="list-style-type: none"> <li>- Open Enrollment/Communication Strategy Implementation</li> <li>- Open Enrollment for POAH Employees</li> <li>- ACA IRS Reporting Filing Deadline</li> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ/POAH</li> <li>- POAH</li> <li>- POAH</li> <li>- CBIZ/POAH</li> </ul>
<b>April</b>	<ul style="list-style-type: none"> <li>- Open Enrollment</li> <li>- Quarterly Dashboard Claims Report</li> <li>- Quarterly POAH Communities Newsletter</li> <li>- Enrollment Data Confirmed with Carriers</li> <li>- Monthly update Calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ/POAH/Carriers</li> <li>- CBIZ</li> <li>- POAH</li> <li>- CBIZ/Carriers</li> <li>- CBIZ/POAH</li> </ul>
<b>May</b>	<ul style="list-style-type: none"> <li>- Renewal Effective Date</li> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- POAH/Carriers</li> <li>- CBIZ/POAH</li> </ul>
<b>June</b>	<ul style="list-style-type: none"> <li>- Compliance Checklist Review</li> <li>- Renewal Follow up items, plan documents, etc.</li> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ/POAH</li> <li>- CBIZ/Carriers</li> <li>- CBIZ/POAH</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>- Quarterly Dashboard Claims Report</li> <li>- Quarterly POAH Communities Newsletter</li> <li>- Monthly update calls</li> </ul>	<ul style="list-style-type: none"> <li>- CBIZ</li> <li>- POAH</li> <li>- CBIZ/POAH</li> </ul>
<b>Ongoing</b>	<ul style="list-style-type: none"> <li>- Monthly Wellness Email Reminders</li> <li>- CBIZ Compliance Bulletins</li> <li>- Healthcare reform updates</li> </ul>	





SECTION FIVE

# 5

## *Wellbeing Overview*



# Wellness Incentive Participation

Plan Year	Incentive Structure	Incentive Amount	% Complete
2013/2014	<ul style="list-style-type: none"> <li>• “All or Nothing” Incentive Design</li> <li>• Annual Physical with Biometrics</li> <li>• HRA</li> <li>• Health Advising Call</li> <li>• Vision &amp; Dental Exams</li> <li>• 2-Wellness Challenges (6-8 weeks)</li> <li>• Spouse Requirement – Annual Physical w/Biometrics &amp; HRA</li> </ul>	\$80	145/241 (60%)
2014/2015	<ul style="list-style-type: none"> <li>• “All or Nothing” Incentive Design</li> <li>• Annual Physical w/ Biometrics</li> <li>• HRA</li> <li>• Earn A Healthier You Points (80 minimum)</li> <li>• Vision &amp; Dental</li> <li>• 2-Wellness Challenges (12-weeks)</li> <li>• Spouse Requirement – Annual Physical w/ Biometrics &amp; HRA</li> </ul>	\$80	120/248 (48%)
2015/2016	<ul style="list-style-type: none"> <li>• Status Quo-All Requirements Same as 2014-2015 Plan Year</li> </ul>	\$80	127/257 (49%)
2016/2017	<ul style="list-style-type: none"> <li>• Simplified Steps</li> <li>• Annual Physical w/ Biometrics</li> <li>• HRA</li> <li>• Earn A Healthier You Points (3,500 minimum – scaled differently this year)</li> <li>• Spouse Requirement – Annual Physical w/Biometrics &amp; HRA but not tied to Employee Incentive</li> </ul>	Employee: \$80 Spouse: \$20 additional	149/255 (58%)
2017/2018	<ul style="list-style-type: none"> <li>• Status – Quo - All Requirements Same as 2016-2017 Plan Year</li> </ul>	Employee: \$80 Spouse: \$20 additional	Goal 65% or higher

According to Workplace Wellness Trends the National <sup>22</sup> average participation for both HRA and Biometric Screenings is 56%

# Scorecard – Biometric Risk Shift

Measure	2014 - 2015	2015 - 2016	2016-2017*
Blood Pressure- Low Risk	32%	30%	32%
Blood Pressure - Moderate Risk	51%	57%	47%
Blood Pressure - High Risk	17%	13%	22%
Cholesterol ratio - Low Risk	n/a	n/a	77%
Cholesterol ratio - Moderate Risk	n/a	n/a	17%
Cholesterol ratio - High Risk	n/a	n/a	6%
Glucose - Low Risk	84%	77%	74%
Glucose - Moderate Risk	14%	19%	19%
Glucose - High Risk	1%	5%	7%
BMI - Low Risk	24%	23%	43%
BMI - Moderate Risk	32%	35%	12%
BMI - High Risk	45%	42%	44%
Tobacco Use	<b>17%</b>	<b>15%</b>	<b>14%</b>
# Employees Tobacco Use	<b>38</b>	<b>38</b>	<b>37</b>
# Enrolled in Tobacco Cessation	<b>15</b>	<b>18</b>	<b>TBD</b>
# Completed Cessation to Avoid Surcharge	<b>12</b>	<b>13</b>	<b>TBD</b>

# Recap 2017 Initiatives

- Enhance communication strategy to increase employee awareness and engagement
- More visibility from leadership
  - Home mailer from President to kick-off new plan year
- Wellness Collaboration with Branding & Communications Coordinator
  - Wellness Program Brand/Logo
  - Monday Morning Minutes – Wellness Item once per month
- Regional/Manager Trainings
  - Skill Builder Workshop – Integrating Wellness in Maintenance Supervisor Training
  - In process of including Wellness into all mandatory safety meetings
  - In process of enhancing quarterly safety & wellness meetings to include all maintenance supervisors, regional property managers, and property managers
- Wellness Program Overview Webinar





# Future Considerations

Implement an outside wellness vendor to manage wellness incentive steps and interactive portal

- More Wellbeing Focus
- More positive user experience
- Greater flexibility and customization
  - Ability to reward biometric achievement and improvement
  - Tiered incentive structure to reward on each biometric
- POAH owns data
  - Data is not lost when switching carriers
- More robust reporting
  - Cohort reporting
  - ROI and impact data
- More engagement opportunities



# Wellbeing Strategy Components

## Six Components of an Effective Health Risk Management & Wellbeing Strategy



# Wellbeing Strategy Components



## Organizational Commitment

Wellbeing is integral to business strategy. Commitment to a culture of wellbeing is evident and shared by leaders and managers across the organization.



## Sustainable Culture

The built environment, physical work spaces, procedures, policies and engaged-employee champions support a culture of wellbeing and encourage healthy choices.



## Communication & Engagement Methods

Communications have a recognizable wellbeing brand. Marketing methods reach all segments of the population and engage employees and their families in meaningful ways.



## Actionable Data

Data is gathered and analyzed to identify wellbeing risks, needs and resources. Data is used to make environmental changes, introduce new benefits and increase engagement.



## Wellbeing Programs, Benefits & Networks

Selection, design and delivery of programs and benefits address various aspects of wellbeing. Emphasis is on vendor/provider and employer collaboration, quality assurance and shared results.



## Outcomes & Value of Investment

Analytical tools and benchmarks are used to evaluate the reach and impact of programs and practices and demonstrate the value of investing in wellbeing benefits.

# 3-Year Wellbeing Strategy

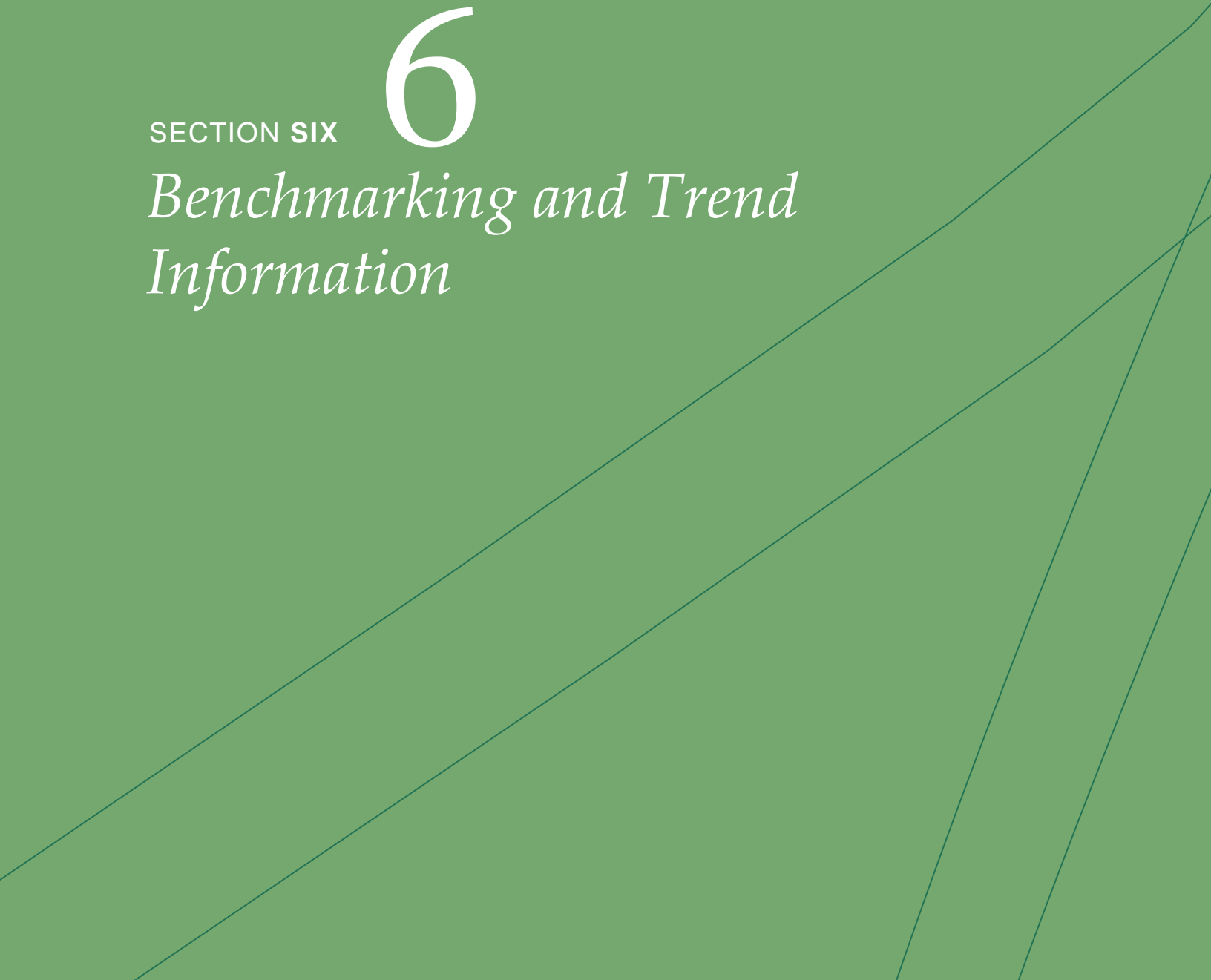
	2017	2018	2019
<b>Organizational Commitment</b>	<ul style="list-style-type: none"> <li>Home Mailer from President</li> <li>Maintenance Supervisor Trainings</li> </ul>	<ul style="list-style-type: none"> <li>Create Wellbeing Vision/Mission</li> <li>Manager training/accountability</li> <li>Quarterly Communications from Leadership</li> </ul>	<ul style="list-style-type: none"> <li>Leadership success stories/pledges</li> </ul>
<b>Actionable Data</b>	<ul style="list-style-type: none"> <li>Review Employee Engagement/Interest Survey</li> <li>Analyze claims/risks, HRA and Biometric Data</li> <li>Review program participation</li> </ul>	<ul style="list-style-type: none"> <li>Conduct Organizational Assessment (Welcoa Checklist)</li> </ul>	<ul style="list-style-type: none"> <li>Repeat Employee Engagement/Interest Survey</li> </ul>
<b>Sustainable Culture</b>	<ul style="list-style-type: none"> <li>Establish Safety &amp; Wellbeing Committee</li> <li>Safety &amp; Wellness Competition</li> <li>Thirsty Thursday with a Twist (KC Corp Office)</li> </ul>	<ul style="list-style-type: none"> <li>Refine committee roles and how they interact with employees and leadership</li> <li>Evaluate workplace policies such as healthy foods, active workplace and smoking</li> <li>Implement Tobacco-Free Policy</li> <li>Team building opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Continue to cultivate and empower Safety &amp; Wellbeing Committee</li> <li>Continue with Team building opportunities</li> </ul>
<b>Programs, Benefits &amp; Networks</b>	<ul style="list-style-type: none"> <li>Annual Physical w/ Biometrics</li> <li>Health Risk Assessment</li> <li>A Healthier You Points</li> <li>Calendar of activities                             <ul style="list-style-type: none"> <li>2 to 3 health campaigns</li> <li>morale – boosting activities driven by committee</li> <li>community event involvement</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Promote EAP &amp; provide stress management education</li> <li>Offer / Promote Flu Shots</li> <li>Financial Wellbeing Program</li> </ul>	<ul style="list-style-type: none"> <li>Additional team-based challenges</li> <li>On-site activities to teach healthy habits</li> <li>Community wellbeing / involvement opportunities</li> </ul>
<b>Communication &amp; Engagement</b>	<ul style="list-style-type: none"> <li>Brand all communications with new logo</li> <li>Monthly newsletter (CBIZ Wellbeing Insights)</li> <li>Monthly Manager Communications (Monday Morning Minutes)</li> <li>Home Mailngss</li> <li>CBIZ EMS</li> </ul>	<ul style="list-style-type: none"> <li>Employee Recognition Program</li> <li>Enhance manager engagement</li> <li>Evaluate and build on communication strategy</li> </ul>	<ul style="list-style-type: none"> <li>Outcomes based-incentive design</li> <li>Wellness Committee Recognition Program</li> </ul>
<b>Outcomes/ Value</b>	<ul style="list-style-type: none"> <li>Annual Scorecard review</li> <li>Participation and Engagement data</li> </ul>	<ul style="list-style-type: none"> <li>Annual Scorecard review</li> <li>Participation and Engagement data</li> </ul>	<ul style="list-style-type: none"> <li>Annual Scorecard review</li> <li>Participation and Engagement data</li> </ul>



SECTION SIX

# 6

*Benchmarking and Trend  
Information*



# Medical Plan Design

Source	Average Individual Deductible	Average Individual OOP	Average In-Network Coinsurance	Average Copays
POAH Buy-up PPO	\$625	\$2,000	80%	\$30/\$25
POAH Base PPO	\$1,250	\$3,600	80%	\$35/\$30
Mercer – Services	\$500	\$3,500	80%	\$25
Mercer – Small Employers	\$1,500	\$4,000	80%	\$25
Kaiser – PPO	\$1,028	N/A	20%	\$24/\$39 PCP/Specialist

**NOTES:**

1. Mercer National Survey Employer Sponsored Health Plans (2016) – Services Industry
2. Mercer reflects median data
3. Kaiser Family Foundation Employer Health Benefits 2016 Survey
4. POAH offers copays that are discounted by \$5 if employees use a Blue Distinction facility.
5. Mercer defines small employers as < 500 employees. Kaiser defines large employers as > 200 employees.

# Medical Plan: PPO and HSA Employer Cost Sharing

	Average EE Monthly Contribution for Single Coverage		Average EE Monthly Contribution for Family Coverage	
	%	\$	%	\$
POAH Buy-up PPO	17%	\$111.86	35%	\$668.24
POAH Base PPO	10%	\$68.90	31%	\$545.44
Mercer - Services	23%	\$140	37%	\$532
Mercer – Small Employers	23%	\$159	48%	\$586
Kaiser - PPO	18%	\$103	29%	\$464

**NOTES:**

1. Rates showing full wellness incentive are illustrated.
2. Mercer National Survey Employer Sponsored Health Plans (2016) – Services Industry
3. Kaiser Family Foundation Employer Health Benefits 2016 Survey



SECTION SEVEN

# 7

## *Compliance and ACA Review*



### Employer Shared Responsibility Mandate Overview:

- Applicable to employers employing 50 or more full-time plus full-time equivalent employees
- Risk of excise tax if adequate and affordable coverage not offered to individuals working 30-plus hours per week
- Determining ALE status: Average number of employees and their hours of service in preceding year determines ALE status for the current year
- Employee defined as “common-law employee”
  - Does not include leased employees, sole proprietor, partner in partnership, 2-percent S-Corp shareholders, or real estate agents and direct sellers (“IRC Section 3508 employees”)
  - Full-time employee (FTE): One who works average of 30 hrs/week (130 hrs/calendar month = 30 hrs/week)

**Affordability Standard** for purposes of employer’s risk of excise tax- percentage amount tied to inflation:

- 9.56 percent in 2015
- 9.66 percent in 2016
- 9.69 percent in 2017

### Employer Shared Responsibility Penalties:

#### Potential Tax Exercise Tax Penalties

‘No Coverage’ Excise Tax IRC § 4980H(a)		‘Inadequate or Unaffordable’ Excise Tax IRC § 4980H(b)	
2015	\$2,080	2015	\$3,120
2016	\$2,160	2016	\$3,240
2017	\$2,260	2017	\$3,390
2018 (proposed)	\$2,320	2018 (proposed)	\$3,480

#### Steps in Assessment and Collection of IRS Penalties

1. Following tax returns filed by both individuals and employer, IRS will calculate potential ESR payment and contact employer of potential liability
2. Once IRS contacts employer, the employer will have opportunity to respond to IRS inquiry prior to assessment or “notice and demand” for payment
3. IRS would then determine liability and send notice and demand for payment to employer, if applicable

#### Employer Appeals to Marketplace Determinations

- Employers may receive notification from marketplace indicating one (or more) employees applied for marketplace coverage and deemed eligible for premium tax credit due to employer failing to offer MEC that meets minimum value
  - *Marketplace determinations do not trigger ESR penalties*
- Employer has right to appeal marketplace determination by following Center for Medicare and Medicaid Services’ process
  - *No standard format but appeal should be written and submitted within timeframe indicated in notice from marketplace*



- Only appeal marketplace determination if:
  - Full-time employee offered minimum valued affordable coverage; or
  - Individual covered by MEC
 Otherwise, do not appeal
- Marketplace appeal is based on current year

## Reporting and Filing Obligations:

### Code Sections 6055 and 6056 Reporting Obligations

- **Section 6055:** Forms 1094-B and 1095-B filed by all entities (without regard to plan size) providing minimum essential coverage (MEC) during calendar year, including:
  - Insurers for insured plans
  - Plan sponsors of self-funded plans
- **Section 6056:** Forms 1094-C and Form 1095-C filed by employers employing 50-plus full-time equivalent employees (FTEE)

### Deadlines for Filing and Distributing 2016 Forms 1094 and 1095

- Due date for filing 2016 Forms 1094 and 1095 with IRS
  - No later than Feb. 28, 2017 (March 31, 2017 if filing electronically)
- Due date for furnishing 2016 Form 1095 to Individuals:
  - Jan. 31, 2017 (Extended to March 2, 2017)
    - Electronic distribution OK as long as IRS rules followed, including individual's consent to receive Form 1095 electronically

### Form W-2 Reporting Remainders

- Aggregate Cost of Health Coverage (Box 12, Code DD)
- Employer Contributions to Health Savings Accounts (Box 12 – Code W)

### Increased Tax Information Reporting Penalties

- Beginning 2017, increase in potential IRS penalties assessed for failure to file information returns or provide payee statements (Forms W-2, 1099, 1094, 1095, etc.)
  - Failure to file correct information return: \$260 per return; total penalty cap of \$3,218,500 per calendar year
  - Failure to provide correct payee statement: \$260 per; total penalty cap of \$3,218,500 per calendar year
  - Special rules apply that increase the per-statement and total penalties if there is intentional disregard of requirement to file returns and furnish required statements

## ACA Section 1557: Nondiscrimination in Health Plans, Programs and Activities

ACA Section 1557 requires nondiscrimination in health coverage, programs and activities, i.e., individuals cannot be discriminated against or prohibited from participating in health-related programs or denied health coverage on basis of race, color, national origin, sex, age or disability

Rules apply to “covered entities,” defined as:

- ✓ Insurers and third-party administrators receiving federal funding
- ✓ Self-funded employers receiving federal funding (hospitals, nursing homes, etc.)

Other existing nondiscrimination-type rules include:

- Title VII of the Civil Rights Act of 1964 (enforced by EEOC)
- Executive Order 11246 prohibits discrimination in employment by covered contractors (enforced by DOL's Office of Federal Contract Compliance Programs (OFCCP))

## ACA Cost-Sharing Restrictions:

### Out-of-Pocket (OOP) Limits

(Deductibles, Co-insurance and Co-payments)

	<i>INDIVIDUAL/SELF-ONLY COVERAGE</i>	<i>FAMILY/COVERAGE FOR &gt; ONE</i>
<b>ACA Plans*</b>	\$6,850 (for 2016) \$7,150 (for 2017) \$7,350 (proposed for 2018)	\$13,700 (for 2016) \$14,300 (for 2017) \$14,700 (proposed for 2018)
<b>High-Deductible Health Plan (HDHP) used with Health Savings Account (HSA)</b>	\$6,550 (for both 2016 and 2017)	\$13,100 (for both 2016 and 2017)

### ACA Cost-Share Restriction Reminders

- **Individual OOP Limit Applies to Family Maximum Limit**
  - Beginning Jan. 1, 2016, an individual cannot be subject to more than the individual statutory OOP limit on essential health benefits, even if covered by family plan
  - Two separate cost-sharing limits for different benefits permissible *Example*: one for comprehensive medical plan; one for prescription drug plan. Combined cost share cannot exceed the overall limit
- **HSA-Embedded Deductible**
  - Embedded deductible can be no lower than family statutory limit

### ACA Fee Reminders:

- **Transitional Reinsurance Reporting and Collection of Fees (2016 Final Year)** Submit annual enrollment count and schedule one or two contribution payment dates by Nov. 15, 2016:
  - Full contribution (\$27 per covered life) due by Jan. 17, 2017
  - OR*
  - Two-part contribution:
    - Part 1 payment (\$21.60 per covered life) due by Jan. 17, 2017
    - Part 2 payment (\$5.40 per covered life) due by Nov. 15, 2017
- **Patient-Centered Outcomes Research Institute (PCORI) Fees**
  - For policy and plan years ending between Oct. 1, 2016, and Oct. 1, 2017, PCORI fee will be \$2.26 multiplied by number of covered lives under policy or plan
  - PCORI fees paid annually via IRS Form 720 (generally due July 31)

### Suspended ACA Fees

- Cadillac tax suspended until 2020
- Health insurance provider fee suspended in 2017
- Excise tax on medical devices suspended for sales made Jan. 1, 2016, through Dec. 31, 2017



SECTION EIGHT

8

*Exhibits*



# CBIZ Renewal Calculation

	Health	Drug	Total
Incurred Claims	\$1,467,867	\$308,823	\$1,776,690
Pooled Claims			(\$188,999)
Net Claims			\$1,587,691
Trend - 8.5% over 22 months			1.16
Trended Claims PMPM			\$403
Trended Claims Adjusted for HC			\$1,866,393
Pooling Charge			\$371,280
Target Loss Ratio			83%
Adjusted Premium			\$2,695,991
PCORI Tax			\$30,465
ACA Insurer Tax			\$91,664
Needed Premium (Trended Claims + Total Retention + ACA Fees)			\$2,818,119
Current Premium			\$2,543,724
Increase Needed			10.80%



**POAH COMMUNITIES**  
**BCBSKC Medical Renewal Benefits Comparison**  
 May 1, 2017

MEDICAL	Blue Cross Blue Shield		Blue Cross Blue Shield	
<b>Carrier Website</b>	<a href="http://www.bluekc.com">www.bluekc.com</a>		<a href="http://www.bluekc.com">www.bluekc.com</a>	
<b>Plan Type &amp; Network</b>	PPO Base Plan	Preferred Care Blue	PPO Buy Up Plan	Preferred Care Blue
	<i>In Network</i>	<i>Out of Network</i>	<i>In Network</i>	<i>Out of Network</i>
<b>Annual Deductible (calendar year) (1)</b>				
Individual	\$1,250		\$625	
Family	\$2,500		\$1,250	
<b>Coinsurance</b>				
Member Pays	20%	40%	10%	30%
<b>Maximum Out-of-pocket (calendar year) (2)</b>				
Individual	\$3,600	\$7,200	\$2,000	\$4,000
Family	\$7,200	\$14,400	\$4,000	\$8,000
<b>Lifetime Maximum</b>				
Per Individual	Unlimited		Unlimited	
<b>Preventive Care*</b>				
Adult and Child Routine Physicals	Covered at 100%	Ded. Then 40%	Covered at 100%	Ded. Then 30%
Routine Mammogram	Covered at 100%	Ded. Then 40%	Covered at 100%	Ded. Then 30%
Routine Colonoscopy	Covered at 100%	Ded. Then 40%	Covered at 100%	Ded. Then 30%
Routine Lab and X-ray	Covered at 100%	Ded. Then 40%	Covered at 100%	Ded. Then 30%
Routine Vision Exam	Covered at 100%	Ded. Then 40%	Covered at 100%	Ded. Then 30%
<b>Physician Services</b>				
Office Visits	\$30 PCMH/\$35 Copay	Ded. Then 40%	\$25 PCMH/\$30 Copay	Ded. Then 30%
Diagnostic (Non-routine) Tests and Labs	Ded. Then 20%	Ded. Then 40%	Ded. Then 10%	Ded. Then 30%
Urgent Care	\$35 Copay	Ded. Then 40%	\$30 Copay	Ded. Then 30%
<b>Hospital Services</b>				
Inpatient Care	Ded. Then 20%	Ded. Then 40%	Ded. Then 10%	Ded. Then 30%
Outpatient Surgery	Ded. Then 20%	Ded. Then 40%	Ded. Then 10%	Ded. Then 30%
Outpatient Nonsurgical Care	Ded. Then 20%	Ded. Then 40%	Ded. Then 10%	Ded. Then 30%
Emergency room	\$150 Copay		\$150 Copay	
<b>Additional Services</b>				
Ambulance	Ded. Then 20%	Ded. Then 20%	Ded. Then 10%	Ded. Then 10%
Chiropractic	Ded. Then 20%	Ded. Then 40%	Ded. Then 10%	Ded. Then 30%
Durable Medical Equipment (\$5,000 Cal Year Max)	Ded. Then 20%	Ded. Then 40%	Ded. Then 10%	Ded. Then 30%
Occupational & Physical Therapy (Combined 40 visits per calendar year)	Ded. Then 20%	Ded. Then 40%	Ded. Then 10%	Ded. Then 30%
Speech & Hearing Therapy (Combined 20 visits per calendar year)	Ded. Then 20%	Ded. Then 40%	Ded. Then 10%	Ded. Then 30%
Dependent Age Limit	To age 26		To age 26	
<b>Prescription Drugs</b>				
Deductible				
Level 1	\$15		\$15	
Level 2	\$35	Copay then 50%	\$35	Copay then 50%
Level 3	\$55		\$55	
Level 4		N/A		N/A
Mail Order (90 Day Supply)	3x Copay	Not Covered	3x Copay	Not Covered

Note: This is only a summary. Please refer to the booklet/certificate for specific details. If a conflict arises, the booklet/certificate will govern in all cases.

(1) Family deductible is embedded. An individual covered in a family will not pay more than the individual deductible.

(2) PPO out-of-pocket amount includes coinsurance, deductible and all copays.

\*Copay covers office visit charge and lab and x-ray (excluding MRI, CT, ultra sound and allergy testing that is performed and billed in a network physician's office other services are subject to deductible and coinsurance)

\*\* Inpatient Services at non-participating hospitals inside the service area are limited to \$200 max per day, 30 days per year. Outpatient services also at non-participating facilities are limited to \$200 per calendar year.



## POAH COMMUNITIES

### BCBSKC Medical Renewal Benefit Cost Comparison - Renewal May 1, 2017

MEDICAL (Cont.)			PCB Base Plan		PCB Buy up Plan	
<b>Unit Cost:</b>			<u>Current</u>	<u>Renewal</u>	<u>Current</u>	<u>Renewal</u>
Employee Only			\$567.34	\$595.64	\$609.12	\$639.51
Employee + Spouse			\$1,191.43	\$1,250.88	\$1,279.17	\$1,342.99
Employee + Child(ren)			\$1,134.69	\$1,191.31	\$1,218.25	\$1,279.03
Employee + Family			\$1,702.06	\$1,786.98	\$1,827.39	\$1,918.57
<b>Monthly Cost:</b>						
	<u>Base</u>	<u>Buy-up</u>				
Employee Only	115	78	\$65,244.10	\$68,498.60	\$47,511.36	\$49,881.78
Employee + Spouse	19	7	\$22,637.17	\$23,766.72	\$8,954.19	\$9,400.93
Employee + Child(ren)	13	6	\$14,750.97	\$15,487.03	\$7,309.50	\$7,674.18
Employee + Family	9	8	\$15,318.54	\$16,082.82	\$14,619.12	\$15,348.56
<b>Total Monthly Cost</b>			<b>\$117,950.78</b>	<b>\$123,835.17</b>	<b>\$78,394.17</b>	<b>\$82,305.45</b>
<b>Total Annual Cost</b>			<b>\$1,415,409.36</b>	<b>\$1,486,022.04</b>	<b>\$940,730.04</b>	<b>\$987,665.40</b>
<b>Total Annual Increase Amount</b>				<b>\$117,548.04</b>		
Percentage of Increase/Decrease			<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>
Combined Percentage Increase/Decrease				<b>4.99%</b>		

*This is only a summary. Please refer to the booklet/certificate for specific details. If a conflict arises, the booklet/certificate will govern in all cases.  
This is not an offer of insurance coverage. Information on final rates, coverages, and limitations must come from the Insurance Company.*

Base PPO	Plan Specific	Overall
Deductible to \$1,500/\$3,000	-0.65%	-0.39%
Out-Of-Pocket Max to \$4,000/\$8,000	-0.64%	-0.39%
Split Office Visit Copays of \$35/\$70	-0.26%	-0.16%
\$200 ER Copay	-0.01%	-0.01%

Buyup PPO		
Deductible to \$700/\$1,400	-0.37%	-0.14%
Out-Of-Pocket Max to \$2,500/\$5,000	-0.95%	-0.37%
Split Office Visit Copays of \$30/\$60	-0.17%	-0.07%
\$200 ER Copay	-0.01%	-0.01%

\$2,600 HDHP Option	
<b>Monthly Cost:</b>	
Employee Only	\$559.91
Employee + Spouse	\$1,175.83
Employee + Child(ren)	\$1,119.82
Employee + Family	\$1,679.76

Prepared by:

CBIZ Benefits & Insurance Services, Inc.  
700 West 47th St Suite1100  
Kansas City, Mo 64113

# POAH Communities 2017 Contribution Strategy

## 5/1/2017 Contribution Scenario - Same Non-Wellness % Contrib, \$80 Wellness Differential

2016						2017				
Wellness	Wellness Enrollment 2016	2016 Premium	2016 ER Cost - Wellness	2016 ER %	2016 EE Cost - Wellness	Wellness Enrollment 2017	2017 Premium	2017 ER Cost - Wellness	2017 ER %	2017 EE Cost - Wellness
<b>Base Plan</b>										
Employee	69	\$567.34	\$510.61	90%	\$56.73	69	\$595.64	\$526.74	88%	\$68.90
Employee/Spouse	10	\$1,191.43	\$917.40	77%	\$274.03	10	\$1,250.88	\$955.61	76%	\$295.27
Employee/Child(ren)	7	\$1,134.69	\$816.98	72%	\$317.71	7	\$1,191.31	\$854.35	72%	\$336.96
Family	5	\$1,702.06	\$1,191.44	70%	\$510.62	5	\$1,786.98	\$1,241.54	69%	\$545.44
<b>Totals</b>	<b>91</b>	<b>\$810,167</b>	<b>\$672,986</b>	<b>83%</b>	<b>\$137,181</b>	<b>91</b>	<b>\$850,584</b>	<b>\$697,069</b>	<b>82%</b>	<b>\$153,516</b>
<b>Buy Up Plan</b>										
Employee	50	\$609.12	\$511.66	84%	\$97.46	50	\$639.51	\$527.65	83%	\$111.86
Employee/Spouse	3	\$1,279.17	\$921.00	72%	\$358.17	3	\$1,342.99	\$952.94	71%	\$390.05
Employee/Child(ren)	3	\$1,218.25	\$828.41	68%	\$389.84	3	\$1,279.03	\$860.21	67%	\$418.82
Family	5	\$1,827.39	\$1,187.80	65%	\$639.59	5	\$1,918.57	\$1,250.33	65%	\$668.24
<b>Totals</b>	<b>61</b>	<b>\$565,023</b>	<b>\$441,243</b>	<b>78%</b>	<b>\$123,780</b>	<b>61</b>	<b>\$593,213</b>	<b>\$456,885</b>	<b>77%</b>	<b>\$136,328</b>
Non-Wellness	Non-Wellness Enrollment 2016	2016 Premium	2016 ER Cost - Non-Wellness	2016 ER %	2016 EE Cost - Non-Wellness	Wellness Enrollment 2017	2017 Premium	2017 ER Cost Non-Wellness	2017 ER %	2017 EE Cost Non - Wellness
<b>Base Plan</b>										
Employee	46	\$567.34	\$425.51	75%	\$141.83	46	\$595.64	\$446.74	75%	\$148.90
Employee/Spouse	9	\$1,191.43	\$834.00	70%	\$357.43	9	\$1,250.88	\$875.61	70%	\$375.27
Employee/Child(ren)	6	\$1,134.69	\$737.55	65%	\$397.14	6	\$1,191.31	\$774.35	65%	\$416.96
Family	4	\$1,702.06	\$1,106.34	65%	\$595.72	4	\$1,786.98	\$1,161.54	65%	\$625.44
<b>Totals</b>	<b>65</b>	<b>\$605,243</b>	<b>\$431,161</b>	<b>71%</b>	<b>\$174,081</b>	<b>65</b>	<b>\$635,438</b>	<b>\$452,672</b>	<b>71%</b>	<b>\$182,766</b>
<b>Buy Up Plan</b>										
Employee	28	\$609.12	\$426.38	70%	\$182.74	28	\$639.51	\$447.65	70%	\$191.86
Employee/Spouse	4	\$1,279.17	\$831.46	65%	\$447.71	4	\$1,342.99	\$872.94	65%	\$470.05
Employee/Child(ren)	3	\$1,218.25	\$743.13	61%	\$475.12	3	\$1,279.03	\$780.21	61%	\$498.82
Family	3	\$1,827.39	\$1,114.71	61%	\$712.68	3	\$1,918.57	\$1,170.33	61%	\$748.24
<b>Totals</b>	<b>38</b>	<b>\$375,708</b>	<b>\$250,056</b>	<b>67%</b>	<b>\$125,652</b>	<b>38</b>	<b>\$394,452</b>	<b>\$262,532</b>	<b>67%</b>	<b>\$131,921</b>
<b>Totals</b>	<b>255</b>	<b>\$2,356,139</b>	<b>\$1,795,446</b>	<b>76%</b>	<b>\$560,693</b>	<b>255</b>	<b>\$2,473,687</b>	<b>\$1,869,157</b>	<b>76%</b>	<b>\$604,531</b>
<b>\$ Change</b>							<b>\$117,548</b>	<b>\$73,711</b>		<b>\$43,837</b>
<b>% Change</b>							<b>5.0%</b>	<b>4.1%</b>		<b>7.8%</b>

\* If an employee covers a spouse on the plan, they have the opportunity to earn an additional \$20/ month if they complete the wellness program

### Tobacco Monthly Surcharge

Base Plan	\$133.92
Buy Up Plan	\$143.76

# Greater Blue

Greater Blue represents new solutions designed to give employers and employees unmatched savings while still providing the high-quality healthcare you know and trust.

**The BlueSelect Plus network** – Blue Cross and Blue Shield of Kansas City (Blue KC) has negotiated a decreased hospital service reimbursement rate with a group of high-quality, local providers to create BlueSelect Plus. The result is access to high-quality healthcare at lower premiums for employers and their employees across Kansas City. Members will have access to more than 3,300 physicians and specialists at over 11,000 locations in the BlueSelect Plus network.



Kansas City

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**Spira** – Created in partnership with one of the highest-performing Blue KC Medical Home provider practices, Spira brings a reimagined and simplified primary care experience to two centralized locations with a dedicated team that is committed to each individual’s health and well-being. The result is providing coordinated, personalized care that achieves healthier outcomes and greater savings.



SPIRA







# Spira – Primary Care Reimagined

Individuals have easy access and support in navigating toward their healthiest self.

SPIRA

SIMPLIFIED  
MEMBER  
EXPERIENCE

PROVIDER COST &  
QUALITY INCENTIVE  
STRUCTURE

GROUP SAVINGS  
AND BETTER  
OUTCOMES

## A simplified member experience

Spira offers a new approach to healthcare paired with a support team that enhances primary care in their lives. Every aspect of the patient experience has been redeveloped to create simplicity, transparency and access.



## A coordinated approach to quality care

We are working with one of the highest-rated Blue KC Medical Home provider groups to staff these locations and create an enhanced member experience including: proactive patient outreach, expanded hours, chronic condition management, patient care plans and transparency for costs of services outside Spira.



## Primary care and behavioral health at no additional cost

Spira is the first plan in Kansas City to offer comprehensive primary care and behavioral health services at no additional cost to the member, bringing simplicity and peace of mind. Spira will offer an array of free services to the member including:

primary care visits (preventative/ non-preventative), routine behavioral health services, lab draws, X-rays and more. Services outside of Spira, like a specialist visit with a doctor in the BlueSelect Plus network will go toward the member's usual deductible.



## A member advocate and team

All Spira members will have access to a member advocate – someone to help them through each step of their health journey. A member advocate will provide comprehensive support including explanations of medical services and benefits as well as network/specialist navigation for outside-of-clinic support services.



- Explain benefits and costs for services outside of Spira
- Help schedule specialist visits
- Follow-up to see how you are doing
- Discuss care plan

## Two convenient locations

Spira is built around two designated and integrated primary care locations in Johnson County, Kansas. Both locations provide easy access to care in an exclusive setting.



For added convenience, a select number of the most commonly prescribed formulary drugs will be available to be filled at Spira. This service will provide members with medications where they are prescribed to increase member satisfaction and reduce complications from non-adherence.

## An exclusive offering

Spira membership and care locations are exclusive to enrolled 51+ employer group members.\* To ensure the highest quality care and access, a limited number of memberships will be available.



\*ASO Level Funded Groups are eligible with 25+ enrolled members.

# BlueSelect Plus – Same Trusted Coverage, Very Different Price

With access to the BlueSelect Plus network, Spira members and employers will benefit from the network's lower overall costs and convenient access to local providers across the metro area.

SUSTAINABLE  
SAVINGS

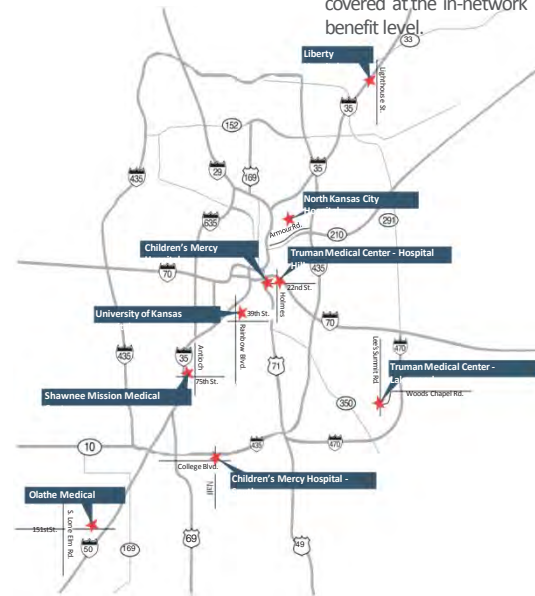
CONVENIENT  
ACCESS

QUALITY  
CARE

- Employer groups will experience optimum cost savings through deepest network discounts and enhanced care management outcomes.
- More than 3,300 physicians and specialists at more than 11,000 locations.
- 100% Access: Mid-market and large group members in Blue KC's five-county metro area.
- Over 50% local utilization already with BlueSelect Plus providers.
- Coverage for outside the 32-county Blue KC service area under BlueCard PPO coverage.
- Emergency room services covered at the in-network benefit level.
- A sustainable solution for lower-cost healthcare in Kansas City supported by physicians committed to making Kansas City a healthier community through trusted and quality care.

## AN EXCLUSIVE NETWORK

- Children's Mercy Hospital
- Children's Mercy Hospital – South
- Liberty Hospital
- North Kansas City Hospital
- Olathe Health – Olathe Medical Center
- Truman Medical Center – Lakewood
- Truman Medical Center – Hospital Hill
- Shawnee Mission Medical Center
- The University of Kansas Health System



# 2017 BlueKC Approved Key Recommendations - Savings Opportunities

Estimated Plan Cost PMPM Savings	Description	Estimated Claim PMPM Savings based on Blue KC BOB	Disruption	Time to Implement
Home Delivery Options				
Select Home Delivery (SHD) - Active Choice	Members must call ESI to elect retail or mail after 2 fills at retail of maintenance meds	\$1.37 PMPM	Medium	120 days
SHD - Incentive Choice (\$10 Copay Penalty) N/A for HDHP plans	Members who remain at retail pay a higher copay for their maintenance meds	\$2.19 PMPM	Medium	120 days
Exclusive Home Delivery - (EHD)	Members must elect mail after 2 fills at retail or pay full cost of their maintenance meds	\$2.57 PMPM	High	120 days

Plan Cost refers to Rx only

*Before implementing a **home delivery program**, please review benefit structure to ensure the appropriate member copays/coinsurance are in place for mail and retail or the savings achieved through better mail pricing may be offset due to loss in member cost share. Estimated savings is based on a minimum of 2.5 to 3x copay/coinsurance at mail (3 month supply) compared to retail (1 month supply). ESI can assist with group specific analysis for savings and benefit structure.*

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# 2017 BlueKC Approved Key Recommendations - Savings Opportunities

Estimated Plan Cost PMPM Savings	Description	Estimated Claim PMPM Savings based on Blue KC BOB	Disruption	Time to Implement
Network Options				
Express Advantage Network (EAN) with National Plus Wrap (Tiered network option)	<p>68,000+ pharmacies</p> <p>Lower copay/coinsurance at EAN and higher copay/coinsurance at National Plus</p> <p>Minimum \$10 tier differential recommended Group must qualify based on 30% disruption analysis</p> <p>Anchors: Walmart, Costco, Kroger and Rite-Aid Excluded: Walgreen's and CVS/Target</p>	\$2.69 PMPM	Medium	120 days
Walgreen's Advantage Network (WAN) Exclusive (Available 1/1/18)	<p>41,000+ pharmacies</p> <p>Group must qualify based on 30% disruption analysis</p> <p>Anchored by Walgreen's Excluded: CVS/Target</p>	\$2.85 PMPM	High	120 days

Plan Cost refers to Rx only

# 2017 BlueKC Approved Key Recommendations - Savings Opportunities

Estimated Plan Cost PMPM Savings	Description	Estimated PMPM Savings on Blue KC BOB	Disruption	Time to Implement
Clinical Program Options				
Generics Preferred	If a member receives a brand-name drug when a generic is available, they will pay the generic copay plus the difference in the allowable cost of the generic and the brand-name drug.	\$1.77 PMPM	Medium	120 days
Physicians Choice - Generics Preferred	If the physician (DAW2) chooses the brand-name drug, the member will not pay the copay plus the difference in the cost of the generic and the brand-name drug.	\$0.89 PMPM	Medium	120 days
Removal of Grandfathering (GF)	At a group's renewal, when Grandfathering is removed, a member must now try a front-line (sometimes generic) drug first before a less-preferred, higher cost drug (usually brand) is prescribed.	\$1.31 PMPM	Medium	120 days

Plan Cost refers to Rx only

# 2017 BlueKC Approved Key Recommendations - Savings Opportunities

Estimated Plan Cost PMPM Savings	Description	Estimated PMPM Savings on Blue KC BOB	Disruption	Time to Implement
<b>Formulary Options</b>				
High Performance Formulary (HPF)	HPF is a generics-based formulary that promotes generics and low-cost brand drugs; Non-preferred drugs are not covered	Requires group level review	High	120 days
<b>Benefit Options</b>				
Increase Member Cost Share	<ul style="list-style-type: none"> <li>• Increase copays</li> <li>• Add Copay for Tier 1, Coinsurance on Tier 2 and Tier 3 (option per script cap on T2/T3)               <ul style="list-style-type: none"> <li>• Add Stand-alone Drug Deductible</li> </ul> </li> <li>• Add a Tier 4 for Non-Preferred Specialty Drugs</li> <li>• Add 3 Tiers for Retail drugs and 3 Tiers for Specialty drugs (Specialty has different member cost-sharing than retail)</li> </ul>	Requires group level review	Varies	120 days

Plan Cost refers to Rx only



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# PRESERVATION HOUSING MANAGEMENT

## Strategic Health Plan Report

Paid Date: 07/01/2016 thru 06/29/2017  
Created Date: 08/03/2017 at 8:54 AM

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# Table of Contents



Utilization Summary . . . . .	3
Aggregate Report (Paid) . . . . .	4
Aggregate Report Paid Analysis (PEPM/PMPM) . . . . .	5
Member Cost Ranges . . . . .	6
Relationships . . . . .	7
Top 10 Providers . . . . .	8
Top 10 Claimants . . . . .	9
In Vs Out of Network . . . . .	10
Diagnosis Categories . . . . .	11
Top 10 Diagnoses . . . . .	13
Top 10 Conditions . . . . .	14
Top 10 Mental Health Conditions . . . . .	15
Drug Type . . . . .	16
Top 25 NDC by Plan Paid . . . . .	17
Top 25 Drug by Prevalence . . . . .	19
Top 10 Conditions: Benchmark Comparison . . . . .	21
Preventative Screenings Compliance and Utilization . . . . .	22
Chronic Disease Pharmaceutical Compliance and Utilization . . . . .	23
Chronic Disease Compliance and Utilization . . . . .	24
Risk Index vs Total Paid . . . . .	27



# Utilization Summary

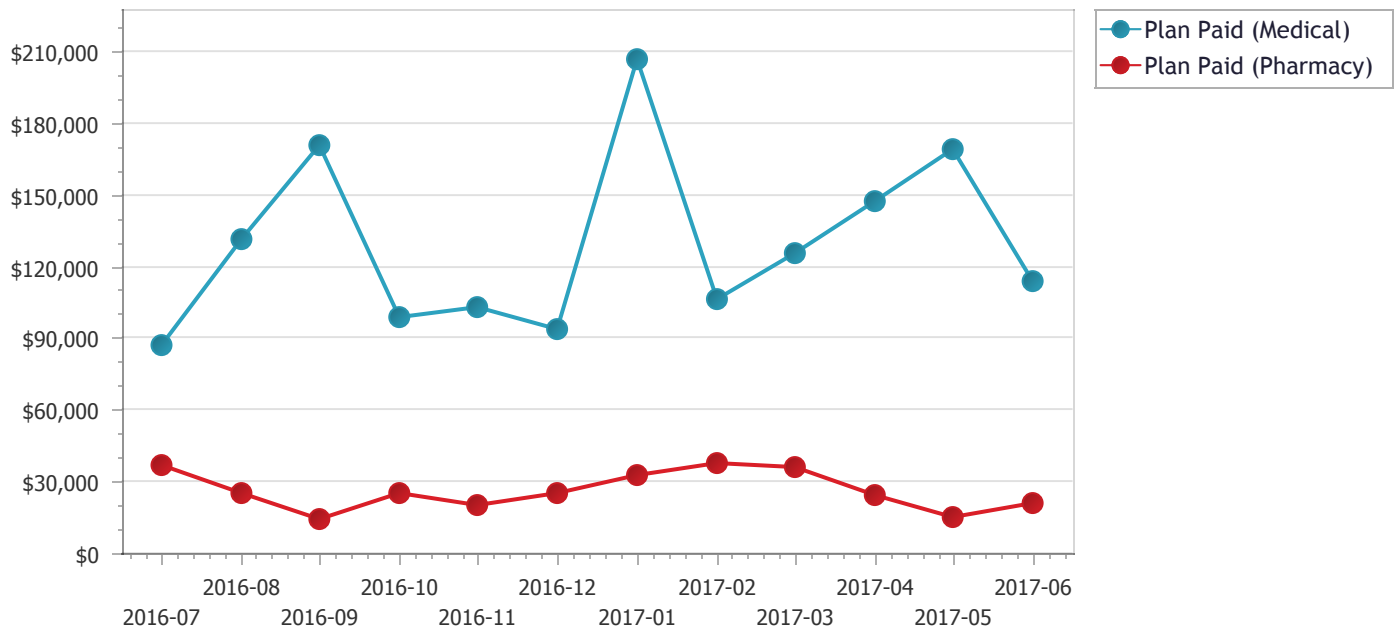


METRICS	METRIC TYPE	PRIOR PERIOD	CURRENT PERIOD	% CHANGE	TOTAL (CURRENT)
<b>ER VISIT UTILIZATION</b>					
ER Visits	Per 1000	300.0	233.5	-22.2%	110
ER Claimants	Claimants Per 1000	174.5	155.0	-11.2%	73
ER Visits per ER Claimant	Average Visits	1.7	1.5	-12.4%	0
ER Visits resulting in an Admission	% of ER Visits	5.7%	10.0%	76.3%	11
ER Visit Paid per ER Visit	Average Paid	\$537.72	\$546.91	1.7%	\$60,160.38
ER Visit Allowed Per ER Visit	Average Allowed	\$862.13	\$931.73	8.1%	\$102,490.19
<b>INPATIENT UTILIZATION</b>					
Inpatient Days	Per 1000	200.0	135.9	-31.9%	64
Inpatient Claimants	Claimants Per 1000	42.6	25.5	-40.0%	12
Average Length Of Stay	Average Days	4.3	2.9	-31.9%	0
Total Admissions	Per 1000	46.8	46.7	-0.2%	22
Total Admission Paid Per Admission	Average Paid	\$23,810	\$16,546	-30.5%	\$364,010
Total Admission Paid Per Day	Paid Per Day	\$5,572	\$5,688	2.1%	0
Total Inpatient Re-admissions	Per 1000	0.0	2.1	0.0%	1
<b>IMAGING UTILIZATION</b>					
CT Scan	Per 1000	112.8	95.5	-15.3%	45
MRI Scan	Per 1000	91.5	57.3	-37.3%	27
<b>DRUG UTILIZATION</b>					
Pharmacy Scripts	Per 1000	10829.8	10876.9	0.4%	5123
Pharmacy Scripts Mail Order	% of Mail Order	0.6%	0.7%	24.2%	35
Pharmacy Scripts Generic Drugs	% of Generic Drugs	87.5%	87.3%	-0.2%	4472
<b>OFFICE VISIT UTILIZATION</b>					
Regular Office Visits	Average Cost Per Office Visit	\$87.79	\$86.64	-1.3%	\$102,409
Total Office Visits	Per 1000	3512.8	3394.9	-3.4%	1599
Regular Office Visits	Per 1000	2583.0	2509.6	-2.8%	1182
Preventative Office Visits	Per 1000	527.7	505.3	-4.2%	238
Behavioral Health Office Visits	Per 1000	402.1	380.0	-5.5%	179
<b>OTHER UTILIZATION</b>					
Chiropractic Visits	Per 1000	308.5	254.8	-17.4%	120
Physical Therapy	Per 1000	80.9	174.1	115.3%	82
Deliveries	Per 1000	8.5	4.2	-50.1%	2
Dialysis Claimants	Claimants Per 1000	2.1	0.0	-100.0%	0
Transplant Claimants	Claimants Per 1000	0.0	0.0	0.0%	0

PRESERVATION HOUSING MANAGEMENT

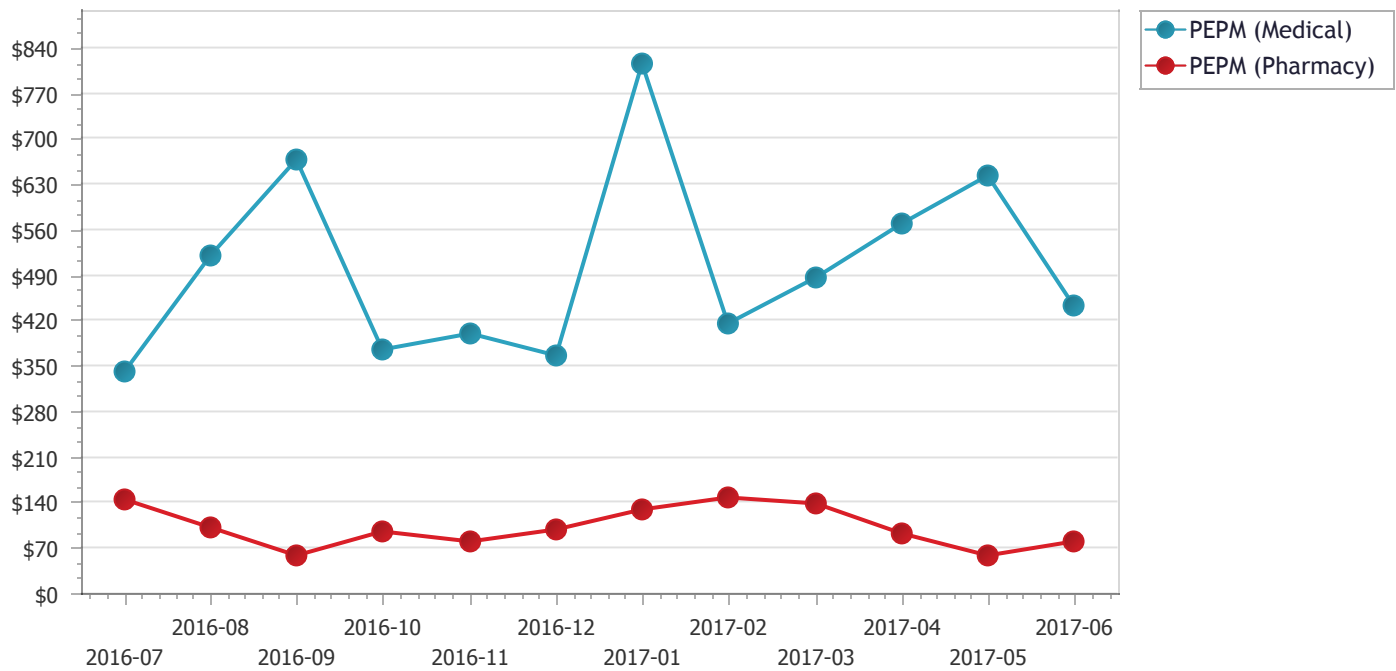
Paid: 7/1/2016 to 6/29/2017

# Aggregate Report (Paid)



MONTH PAID	# OF ENROLLED MEMBERS	# OF ENROLLED EMPLOYEES	# OF ENROLLED DEPENDENTS	PLAN PAID (PHARMACY)	PLAN PAID (MEDICAL)	MEMBER PAID (PHARMACY)	MEMBER PAID (MEDICAL)	# OF CLAIM SERVICE LINES
2016-07	384	254	130	\$36,780.23	\$86,832.13	\$6,683.62	\$25,682.29	1,385
2016-08	381	252	129	\$25,421.25	\$131,038.02	\$5,085.46	\$21,107.30	1,262
2016-09	383	256	127	\$14,599.48	\$170,914.20	\$4,622.37	\$22,962.46	1,434
2016-10	395	264	131	\$25,271.92	\$98,899.53	\$5,749.65	\$13,024.13	1,293
2016-11	376	256	120	\$20,230.81	\$102,651.21	\$4,354.76	\$21,261.64	1,322
2016-12	375	255	120	\$25,224.81	\$93,662.99	\$5,266.58	\$17,928.44	1,503
2017-01	375	254	121	\$32,670.11	\$206,835.05	\$5,445.47	\$39,363.78	1,691
2017-02	376	255	121	\$37,270.48	\$106,126.59	\$6,038.08	\$29,870.11	1,172
2017-03	380	259	121	\$36,093.02	\$125,587.20	\$5,768.47	\$38,373.85	1,637
2017-04	379	258	121	\$24,151.39	\$146,987.79	\$7,212.31	\$22,673.46	1,244
2017-05	391	262	129	\$14,979.19	\$168,660.50	\$4,943.24	\$30,656.99	1,324
2017-06	386	257	129	\$20,541.07	\$113,791.15	\$5,688.44	\$24,275.72	1,299
	471	306	165	\$313,233.76	\$1,551,986.36	\$66,858.45	\$307,180.17	16,566

# Aggregate Report Paid Analysis (PEPM/PMPM)

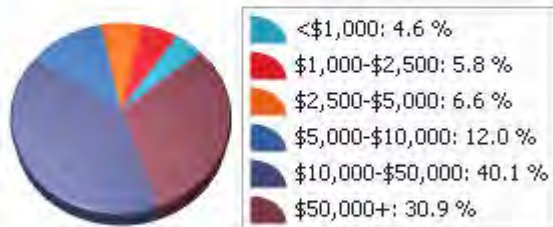


MONTH PAID	# OF ENROLLED MEMBERS	# OF ENROLLED EMPLOYEES	# OF ENROLLED DEPENDENTS	# OF CLAIM SERVICE LINES	PEPM (PHARMACY)	PEPM (MEDICAL)	PMPM (PHARMACY)	PMPM (MEDICAL)
2016-07	384	254	130	1,385	\$144.80	\$341.86	\$95.78	\$226.13
2016-08	381	252	129	1,262	\$100.90	\$520.13	\$66.99	\$345.32
2016-09	383	256	127	1,434	\$57.03	\$667.63	\$38.12	\$446.25
2016-10	395	264	131	1,293	\$96.08	\$376.00	\$64.74	\$253.35
2016-11	376	256	120	1,322	\$79.03	\$400.98	\$53.81	\$273.01
2016-12	375	255	120	1,503	\$98.92	\$367.31	\$67.27	\$249.77
2017-01	375	254	121	1,691	\$128.99	\$816.67	\$87.29	\$552.64
2017-02	376	255	121	1,172	\$146.16	\$416.18	\$99.12	\$282.25
2017-03	380	259	121	1,637	\$139.41	\$485.08	\$95.01	\$330.58
2017-04	379	258	121	1,244	\$93.61	\$569.72	\$63.72	\$387.83
2017-05	391	262	129	1,324	\$57.18	\$643.82	\$38.39	\$432.28
2017-06	386	257	129	1,299	\$79.93	\$442.77	\$53.22	\$294.80
	471	306	165	16,566				

# Member Cost Ranges

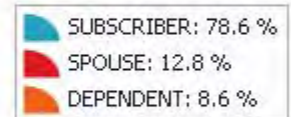
### Company Cost

### Member Count



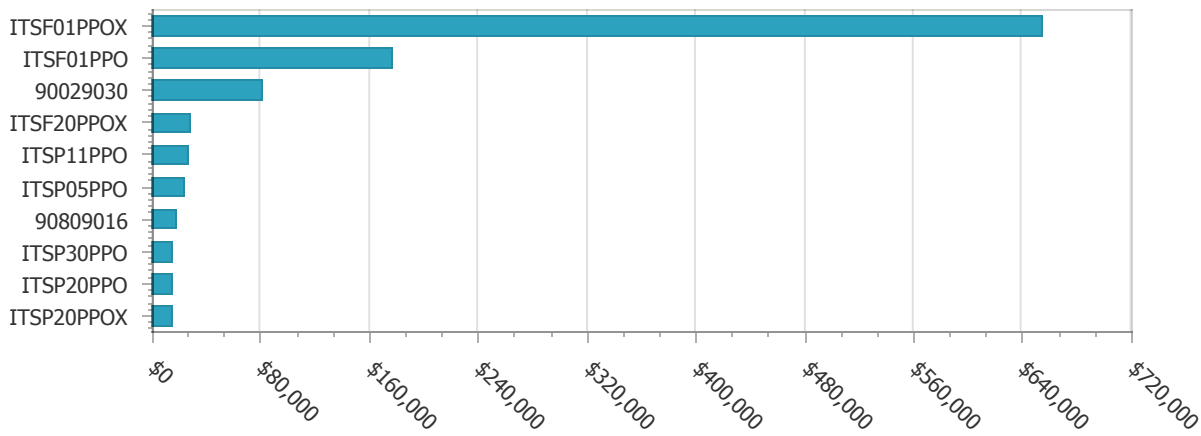
CLAIMANT COST RANGE	PLAN PAID	MEMBER PAID	% PLAN PAID OF TOTAL PLAN PAID	# OF ENROLLED MEMBERS	% MEMBERS OF ENROLLED MEMBERS
<\$1,000	\$86,438.86	\$83,444.05	4.6 %	240	49.28 %
\$1,000-\$2,500	\$108,953.16	\$58,141.41	5.8 %	65	13.35 %
\$2,500-\$5,000	\$122,221.57	\$44,493.31	6.6 %	34	6.98 %
\$5,000-\$10,000	\$222,910.20	\$75,243.61	12.0 %	32	6.57 %
\$10,000-\$50,000	\$747,525.87	\$93,056.93	40.1 %	36	7.39 %
\$50,000+	\$577,170.46	\$19,659.31	30.9 %	6	1.23 %
No Claims	\$0.00	\$0.00	0.0 %	74	15.20 %
	\$1,865,220.12	\$374,038.62		487	

# Relationships



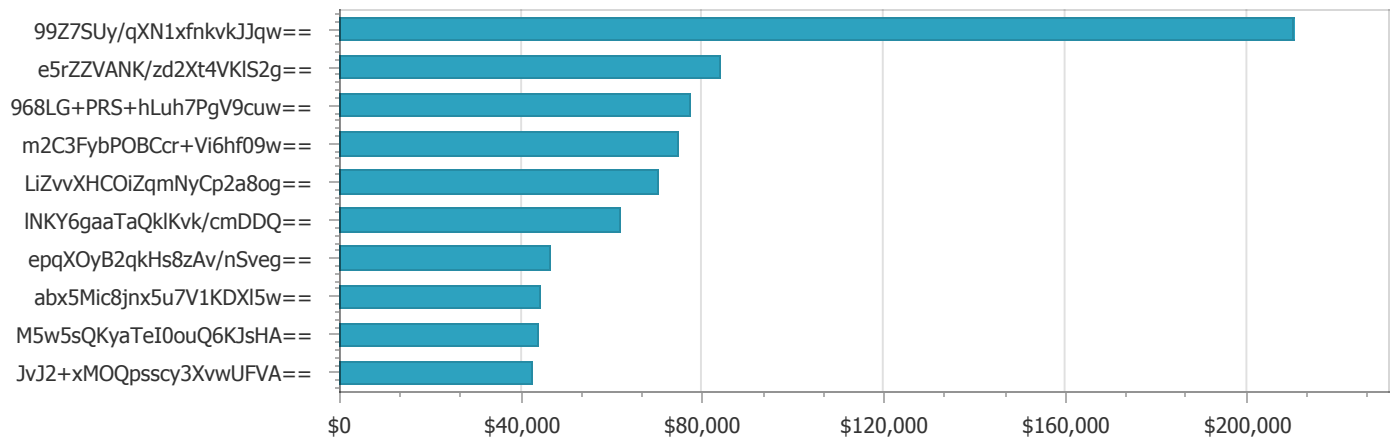
RELATIONSHIP	PLAN PAID	% PLAN PAID OF TOTAL PLAN PAID	# OF CLAIMANTS	MEMBER PAID	PER MEMBER PER MONTH
SUBSCRIBER	\$1,466,777.88	78.64 %	281	\$287,828.35	\$321.91
SPOUSE	\$238,300.19	12.78 %	53	\$53,475.11	\$52.30
DEPENDENT	\$160,142.05	8.59 %	79	\$32,735.16	\$35.15
	\$1,865,220.12		413	\$374,038.62	\$409.36

# Top 10 Providers



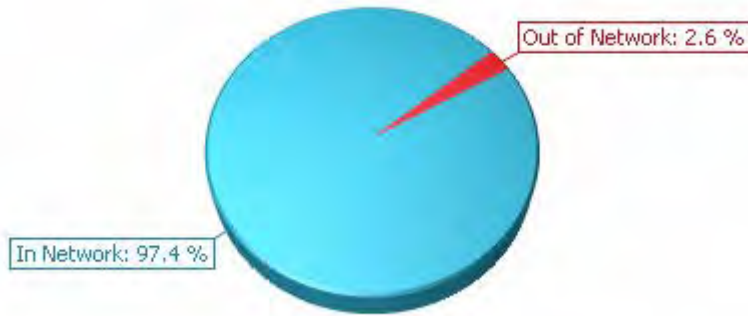
CODE	PROVIDER NAME	NETWORK CATEGORY	PLAN PAID	% PLAN PAID OF TOTAL PLAN PAID	MEMBER PAID	# OF CLAIMS	# OF CLAIMANTS
ITSF01PPOX	ITS HOSPITAL NTWK ALT	Yes	\$654,649.35	42.18 %	\$47,850.38	91	46
ITSF01PPO	ITS HOSPITAL NTWK STD	Yes	\$175,719.50	11.32 %	\$60,210.58	536	149
90029030	CENTERPOINT MEDICAL CENTER	Yes	\$81,291.95	5.24 %	\$7,992.58	15	8
ITSF20PPOX	ITS HOSPITAL NTWK ALT	Yes	\$27,700.00	1.78 %	\$0.00	1	1
ITSP11PPO	ITS INT MED	Yes	\$26,574.56	1.71 %	\$7,873.34	255	102
ITSP05PPO	ITS ANES	Yes	\$23,618.78	1.52 %	\$3,095.39	38	30
90809016	SAINT LUKES SOUTH HOSPITAL	Yes	\$16,915.01	1.09 %	\$0.00	2	2
ITSP30PPO	ITS DX RAD	Yes	\$15,377.04	0.99 %	\$9,673.95	242	109
ITSP20PPO	ITS ORTHO SURG	Yes	\$14,290.19	0.92 %	\$4,383.13	62	27
ITSP20PPOX	ITS ORTHO SURG	Yes	\$14,109.44	0.91 %	\$1,108.16	3	3
Remaining Providers			\$501,740.54	32.33 %	\$164,992.66	3,123	1,482

# Top 10 Claimants



MEMBER ID	PLAN PAID	MEMBER PAID	% PLAN PAID OF TOTAL PLAN PAID	AGE	M/F	REL	TOP CONDITION
99Z7SUy/qXN1xfnkvkJJqw==	\$210,441.05	\$9,240.83	11.28 %	44	M	SUBSCRIBER	Mal neo GU exc prostate, wo surg, w a/m
e5rZZVANK/zd2Xt4VKIS2g==	\$83,825.19	\$2,191.85	4.49 %	37	F	SUBSCRIBER	Arterial inflammation, w comp, w comorb, wo surg
968LG+PRS+hLuh7PgV9cuw==	\$76,989.57	\$806.19	4.13 %	19	F	DEPENDENT	Closed fx/dis - knee L/leg, w surg
m2C3FybPOBCcr+Vi6hf09w==	\$74,308.43	\$2,524.74	3.98 %	63	M	SUBSCRIBER	Jt degen -back, w comp, w comorb, w surg
LiZvvXHCOiZqmNyCp2a8og==	\$69,906.20	\$2,033.58	3.75 %	50	F	SUBSCRIBER	Other inflam GU sys, w comp, wo comorb, w surg
LNKY6gaaTaQklKvk/cmDDQ==	\$61,700.02	\$2,862.12	3.31 %	63	M	SUBSCRIBER	Infectious hepatitis, wo comp, wo comorb
epqXOyB2qkHs8zAv/nSveg==	\$46,340.38	\$5,620.11	2.48 %	66	F	SUBSCRIBER	Bursitis/tendonitis-shoulder, wo comp, w surg
abx5Mic8jnx5u7V1KDXI5w==	\$44,215.51	\$2,107.17	2.37 %	43	F	SPOUSE	Orth deformity -unspecified, w surg
M5w5sQKyaTeI0ouQ6KJsHA==	\$43,565.00	\$1,004.45	2.34 %	52	M	SUBSCRIBER	Non mal neo sm intest & abdom, w surg
JvJ2+xMOQpsscy3XvwUFVA==	\$42,244.36	\$5,639.09	2.26 %	59	M	SUBSCRIBER	Jt degen -knee L/leg, wo comp, wo comorb, w surg
Remaining Members	\$1,111,684.41	\$340,008.49	59.60 %				

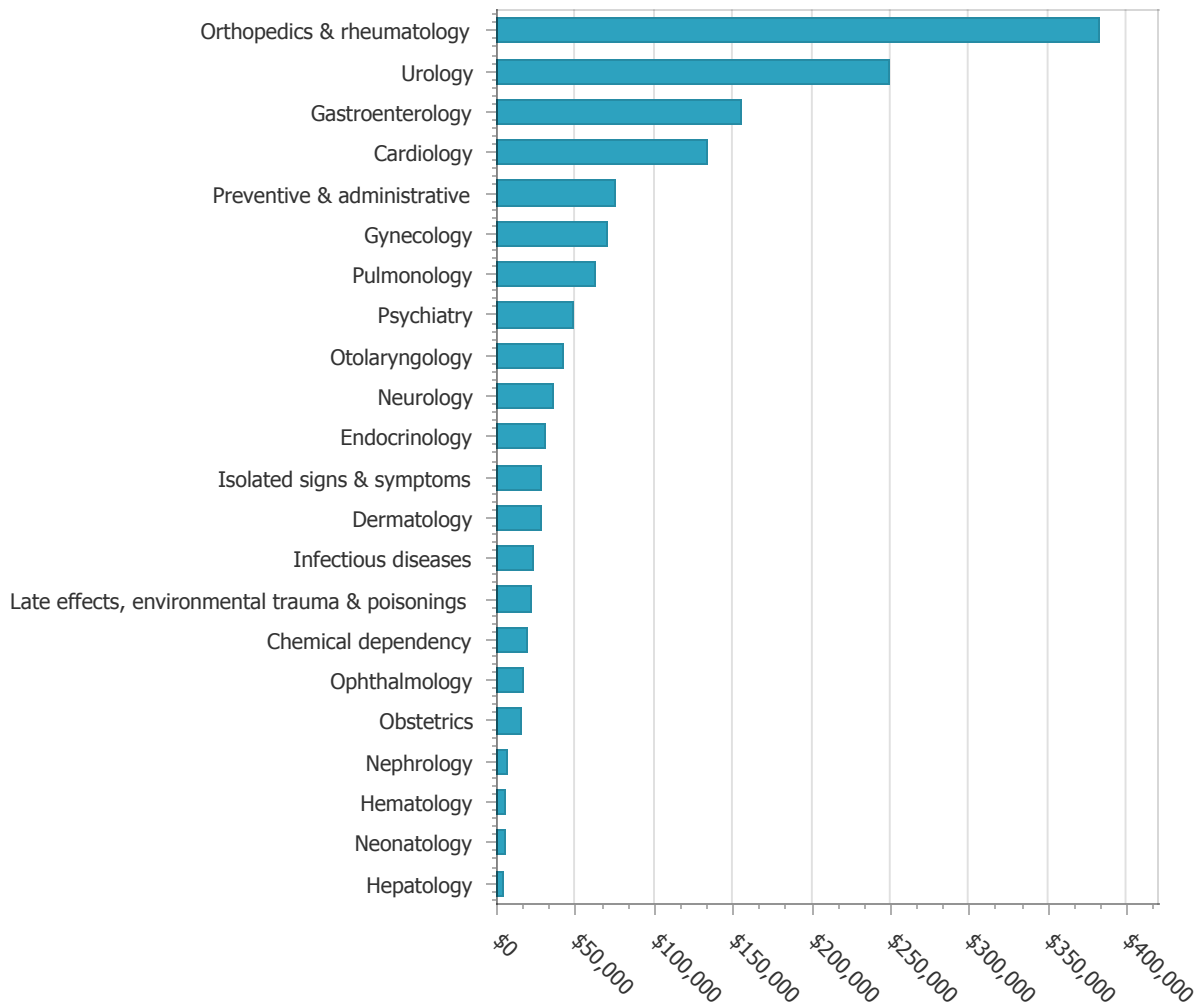
# In Vs Out of Network



NETWORK CATEGORY	PLAN PAID	% PLAN PAID OF TOTAL PLAN PAID	# OF CLAIM SERVICE LINES	AVG CLAIM SERVICE LINE PLAN PAID
In Network	\$1,511,581.24	97.40 %	10,710	\$141.14
Out of Network	\$40,405.12	2.60 %	617	\$65.49
	\$1,551,986.36		11,327	\$137.02



# Diagnosis Categories



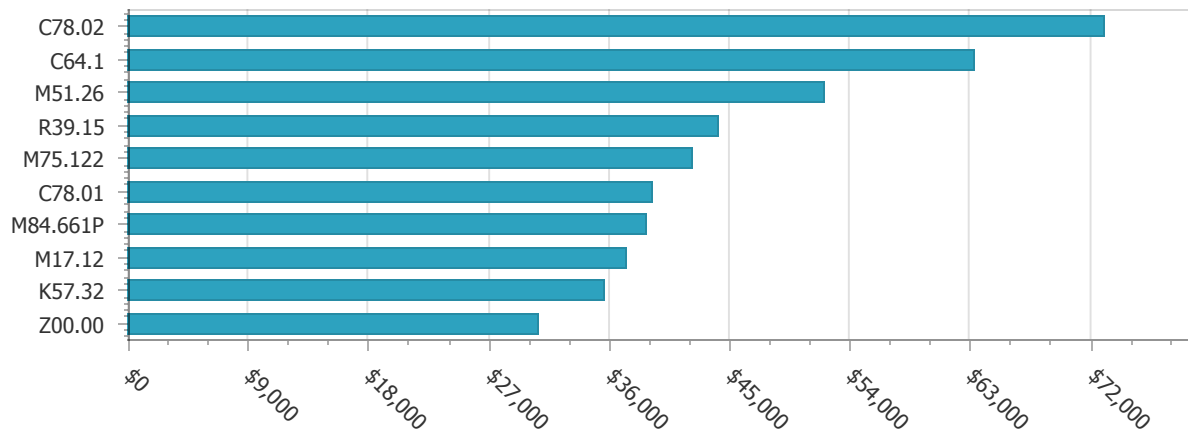
MAJOR DIAGNOSTIC CATEGORY	PLAN PAID	% PLAN PAID OF TOTAL PLAN PAID	# OF CLAIMANTS	MEMBER PAID
Orthopedics & rheumatology	\$382,102.76	26.29 %	136	\$61,310.32
Urology	\$249,090.58	17.14 %	49	\$25,924.20
Gastroenterology	\$154,310.87	10.62 %	65	\$28,948.37
Cardiology	\$133,910.68	9.22 %	103	\$36,091.63
Preventive & administrative	\$74,780.64	5.15 %	261	\$9,613.79
Gynecology	\$69,721.61	4.80 %	58	\$20,123.75
Pulmonology	\$62,504.37	4.30 %	57	\$11,514.54
Psychiatry	\$48,150.14	3.31 %	58	\$11,209.78
Otolaryngology	\$41,793.69	2.88 %	107	\$20,685.82
Neurology	\$34,949.12	2.41 %	34	\$10,535.30
Endocrinology	\$30,473.29	2.10 %	113	\$12,369.35

# Diagnosis Categories



MAJOR DIAGNOSTIC CATEGORY	PLAN PAID	% PLAN PAID OF TOTAL PLAN PAID	# OF CLAIMANTS	MEMBER PAID
Isolated signs & symptoms	\$27,786.41	1.91 %	160	\$5,657.17
Dermatology	\$27,415.02	1.89 %	80	\$15,899.50
Infectious diseases	\$23,378.03	1.61 %	12	\$785.68
Late effects, environmental trauma & poisonings	\$21,936.35	1.51 %	10	\$460.44
Chemical dependency	\$19,384.34	1.33 %	8	\$2,476.47
Ophthalmology	\$16,068.02	1.11 %	48	\$6,542.27
Obstetrics	\$14,916.71	1.03 %	5	\$5,088.87
Nephrology	\$6,584.95	0.45 %	4	\$125.64
Hematology	\$4,737.24	0.33 %	9	\$1,926.54
Neonatology	\$4,736.55	0.33 %	1	\$1,115.35
Hepatology	\$4,424.35	0.30 %	11	\$2,593.34

# Top 10 Diagnoses

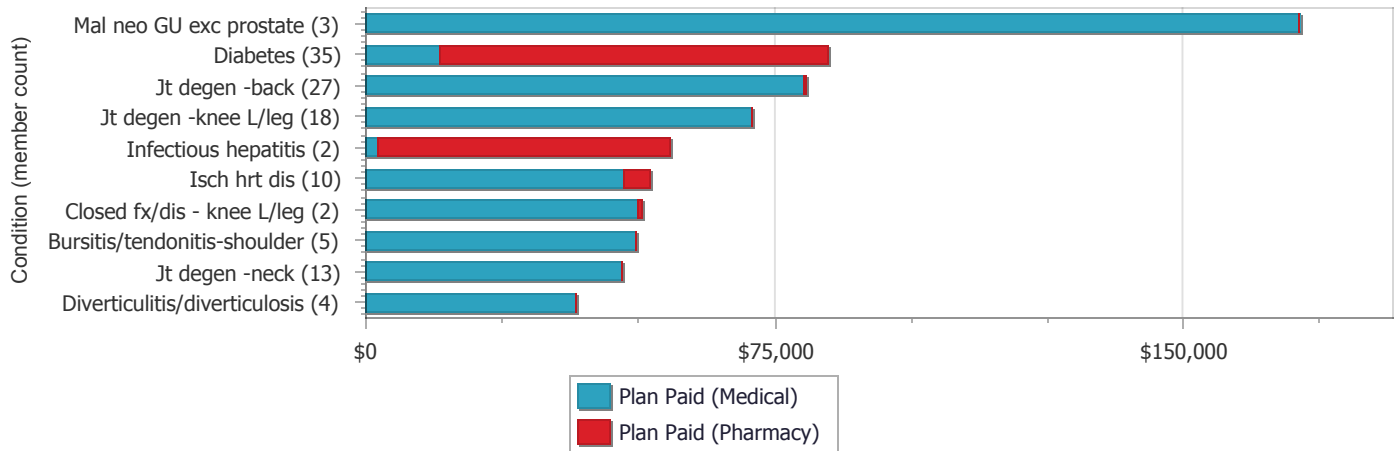


CODE	DIAGNOSIS	PLAN PAID	% PLAN PAID OF TOTAL PLAN PAID	MEMBER PAID
C78.02	Secondary malignant neoplasm of left lung	\$72,998.97	4.70 %	\$3,613.35
C64.1	Malignant neoplasm of right kidney, except renal pelvis	\$63,188.19	4.07 %	\$3,841.62
M51.26	Other intervertebral disc displacement, lumbar region	\$51,988.23	3.35 %	\$0.00
R39.15	Urgency of urination	\$44,079.71	2.84 %	\$1,816.74
M75.122	Complete rotatr-cuff tear/ruptr of left shoulder, not trauma	\$42,175.51	2.72 %	\$3,551.53
C78.01	Secondary malignant neoplasm of right lung	\$39,233.98	2.53 %	\$481.26
M84.661P	Path fx in oth disease, r tibia, subs for fx w malunion	\$38,682.04	2.49 %	\$0.00
M17.12	Unilateral primary osteoarthritis, left knee	\$37,278.22	2.40 %	\$3,144.27
K57.32	Dvtrcli of lg int w/o perforation or abscess w/o bleeding	\$35,600.13	2.29 %	\$212.17
Z00.00	Encntr for general adult medical exam w/o abnormal findings	\$30,681.43	1.98 %	\$4,137.21
Remaining Diagnoses		\$1,096,079.95	70.62 %	\$286,382.02

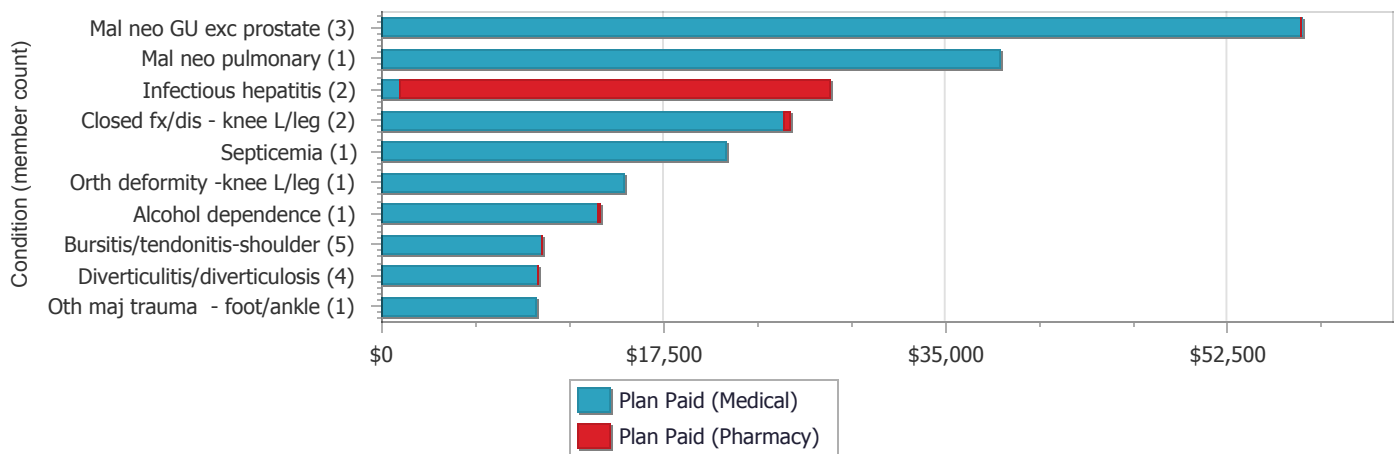
# Top 10 Conditions



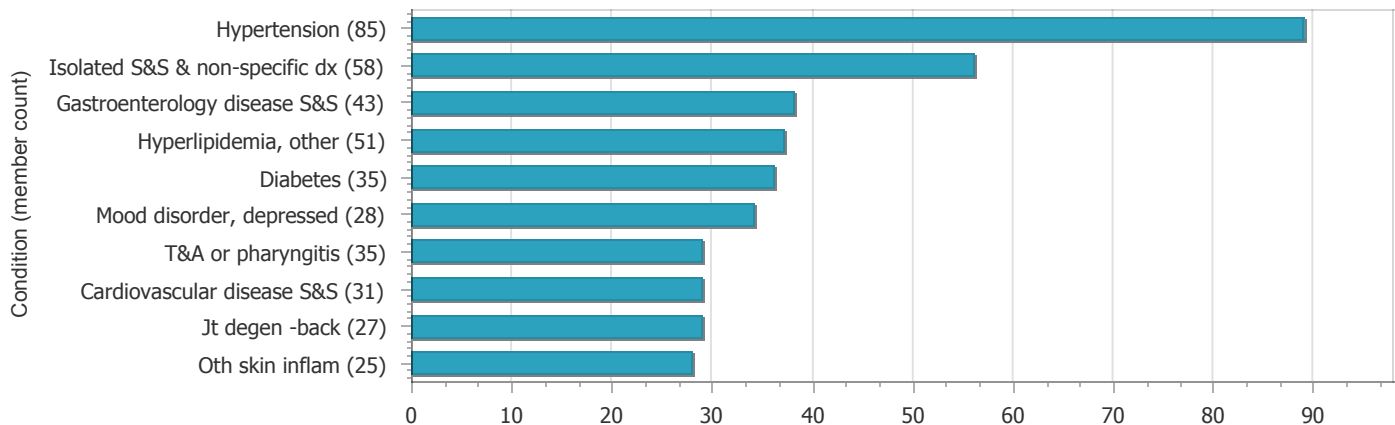
## Top 10 Conditions By Total Paid



## Top 10 Conditions By Average Plan Paid Per Member

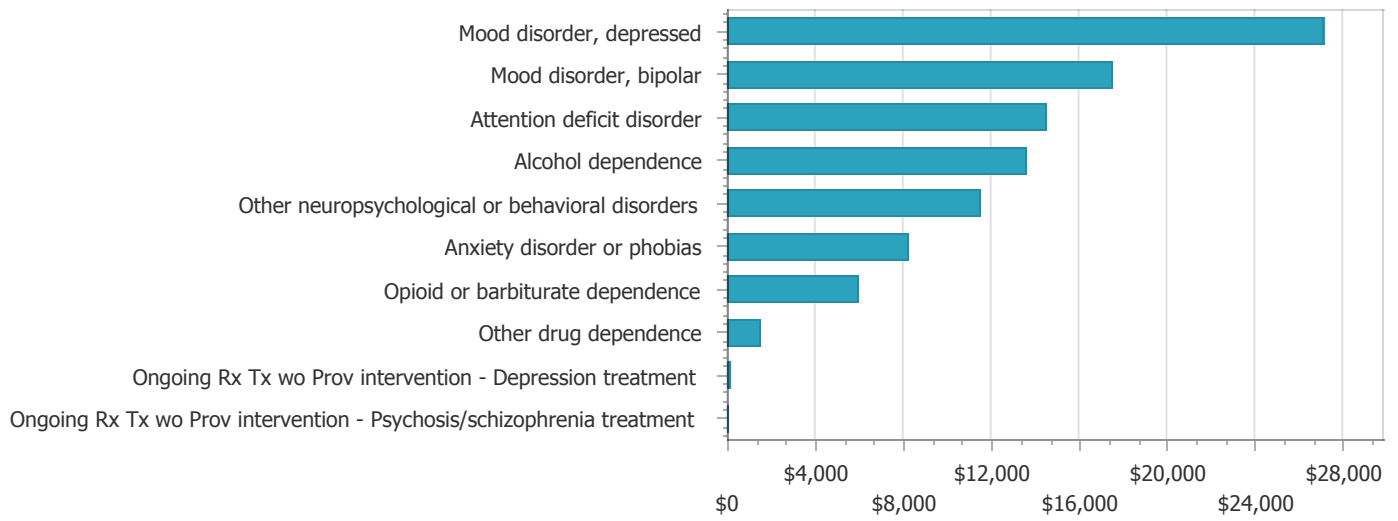


## Top 10 Conditions By Prevalence\*



\*prevalence(n): the total number of episodes of care in a given population.

# Top 10 Mental Health Conditions



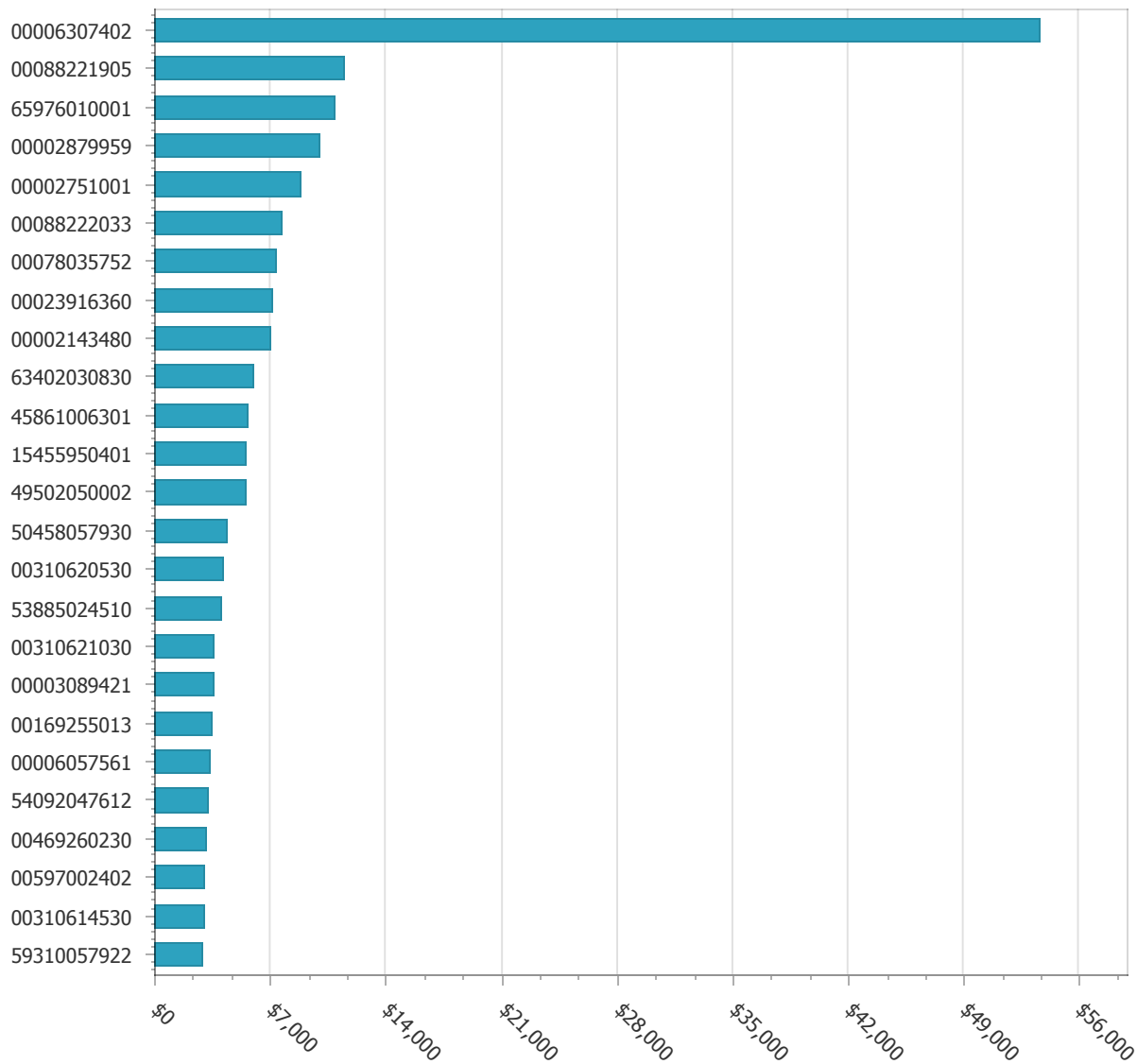
CONDITION	PLAN PAID	PLAN PAID (MEDICAL)	PLAN PAID (PHARMACY)	# OF CLAIMANTS
Mood disorder, depressed	\$27,072.46	\$26,126.18	\$946.28	28
Mood disorder, bipolar	\$17,405.97	\$11,254.46	\$6,151.51	5
Attention deficit disorder	\$14,466.45	\$2,830.09	\$11,636.36	16
Alcohol dependence	\$13,519.28	\$13,388.22	\$131.06	1
Other neuropsychological or behavioral disorders	\$11,410.30	\$829.51	\$10,580.79	16
Anxiety disorder or phobias	\$8,179.82	\$7,109.90	\$1,069.92	17
Opioid or barbiturate dependence	\$5,891.85	\$5,891.85	\$0.00	2
Other drug dependence	\$1,420.81	\$104.27	\$1,316.54	8
Ongoing Rx Tx wo Prov intervention - Depression treatment	\$83.14	\$0.00	\$83.14	7
Ongoing Rx Tx wo Prov intervention - Psychosis/schizophrenia treatment	\$6.77	\$0.00	\$6.77	1
Remaining mental conditions	\$0.00	\$0.00	\$0.00	16

# Drug Type



DRUG CLASSIFICATION	PLAN PAID	% PLAN PAID OF TOTAL PLAN PAID	MEMBER PAID	# OF CLAIMANTS	# OF CLAIM SERVICE LINES	PER EMPLOYEE PER MONTH
Brand	\$243,873.25	77.86 %	\$19,868.45	117	671	\$79.46
Generic	\$69,360.51	22.14 %	\$46,990.00	329	4,568	\$22.60
	\$313,233.76		\$66,858.45		5,239	\$102.06

# Top 25 NDC by Plan Paid



NDC DESCRIPTION (DRUG NAME)	PLAN PAID	% PLAN PAID OF TOTAL PLAN PAID	MEMBER PAID	# OF CLAIMANTS	TOP CONDITION
ZEPATIER	\$53,561.40	17.10 %	\$165.00	1	Infectious hepatitis, wo comp, wo comorb
Lantus Solostar	\$11,470.16	3.66 %	\$910.00	6	Diabetes, wo comp, wo comorb, wo surg
Arestin	\$10,859.88	3.47 %	\$55.00	1	unavailable
Humalog	\$10,002.23	3.19 %	\$455.00	3	Diabetes, wo comp, w comorb, wo surg
Humalog	\$8,797.21	2.81 %	\$487.32	4	Diabetes, wo comp, w comorb, wo surg
Lantus	\$7,698.26	2.46 %	\$735.00	3	Diabetes, wo comp, w comorb, wo surg
Trileptal	\$7,268.91	2.32 %	\$165.00	1	Other psych/behavior disorder

PRESERVATION HOUSING MANAGEMENT

Paid: 7/1/2016 to 6/29/2017

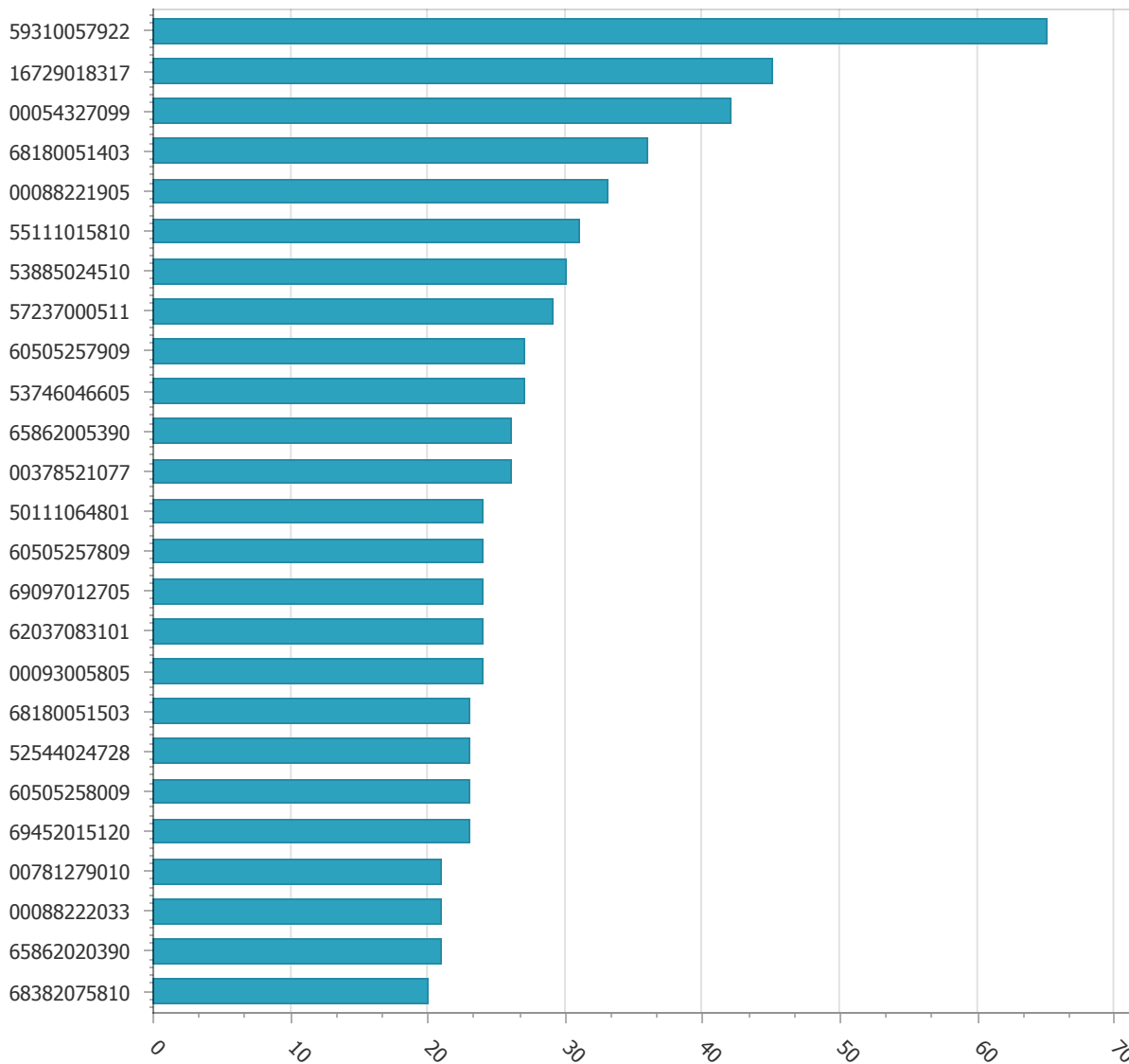
# Top 25 NDC by Plan Paid



NDC DESCRIPTION (DRUG NAME)	PLAN PAID	% PLAN PAID OF TOTAL PLAN PAID	MEMBER PAID	# OF CLAIMANTS	TOP CONDITION
RESTASIS	\$7,065.65	2.26 %	\$595.00	4	Cataract, wo comp, wo surg
Trulicity	\$6,964.80	2.22 %	\$525.00	1	Diabetes, wo comp, wo comorb, wo surg
Latuda	\$5,989.00	1.91 %	\$270.00	1	Mood disorder, bipolar, wo comp, wo comorb
Diclofenac sodium	\$5,606.48	1.79 %	\$0.00	1	unavailable
LIVIXIL PAK	\$5,514.06	1.76 %	\$0.00	1	unavailable
EPIPEN	\$5,463.18	1.74 %	\$0.00	2	Environmental trauma
Xarelto	\$4,395.42	1.40 %	\$385.00	2	Pulmonology disease S&S
FARXIGA	\$4,144.32	1.32 %	\$350.00	1	Diabetes, wo comp, wo comorb, wo surg
ONETOUCH ULTRA TEST STRIPS	\$3,972.06	1.27 %	\$1,015.00	6	Diabetes, wo comp, wo comorb, wo surg
FARXIGA	\$3,537.28	1.13 %	\$175.00	1	Diabetes, wo comp, w comorb, wo surg
ELIQUIS	\$3,519.34	1.12 %	\$221.12	1	Embolism & thrombosis veins, wo comp, wo surg
Tresiba	\$3,378.20	1.08 %	\$365.00	2	Diabetes, wo comp, w comorb, wo surg
JANUMET	\$3,348.12	1.07 %	\$350.00	1	Diabetes, wo comp, w comorb, wo surg
Lialda	\$3,183.80	1.02 %	\$245.00	1	Inflam bowel disease, w comp, wo comorb, wo surg
Myrbetriq	\$3,088.66	0.99 %	\$35.00	1	Urinary incontinence, w comorb, w surg
Combivent Respimat	\$3,015.05	0.96 %	\$323.20	1	Asthma, wo comp, w comorb
KOMBIGLYZE	\$2,994.79	0.96 %	\$335.00	1	Diabetes, wo comp, wo comorb, wo surg
PROAIR	\$2,818.55	0.90 %	\$780.00	32	Asthma, wo comp, w comorb
Remaining NDC Codes	\$125,576.95	40.09 %	\$57,916.81	1,891	



# Top 25 Drug by Prevalence



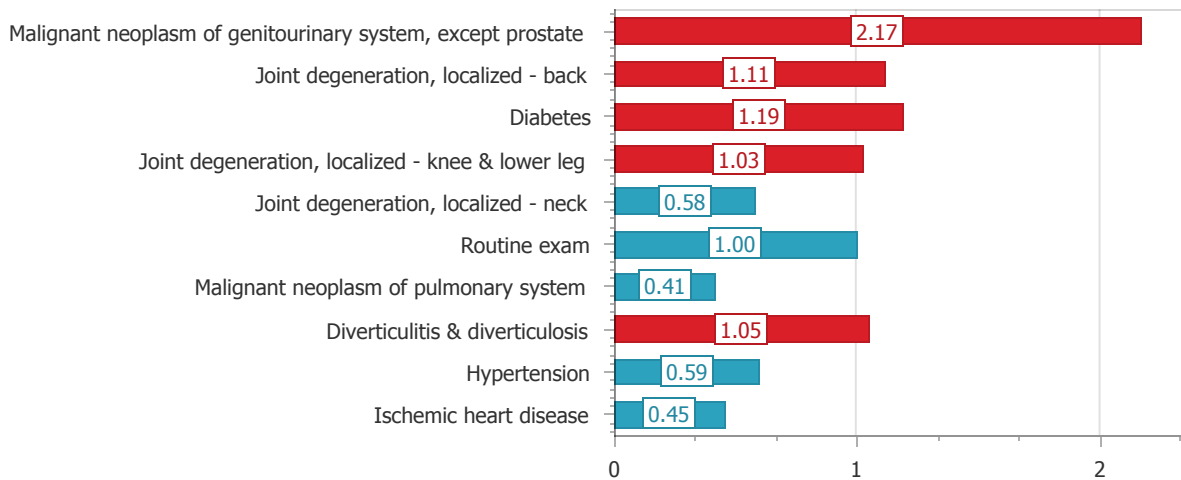
NDC DESCRIPTION (DRUG NAME)	# OF FILLS	% OF CLAIMS TO TOTAL	PLAN PAID	MEMBER PAID	# OF CLAIMANTS	TOP CONDITION
PROAIR	65	1.24 %	\$2,818.55	\$780.00	32	Asthma, wo comp, w comorb
Hydrochlorothiazide	45	0.86 %	\$2.82	\$248.16	7	Hypertension, wo comp, w comorb
Fluticasone Propionate	42	0.80 %	\$38.92	\$421.96	20	Chronic sinusitis, wo comorb, wo surg
Lisinopril	36	0.69 %	\$0.00	\$234.24	8	Diabetes, wo comp, wo comorb, wo surg
Lantus Solostar	33	0.63 %	\$11,470.16	\$910.00	6	Diabetes, wo comp, wo comorb, wo surg
Omeprazole	31	0.59 %	\$177.49	\$277.28	6	Migraine headache, wo comp, w comorb

# Top 25 Drug by Prevalence



NDC DESCRIPTION (DRUG NAME)	# OF FILLS	% OF CLAIMS TO TOTAL	PLAN PAID	MEMBER PAID	# OF CLAIMANTS	TOP CONDITION
ONETOUCH ULTRA TEST STRIPS	30	0.57 %	\$3,972.06	\$1,015.00	6	Diabetes, wo comp, wo comorb, wo surg
Fluconazole	29	0.55 %	\$18.37	\$385.99	13	Infection vagina exc monilia
Ibuprofen	27	0.52 %	\$12.63	\$238.89	12	Autoim rheum disease exc lupus
ATORVASTATIN CALCIUM	27	0.52 %	\$32.56	\$169.64	5	Diabetes, wo comp, wo comorb, wo surg
Amlodipine Besylate	26	0.50 %	\$8.76	\$106.44	3	Hypertension, wo comp, w comorb
Simvastatin	26	0.50 %	\$0.00	\$260.44	3	Hyperlipidemia, other
Tramadol Hydrochloride	24	0.46 %	\$0.00	\$142.90	5	Jt degen -back, wo comp, w comorb, wo surg
Metoprolol Succinate	24	0.46 %	\$0.00	\$535.80	3	Hypertension, wo comp, w comorb
AMLODIPINE BESYLATE	24	0.46 %	\$4.34	\$143.20	3	Hypertension, wo comp, w comorb
ATORVASTATIN CALCIUM	24	0.46 %	\$3.18	\$244.56	4	Hyperlipidemia, other
Fluoxetine	24	0.46 %	\$95.90	\$110.32	3	Mood disorder, depressed, wo comp, wo comorb
Ergocalciferol	23	0.44 %	\$19.87	\$99.53	8	Late effects & late complic
ATORVASTATIN CALCIUM	23	0.44 %	\$0.00	\$224.94	2	Diabetes, wo comp, w comorb, wo surg
MonoNessa	23	0.44 %	\$246.91	\$0.00	2	unavailable
Lisinopril	23	0.44 %	\$0.00	\$197.30	4	Hypertension, wo comp, w comorb
Losartan Potassium	21	0.40 %	\$5.47	\$142.24	2	CHF, wo comp, w comorb, wo surg
Lantus	21	0.40 %	\$7,698.26	\$735.00	3	Diabetes, wo comp, w comorb, wo surg
Omeprazole	21	0.40 %	\$0.00	\$271.64	7	Bursitis/tendonitis-shoulder, wo comp, wo surg
METFORMIN HYDROCHLORIDE	20	0.38 %	\$4.19	\$225.60	5	Diabetes, wo comp, w comorb, wo surg
Remaining NDC Codes	4,527	86.41 %	\$0.00	\$58,737.38	1,798	

# Top 10 Conditions: Benchmark Comparison



EPISODE	# CLAIMANTS	TOTAL PAID	BENCHMARK SCALE (1 = NORM)	\$ OVER OR UNDER (\$0 = NORM)
Malignant neoplasm of genitourinary system, except prostate	2	\$179,162.34	2.17	\$96,469.09
Joint degeneration, localized - back	21	\$100,899.63	1.11	\$10,118.61
Diabetes	26	\$81,140.75	1.19	\$12,727.98
Joint degeneration, localized - knee & lower leg	13	\$78,247.28	1.03	\$1,915.75
Joint degeneration, localized - neck	12	\$50,120.06	0.58	(\$36,304.27)
Routine exam	176	\$45,465.31	1.00	(\$41.59)
Malignant neoplasm of pulmonary system	1	\$37,809.29	0.41	(\$53,730.44)
Diverticulitis & diverticulosis	2	\$36,308.35	1.05	\$1,627.11
Hypertension	61	\$22,287.35	0.59	(\$15,452.48)
Ischemic heart disease	8	\$22,272.12	0.45	(\$26,691.50)
All Others	281	\$513,938.27	0.88	(\$71,698.89)
		\$1,167,650.75	0.90	(\$81,060.63)

# Preventative Screenings Compliance and Utilization



As of Date: April 2017

CONDITION	STANDARD OF CARE	MEDICAL COMPLIANCE	MEASURED MEMBERS	ALL CLAIMS PLAN PAID	ALL CLAIMS MEMBER PAID	POSITIVE UTILIZATION (PLAN PAID)	POSITIVE UTILIZATION (MEMBER PAID)
Breast Cancer Screening	Multi Standard	35.14 %	111	\$569,228	\$128,641	\$1,364	\$0
Breast Cancer Screening	US Preventive Services Task Force	35.14 %	111	\$569,228	\$128,641	\$1,364	\$0
Cervical Cancer Screening	Center for Medicare and Medicaid Services	28.28 %	145	\$745,948	\$158,387	\$1,277	\$0
Cervical Cancer Screening	Multi Standard	28.28 %	145	\$745,948	\$158,387	\$1,277	\$0
Colon Cancer Screening	Multi Standard	37.14 %	105	\$485,942	\$120,644	\$12,624	\$6
Hyperlipidemia Screening Female	Multi Standard	80.73 %	96	\$517,614	\$109,596	\$8,912	\$3,287
Hyperlipidemia Screening Female	Up To Date	80.73 %	96	\$517,614	\$109,596	\$8,912	\$3,287
Hyperlipidemia Screening Male	Multi Standard	77.65 %	85	\$497,415	\$95,200	\$7,308	\$3,006
Osteoporosis Screening Female	Journal Watch (New England Journal of Medicine)	0.00 %	8	\$85,922	\$14,465	\$0	\$0
Osteoporosis Screening Female	Multi Standard	18.75 %	8	\$85,922	\$14,465	\$24	\$300
Osteoporosis Screening Female	Up To Date	4.17 %	8	\$85,922	\$14,465	\$0	\$50
Osteoporosis Screening Male	Medscape	0.00 %	3	\$20,179	\$4,285	\$0	\$0
Osteoporosis Screening Male	Multi Standard	0.00 %	3	\$20,179	\$4,285	\$0	\$0
Prostate Cancer Screening	Multi Standard	44.93 %	69	\$349,881	\$74,277	\$764	\$28

# Chronic Disease Pharmaceutical Compliance and Utilization



As of Date: April 2017

CONDITION	PHARMACEUTICAL COMPLIANCE	MEASURED MEMBERS	ALL CLAIMS PLAN PAID	ALL CLAIMS MEMBER PAID	POSITIVE UTILIZATION (PLAN PAID)	POSITIVE UTILIZATION (MEMBER PAID)
Asthma	57.78 %	20	\$150,205	\$27,169	\$1,680	\$1,013
Chronic Fatigue Syndrome	0.00 %	2	\$32,857	\$5,982	\$504	\$90
Chronic Obstructive Pulmonary Disease (COPD)	22.36 %	3	\$35,492	\$10,253	\$1,735	\$217
Chronic Pain Syndrome	0.00 %	1	\$0	\$0	\$0	\$0
Coronary Heart Disease	75.87 %	8	\$100,304	\$11,296	\$2,834	\$796
Degenerative Arthritis	32.70 %	21	\$267,385	\$26,145	\$5,820	\$1,340
Depression	59.96 %	25	\$213,448	\$40,833	\$6,473	\$1,695
Diabetes Type I	73.46 %	6	\$68,552	\$13,894	\$2,629	\$553
Diabetes Type II	73.46 %	30	\$114,807	\$39,736	\$13,025	\$5,353
Fibromyalgia	0.00 %	12	\$202,035	\$16,149	\$4,985	\$1,027
Hyperlipidemia	66.20 %	60	\$222,088	\$46,857	\$6,894	\$2,638
Hypertension	84.48 %	56	\$439,763	\$84,965	\$28,227	\$11,099
Lower Back Pain	31.39 %	42	\$668,813	\$99,559	\$75,745	\$16,894
Myocardial Infarction Aftercare	0.00 %	1	\$18,856	\$3,763	\$390	\$90
Neck Pain	0.00 %	19	\$192,253	\$34,386	\$8,370	\$3,091
Obstructive Sleep Apnea	19.11 %	7	\$148,479	\$11,489	\$4,728	\$927
Osteoporosis	0.00 %	5	\$20,931	\$2,855	\$390	\$71
Peripheral Artery Disease	0.00 %	1	\$847	\$698	\$243	\$149
Rheumatoid Arthritis	45.29 %	2	\$3,954	\$1,039	\$842	\$209

# Chronic Disease Compliance and Utilization



As of Date: April 2017

CONDITION	STANDARD OF CARE	MEDICAL COMPLIANCE	MEASURED MEMBERS	ALL CLAIMS PLAN PAID	ALL CLAIMS MEMBER PAID	POSITIVE UTILIZATION (PLAN PAID)	POSITIVE UTILIZATION (MEMBER PAID)
Asthma	National Heart, Lung and Blood Association	27.50 %	20	\$150,205	\$27,169	\$650	\$669
Asthma	Physicians Desk Reference	30.00 %	20	\$150,205	\$27,169	\$515	\$172
Asthma	Up To Date	30.00 %	20	\$150,205	\$27,169	\$515	\$172
Chronic Fatigue Syndrome	Center for Disease Control and Prevention	50.02 %	2	\$32,857	\$5,982	\$218	\$45
Chronic Fatigue Syndrome	Merck Manual	40.00 %	2	\$32,857	\$5,982	\$71	\$0
Chronic Fatigue Syndrome	Up To Date	50.01 %	2	\$32,857	\$5,982	\$215	\$45
Chronic Obstructive Pulmonary Disease (COPD)	Global Initiative for Chronic Obstructive Lung Disease	66.67 %	3	\$35,492	\$10,253	\$578	\$72
Chronic Obstructive Pulmonary Disease (COPD)	Merck Manual	66.67 %	3	\$35,492	\$10,253	\$578	\$72
Chronic Obstructive Pulmonary Disease (COPD)	Up To Date	66.67 %	3	\$35,492	\$10,253	\$578	\$72
Chronic Pain Syndrome	Institute for Clinical Systems Improvement	0.00 %	1	\$0	\$0	\$0	\$0
Chronic Pain Syndrome	National Institute of Neurological Disorders and Stroke	0.00 %	1	\$0	\$0	\$0	\$0
Chronic Pain Syndrome	Up To Date	0.00 %	1	\$0	\$0	\$0	\$0
Coronary Heart Disease	American College of Cardiology - American Heart Association	99.99 %	8	\$100,304	\$11,296	\$996	\$268
Coronary Heart Disease	National Heart, Lung and Blood Institute	100.00 %	8	\$100,304	\$11,296	\$841	\$259
Coronary Heart Disease	Up To Date	99.99 %	8	\$100,304	\$11,296	\$996	\$268
Degenerative Arthritis	American College of Rheumatology	54.76 %	21	\$267,385	\$26,145	\$1,932	\$426
Degenerative Arthritis	Merck Manual	54.76 %	21	\$267,385	\$26,145	\$1,881	\$455
Degenerative Arthritis	Up To Date	59.52 %	21	\$267,385	\$26,145	\$2,007	\$460
Depression	EMedicine	100.00 %	25	\$213,448	\$40,833	\$2,769	\$628
Depression	Physicians Desk Reference	41.33 %	25	\$213,448	\$40,833	\$3,237	\$847
Depression	Up To Date	12.00 %	25	\$213,448	\$40,833	\$468	\$220

PRESERVATION HOUSING MANAGEMENT

Paid: 7/1/2016 to 6/29/2017

# Chronic Disease Compliance and Utilization



As of Date: April 2017

CONDITION	STANDARD OF CARE	MEDICAL COMPLIANCE	MEASURED MEMBERS	ALL CLAIMS PLAN PAID	ALL CLAIMS MEMBER PAID	POSITIVE UTILIZATION (PLAN PAID)	POSITIVE UTILIZATION (MEMBER PAID)
Diabetes Type I	American Diabetic Association	80.57 %	6	\$68,552	\$13,894	\$876	\$184
Diabetes Type I	Physician Desk Reference	80.57 %	6	\$68,552	\$13,894	\$876	\$184
Diabetes Type I	Up To Date	80.57 %	6	\$68,552	\$13,894	\$876	\$184
Diabetes Type II	American Diabetic Association	74.46 %	30	\$114,807	\$39,736	\$4,350	\$1,784
Diabetes Type II	Physicians Desk Reference	74.46 %	30	\$114,807	\$39,736	\$4,338	\$1,784
Diabetes Type II	Up To Date	74.46 %	30	\$114,807	\$39,736	\$4,338	\$1,784
Fibromyalgia	Epocrates Online	58.33 %	12	\$202,035	\$16,149	\$1,599	\$323
Fibromyalgia	Merck Manual	33.33 %	12	\$202,035	\$16,149	\$1,536	\$319
Fibromyalgia	Up To Date	45.00 %	12	\$202,035	\$16,149	\$1,850	\$385
Hyperlipidemia	Multi-Standard	87.50 %	60	\$333,131	\$70,285	\$5,170	\$1,979
Hyperlipidemia	Up To Date	87.50 %	60	\$333,131	\$70,285	\$5,170	\$1,979
Hypertension	National Heart, Lung and Blood Institute	63.57 %	56	\$439,763	\$84,965	\$9,821	\$3,940
Hypertension	Physicians Desk Reference	75.89 %	56	\$439,763	\$84,965	\$9,524	\$3,569
Hypertension	Up To Date	69.42 %	56	\$439,763	\$84,965	\$8,882	\$3,590
Lower Back Pain	American Academy of Orthopaedic Surgeons	52.38 %	42	\$334,407	\$49,779	\$3,657	\$1,082
Lower Back Pain	Annals of Internal Medicine	59.52 %	42	\$334,407	\$49,779	\$7,460	\$1,548
Lower Back Pain	Journal Watch	59.52 %	42	\$334,407	\$49,779	\$7,460	\$1,548
Lower Back Pain	Merck Manual	48.81 %	42	\$334,407	\$49,779	\$3,537	\$1,051
Lower Back Pain	National Institute of Health	51.90 %	42	\$334,407	\$49,779	\$8,299	\$1,670
Lower Back Pain	Up To Date	59.52 %	42	\$334,407	\$49,779	\$7,460	\$1,548
Myocardial Infarction Aftercare	Journal of the American College of Cardiology	100.00 %	1	\$18,856	\$3,763	\$132	\$30
Myocardial Infarction Aftercare	National Guideline Clearinghouse	99.99 %	1	\$18,856	\$3,763	\$120	\$30
Myocardial Infarction Aftercare	Up To Date	100.00 %	1	\$18,856	\$3,763	\$138	\$30
Neck Pain	Merck Manual	43.86 %	19	\$144,190	\$25,790	\$2,070	\$663
Neck Pain	National Guideline Clearinghouse	5.26 %	19	\$144,190	\$25,790	\$185	\$21

PRESERVATION HOUSING MANAGEMENT

Paid: 7/1/2016 to 6/29/2017

# Chronic Disease Compliance and Utilization



As of Date: April 2017

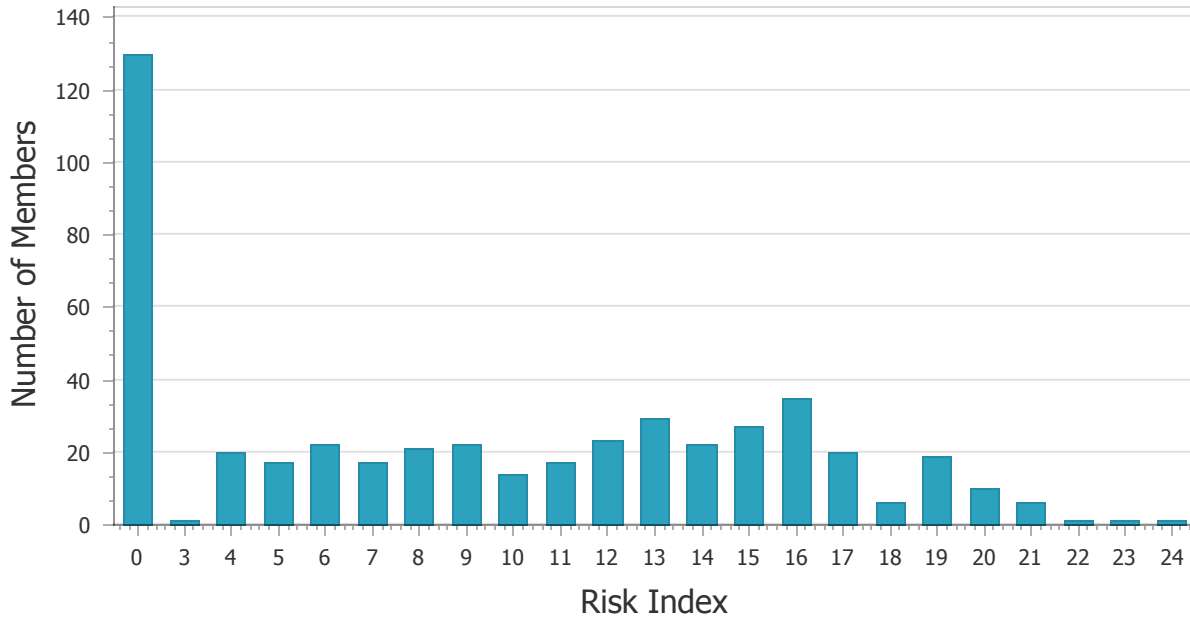
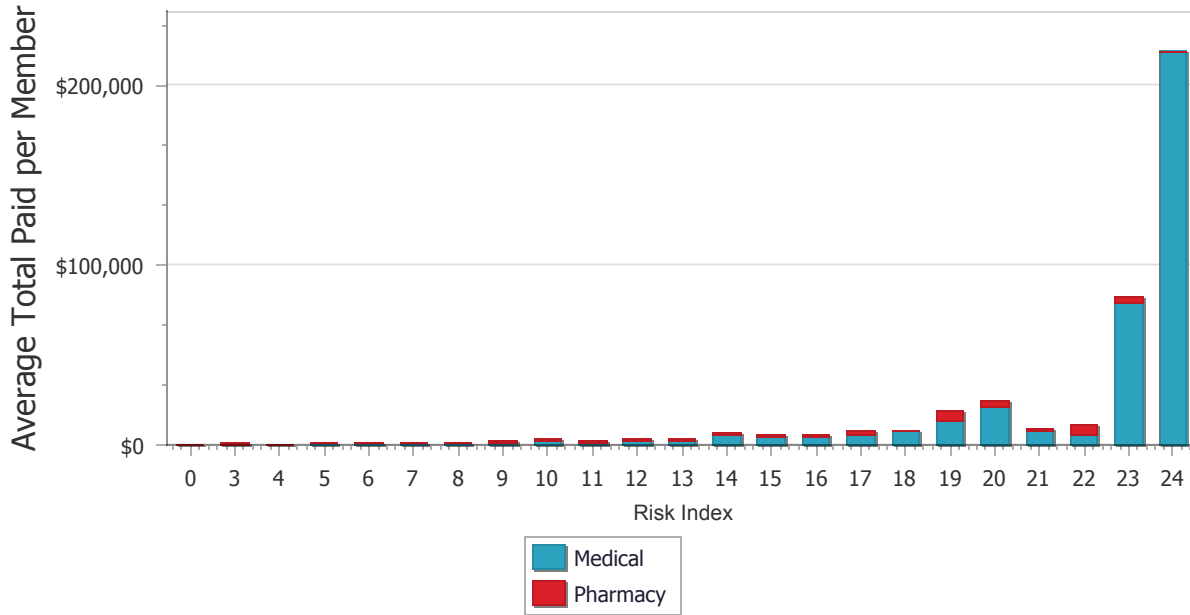
CONDITION	STANDARD OF CARE	MEDICAL COMPLIANCE	MEASURED MEMBERS	ALL CLAIMS PLAN PAID	ALL CLAIMS MEMBER PAID	POSITIVE UTILIZATION (PLAN PAID)	POSITIVE UTILIZATION (MEMBER PAID)
Neck Pain	Up To Date	43.86 %	19	\$144,190	\$25,790	\$1,872	\$981
Neck Pain	US National Library of Medicine and National Institute of Health	47.37 %	19	\$144,190	\$25,790	\$2,151	\$654
Obstructive Sleep Apnea	EMedicine	50.00 %	7	\$111,359	\$8,617	\$886	\$174
Obstructive Sleep Apnea	Merck Manual	50.00 %	7	\$111,359	\$8,617	\$886	\$174
Obstructive Sleep Apnea	National Guideline Clearinghouse	50.00 %	7	\$111,359	\$8,617	\$886	\$174
Obstructive Sleep Apnea	Up To Date	50.00 %	7	\$111,359	\$8,617	\$886	\$174
Osteoporosis	Multi Standard	0.00 %	1	\$15,285	\$1,987	\$0	\$0
Osteoporosis	Up To Date	65.00 %	5	\$47,509	\$6,577	\$585	\$107
Peripheral Artery Disease	American College of Cardiology Foundation	100.00 %	1	\$635	\$524	\$46	\$28
Peripheral Artery Disease	Merck Manual	100.00 %	1	\$635	\$524	\$46	\$28
Peripheral Artery Disease	Up To Date	100.00 %	1	\$635	\$524	\$46	\$28
Peripheral Artery Disease	US Preventive Services Task Force	100.00 %	1	\$635	\$524	\$46	\$28
Rheumatoid Arthritis	EMedicine	25.00 %	2	\$3,954	\$1,039	\$200	\$70
Rheumatoid Arthritis	National Institute of Arthritis and Musculoskeletal and Skin Diseases	33.34 %	2	\$3,954	\$1,039	\$200	\$70
Rheumatoid Arthritis	Up To Date	25.00 %	2	\$3,954	\$1,039	\$443	\$70



# Risk Index vs Total Paid



Calculated as of 6/2017



# Risk Index vs Total Paid



Calculated as of 6/2017

RISK INDEX	MEMBER COUNT	AVG MEDICAL PAID PER MEMBER	AVG PHARMACY PAID PER MEMBER	AVG TOTAL PAID PER MEMBER
0	130	\$89.62	\$116.83	\$206.46
3	1	\$486.38	\$238.98	\$725.36
4	20	\$441.03	\$38.57	\$479.60
5	17	\$559.97	\$45.14	\$605.10
6	22	\$659.06	\$101.53	\$760.59
7	17	\$968.84	\$165.68	\$1,134.52
8	21	\$791.90	\$105.17	\$897.07
9	22	\$1,540.14	\$386.05	\$1,926.19
10	14	\$2,120.51	\$933.57	\$3,054.08
11	17	\$1,628.70	\$232.06	\$1,860.76
12	23	\$2,144.51	\$1,461.41	\$3,605.92
13	29	\$2,716.09	\$700.47	\$3,416.56
14	22	\$5,304.00	\$906.55	\$6,210.55
15	27	\$4,825.21	\$940.86	\$5,766.07
16	35	\$4,938.28	\$861.44	\$5,799.72
17	20	\$5,750.81	\$1,748.75	\$7,499.56
18	6	\$7,531.94	\$151.72	\$7,683.66
19	19	\$13,811.94	\$5,539.32	\$19,351.25
20	10	\$20,815.52	\$3,432.86	\$24,248.38
21	6	\$7,438.23	\$1,475.78	\$8,914.01
22	1	\$5,758.26	\$4,803.52	\$10,561.78
23	1	\$78,753.75	\$3,356.43	\$82,110.18
24	1	\$218,454.77	\$225.16	\$218,679.93

# Historic Renewal

## Medical

### Humana

#### May 1, 2007 Renewal –

- Original renewal came in at 12.17% with a loss ratio of 70.8%. Plans were marketed. UHC provided the most competitive proposal. PHM remained with Humana. The final renewal after benefit changes resulted in a 8.6% increase.
  - Plan changes included and increased out of pocket from \$1,000 to \$1,500. Increase ER copay from \$75 to \$100. And the office visit copay was increase from \$15 to \$20 Primary/\$35 Specialist.

#### May 1, 2008 Renewal –

- The initial and final Humana renewal was 8.75% at a 77% loss ratio. The final renewal after benefit changes was 5.5%. Benefit changes included an increase to the PPO Deductible from \$250 Individual/\$500 Family to \$500 Individual/\$1,000 Family.
- BlueCross BlueShield of Kansas City
- May 1, 2009 Renewal– Initial Humana renewal came in at 25.4%. Marketed plans and moved to BlueCross BlueShield of Kansas City changing to Base (\$1,000 Individual Deductible) and Buy-Up (\$500 Individual Deductible) options. Loss ratio at the time of renewal was approximately 67%. The final increase with changes was 10.7%. Plans were negotiated to include a Maximum Refund agreement.
  - *In August of 2010, PHM received a Maximum Refund in the amount of \$96,332 for prior year reconciliation.*

#### May 1, 2010 Renewal –

- The initial BCBSKC renewal was 0% with no benefit plan changes running at a consolidated loss ratio of approximately 29% (combining Humana and BCBSKC data). CBIZ provided a qualified high deductible plan option for review with a 15% premium savings compared to the Base option.
  - PHM retained grandfathered status under the PPACA.

#### May 1, 2011 Renewal –

- The initial BCBSKC renewal was 0%. Negotiated 1 month premium holiday and \$5,000 in wellness funds in addition to the rate pass. Additional qualified high deductible plan option was proposed, but not implemented.
  - Plan changes included healthcare reform required enhancements. Pre-existing condition exclusions were removed for all children under age 19. All preventive care cost-sharing was removed (no copays or coinsurance) so preventive/routine services are covered at 100%. The preventive annual maximums were removed as well as any plan lifetime maximums. Dependent limiting age was also extended to age 26 regardless of student status.
  - New contribution strategy and wellness incentives were implemented effective May 1, 2011. Grandfathered status was lost due to changes made.
  - *In August of 2012, PHM received a Maximum Refund in the amount of \$38,950 for prior year reconciliation.*

#### May 1, 2012 Renewal –

- The initial BCBSKC renewal was 9.5%. Negotiated renewal was 6.6% with no plan changes.

#### May 1, 2013 Renewal –

- The initial BCBSKC renewal was 0%. Negotiated renewal was 0% with one month premium holiday.

#### August of 2013 –

- PHM received a Maximum Refund in the amount of \$100,511 for prior year reconciliation.

# Historic Renewal

## Medical Continued

### May 1, 2014 Renewal -

- Renewal calculation called for a 26.5% increase. The Initial BCBSKC renewal increase was 23% and was negotiated to 20.3% (17.8% experience-based increase- remaining attributed to ACA).
- Medical plan was marketed
  - Aetna was most competitive – Alternative funding considered/hybrid funding
- Final Renewal Decision – Remained with BCBSKC with benefit changes and an overall increase of 12.8% (Base 12.6%, Buy up 13.1%)
  - Elimination of Max Refund Contract resulting in 1% savings
  - Reduction in commissions to 1.01%
  - Changes to Both Plans
    - Change in ER Copay to \$150 from \$75
    - Change in Rx Copays to \$15/\$30/\$55 (3x mail order) from \$10/\$30/\$50 (3x mail order)
  - Changes to Base Plan only
    - Deductible increase to \$1,250/\$2,500 from \$1,000/\$2,000 .
    - OOP Max to \$3,600/\$7,000 (2x OON) from \$3,000/\$6,000 (2x OON).
    - Office Visit Copay to \$35 from \$30 (including Urgent Care)
  - Changes Buy Up Plan only
    - Deductible increase to \$625/\$1,250 from \$500/\$1,000.
    - OOP Max increase to \$2,000/\$4,000 (2x OON) from \$1,500 /\$3,000 (2x OON).
    - Office Visit Copay to \$30 from \$25 (including Urgent Care)
  - ACA compliance change, medical copays count towards OOP maximums

### May 1, 2015 Renewal-

- The Initial BCBSKC renewal increase was 2.63% (1.71% Experience rated, .92% ACA) and was negotiated to a rate pass.
- Final Renewal Decision – Remained with BCBSKC with benefit changes and rate pass on both medical plans.
  - ACA compliance change, all copays count towards OOP maximums Increase in Wellness Funds to \$25,000.
  - Max Refund added back in at no additional cost (worth 2%)

### May 1, 2016 Renewal –

- Initial BCBSKC renewal through November 2015 was 9.6%. Loss Ratio 74% with \$648,328 in ongoing large claim diagnosis
  - Negotiated renewal increase to 5.9% with no plan design changes
  - Consumer driven plan option.
  - High Deductible PPO Option.
  - High Deductible PPO Option with Employer Fund HRA Option

# Historic Renewal

## Dental

Delta Dental of MO

### May 1, 2009 Renewal –

- Marketed plans and implemented with Delta Dental of MO. Final sold rates were -10.5% below prior.

### May 1, 2010 Renewal –

- Initial renewal calculation called for a slight increase. Negotiated to rate pass.

### May 1, 2011 Renewal –

- Renewal at 8.9%. The group changed to a pooled renewal calculation in 2011. The change was beneficial as the experience rated renewal calculation called for an approximate 17% increase.

### May 1, 2012 Renewal –

- Initial renewal was 7.6%. Final renewal was reduced to 6% with no plan changes.

### May 1, 2013 Renewal –

- Initial and final 0% with no benefit changes.

### May 1, 2014 Renewal –

- Initial and final renewal of 3.03% (2.00% experience based, 1.00% ACA)  
May 1, 2015 Renewal – Initial renewal at 15.85%. Negotiated a 12% renewal with ACA Fees.

### May 1, 2016 Renewal-

- Renewal Calculation asks for 8.8% increase and was revised to 5.9% (with ACA fees)

## Vision

Superior Vision

### May 1, 2009 Renewal –

- Marketed benefits and implemented with Superior Vision. Final sold rates were - 5.67% below prior.  
Three year rate guarantee until May 2012

### May 1, 2012 Renewal –

- Renewed with a 5% increase and no plan changes. Rates were guaranteed for 2 years

### May 1, 2014 Renewal –

- Initial and final renewal increase of 3.5% with a 2 Year rate guarantee. Increased dependent age to 26.

### May 1, 2016 Renewal-

- Renewal Calculation asks for 4% and offers a 4 year rate guarantee

# Historic Renewal

## Basic Life/ AD&D and Optional Life

### Metlife

#### May 1, 2009 Renewal –

- Implemented with MetLife under a 2 year rate guarantee.

#### May 1, 2011 Renewal –

- Received rate pass. Plan benefits were increased for all full-time PHM employees from the previous flat \$30k amount to 1X's annual salary up to \$150,000.

#### May 1, 2012 Renewal –

- Received rate pass.

#### May 1, 2013 Renewal –

- Received rate pass.

#### May 1, 2014 Renewal –

- Renewed at 0% increase with a 2 year rate guarantee

#### May 1, 2016 Renewal-

- Life rate increased from \$0.15 per \$1000 to \$0.16 per \$1000, AD&D rate remains the same