

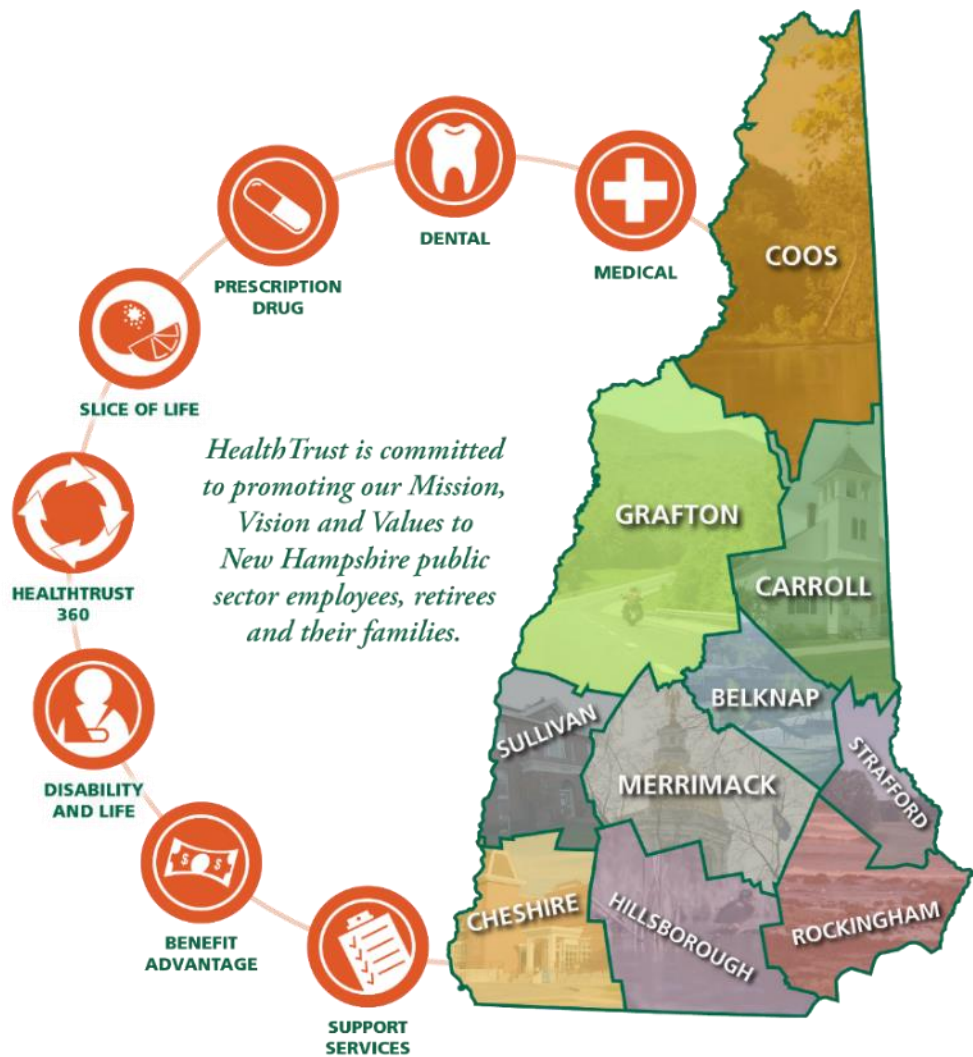


HEALTHCARE COSTS AND TRENDS – WHAT IS IMPACTING NEW HAMPSHIRE

PRESENTERS

SCOTT DEROCHE - EXECUTIVE DIRECTOR, HEALTHTRUST

JAMES MONTECALVO - REGIONAL VICE PRESIDENT, NH SALES, ANTHEM



HealthTrust's Mission, Vision and Values form the foundation of all we do. We are proud to be New Hampshire communities' most trusted partner in achieving optimum health through a culture of wellness. By helping to keep our public sector employees and their families healthy, **HealthTrust** strives to make New Hampshire a better place to live and work – and that's a goal we share with all our Members.

Mission

To provide high quality, cost-effective, employee benefit products and services for public employers and employees in New Hampshire in order to reduce costs through pooling strategies with a commitment to education, health promotion and disease prevention.

Vision

New Hampshire communities' most trusted partner in achieving optimum health through a culture of wellness.

Values

Integrity • Service • Innovation • Collaboration

Anthem Blue Cross and Blue Shield in New Hampshire

A local Team enabling a national commitment

Invested in strengthening every segment of our communities:

More than

440,000

members in
New Hampshire

Proud to have served
New Hampshire for

81 years

400+

Anthem associates live
and work in New Hampshire

Access to state's largest network, including:

7,211

doctors

40

hospitals

95.7%

of claims paid
in network



What is Trend?

Actual definition:

Health plan cost trend is a forecast of increases in allowed per capita claims cost. Allowed per capita claims cost is eligible billed charges (before participant cost sharing) less provider discounts.

In Laymen's terms:

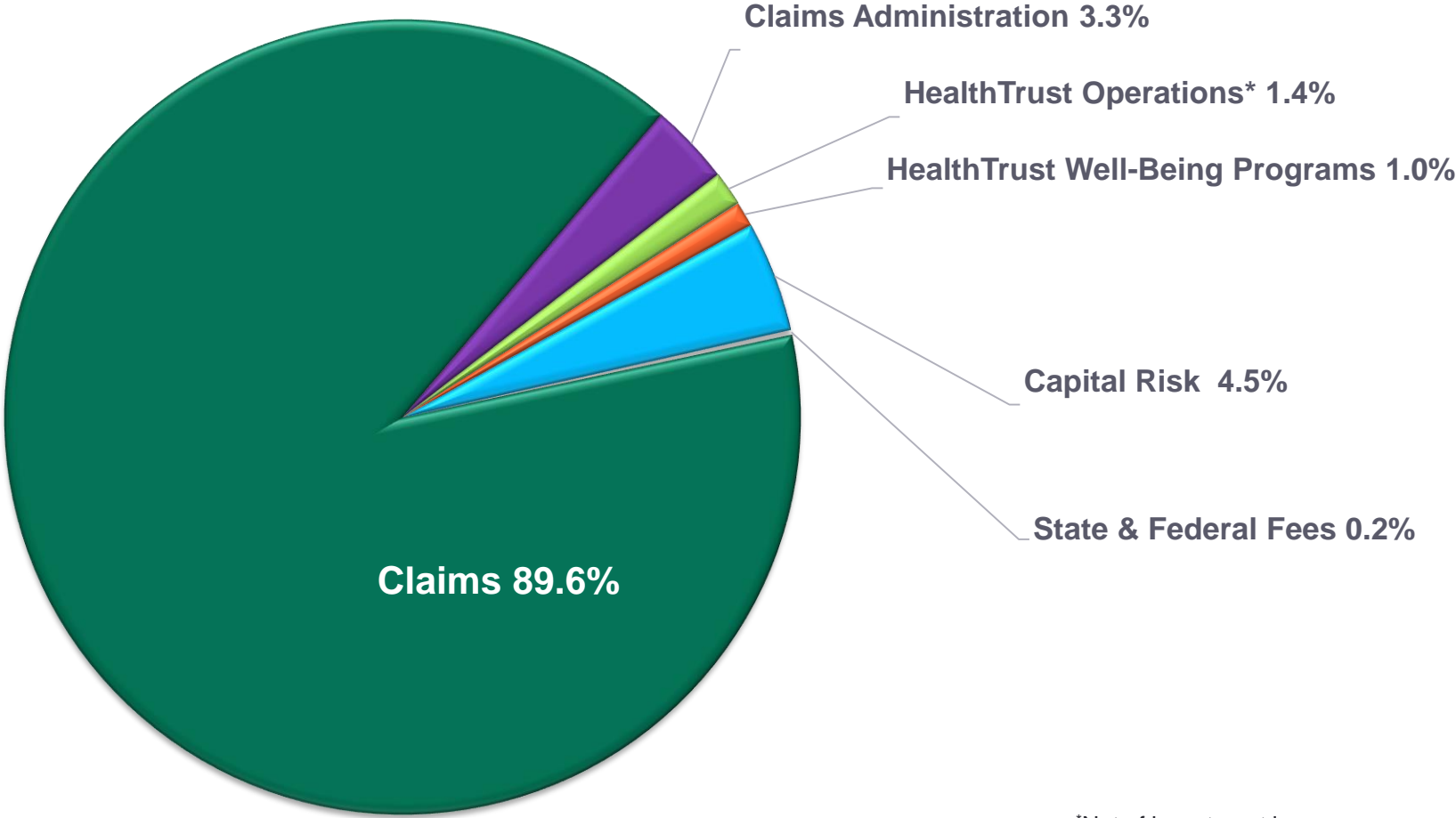
The projected increase/decrease in healthcare costs that an employer and their employees would pay.



WHY TREND MATTERS

Contribution Components

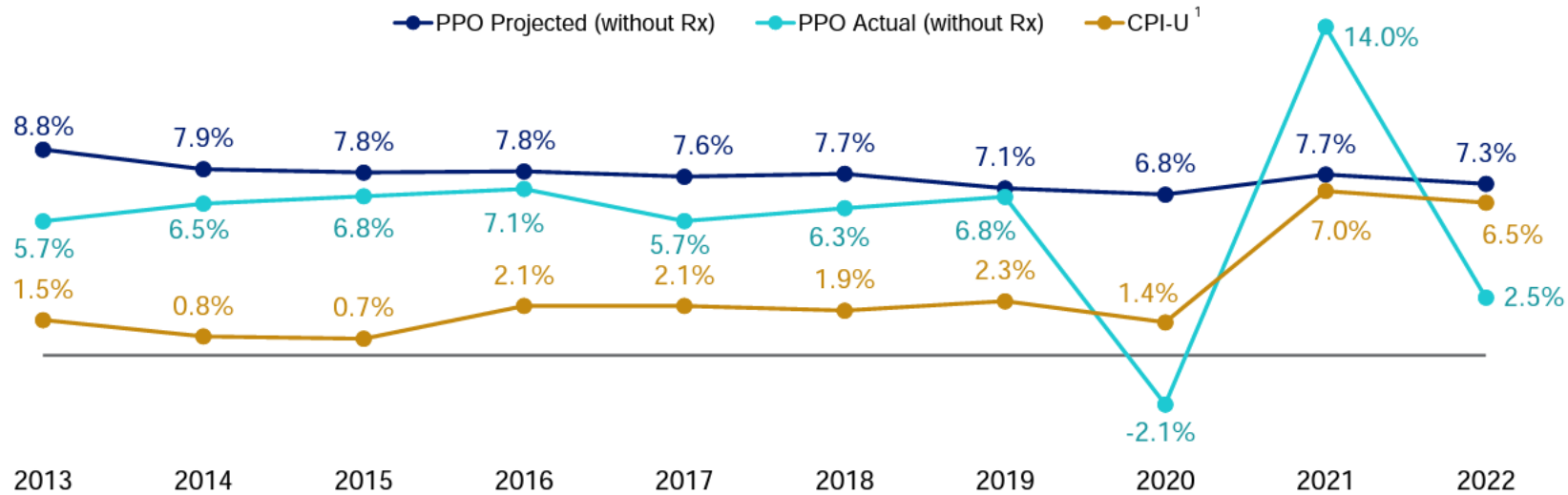
**January
Renewal
(CY2024)**



*Net of investment income

Comparison of Projected to Actual PPO Trends

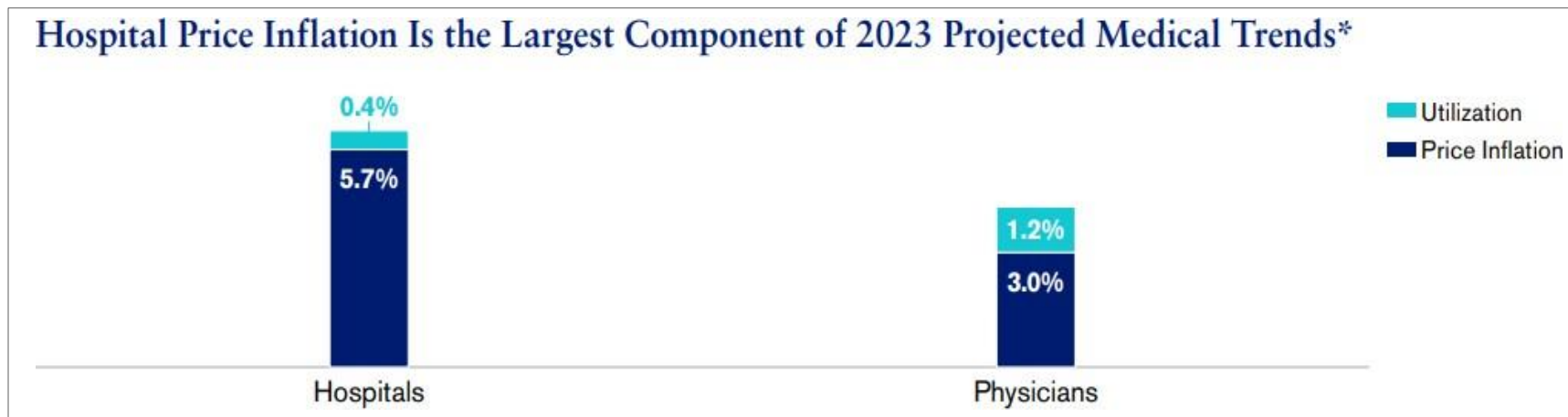
Comparison of Projected to Actual Trends for PPOs
For Actives and Non-Medicare Retirees: 2013–2022



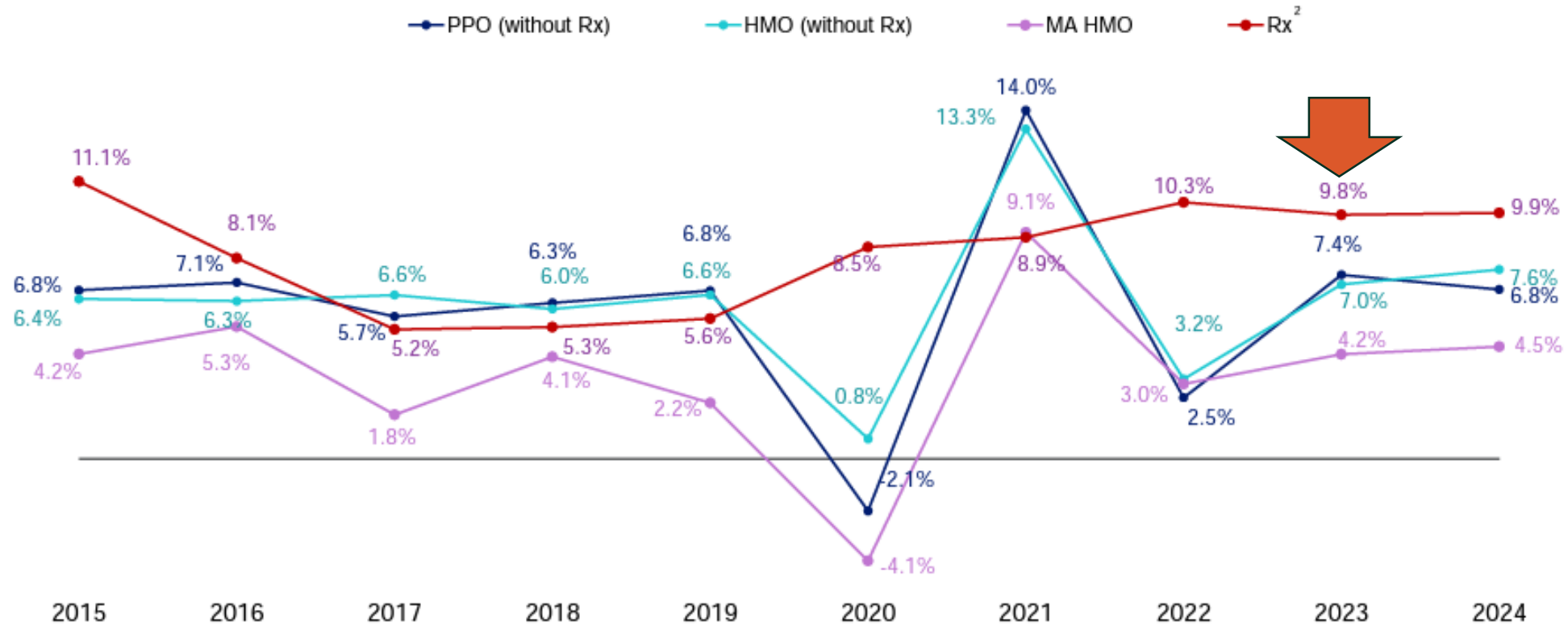
Results based on annual survey of Health Insurers, HMOs and TPAs.

Current Medical Drivers of Cost

- Medical inflation, which impacts the cost of delivering care
 - Staffing shortages and cost of traveling nurses
- Regular provider increases
- Utilization increases – somewhat driven by COVID rebound.
- Cost shifting from reduced Medicare/Medicaid payment
- New treatments and technologies
- Specialty drugs infused in hospital or outpatient settings
- Mandates
- Aging populations
- Demographics of populations



Ten-Year Summary of Selected Medical and Prescription Drug: 2015–2022 Actual and 2023 and 2024 Projected¹



Source: 2024 Segal Health Plan Cost Trend Survey

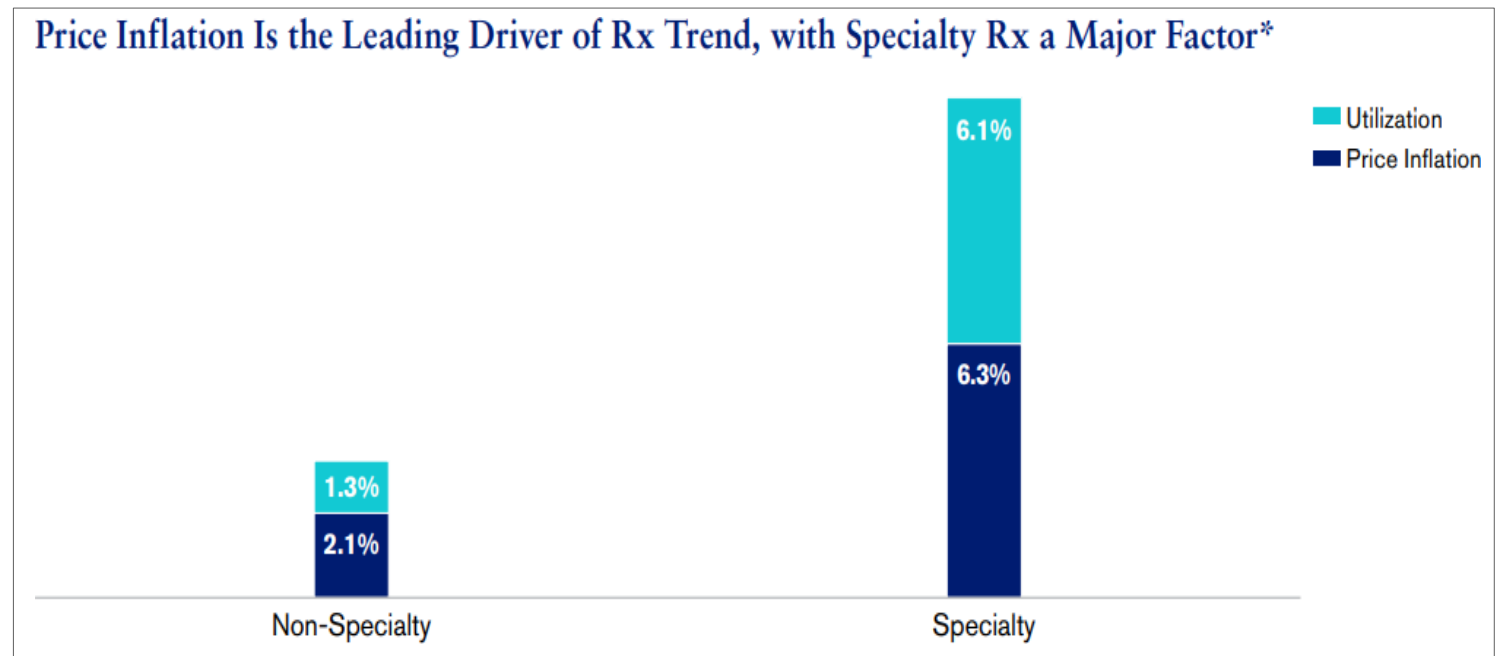
¹ All trends are illustrated for actives and non-Medicare retirees, except for MA HMOs.

² Prescription drug trend is combined for retail and mail order delivery channels.



Current Rx Drivers of Cost

- Price inflation, especially specialty drugs
- Pipeline of new drugs
 - Specialty and gene therapy drugs
 - GLP-1s
- Biosimilars
 - ones already in use typically launched with initial list prices 15% to 35% lower than list prices of the reference products
- Vaccines and mandates
- Utilization increases

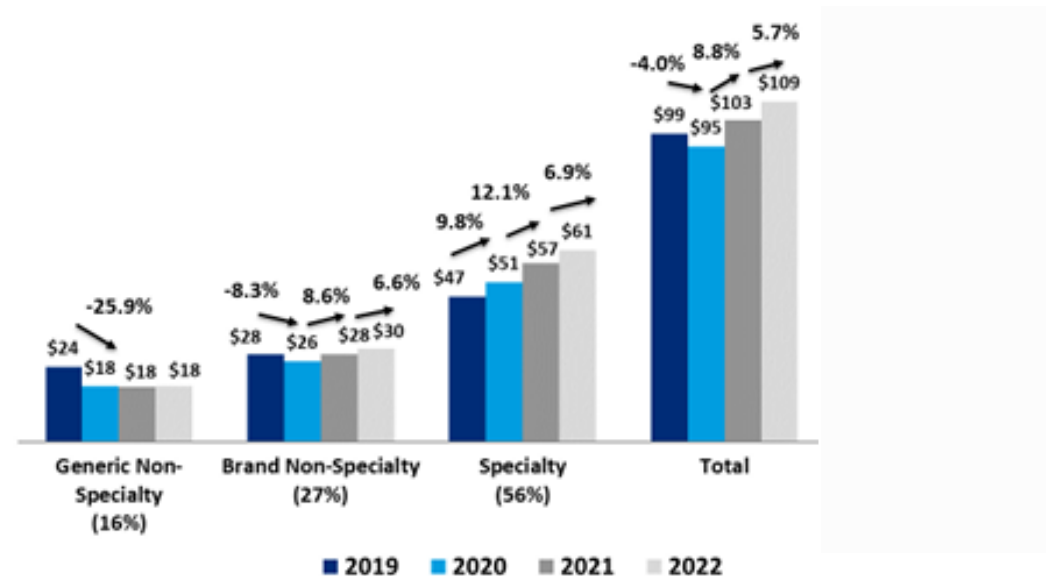


New Hampshire Rx Trends

- Pharmacy trends in the Group Markets in 2022 were 5.7% which were lower than national averages.
- 2021 trends were 8.8%
- Higher pharmacy trends are driven by specialty pharmacy which have gone up a total of 30% in the past 3 years.

The Pharmacy PMPM trend in the Group Markets from 2021 to 2022 was 5.7%. Pharmacy trends continued to be driven by Specialty drugs.

Pharmacy Allowed Claims PMPM - Small Group and Large Group

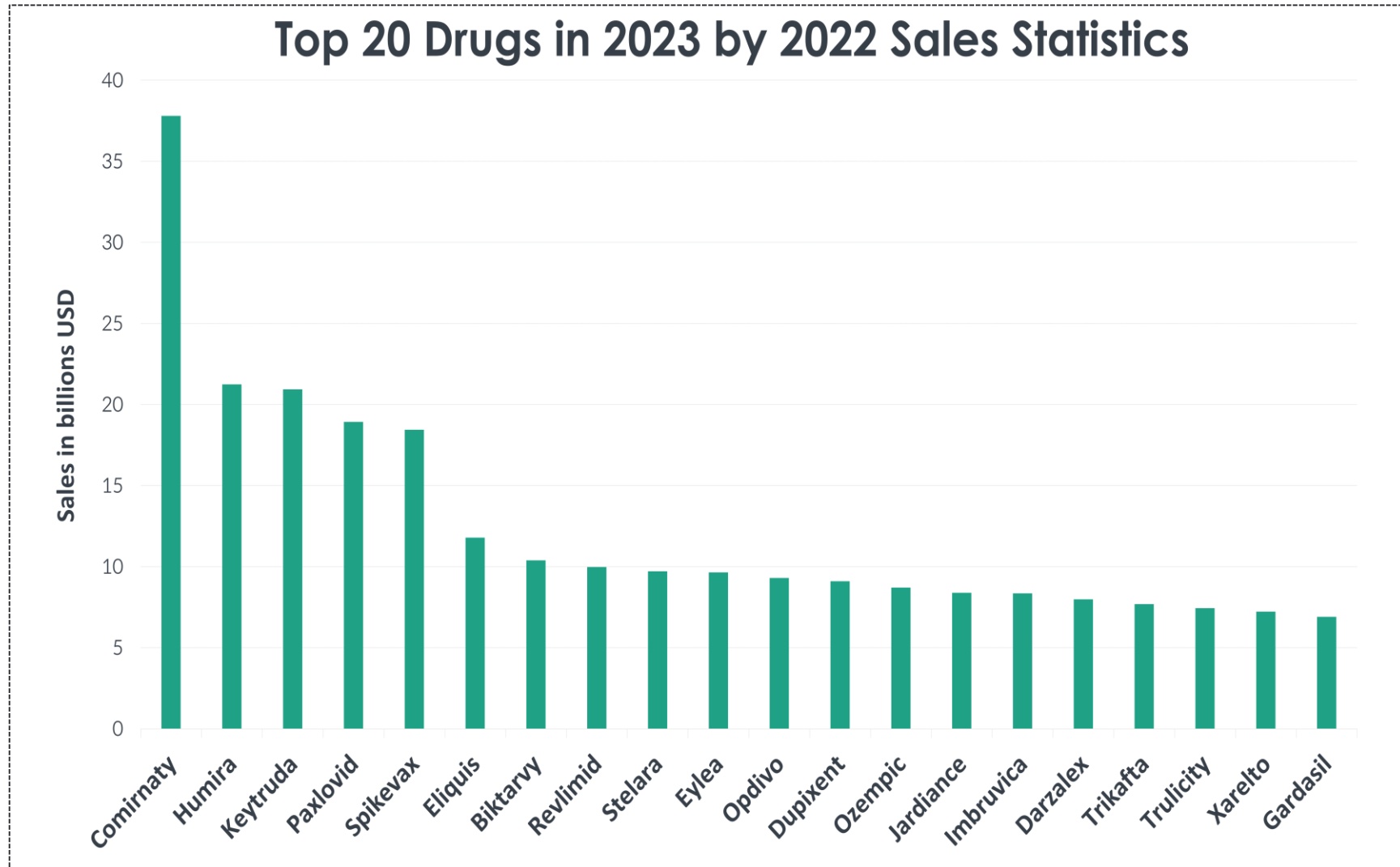


Specialty Drugs – 60% of drug spend for less than 3% of people

- Specialty drugs may represent up to two-thirds of newly launched drugs in the next 5 years.

- In 1990 there were 10 specialty drugs on the market. Today specialty pharmacies manage over 400 drugs for 40 plus disease states.

- Drugs listed are used for:
 - Auto-immune diseases like RA, psoriasis, MS
 - Cancer
 - Diabetes
 - HIV



Specialty Drugs – Gene Therapy Drugs are next and extremely expensive!

Drug	Manufacturer	Disease	Annual cost based on length of therapy	Duration
Zolgensma	Novartis Gene Therapies, Inc.	spinal muscular atrophy	\$2,125,000	One Time Curable
Zokinvy	Eiger BioPharmaceuticals	Hutchinson-Gilford progeria syndrome, a rare genetic disease that causes premature aging	\$1,073,760	Annual Cost
Danyelza	Y-mAbs Therapeutics, Inc.	neuroblastoma in the bone or bone marrow of pediatric and adult patients	\$1,011,882	Disease length
Kimtrak	Immunocore Ltd	metastatic or surgically untreatable uveal melanoma, a form of eye cancer	\$975,520	Disease length
Myalept	Amryt Pharmaceuticals, Inc.	leptin deficiency in patients with generalized lipodystrophy	\$929,951	Annual Cost
Luxturna	Spark Therapeutics	gene therapy that treats an inherited form of retinal dystrophy, a condition that causes vision loss and often even complete blindness.	\$850,000	One Time Curable
Folotyn	Acrotech Biopharma	peripheral T-cell lymphoma	\$842,585	Disease length
Brineura	BioMarin Pharmaceuticals	Batten disease called late-infantile neuronal ceroid lipofuscinosis type	\$755,898	Annual Cost
Blincyto	Amgen, Inc.	acute lymphoblastic leukemia	\$754,720	Disease length
Ravicti	Horizon Therapeutics	Urea cycle disorders are genetic conditions that result in high levels of amm	\$695,970	Disease length
NEW DRUGS APPROVED				
Skysona		first treatment to slow the progression of neurologic dysfunction in boys 4 to 17 years of age with early, active cerebral adrenoleukodystrophy (CALD)	\$3,000,000	One Time
Zynteglo		a one-time lentiviral vector (LVV) gene therapy for the treatment of adult or pediatric patients with beta-thalassemia who require regular red blood cell (RBC) transfusions	\$2,800,000	One Time

Employers are concerned about their financial health

- ✓ Findings from Willis Towers Watson 2023 Best Practices in Healthcare Survey suggest we are entering a period of sustained cost increases. Seven in 10 employers anticipate moderate to significant increases in healthcare costs over the next three years.
- **So how are we combatting these rising cost issues?**
 - ✓ Paying Providers Differently
 - ✓ Making members care about cost differences through provider finder, benefit designs, and steerage programs
 - ✓ Creating new opportunities of accessing care including virtual for PCP's and Behavioral Health.

So how is Anthem combatting these rising cost issues?



Plan Designs

- Seek out high-quality, cost-efficient providers
- Access cost effective care through the SmartShopper and site of service programs
- Engage in care plans and proactive activities that have health benefits



Digital Access & Transparency

- Offer members and providers tools that promote transparency on quality and cost
- Support providers to improve performance
- Digital platform helps drive member engagement in cost effective choices



Program Integrity Aligned Incentives

- Claims edits
- Data mining
- Clinical Audits
- SIU
- Identification of other coverage
- Fraud, Waste & Abuse



Whole Health Management

- EPHC/Payment Innovation
- Holistic Approach to Managing Health, including High-Cost Claimants
 - *Screen* (prevention/behavior change)
 - *Prevent* (early identification/steer to value engaged providers)
 - *Manage* (Collaboration – employer, insurer, provider, member)



Tailored arrangements and valued partnerships are the key to our award-winning, value-based care solution

With Enhanced Personal Health Care (EPHC):

- Providers are paid for the quality, not quantity of care. It holds providers accountable.
- Providers and the health plan work together as a team. It supports and rewards improved care coordination and appropriate utilization.
- Everyone benefits from the goal of achieving better care outcomes and an enhanced experience.

220k+
members

8m at Anthem Nationally

11
ACOs

210 at Anthem Nationally

2,200
providers

100k at Anthem Nationally

75%

Anthem's total spend in value-based care

61% at Anthem Nationally

We give providers the tools and support to be successful in delivering value-based care



Tools

Comprehensive patient data
Preventive care and screening
(including in-home lab kits)
Care coordination with
high-value specialists
Performance benchmarks



Resources

- Dedicated care consultants supporting customized performance improvement opportunities
- Collaboration directors supporting strategic action plans and addressing quality compliance
- EPHC payments can be used for additional staffing needs



Capabilities

- Bidirectional EHR integration
- E-consults for specialty care
- Telemedicine, including behavioral health
- Streamlined workflows through automation

Value-based primary care improves member outcomes and achieves savings

Improved preventive care:

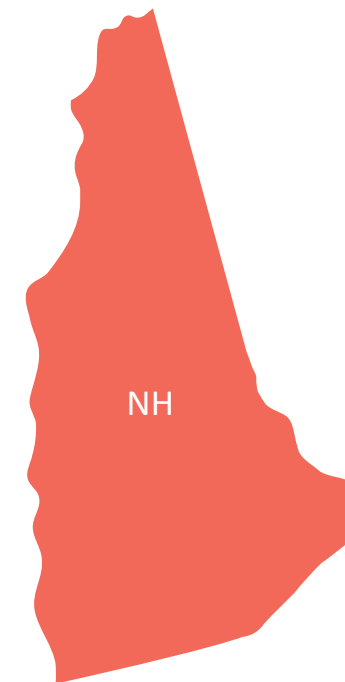
- **7%** more well-child visits
- **2%** more breast cancer screenings

Better pharmacy care:

- **5%** better adherence to high cholesterol medications
- **3%** better adherence to high blood pressure medications

Achieved medical cost savings:

- **4%** savings on outpatient surgeries
- **3%** savings on ER visits
- **2%** savings on outpatient laboratory services



New Hampshire value-based primary care savings:
\$17 PMPM (3.7%)

COST CONTAINMENT STRATEGIES FOR GOOD HEALTH AND WELL-BEING



Commitment – HealthTrust is committed to helping Covered Individuals reach optimal health through a culture of wellness, condition management programs and support.



Support – HealthTrust provides programs and services to help each Covered Individual obtain their own definition of optimal health and get assistance in navigating health challenges impacting them or their covered family members.

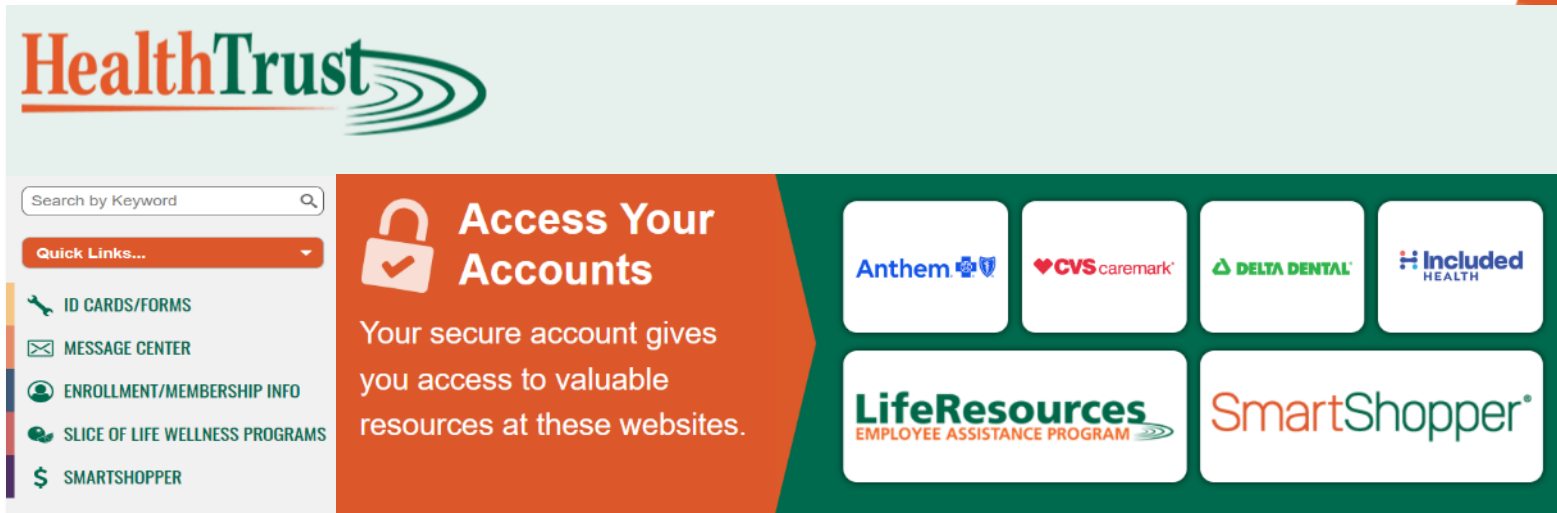


Education – HealthTrust Benefits and Wellness Advisors are available to provide education, engagement resources and enrollment campaigns to support understanding of the wide variety of programs and services available to each Covered Individuals.



Covered Individuals gateway to access:

- Enrollment & Membership information
- Coverage Documents
- Secure Message Center
- ID Cards
- Well-Being Programs





Available for HealthTrust covered individuals, spouses and covered dependents over 18 years of age.

HealthTrust

Well-Being Programs

Our Well-Being Programs provide the resources your employees and their covered family members need to achieve optimum health.

 <p>Powered by: </p>	<h3>Medical Care Access</h3>	<h3>Expert Medical Support</h3>	<h3>Disease Management</h3>	<h3>Mental Health</h3>
<p><i>Live Healthy, Earn Rewards</i></p>	<p><i>Access Care When and Where You Need It</i></p>	<p><i>Take Charge of Your Health</i></p>	<p><i>Get Help Managing a Chronic Condition or Disease</i></p>	<p><i>Find Support for Everyday and Life-Impacting Issues</i></p>
<ul style="list-style-type: none"> Pulse Cash Rewards Health Coaching Health Check Survey Social Platform Healthy Habits Trackers 	<ul style="list-style-type: none">    <i>Earn Rewards by Making Cost-Effective Health Care Decisions</i> 	<ul style="list-style-type: none">  <i>Get a Second Opinion from a World-Class Expert</i>  Medication Safety Program <i>Discover, through DNA Testing, if the Medications You Take Now – or in the Future – are Right for You</i> 	<ul style="list-style-type: none">      	<ul style="list-style-type: none">  Powered by:   <i>Computerized Cognitive Behavioral Therapy (CCBT)</i>  

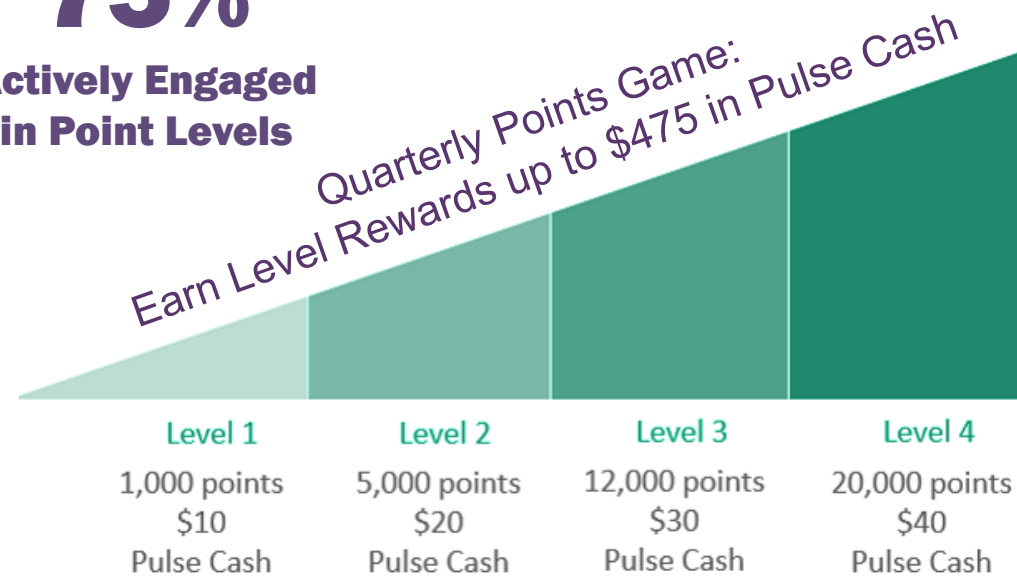
HealthTrust Secure Enrollee Portal – Covered Individuals’ Gateway to Well-Being Programs

Well-Being for Optimum Health



- 1. Personalized Experience** – Individuals upload their own profile data, set their interests and connect to appropriate activity trackers
- 2. Clear Picture of Health** – The Health Check and Next Steps Consult help guide the experience to tailor to each individual
- 3. Track Healthy Habits** – Healthy Habits tracking motivates and engages individuals
- 4. Rewards** – Individuals can earn Action Rewards and stay engaged to earn points throughout each quarter for healthy activities

75%
**Actively Engaged
in Point Levels**



Action Rewards = up to \$35 in Pulse Cash

Key Actions	Reward
Complete three Health Coaching Sessions	\$25 Pulse Cash
Complete the Health Check Once Per 2024 Program Year	\$10 Pulse Cash & 500 Points
Complete a Biometric Screening	1,000 points toward quarterly rewards

SmartShopper: a way to know and a reason to care

Two thirds of consumers shop exclusively online

Average savings on commonly shopper services

\$1,860 Cataract removal

\$1,062 Colonoscopy

\$5,738 Lithotripsy kidney stones

\$3,831 Gall bladder surgery



Results are even better when consumers contact a care concierge or surgical concierge (outpatient surgery)

85% redirect their care to a cost-efficient provider

Concierge provides end-to-end support:

- scheduling
- reminders
- clinic directions
- follow-ups
- predictive indicators of other services needed
- very high satisfaction ratings for a highly personalized service

SmartShopper enables people to shop healthcare services at lower-cost locations like they shop everything else AND can get rewarded for doing it.

LIVEHEALTH ONLINE

Sign up for

LiveHealth Online before the first symptom

Because life won't wait for you to feel better



LiveHealth[®] **Anthem**  
O N L I N E

Individuals covered by a Medcomp Three plan are not eligible to participate in this program.

Available through
HealthTrust 



Psychology

Talk with a therapist from the privacy of your home in 4 days or less.



Psychiatry

See a psychiatrist and discuss possible medication management needs.



Allergy

Speak with a doctor who knows the latest treatment trends in allergy care.



Sleep

With a board-certified doctor who specializes in sleep disorders.



Skin Issues

Connect with a dermatologist online anytime, anywhere.

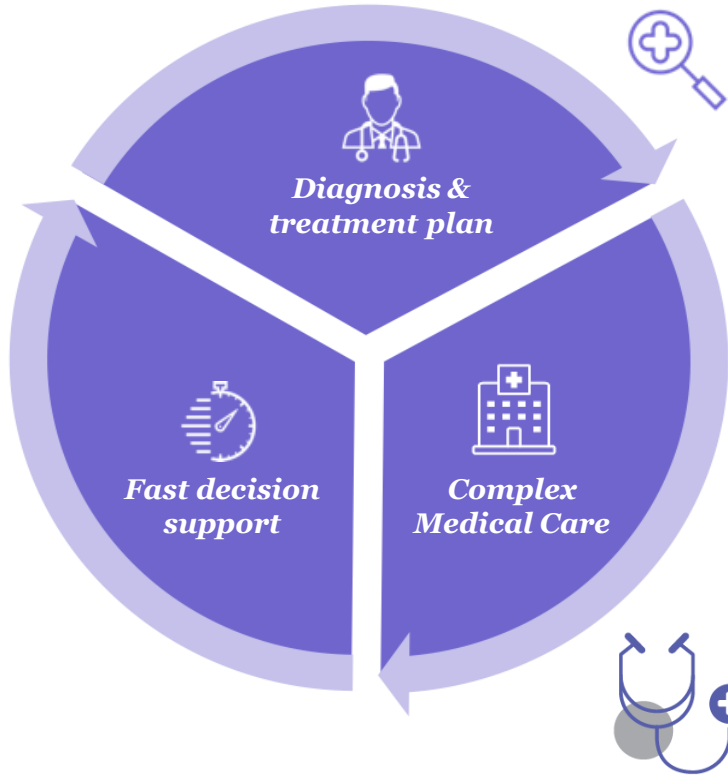
- Medical visits with a board certified doctor 24/7, from anywhere you have a device with Internet access and two-way camera. No appointments necessary!
- Visit Copay just \$10 or less!*
- Behavioral health visits with in-network licensed psychologists and therapists by appointment.
- Register and create a profile **today** at www.livehealthonline.com

**High Deductible Health Plan Cost (Lumenos, OAHD/2.5K/20COIN and ABHD/5K/20COIN): Up to \$55 per medical visit, or up to \$95 per visit with a dermatologist or therapist/psychologist, and up to \$175 for the initial evaluation visit with a psychiatrist, \$75 per follow-up visit. For visits with a sleep specialist, up to \$175 for the initial visit, \$270 for the home sleep test, and \$75 or \$105 for follow-up visits depending on the need.*

Included Health Services



Treatment decision support.
Access staff doctors for answers or triage quickly within 24 hours.



Expert Opinion.
Connect with experts virtually for optimal diagnosis and treatment.

Complex Medical Care.
We'll find you the most appropriate physician in your area.

Patient Profile

54 year old female recent stage IIA breast cancer found on mammogram. She is otherwise healthy and her family history is negative for early breast cancer

Member need

Seeking guidance on best way forward with treatment decisions

Situation upon arrival at Included Health

Patient had surgical treatment of her breast cancer and was presented options for further treatment, including radiation and chemotherapy.

Included Health Clinical impact and outcome

A breast cancer expert from Yale University provided a thorough review of pathology, treatment course to date, risk profile including genomic and oncogene score, and treatment path options. The expert provided comprehensive but understandable explanations and recommended a specific treatment plan based on risk and approach to best outcome.. Included Health facilitated post EO office visit for this patient as well.

Patient Quote:

"The level of detail in the opinion was amazing and it was very easy to understand. Thank you so much for your help."

A benefit available to individuals covered by a HealthTrust medical plan.

Individuals covered by a Medcomp Three or Medicare Advantage with Prescription Drug plan are not eligible to participate in this program.

CORIGEN[®] MEDICATION SAFETY PROGRAM

If you or someone in your family is taking medications that weren't safe or effective, wouldn't you want to know? Now you can!

Discover if the medications you take now – or could take in the future – are right for you.

How it works:

1. Eligible covered individuals complete the online enrollment form to have a DNA test kit shipped to their home.
2. Simply follow the instructions in the kit for taking a saliva sample and return the kit via the US Postal Service with the prepaid return shipping label.
3. Pharmacists from Coriell[®] Life Sciences' network will analyze your results to see how your DNA, combined with other factors, affects the medication(s) you take.
4. Once complete, you will receive a notification to schedule a phone call with a Coriell Life Sciences Program pharmacist who will receive your results and may make recommendations to you and your physician.



Learn more at coriell.com/healthtrust or by calling 888.456.9184.



To check eligibility, enroll, or for more information, scan here

ADDITIONAL WELL-BEING PROGRAMS

Available through
HealthTrust



A voluntary program through CVS Caremark for those living with a complex or rare condition.



Option for biometric screening, free flu vaccines, SmartShopper location for lab and X-ray, and no appointment needed.



Helps individuals manage their diabetes better with expert help and a free glucose monitor. Available to eligible individuals prescribed medication for diabetes.



In-home recovery care available to individuals age 17 and older with substance use disorders. Individuals covered by a Medcomp Three plan are not eligible to participate in this program.



This program can help individuals taking weight loss medications to get the most out of the medication and help them achieve lasting results by providing clinical oversight, assistance with medication management and nutritional support.

The LifeResources Employee Assistance Program powered by ComPsych[®] provides your covered individuals and their dependents confidential support, resources and information for personal and work-life issues.

- *Available to employees and retirees of Member Groups that offer HealthTrust medical coverage and their eligible dependents and household members. No requirement that the individual is enrolled in HealthTrust coverage.*
- *Free and confidential – 6 session counseling via telephone, video, in person or chat.*
- *Online portal – GuidanceResources and GuidanceResources App. Both include FamilySource, LegalConnect and FinancialConnect.*
- *Computerized Cognitive Behavioral Therapy & WellthSource Financial Program*



Confidential Emotional Support



Work-Life Solutions



Financial Resources



Legal Guidance



Online Support



Interactive Digital Tools

BENEFIT EDUCATION RESOURCES



Customized Benefit Education PowerPoint Presentations



- Customized Benefit Plan Comparison Charts & Benefit Education Packets
- Virtual and In-Person Benefit Education Sessions
- Custom Wellness Education Sessions

Customized Benefit Packet



HealthTrust

Anthem 



QUESTIONS?

HealthTrust

Anthem 



THANK YOU!