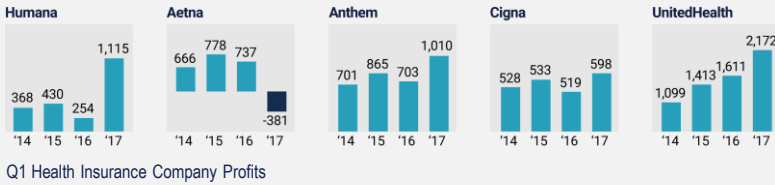


1 Still Counting on the Carriers to Save You Money?

- Aetna, Anthem, Cigna, Humana, and UnitedHealth Group – the five for-profit insurers – cumulatively collected \$4.5 billion in net earnings in the first three months of 2017
- Despite all the noise that they were losing money in ACA marketplaces, there was the biggest first-quarter haul for the group since the exchanges went live in 2014



2 Why Consider an RBP Solution?

Client	Member	Provider
<ul style="list-style-type: none"> Reduce Claim Spend by 15-50% More Predictable Outcomes 	<ul style="list-style-type: none"> Lower Out-of-Pocket Costs Better Experience Increased Satisfaction 	<ul style="list-style-type: none"> Fair & Quick Payment Improved Patient Interaction

3 Basics of Referenced Based Pricing

- Physicians are paid Medicare + 50% (virtually all physicians will accept this)
- Facilities and Surgical Centers are paid at Medicare + 50% (virtually all facilities will accept this)
 - Concierge facility & surgeon quality comparisons with appointment setting
 - Members have no copay or deductible if they follow steerage to select providers
 - Balance bill legal protection for members provided by Advanced Medical Pricing Solutions (AMPS)

4 Framing the Conversation

- Health insurance costs are directly related to health care costs
- Why do providers base their costs on the type of insurance we have?
- PPO's pay more than Medicare AND most cash paying customers
- Cash price / Medicare claim inflation typically only 1-3%
- PPO claim inflation much higher. Why? Secretive contracts?
- Why pay a PPO network access fee AND pay higher claim costs?
- Self funded employers have fiduciary responsibility to manage costs



5 How WellNet Saves You Money

Medicare v. Discount Off Billed Charges	WellNet suggested Payment level	Member Advocacy for Surgical/Hospital Care
<ul style="list-style-type: none"> Medicare Claim = \$10k PPO billed claim = \$80k (800% of Medicare) If 50% PPO discount, Claim Cost = \$40k 	<ul style="list-style-type: none"> 150% of Medicare Most providers accept Claim cost = \$15k 	<ul style="list-style-type: none"> Member calls RN RN quality report for high-value options Member chooses: <ul style="list-style-type: none"> High-value = no cost sharing or balance bill Own provider = deductible/coins. and possibility of balance bill

Member-centric, Not Provider-centric → **Suggested Plan Design**

- Ability to identify high-quality/value providers
- Lower out of pocket expenses for employee and employer
- Lower employee contribution to drive participation
- Waive Deductible and Coins. when member chooses high-value provider

6 How Much Savings?

Provider Reimbursements Based On:

- Medicare plus 50% instead of PPO Billed Charges minus a network discount.
- Plan Designs are very member friendly since members have option to have deductible / coins. waived
- Average savings of 15-20% on specific stop loss premiums and aggregate factors

Example:

	PPO Claim	Medicare Plus Repricing
Billed	\$100 K	
PPO Discount	(\$45 K)	Medicare fees \$20 K
		Plus 50% \$10 K
		Repricing fee \$9 K
Reduced cost	\$55 K	Reduced cost \$39 K
Member pays	(\$2 K)	Member pays \$0
Plan pays	\$53 K	Plan pays \$39 K

SAVINGS! (Callout for \$39 K savings)

7 Integrated & Turn-Key Solution

AMPS	MAP	Telemedicine	Rx Mgmt.
<ul style="list-style-type: none"> Direct provider contracting Facility / Surgeon price negotiation Claim repricing based on Medicare Medical Bill review Facility claim auditing Member balance bill protection 	<ul style="list-style-type: none"> Medical Advocate Program Members always speak with an RN Facility / Surgeon quality research Steerage to high value providers Member support for Medical / Rx 	<ul style="list-style-type: none"> Video/Telephonic Access to PCP's & Specialists Ability to prescribe medications PCP & Specialist FREE to Member Available 24/7/365 	<ul style="list-style-type: none"> Identify risk Predict future cost Actionable Recommendations

ScriptSourcing/US Rx Care	Population Health	System of Record
<ul style="list-style-type: none"> Int'l Mail Order for Brand & Specialty Medications Sourced from Tier 1 International Pharmacy's \$0 Copay for members 50+% savings for certain drugs Improved Specialty Medication Prior Auth. Process 	<ul style="list-style-type: none"> Health Risk Assessment Incentive Management RN advisory line Predictive Modeling Clinical Coaching Client Portal & Active Reporting Online Member Portal & Mobile App Bi-Lingual 	<ul style="list-style-type: none"> Organize Access Manage all plan info. in one place

8 The Keys to a Successful Program

Member education, early and often!	Incentives encourage members to make better decisions	Early notification of impending services by the member or designated utilization management company	Identify quality provider(s)	Pay providers a fair and defensible amount for health care services	Provide pre and post claim member advocacy
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9 Implementation

Phase I: Explore & Understand	Phase II: Notify & Build	Phase III: Test & Activate
<ul style="list-style-type: none"> Understand requirements Plan interpretation Data analysis & risk management Reporting needs 	<ul style="list-style-type: none"> Vendor notification & initiation System, plan, and stop loss configs Banking and billing requirements Eligibility data & ongoing enrollment Web portal set up & training Benefit docs & communications 	<ul style="list-style-type: none"> Testing, validation & audit Readiness assessment Call center plan-specific review ID card distribution Transition of care Accumulator data transfer Claim processing & payment

10 Contact WellNet for a Demo or Quote Today

<ul style="list-style-type: none"> Level & Self Funded Plans w/ Concierge Services: <ul style="list-style-type: none"> Reference Based Pricing Plans PPO Plans Hybrids Medical Bill Review Medical Management Wellness / Predictive Modeling / Behavioral Change PBM Management 	<p>Contact:</p> <p>John Augustine 610-348-6804 jaugustine@wellnet.com</p> <p>Jill Fallon 713-303-5657 jfallon@wellnet.com</p> <p>www.wellnet.com 800-808-4014</p>
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