



**ABC Sample Company**  
**Risk Migration & Cost Avoidance**  
*Targeted Condition Analysis*

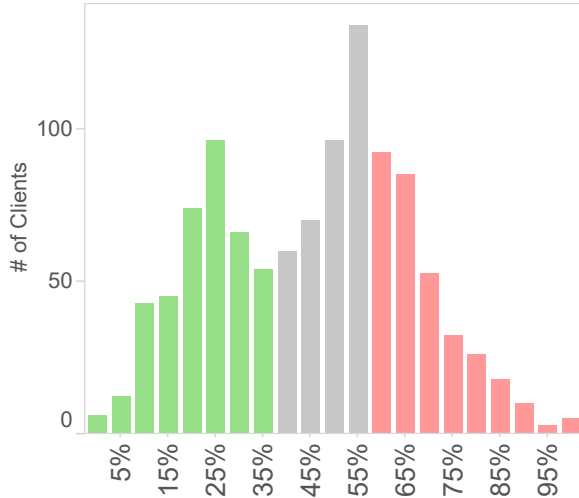
*results representative of demographically similar clients with "Healthy Triumph" solution throughout 2016 and 2017*

# Client and Member Demographics

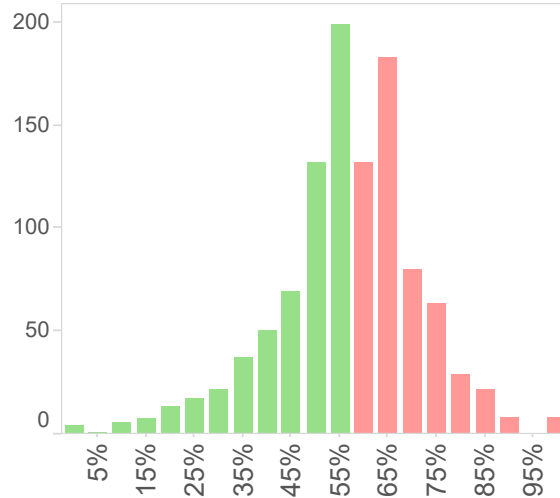
2017 Interactive Health Book of Business

Book of Business (2017)

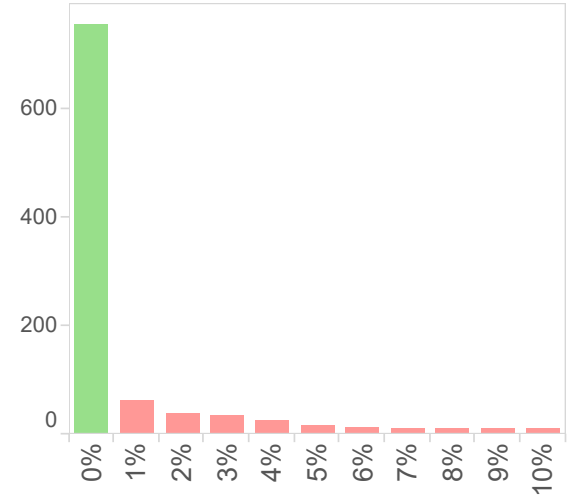
**% of Members Male**



**% of Members Age 45 and Over**



**% of Members in High Risk Location**



**Migration and Cost Avoidance Member Group**

Controlled Member Group

# of Clients	114
# of Repeat Members	32,455
Member % - Male	47%
Member % - Over 45	52%
Member % - in High Risk Location	0%

**Demographic Ranges Shown Below**  
customized for ABC Sample Company

**% of Members Male**  
40 - 60%

**% of Members Age 45 and Over**  
<= 60%

**% of Members in High Risk Location**  
< 1%

**Personal Health Score**  
*predicted member risk migration over a 1 year period*










**Starting Year - Health Score**

**Ending Year - Health Score**

Low Risk

Moderate Risk

High Risk

Low Risk	 90%	 38%	 17%
Moderate Risk	 8%	 42%	 20%
High Risk	 2%	 20%	 63%

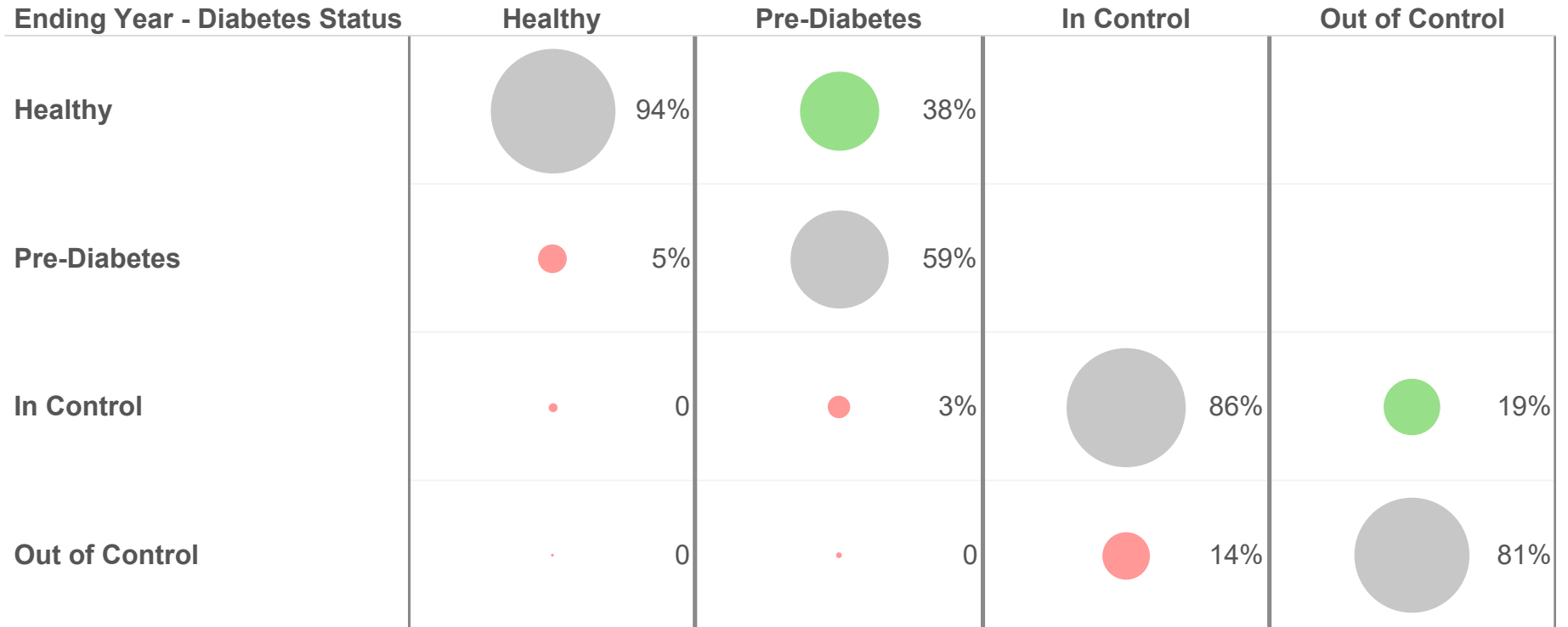
*Member Totals by Starting Risk Level*

23,811	4,675	3,969
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## Diabetes

predicted member risk migration over a 1 year period  
status defined using A1c, FBG, and member health history

### Starting Year - Diabetes Status



### Member Totals by Starting Risk Level

26,645	2,998	1,072	627
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## Metabolic Syndrome

*predicted member risk migration over a 1 year period*

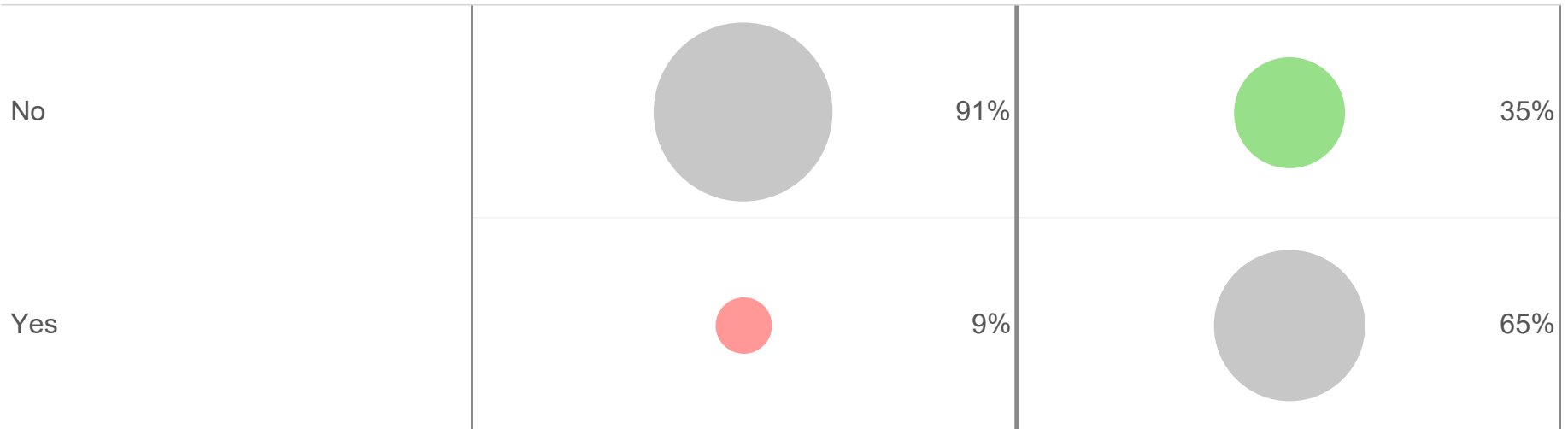
*indicates multiple risks (at least 3) related to blood pressure, blood glucose, HDL cholesterol, triglycerides, and obesity*

### Starting Year - Metabolic Syndrome

#### Ending Year - Metabolic Syndrome

No

Yes



#### Member Totals by Starting Risk Level

26,201	6,254
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# Hypertension

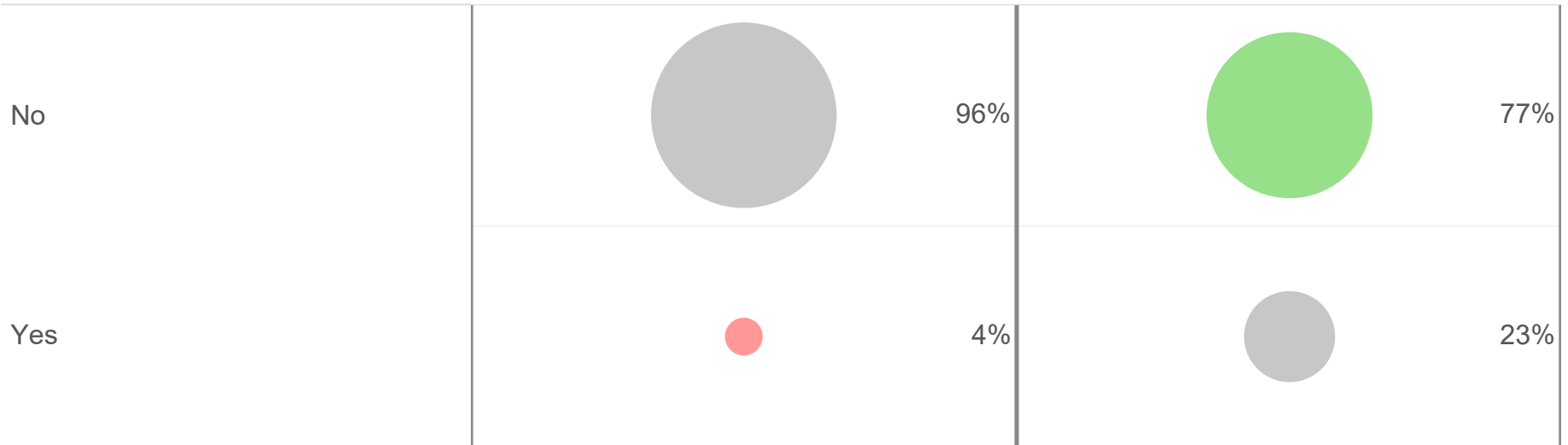
predicted member risk migration over a 1 year period

## Starting Year - Hypertension

### Ending Year - Hypertension

No

Yes



### Member Totals by Starting Risk Level

30,958	1,497
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## Anemia

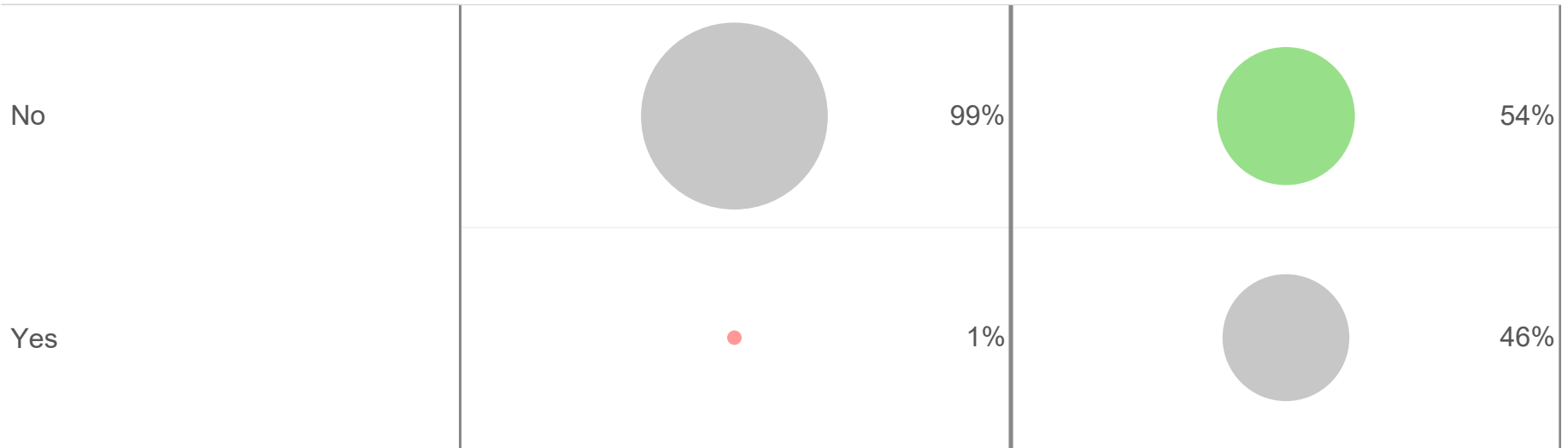
predicted member risk migration over a 1 year period

### Starting Year - Anemia

### Ending Year - Anemia

No

Yes



### Member Totals by Starting Risk Level

32,073	382
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### Program Variables

Eligible Members  
500

Estimated Participation  
75%

Program Expense ( \$ per participant )  
\$180

Incentive Design  
Premium Differential

Incentive  
\$600

### Condition Costs<sup>1</sup>

Cost: Out of Control Diabetes  
\$16,682

Cost: Pre-diabetes  
\$1,095

Cost: Metabolic Syndrome  
\$4,953

Cost: Hypertension  
\$1,183

Cost: Anemia  
\$9,814

## Condition Migration and Associated Costs ABC Sample Company



	Condition Prevalence	# of Members with Condition (starting year)	% Migration to Healthier State <sup>2</sup> (ending year)	Incremental Condition Cost per Member Case	Estimated Cost Avoidance
Out of Control Diabetes	2.0%	8	19.5%	\$16,682	\$24,528
Pre-Diabetes	9.8%	37	38.1%	\$1,095	\$15,383
Metabolic Syndrome	19.3%	72	35.0%	\$4,953	\$125,389
Hypertension	4.6%	17	76.9%	\$1,183	\$15,733
Anemia	1.2%	4	54.2%	\$9,814	\$23,473

Total Estimated Cost Avoidance	\$204,506	
Cost of Program	(\$67,500)	\$ 180 x 375 Participants
Incentive Design Savings	\$75,000	\$ 600 x 125 Non-Participants
<b>Net Estimated Cost Avoidance<sup>3</sup></b>	<b>\$212,006</b>	

#### Footnotes

1 - Condition costs supported by reputable sources including the American Diabetes Association, National Center for Biotechnology Information and the Journal of Managed Care Pharmacy.

All costs are applied with medical trend to ensure 2017 dollars throughout. Trend information is taken from the annual Milliman Medical Index.

2 - Based on estimated screening results. Migration from "out-of-control" diabetes is not to a "healthy" state, but rather to an "in-control" diabetic state.

3 - Based on our experience, additional savings would also be realized through hospital utilization. This data is not currently available at the book-of-business level.