



Annual Meeting

November 20, 2018



Agenda

1. Introductions
2. City of Boston Experience and Clinical Programs
3. New Strategies
4. Wellness
5. Wrap Up



Section 1: Introductions and Updates

Good to Great

for a renewed Harvard Pilgrim Value Proposition

Strengthening
the Core Today

Shaping the Future



Population health: Better health, lower costs



**Strategic
Alignment**



**Population Health
Capability**



**Infrastructure &
Technology**



**Member
Engagement**



**Outcomes-Driven
Performance Management**



**Provider Engagement &
Enablement**

 **Get healthy. Get HaPi.** 



Section 2: FY18 City of Boston Plan Experience

A stable membership base

Total membership	33,671	Health risk indicators are stable year-over-year at 1.16 .
Subscribers	14,574	
Spouses	6,895	
Children	12,202	

Membership demographics continue to be a cost element, but stability in the population means it's not a cost driver.

Two key drivers behind the 4.2% year-over-year cost increase for City of Boston

In 2018, PMPM plan costs increased by **4.2% Y-o-Y** to **\$616.43** and are **higher** than Harvard Pilgrim's MA Industry-matched \$591.55 (higher by 4.2%)

Member cost share is 3.8% of total. Industry benchmark is 6.8%

The key drivers to the increase were:

**1) Increased volume
of high-cost claimants**

2) Outpatient Hospital

Outpatient Hospital represent 10% of COB spend, primarily due to HCCs and Facility Procedures

Trend increases are driven by the following:

- HCC's incurred \$2.1M *more* in FY18 (94%)
- Non-HCCs incurred \$1.2M *less* in FY18 (-6%)
- Facility Procedures – Outpatient increased 4.9% in FY18
 - Operating and Treatment Room – 74.5% of Facility Procedures

Hospital Outpatient Facility	FY2017 Plan Liab	FY2018 Plan Liab	FY18 / FY17 Change
Facility Emergency Room (ER)	\$3,623,730	\$3,835,176 (15%)	5.8%
Observation Bed (OBS)	\$2,111,427	\$2,136,898 (9%)	1.2%
Outpatient Recovery Room	\$213,830	\$231,625 (1%)	8.3%
Facility Procedures - Outpatient	\$17,933,217	\$18,813,469 (75%)	4.9%
Hospital Outpatient Facility Subtotal	\$23,882,204	\$25,017,168	4.8%

High-cost claimants represent **34.7%** of the City's trend

Top Conditions:

Breast Cancer

Multiple
Sclerosis

Lung Ca

Ischemic
Heart Dz

- **Cost** per claimant *decreased* by 4.0% to \$108.36
- Number of claimants *increased* from 752 in 2017 to 796 in 2018

High-cost claimant intervention strategy

**Analytics to identify
at-risk members**

**Targeted Population
Health programs**

Oncology initiatives to reduce cost and improve outcomes

4 of top 25 High-Cost Claimants were oncology cases.

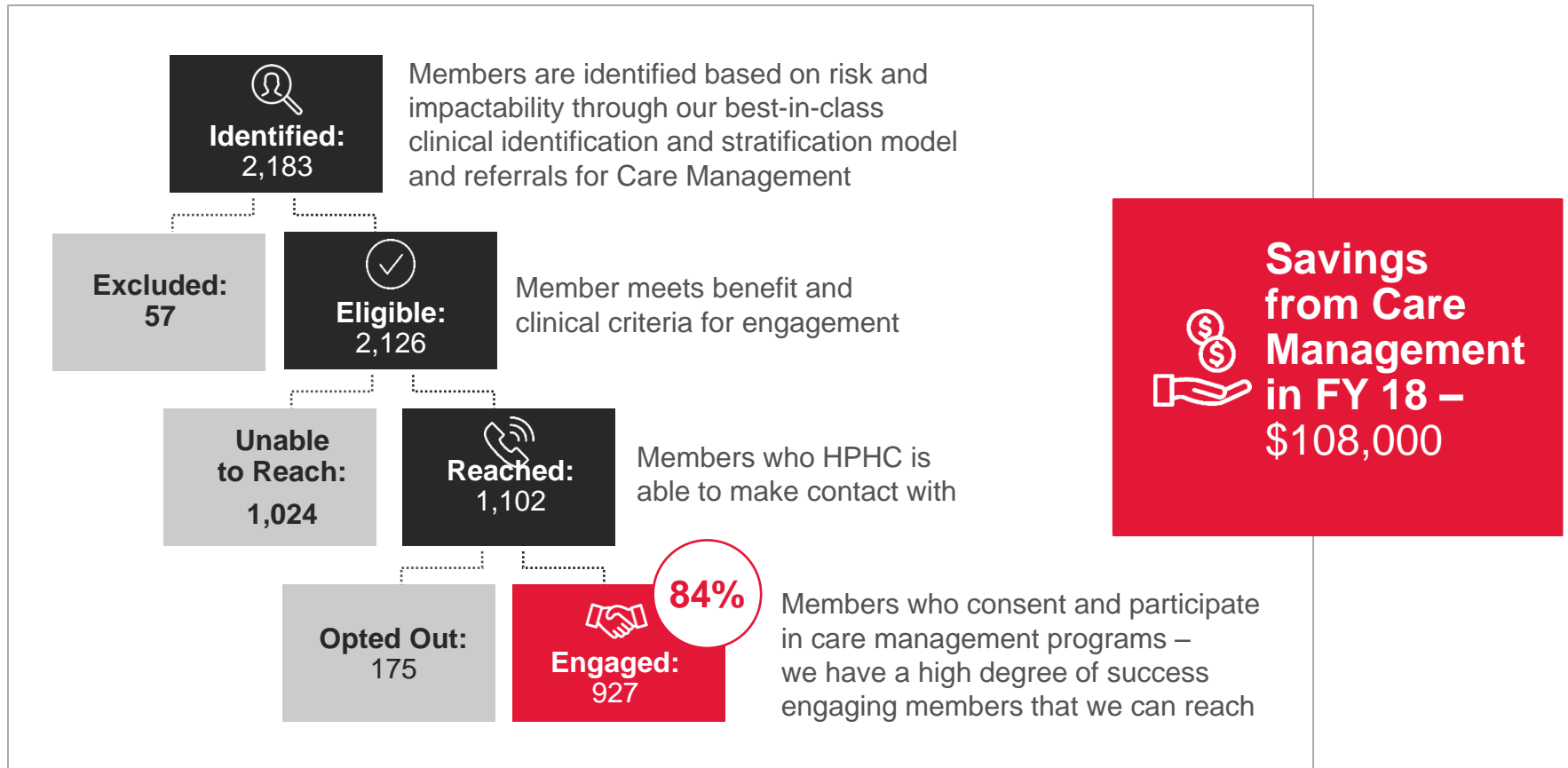
Oncology is #1 HCC Category

Currently, **19%** of oncological spend is at Dana-Farber Cancer Institute, where Harvard Pilgrim has implemented these clinical initiatives:

Same Day Acute Care
Treatment Integration
Clinical Pathways
Hospital at Home



Care Management Impact



Top City clinical conditions by cost

1. Diabetes
 2. Pregnancy with Delivery
 3. Mood disorder, Depression
 4. Asthma
 5. Breast Cancer (#1 HCC category)
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Harvard Pilgrim's population health programs address these conditions

Diabetes

Diabetes is #1 clinical condition by cost

**6% of the COB population
5% of total costs**

20% reduction in inpatient and ER events, HPHC care management vs national benchmark

Prevention Efforts

- Diabetes Prevention Program with digital enablement beginning 2019
- Certified Health Coaches offering Lifestyle Management program to support healthy behavior change
- Worksite-based programming (biometrics, seminars) and campaigns (personal health assessments)

Diabetes Treatment Support

- Certified Diabetes Nurse Educators on staff developing intensive action plans
- Gaps in care closure through identification of preventative screening participation
- Care Management provider and specialist engagement comprehensive care plans

Mood disorder #3 clinical condition, by cost

Mood disorder accounts for 7% of the City of Boston's total cost.

Through our longstanding relationship with **Optum** for our behavioral health benefit, we offer resources including:

- One-to-one coaching through LifeSolutions Behavioral Health
- Remote, telehealth visits through Tele-mental Health Access
- Personalized support through the web-based Live and Work Well platform



Outcome: 49% reduction in presenteeism among those with depression



CoB's Behavioral Health trend increase was 20% in FY18

Trend increases are driven by the following:

- Inpatient (Room and Board) – increased by 41%
- Inpatient Psychiatric R & B – was the biggest driver in the Behavioral Inpatient increase, increasing by approx. 600K or 37% in FY18

Behavioral Health	FY2017 Plan Liab	FY2018 Plan Liab	FY18 / FY17 Change
Inpatient (Room and Board)	\$2,411,119.76	\$3,409,866.61	41%
Outpatient (Facility)	\$493,533.61	\$562,888.36	14%
Professional Visits	\$3,579,219.14	\$3,900,439.33	9%
Other Facility /Professional Services	\$1,461,706.91	\$1,622,342.06	11%
Behavioral Subtotal	\$7,945,579.42	\$9,495,536.36	20%

Initiatives to address top behavioral conditions

**Substance use
treatment helpline**

**Immediate access to
medication-assisted
treatment providers**

**One-to-one coaching
to address co-morbid
conditions**

Telehealth visits

**Medication adherence
program**

**Coordination of care
rounds**

Peer coaching

**Front-end requirement
for written diagnostic
assessment for ABA
authorization**

**Increasing network
capacity for ABA
providers**

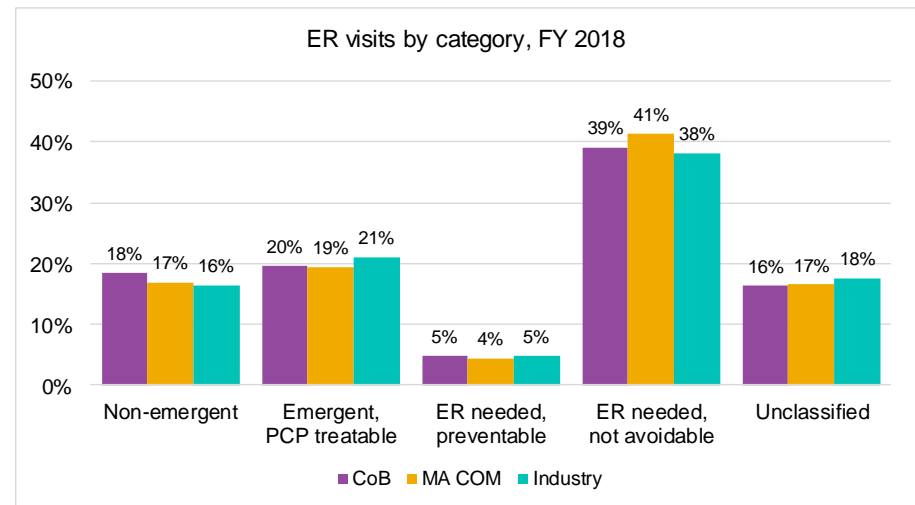
**Depression: outpatient
vs. inpatient utilization**

Opportunity to save on ER usage

➔ Up to 38% of visits are potentially avoidable, offering an opportunity for additional savings

➔ Real-time Emergency Room (ER) monitoring

- Members who used ER = 4.4%
- ER costs were more than \$3.8M, representing \$9.44 on a PMPM facility basis
- 1.5% of total plan liability
- DoD - 42% of TeleHealth members called a DoD provider



Potential to have \$412,525 in *Net Savings*

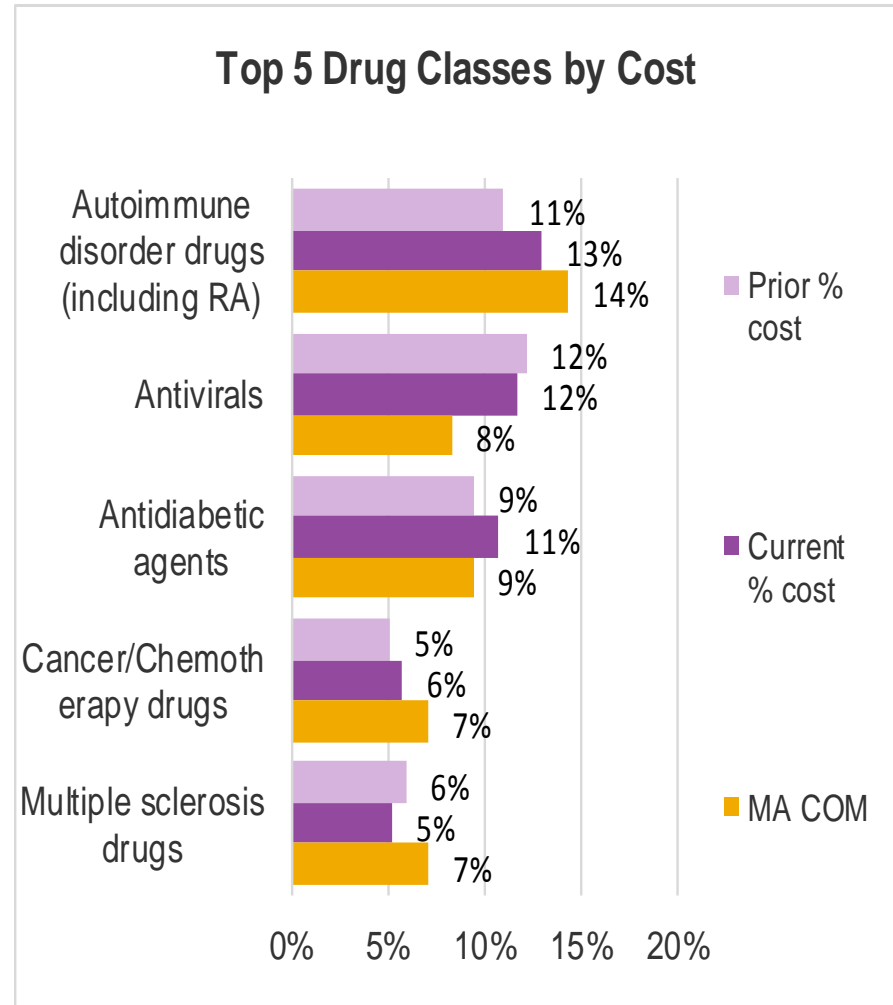
Effective utilization management ensures quality of care and reduces case rates

→ New Specialty Programs for 1/1/19

- Select High-end Radiology
- Musculoskeletal
- Spine

Specialty pharmacy at The City of Boston

- Total pharmacy costs increased only 0.7% year over year; (+\$273K)
- Specialty costs increased 6.7%, (\$1.0 million) while non specialty decreased by -2.7% (-\$723K)
- Autoimmune drugs increased 18% in FY18. 77% of the autoimmune drug cost was attributed to specialty drugs, 14% more than in FY17





Section 3: New Strategies to Meet the Needs of the City of Boston

Shaping the future

360° view of
the customer



**When our customers work with us,
their experience feels:**

Easy

We help our customers quickly and seamlessly access and understand the information they need

Personalized

We deliver experiences that feel relevant and tailored to their needs

Proactive

We anticipate our customers' needs to help them make the right decisions

Transforming pharmacy payment models

Initial agreements demonstrated proof of concept – future agreements need to demonstrate impact

Expensive therapeutics with high up-front costs and variable results

- Gene therapy
- Cancer
- Orphan diseases

Constantly evolving our population health capabilities based on trends

Living Well



Emerging Risk



High Risk

Well-being Programs



Enhanced Care Management Capabilities



Mobile-enabled
Care Management



Video / Phone
Counseling Program

Targeted member engagement initiatives



**Digital
ID Card**



**Text and Email
Communication**



Chat Bot



**Harvard Pilgrim
Mobile App**



**Intelligent Provider
Directory**

Employer analytics redesign

Concise and intuitive reporting package designed for the **customer**

Clear demonstration of **Harvard Pilgrim's value proposition**

Quarterly insights available to better manage cost and quality

Actionable recommendations



Section 4: FY18 Well-being

Focus on Wellness with the City in 2018

- HPHC has contributed \$25,000 to the Navigate Wellness portal
- Pilot Doctor on Demand member engagement program
- Commitment to the City throughout the year
 - January – City Hall - Nutrition Information Table
 - June – BPHC – Blood Pressure
 - September – BPHC – To Go Kits
 - September – Boston Fire – Chair Massage

Recommendation:

Grow Wellness offerings together

A wide range of well-being offerings

Health screenings

Back health, blood pressure, body composition, bone density, cholesterol

Well-being seminars

Stress management, sleep, nutrition and weight management, smoking cessation, parenting, targeted health

Multi-week programs

Quitting smoking, yoga, weight loss challenge

Other services

Flu clinics, chair massage, staffed information tables

City of Boston members currently have a broad array of well-being benefits included in their health plan

Comprehensive programs covering all aspects of well-being

Member savings and discounts

Complimentary lifestyle management coaching

Full suite of mindfulness trainings and practice support

Alternative/complementary care network

Our free online well-being program to complement the City's

harvardpilgrim.org/wellbeingforall

- Mobile app-enabled
- Covers all aspects of well-being

Resources:

- Fitness
- Finances
- Stress management
- Nutrition



Customize to suit your goals



Chat with others for tips and advice



Sync to your wearable device



Connect with a personal health coach



Section 8: Wrap-up

Key takeaway

We are partnering with you to tightly manage your medical expenses and improve health outcomes for your employees

Good to Great

Together



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