

In high performance organizations, someone knows where these wires go to make the health benefit system components work together.

All stakeholders in health care are in agreement that this isn't happening.

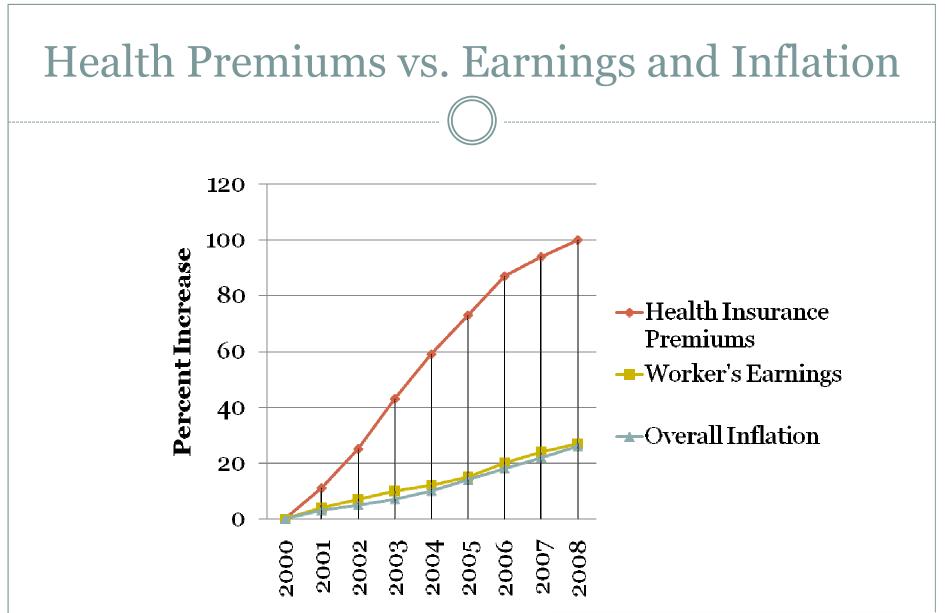




## Health Benefit Market Assesment

- Passive, disconnected and under-utilized commodity vendor services
- At-risk individuals not using intended vendor tools
- Vendor motives and practices not aligned with group goals
- Vendor ROI claims not supported by independent audits
- Evidence-based provider practices not implemented
- Co-morbidities not addressed
- No overall client plan to coordinate pharmacy, behavioral, health and medical care



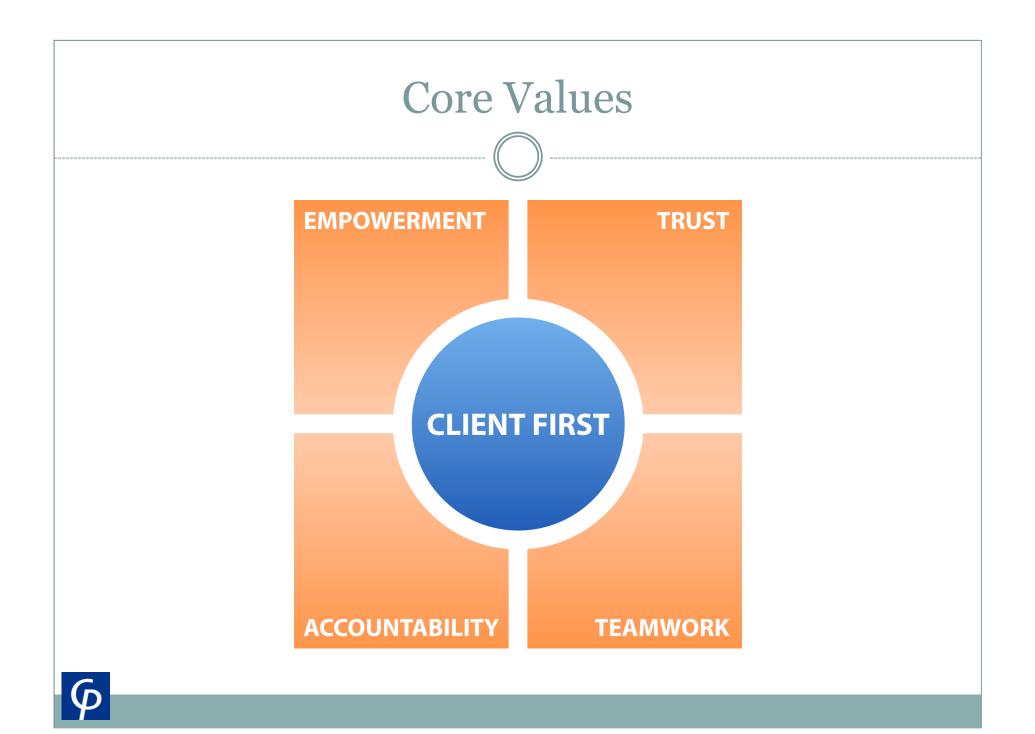


Note: Data on premium increases reflect the cost of health insurance premiums for a family of four.

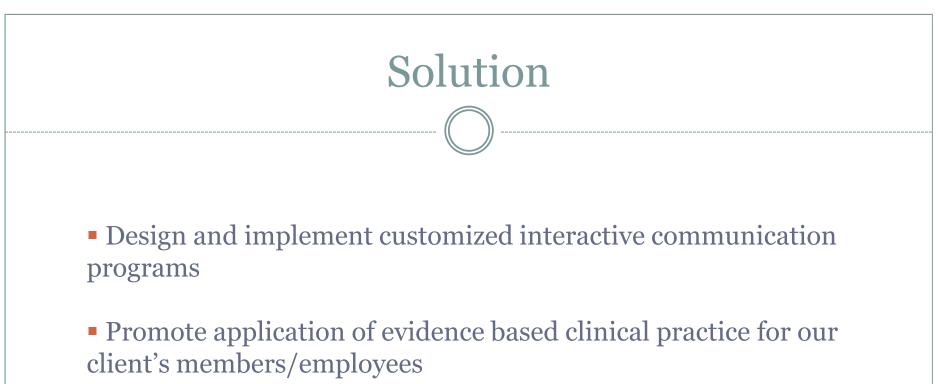
Source: KFF/HRET Survey of Employer-Sponsored Health Benefits, 2001-2006; Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 2001-2006; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey (April to April), 2001-2006.







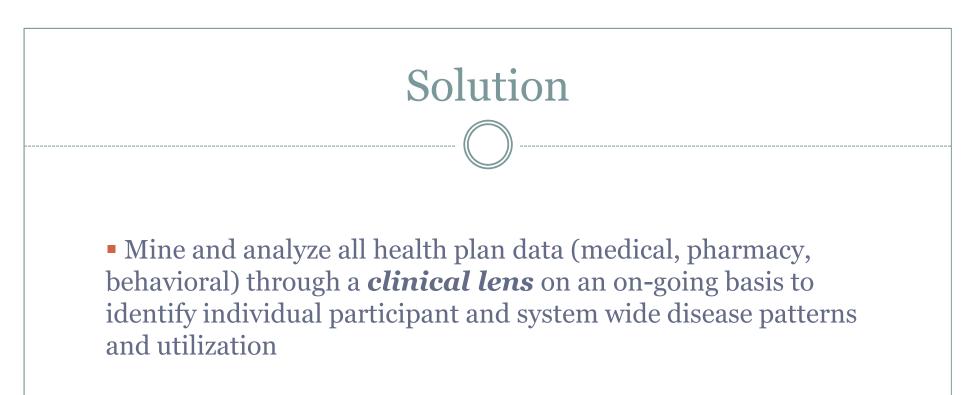




- identification and care of co-morbid conditions
- optimize effective use of pharmacy
- primary care physician, psychiatrist and behavioral counselor coordination

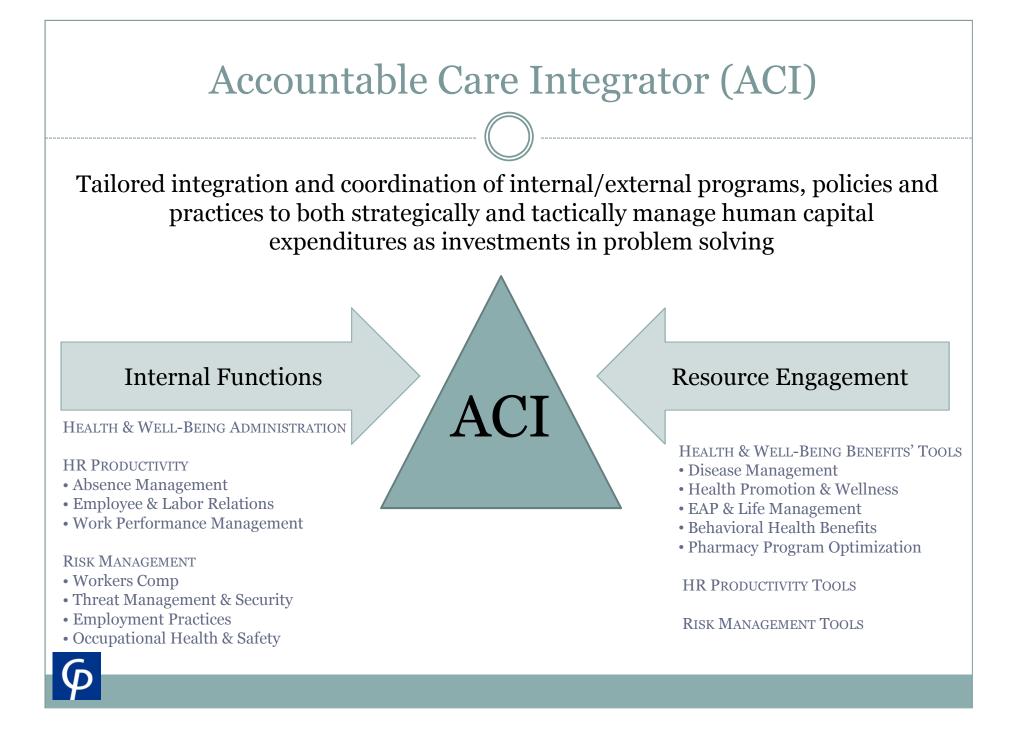
 Involve use of Labor/Management Stakeholder Solution Center to address unresolved human resource concerns





- Enhance collaborative labor/management relations
  - align work flow practices and vendor motives
  - increase utilization of Employee Assistance Programs and connectivity to other tools and resources
  - promote data transparency







|  | Retur   | n on Inves   | stment   |                                      |
|--|---|--|--|--------------------------------------|
| Sustainable 7 to 10 percent reduction in<br>overall health spend annually  |   |  |  |                                      |
| Pharmacy   | Medical   | Behavioral<br>Health   | Labor<br>Management  | Waste, Abuse,<br>Fraud               |
| <ul> <li>Appropriate<br/>utilization</li> <li>Polypharmacy</li> <li>Medication<br/>adherence</li> <li>Over -<br/>utilization,</li> <li>Multiple<br/>prescribers</li> </ul> | <ul> <li>Chronic<br/>Disease<br/>Management</li> <li>ER Utilization</li> <li>Targeted<br/>Health<br/>Promotion<br/>Initiatives</li> </ul> | <ul> <li>Integrated<br/>Physical<br/>Health</li> <li>Mental Health</li> <li>Substance<br/>Abuse/EAP<br/>Support</li> </ul> | <ul> <li>Increase<br/>Collaboration<br/>and Effective<br/>Problem<br/>Solving</li> </ul> | • 100%<br>electronic<br>claim review |



