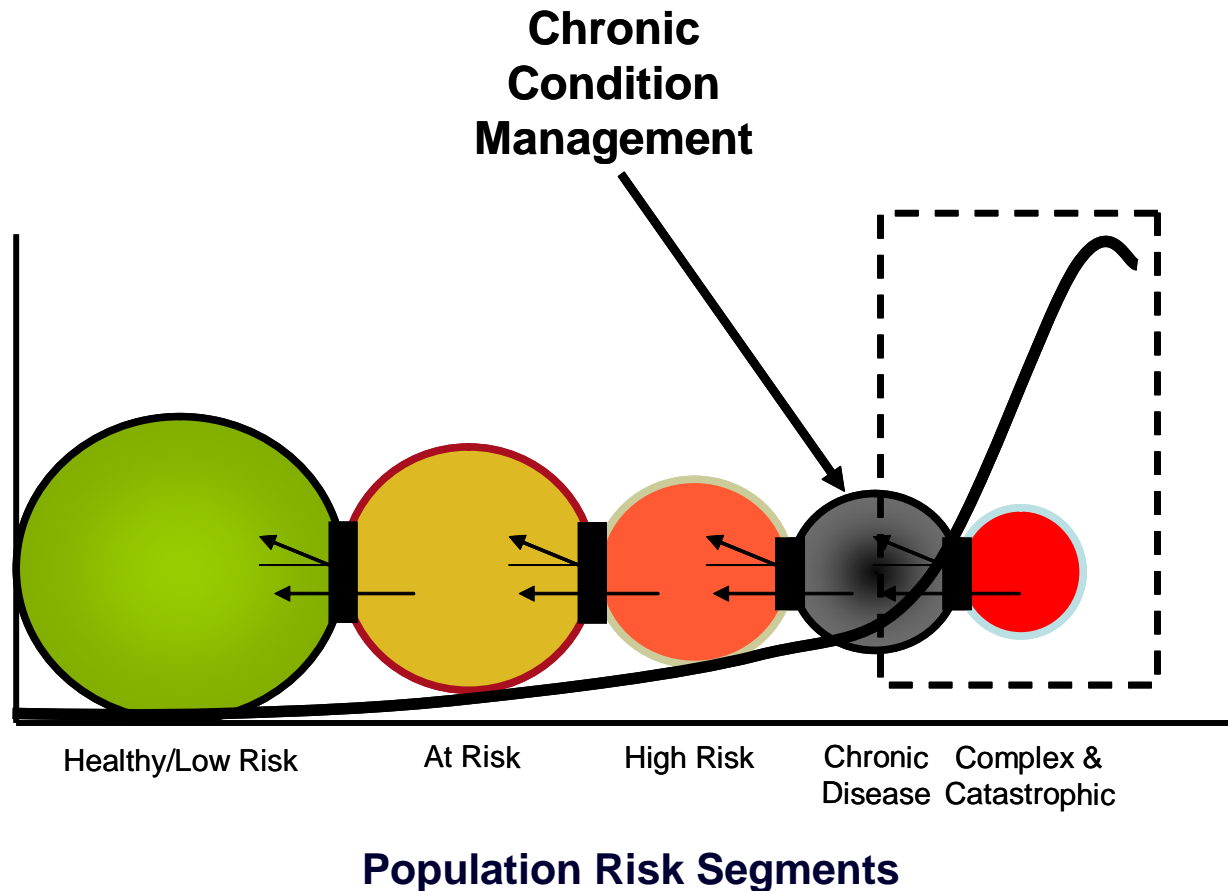


Adding Value through Population Health Improvement

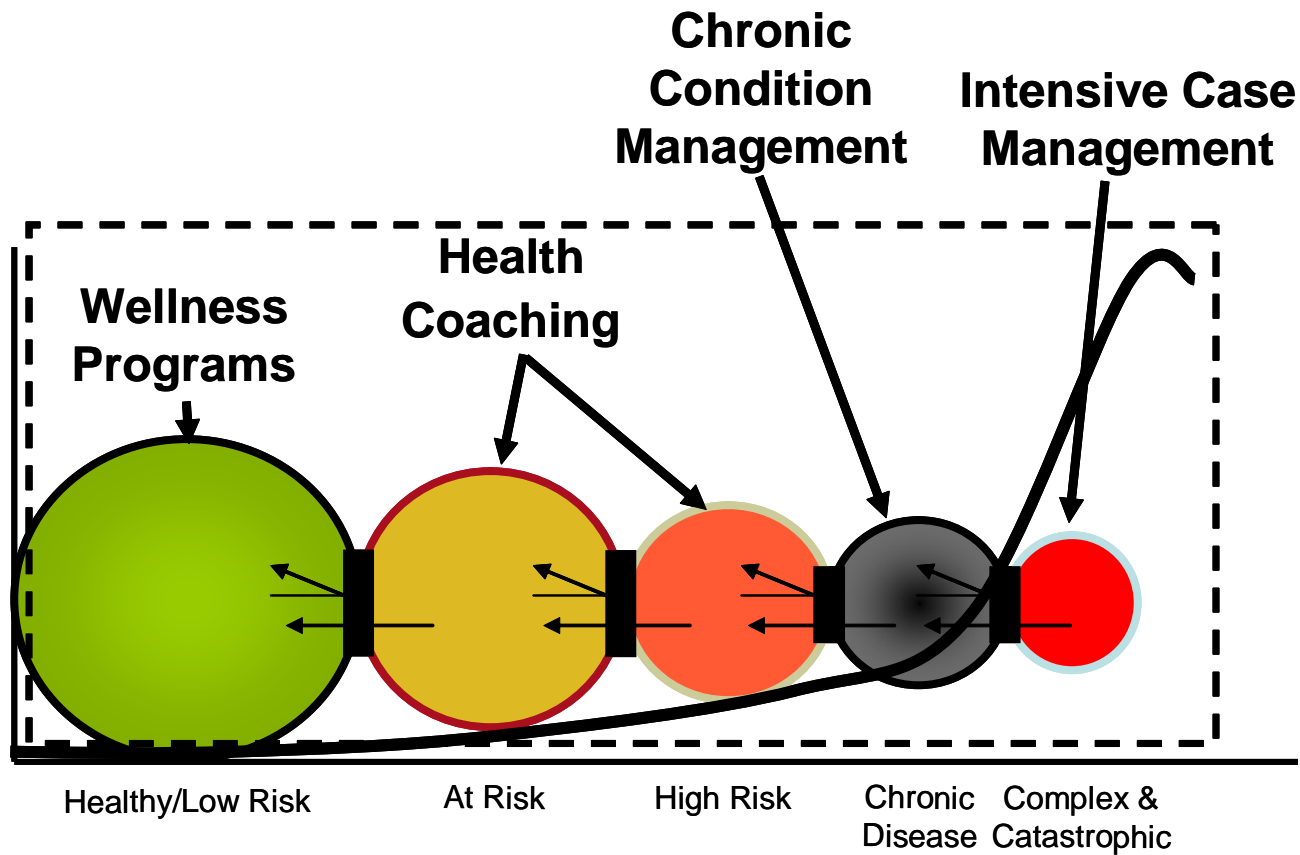
Tracey Moorhead
President and CEO
June 11, 2008



What Did Disease Management Originally Mean?



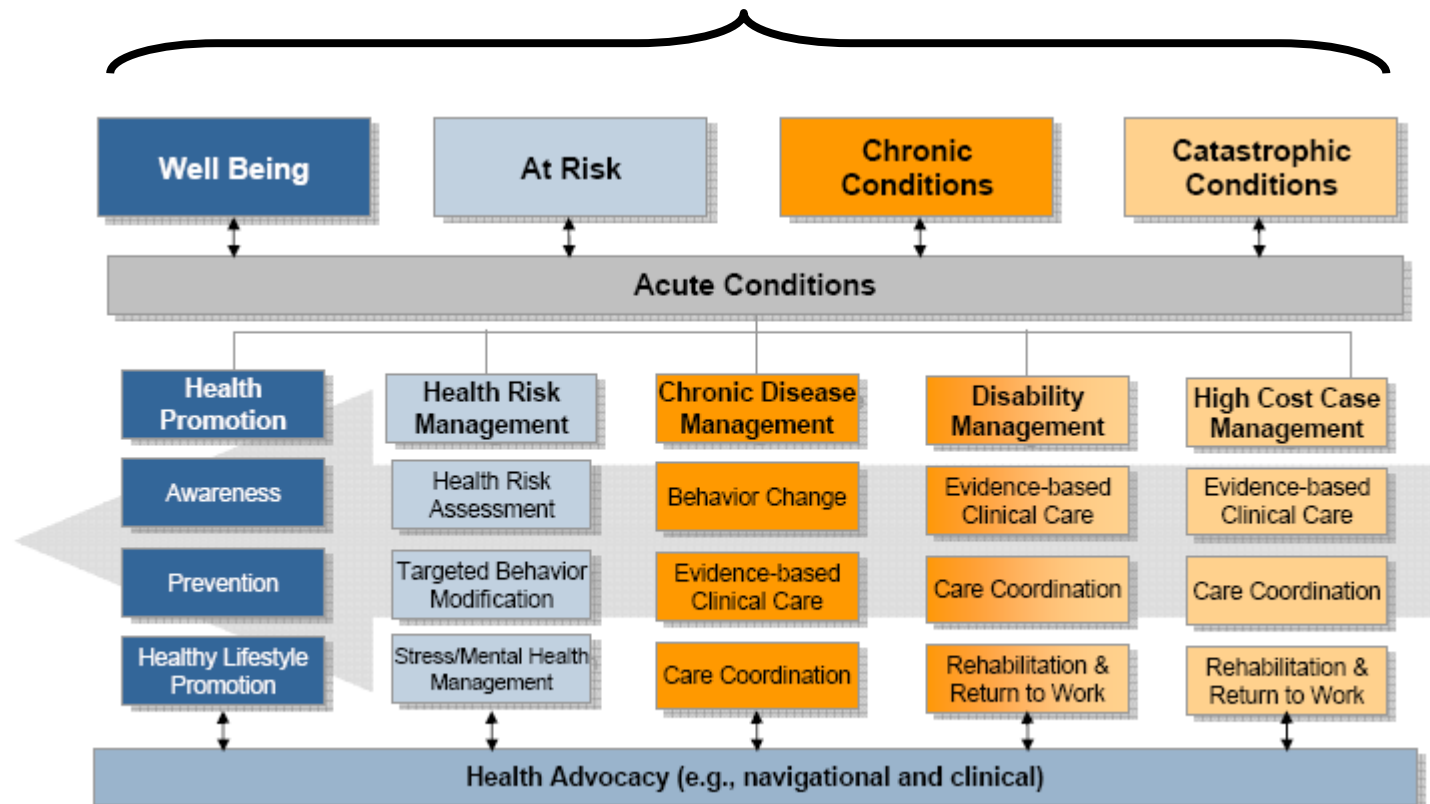
Industry Today



Population Risk Segments

“DM” is an Outmoded Label

Population Health Spectrum



A Changing Landscape

- ❑ Growth of prevention, wellness initiatives.
- ❑ Advances in program design and rise of behavioral health.
- ❑ Expanded role for health IT and need for interoperability.
- ❑ Recognition of threat posed by chronic conditions in an aging population.
- ❑ Shortage of health care providers: nurses, general practitioners, geriatricians.

What's at Stake?

- ❑ Looming Part A Trust Fund insolvency in 2019.
- ❑ Health care to consume entire GDP in 75 yrs.
- ❑ Chronic conditions proliferating.
- ❑ PCP, nursing shortages.
- ❑ U.S. business competitiveness, wages undermined.

Population Health Improvement



Three core components:

- ❑ Central care delivery and leadership role of the primary care physician.
- ❑ Critical importance of patient activation, involvement and personal responsibility.
- ❑ Patient focus and expanded care coordination capacity provided by wellness, disease and chronic care management programs.

NCQA PPC-PCMH



- 9 Elements for Recognition
 - Access and Communication
 - Patient Tracking and Registry
 - Care Management
 - Patient Self-Management Support
 - Electronic Prescribing
 - Test Tracking
 - Referral Tracking
 - Performance Reporting and Improvement
 - Advanced Electronic Communications

Population Health Strategies



- ❑ Support practitioner-patient relationship.
- ❑ Utilize plan of care across continuum.
- ❑ Offer resources to fill gaps in patient health literacy, knowledge, timeliness of treatment.
- ❑ Assist physicians and groups with limited resources for care coordination.
- ❑ Support evidence-based processes.

Supportive Industry Role



- ❑ Address scalability concerns
- ❑ Support healthcare providers in new roles
- ❑ Assist with outcomes evaluations – clinical and financial
- ❑ Lend experience in practice redesign efforts – culture, process, etc.

Case Studies

Southern Company



- ❑ 10k employees with one or more chronic conditions
- ❑ DM/Wellness/Behavioral/EAP
- ❑ Hospital Admissions decreased 57%-100%
- ❑ ALOS decreased 44%-100%
- ❑ ED visits decreased 29%-100%

J.B. Hunt



- 3,200 program participants; 3 yr program
- Lifestyle: 37% smoking quit rate; 49% lost weight (15 lb avg.)
- DM: \$213k savings (Asthma; Diabetes; Hypertension; Dislipidemia)
- Retention: 6.2% higher retention
- Safety: 25% decrease in preventable accidents

Illinois Health Connect



- 1.7 million beneficiaries
- Primary Care Case Mgmt/Dis Mgmt
- 2007 net savings: \$34m
- DM for 220,000 chronically ill
- Coordination for nurses, social workers, MDs
- Reduced admissions from 8.5%-20%
- Reduced ED visits 13%

Wyoming EqualityCare

- ❑ Reduced inpatient admissions 40%
- ❑ Reduced ALOS 18%
- ❑ Net Savings: \$13m in 2005; \$17m in 2006
- ❑ 2007 Program Expansion to oral health, maternal weight, childhood behavioral issues

Florida: A Healthy State

- ❑ 180k chronically ill beneficiaries
- ❑ Coaching, education, intervention
- ❑ Asthma, diabetes, hypertension, CHF
- ❑ Networked 10 hospitals; 60 care coords
- ❑ Preventive services use increased
- ❑ CHF admissions declined 22%
- ❑ ED visits down 12%; Admissions down 28%
- ❑ Total 3 year savings: \$97m

Medicare as Laboratory



- ❑ Special Needs Plans
- ❑ Medicare Health Support
- ❑ Medicare Care Coordination Demonstration
- ❑ Care Management for High Cost Beneficiaries
- ❑ Senior Risk Reduction
- ❑ Medical Home Demonstration

Med Advantage: CarePlus



- ❑ Custodial Nursing Setting
- ❑ Goal: Increased hospice use/ALOS
- ❑ Reduced ER visits 65%
- ❑ Reduced hospital admissions 74%
- ❑ Results: 43% savings versus hospitalization costs

Market Continues to Grow

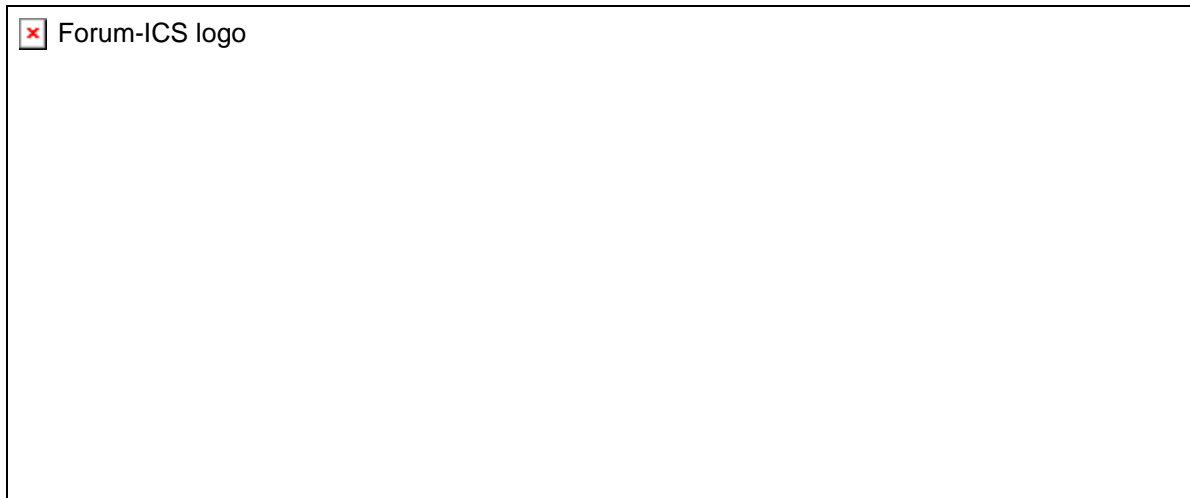


- ❑ Value proposition evidenced by dramatic industry growth in past decade
- ❑ Health Plan penetration >90%
- ❑ Employer and Medicaid growth >50%
- ❑ International adoption growing rapidly - value perception independent of nationality
- ❑ Employers overcome any doubt about short-term direct health savings with indirect health benefits
- ❑ Buyers seem satisfied with value of their experiences

Learn More



- DMAA: The Care Continuum Alliance
 - www.dmaa.org
 - (202) 737-5980



Sept. 7 to 10, 2008 . Westin Diplomat Resort & Spa . Hollywood, FL