

RETHINK  
**healthcare.**



**The North Dakota  
Public Health Insurance  
Trust Program  
Summary**

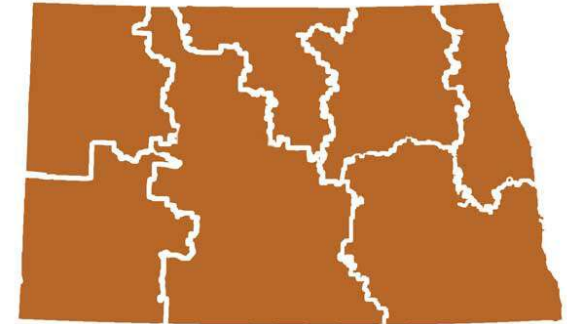
 **Brown & Brown**



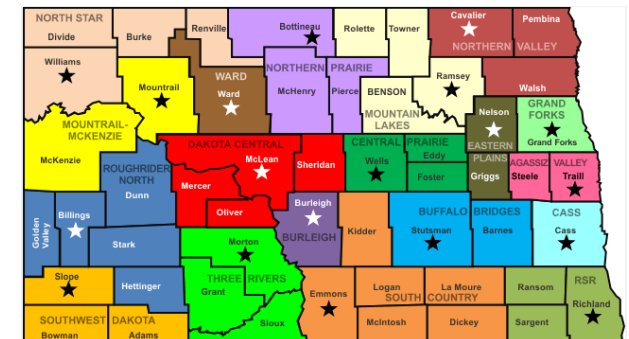
# NDPHIT Background and Formation



**Kyle Davison, Executive Director**  
Southeast Education Cooperative (SEEC)



**Brennan Quintus, CEO**  
North Dakota Insurance Reserve Fund (NDIRF)



Member surveys indicate the need for better options and choice:

- Health Insurance and ancillary programs
- Local governments & schools combine for greater purchasing efficiency

## NDPHIT Background and Formation

The North Dakota Public Health Insurance Trust is a **public member owned** and board of trustee governed Voluntary Employee Benefit Association non-profit (“VEBA”) Trust for Public Schools and Political Subdivisions. Member employers can participate in benefit programs that are employer sponsored OR voluntary only and paid by plan participants for:

1. Medical Insurance
2. Dental Insurance
3. Vision Insurance
4. Life Insurance
5. Disability Insurance
6. COBRA, Flexible Spending Cafeteria plans and Health Savings Accounts
7. Voluntary Worksite Benefits: (Accident, Hospital Indemnity, Critical Illness, Legal)
8. EAP – Mental Health Program
9. Voluntary Wellness Program



# Trust Board of Trustees Structure

Following the initial establishment of the Trust, a nine-member Board of Trustees of participating schools, which will be comprised of the following:

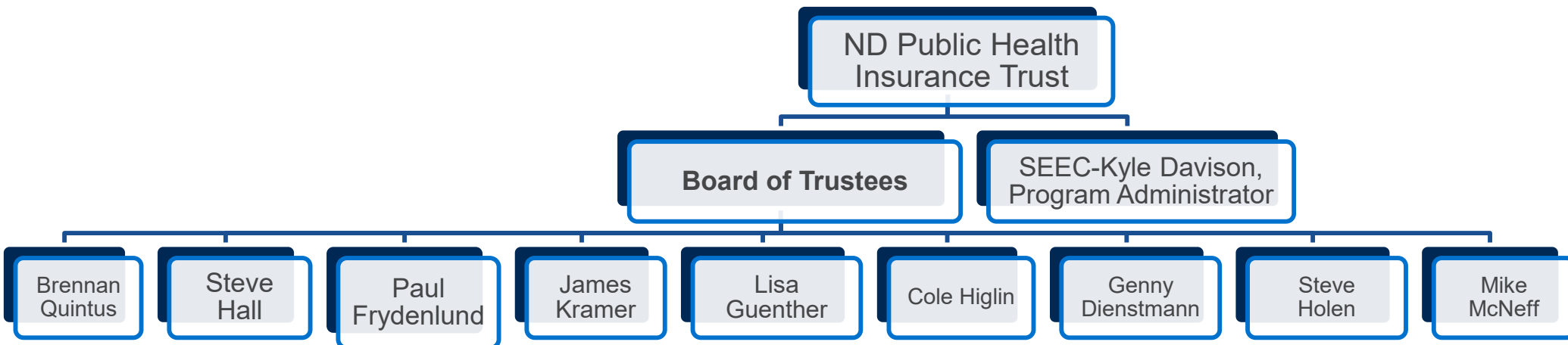
Four (4) Superintendent Trustees, which shall be the superintendent or the superintendent's designee for intervals of 1-, 2- and/or 3-year terms

One (1) Trustee shall be elected by the participating employers representing the majority of participating entities between educational organizations and non-educational political subdivisions; a 2-year term;

One (1) Trustee shall be a member of the North Dakota Insurance Reserve Fund;

Three (3) Trustees shall be a member Non-School Political Subdivisions or designee for 2- and 3-year terms.

All Trustees shall be afforded one (1) vote



## Why NDPHIT? A great plan choice!

- + Health Insurance Premium **Stability** – Self-Insured premium pool **lower premium trend**: target 3% to 6% annual adjustments
- + Self-insured pool that inherently has reduced costs: **state premium tax, allocated insurance carrier profit margins and pooling charges**
- + All health plan **fund balances** and **surpluses** are **owned** and retained by **members** of the Trust
- + Increased employee health plan **choices**, plan **flexibility** and **member tier options**
- + **Member access** to dental, vision, life, and many other ancillary products at large group discounted rates and without minimum participation requirements
- + “Grandfathered” plans will **add over 125 preventative services at no cost** to the member like annual physicals, colonoscopies, mammograms, etc.

## Why NDPHIT? A great plan choice!

- + All 106 groups that have joined NDPHIT to date have come in with a **discount** to premiums they were paying (**-1% to -2%**) with wellness participation
- + **No plan design changes** (deductible, copay, etc.) for participating groups with exception of out-of-pocket maximum (OOPM) change with grandfathering adjustment (additional detail to follow)
- + NDPHIT has **partnerships for preferred pricing** with:
  - **Wex (previously Discovery Benefits)** for COBRA, FSA, HSA and Dependent Care Administration
    - COBRA is offered at no cost for all members for Medical, Dental and Vision
  - **Bswift** provides a Benefit Enrollment platform with an App and Benefit Counselors for employees
  - **Met Life** Dental, Vision, voluntary/worksites benefit programs, legal plans etc.
  - **ENI – NextGen** –Voluntary Short-term Mental Health Counseling and Employee Assistance Program (EAP) – 8 Sessions per year per covered family member:
    - Depression, other behavior concerns, Family Relationships, Grief Counseling, Managing Stress and Anxiety
  - **Thrivers Health Wellness and Wellbeing Program** –Voluntary employee wellness and wellbeing lifestyle program

## NDPHIT Entry and Renewal History

- + **Round 1: 33 political subdivisions** began January 2021 at (-1%) rate decrease
- + **Round 2: 52 school districts** began October 2021 with a (-2%) rate decrease
- + **Round 3: 8 political subdivisions** began January 2022 at (-1%) rate decrease
- + **Round 4: 14 school districts** began October 2022 with a (-2%) rate decrease
- + BCBSND maps over **benefit plans** to accommodate existing BCBSND and Sanford plans for co-pays, deductibles, co-insurance and out of pocket maximums (with GF adjustment)
- + 1% rate decrease with voluntary participation in the NDPHIT wellness program
- + BCBSND large group pharmacy formulary, Blue Cross and Blue Shield network
- + BlueCard<sub>access</sub> for out of state providers
- + January 2022 groups renewed with a 0% increase
- + October 2022 groups renewed with a 3.8% increase
- + January 2023 – 4-tiered renewal structure based upon loss ratio (4.86%, 8.86%, 12.86%, 16.86%) This followed a 1% decrease in 2021 and a 0% increase in 2022.

## Health Care Market Cost and Trends

- + Round 1- 3 Year NDPHIT (blended): 3.47%
- + National Medical: 7.43%
- + National Rx: 8.03%
- + 2022 Kaiser Family Foundation-2023 Rate Filings 72 Carriers Propose a Median 10% Increase-the main premium drivers identified are (prices and utilization)
- + September 2023 NDPERS - 2 Year 17% \*Estimate (8.5% annual over 2 years)
- + Consumer Price Index: 8.33%



## Other NDPHIT Program Information

- + Trust financials and plan fund balance and asset reports will be provided to the members quarterly
- + The medical health insurance program requires a 2-year participation.
- + Requires a 1-year notice if the group wishes to leave the trust
- + Entities that leave must wait 3 years to come back to the Trust
- + In the event the Trust is unable to pay its obligations, Participating Employers will be required to contribute through equitable assessments the money necessary to meet any unfulfilled obligations.
- + All surplus and reserves are owned by the members of the Trust
- + BCBSND requires 2 months of claims on deposit to initiate the Medical Trust.  
This is an asset owned by the members
  - Initial deposit for all members (roughly 1 month of premiums) based on underwriting and annual claims cost for the new entrant pool.
  - The initial month of premium plus the deposit meets the 2-month claim funding requirement
- + Trust members will execute a Trust participation agreement section for their entity
- + Under NDPHIT as a self-funded employer you will be subject to ACA reporting.

# Administrative Considerations and Subscription Endorsement

- + The Trust is a member owned and board of trustee governed VEBA (Voluntary Employees Beneficiary Association) tax exempt 501 (c) (9) Trust.
- + The is overseen by the by The North Dakota Department of Insurance
- + It is acknowledged that the executed North Dakota Public Health Trust Agreement, Trust underwriting, claims deposit and participation member assumptions have been provided to your organization and that execution of this Participation and Subscription Endorsement constitutes acceptance and binder to the Trust terms.
- + The Trust requires a minimum initial two-year member participation term.
- + Members initial claims deposit will be allocated to each member as an asset to the reserve fund balance which can be used for the health plan as determined by the Board of Trustees, which includes but is not limited to the following:
  - To declare premium rebates for excess reserves beyond amounts required to be retained in the reserve fund balance for state regulatory purposes
  - Allocated to offset future health plan increases
  - Reserve fund balance stability
  - Allocated to offset terminal liability claims for members that give their required one-year written notice and leave the health insurance Trust pool
- + The Medical plan is a self-funded health plan program.
- + The medical plan is administered by Blue Cross and Blue Shield of North Dakota
- + The initial ancillary and voluntary benefit programs are fully-insured benefits offered by Met Life that will be issuing certificates in the name of the Trust to its member subscribers.
- + The trustees will review the ancillary and work-site insurance carrier by an RFP process periodically as determined for its members.
- + The Trust has selected SEEC as the initial third-party administrator for performing Trust member premium billing services, premium collection and financial audit reports.

# 2022 Member Survey Report

## Review results of 2022 Member Survey

- Most important in choosing a medical program  
Health insurance premium rates and corresponding annual increases:  
(1) 72% (2) 22%
- Health insurance carrier Preference (**BCBSND** vs. Sanford, Health Partners, UnitedHealthcare, or Medica)  
(1) 18% (very important) (2) 46% (preferred) (3) 13% (no opinion) (4) 22% (other preferences)  
-BCBSND (1) 24% Very Satisfied (2) 61% Satisfied
- Customer Service  
(1) 28% Very Satisfied (2) 59% Satisfied
- Bswift Electronic Enrollment Platform  
(1) 11% Very Satisfied (2) 70% Satisfied
- Enrollment Communications (In Person or Virtual)  
(1) Choice of Virtual or in Person (62%)  
(2) Virtual (30%)  
(3) In-Person (10%)
- Products/Programs
  - Voluntary Met Life Options (1) 13% Very Satisfied (2) (70%) Satisfied
  - Wellness Program (1) 5.5% Very Satisfied (2) 52% Satisfied
  - \$100 employee On-site health/biometric screening incentive interest 78% Yes

# 2021 Annual Report



## A MESSAGE FROM THE CHAIRPERSON

The idea for the North Dakota Public Health Insurance Trust (NDPHIT) started in two different parts of the state at two different organizations. The South East Education Cooperative (SEEC) first saw the benefits self-insured school districts experienced regarding stabilized health coverage costs, robust coverages, and generous benefits programs. Wanting to provide this option for all school districts, SEEC explored the creation of a self-insurance trust for school districts in North Dakota.

At the same time, the North Dakota Insurance Reserve Fund (NDIRF) was exploring the concept of self-insured health coverage for its local government members to provide relief from the crippling costs they faced. These members were looking for health insurance equivalent to the NDIRF (a governmental self-insurance pool for property and casualty insurance), which has proven to be an incredible success for its members since its creation in 1986.

When their paths later crossed, SEEC and the NDIRF came together with a common goal: to provide North Dakota local governments with a stable, cost-effective source of health insurance and other benefits in a time when health insurance has been anything but stable and cost-effective.

On behalf of NDPHIT's Board of Trustees, I am happy to report NDPHIT has been successful in creating a stable, cost-effective health insurance solution for North Dakota schools and local government in its first year, and we are well-positioned for future success. Our achievements were made possible through the collaboration with various partners, including Brown and Brown, Inc., and the participation of our members.

As you will see within this report, our first-year financial results are fantastic. In addition, NDPHIT's service providers delivered not only stable, cost-effective coverage, but also top-notch customer service and other valuable services to benefit you in the short and long run.

Some first-year highlights include:

- + 92 groups enrolled, with almost 7,000 members
- + Comprehensive benefit offerings including Medical, Dental, Vision, Voluntary Life/AD&D, Voluntary Dependent Life/AD&D, Short-Term Disability, Accident, Critical Illness, Hospital Indemnity, Legal
- + The addition of the Thrive Wellness program in partnership with BCBSND Web/MD program

On behalf of NDPHIT's Board of Trustees, thank you for your membership in NDPHIT, and we look forward to serving you in the years to come!

Sincerely,  
Brennan Quintus, NDPHIT Chairperson  
NDIRF CEO

## ABOUT NDPHIT

The North Dakota Public Health Insurance Trust (NDPHIT) is a self-funded medical insurance program that is owned by its members (ND public entities: cities, counties, municipalities, school districts), which means assets and surpluses are owned and retained by trust members as opposed to being owned by an insurance carrier or other 3rd-party. NDPHIT provides ND public entities with more control over their health insurance and employee benefit programs, as well as improved rate stability, efficiency and better employee choice.

### NDPHIT BOARD MEMBERS 2021-2022



**Brennan Quintus, NDPHIT Board Trustee Chairman**

1320 W Century Ave (PO Box 2258)  
Bismarck, ND 58502



**Steve Hall**

255 Dakota St  
Kindred, ND 58051



**Marcia Lamb**

495 4th St  
Medora, ND 58645



**Paul Frydenlund**

400 Foussard Ave  
St John, ND 58369



**Steve Holen**

100 3rd St NE  
Watford City, ND 58854



**Genny Dienstmann**

1661 Capitol Way  
Bismarck, ND 58502



**Lisa Guenther**

205 Owens St  
Manning, ND 58642



**James Kramer**

2004 Fairway St  
Dickinson, ND 58601



**Mike McNeff**

1123 Main Avenue South  
Rugby, ND 58368

### MEMBERSHIP:

**92**  
Member Groups

**32**  
1 year

**60**  
<1 year

# NDPHIT 106 Trust Employer Members – 8,000+ covered lives

## NDPHIT Member Groups

Alexander Public School	Edgeley Public Schools	Mandan Park District	Rugby School District
Anamoose Public School	Ellendale Public School	Mapleton Public School	Rural Cass SEU
Barnes County North SD	Fargo Airport Authority	Max Public School	Sawyer School District 16
Billings County	Fessenden-Bowdon Schools	McHenry County	Scranton Public Schools
Bottineau PSD	Finley-Sharon Public Schools	McKenzie County Public Schools	Sheridan County
Burleigh County Housing	Garrison Public School	Medina	Sheyenne Valley SEU
Carrington	Glenburn Public School	Milnor School	Slope County
Cavalier School District	Grafton Parks & Rec	Minto Public Schools	South East Ed Coop (SEEC)
Center-Stanton	Grafton Public School	Montpelier Public School	South Heart Public Schools
Central Regional Ed. Assoc.	GF Regional Airport Authority	ND Association of Counties	South Valley Special Ed
City of Beulah	Hankinson Public School	ND League of Cities	St. John Public Schools
City of Casselton	Hatton Eielson Public Schools	New England Public School	Stutsman County
City of Grafton	Hettinger County	New Rockford-Sheyenne	TGU School District
City of Hankinson	Hettinger School District #13	North Border School Dist.	SWMCC
City of Harvey	Hillsboro Public School	NDIRF	Traill County
City of Hazen	Hope-Page	Northern Cass	Traill EDC
City of Lisbon	James River Special Ed	Oakes Public School	Traill Water Resource
City of Mandan	Jamestown Stutsman DC	Oberon	Underwood Public School
City of Rolla	Kidder County Public Schools	Oliver Mercer Special Ed	Upper Valley SEU
City of Valley	Kindred School District	Park River Area School Dist	Wahpeton Parks
Dickinson Municipal Airport	Lake Region Law Enforcement	Pierce County	Walsh County
Dickinson Parks & Rec	LaMoure Public Schools	Pingree-Buchanan	Washburn Public Schools
Divide County Schools	Larimore Public School District	Richland School District #44	Wells County
Drake Public Schools	Leeds Public School District	Rolette County	Westhope
Dunn County	Lidgerwood	Rolette Public School	Wing Public School
Dunseith Public Schools	Litchville / Marion	Roughrider Educational Services	Wyndmere SD
East Central SEU	Maddock Public School		



# August 2022 Board Financial Report

## BALANCE SHEET DETAIL

August 31, 2022

MONTH  
ACTUAL

### ASSETS

NDPHIT Operating Cash	\$ 3,381,131
NDPHIT Deposit Cash	3,129,156
TOTAL CASH EQUIVALENTS	<u>6,510,287</u>

Accounts Receivable	<u>2,770</u>
TOTAL RECEIVABLES	2,770

TOTAL ASSETS	<u>\$ 6,513,057</u>
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## LIABILITIES

Unearned Premium	\$ 8,255
Accounts Payable	1,303,098
MetLife Payable	-
TOTAL ACCOUNTS PAYABLE	<u>1,311,352</u>

IBNR Reserve	<u>1,976,147</u>
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TOTAL LIABILITIES	3,287,499
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## MEMBERSHIP EQUITY

Operating Surplus (Loss)	96,402
Member Deposits	3,129,156
TOTAL MEMBERSHIP EQUITY	<u>3,225,558</u>

TOTAL LIABILITIES AND EQUITY	<u>\$ 6,513,057</u>
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# NDPHIT Support - A Team You Can Trust

## SEEC – NDPHIT Team



**Newly Hired – August 2022**

**Angela Aamodt**

NDPHIT

Benefits & Compliance Manager



**Brenna Janke**

Executive Deputy  
Director of Finance



**Hunter Diegel**

Director of Accounting



## Brown & Brown – NDPHIT Team



Jon Heath

Strategic Consultant



Randall Johnson

Senior Vice President



Stephanie Mace

Benefit Consultant



Mike Lee

Financial Consultant



Megan Karis

Marketing Director



Mariah Marks

Benefit Analyst





# National Resources



## Population Health

**Heather Kopnicky**  
*Health Strategist*

**Louise Short, MD, MSc**  
*National Clinical Leader  
Strategic Benefit Advisors*



## Regulatory & Legislation

**Scott Wold**  
*Assistant VP, Regulatory and  
Legislative Strategy*

**Amanda Olimb**  
*Assistant VP, Regulatory and  
Legislative Strategy*



## Technology

**Steve Piccolino, MBA**  
*Vice President National Benefits  
Technology*

**Catherine Hobbs**  
*Director of Software Implementation*



## Total Rewards & Compensation

**Rebecca Shipley**  
*Senior Vice President and Total  
Rewards Practice Leader*



## Medicare Advocacy

**Gina Schreiber**  
*Senior Vice President Account  
Management*



## Pharmacy

**Frank Bacon**  
*Pharmacy Consultant*

**Tammy Miller, MBA**  
*Vice President, PillarRx  
Consulting, LLC*



## Financial Strategies

**Dave Ross**  
*Executive VP of Underwriting*

**Josh Rydberg**  
*Senior Underwriting Consultant*



## International Benefits

**Rich Scherer**  
*Vice President International Benefits*

**Amy Peterson**  
*Senior Analyst*



## Absence Management Practice

**Daryl Frye, CLMS**  
*Absence Consultant*



## Mental Health

**Joel Axler MD, FAPA**  
*National Behavioral Health Leader*



## Stop Loss and Captives

**Shawn Smith**  
*Senior Managing Director*



## Innovation Hub

**Mimi Tun**  
*Managing Consultant*



## Digital Communications

**Andrea Field**  
*Senior Vice President Retail  
Marketing Strategy*



## Brown and Brown North Dakota Clients

ALERUS



City of Minot  
*North Dakota*



# *NDPHIT Voluntary Wellness* 1% Employer Medical Premium Discount

Supporting Employee Enrollment Education and Health Engagement Goals

## Employee Education with Personal Benefit Counselors

### **COMMUNICATE**

Review Options &  
Employer Initiatives

### **EDUCATE**

Increase Healthcare  
& Benefits Literacy

### **ENGAGE**

Empower Employees to Make  
Informed Benefit Decisions

## NDPHIT Employee Healthy Choice Engagement Program



# Healthy Choice Engagement



- **Patient Care Support**
- **Personal Virtual Health Coaching**  
Sleep, Financial, Stress Management, Weight Management, Career, Tobacco Cessation
- **Wellness, Personal Health Education and Wellness Technology**

**\$250 HealthyBlue  
Employee Reward**

## KNOW YOUR NUMBERS

Health Assessment  
Personal Health Record  
Device and App  
Connection Center

## STAY MOTIVATED AND ENGAGED

Mobile App  
Wellness Challenges  
WebMD Content  
\*Rewards

## FIND COACHING AND ADVICE

Digital  
Health Assistant  
Pregnancy Assistant



Personal Benefit Counselors

# The Value of a Conversation

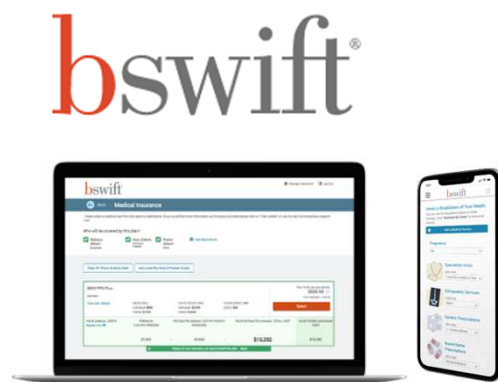
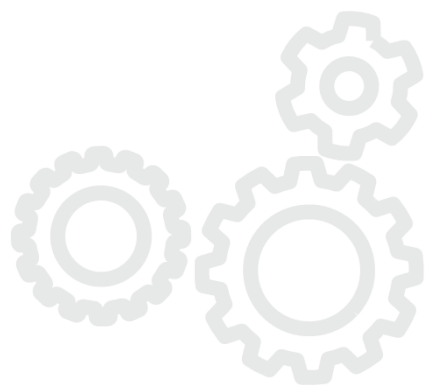
Our Approach

20-30 minutes with each employee discussing enrollment options

- New Insurance Offerings
- Wellness Program Education
- Worksite Voluntary Benefits
- HSA & FSA Employee Education
- Q&A on other employee needs

# B-swift Enrollment

Our EBTech team evaluates and matches a qualified benefits administration solution that best meets the needs of your organization and employees. Our teams are made up of experienced professionals who will both implement the technology platform and provide ongoing support.



## Other Benefits:

Dental

Vision

Life

Disability

Voluntary Benefits

## SERVICES

- Conduct Needs Analysis
- Prepare Vendor Comparison
- Negotiate Prices
- Manage Demos
- Support Vendor Selection
- Oversee Implementation

## TECHNOLOGY SUPPORT TOOLS



Online Benefits  
Enrollment



HRIS



HR, Benefits, Payroll (stand  
alone or integrated)



Decision Support  
Technology



Time and  
Attendance



Employee Self-Service  
(mobile and web)

## OUTCOMES

- Enhance Employee Experience
- Ease Administrative Hassle
- Improve ACA Compliance
- Simplify Open Enrollment
- Accurate Eligibility and Carrier Feeds



# Custom Communications



[ Benefits Guide ]



[ Summary Guide ]



[ Targeted Communications ]



[ Mobile App ]



[ Digital Flipbook ]



RETHINK  
**healthcare.**



**Employee  
Voluntary  
Options**

## Leverage the buying power of North Dakota Public Health Insurance Trust

Navigating the challenges of delivering benefit solutions to meet a diverse, multi-generational workforce is easier when you make the most of your Trust membership.



### Employer and employee-paid benefit solutions

- Dental
- Vision\*
- Supplemental Life and AD&D
- Short Term Disability
- Legal Plans\*\*
- Accident
- Critical Illness
- Hospital Indemnity



- ✓ Dental 90<sup>th</sup> Percentile
- ✓ No Minimum Participation
- ✓ Take over Pre-existing Conditions
- ✓ No waiting periods
- ✓ Pregnancy as any other Illness
- ✓ 1 to 3 Year Rate Guarantee
- ✓ Benefits are paid direct to member
- ✓ Portability

### Savings Per Employee Per Year

Vision, CI, STD, Accident, Cancer

-\$975.24

**15% to 60% lower premium**





# Strategies to Manage Costs

# How to Manage Health Care Cost – Think Differently

“It is the greatest good to the greatest number of people which is the measure of right and wrong.”

Jeremy Bentham,  
English Philosopher

Who are you designing  
your health plan for?

# North Dakota Public Entity Data Trends

North Dakota Public Entities Self-Funded Groups		PPO Plan Employer A	HSA Plan Employer B	PPO/HSA Employer C	PPO Plan Employer D	PPO Plan Employer E
2022	Composite Cost- PEPY	\$ 14,724.84	\$ 12,888.37	\$ 14,035.20	\$13,102.89	\$14,702.80
2023	Composite Cost- PEPY	\$ 15,461.09	\$ 13,520.15	\$ 13,545.10	\$12,322.78	\$13,778.72
	2023 % Change	5%	4.9%	-3.49%	-6.0%	-6.29%
	Actuarial Value	94.1	85.64	86.62/90.75	85.61	81
	Employees	1792	411	1522	854	255
	Annual Cost Difference/Per Employee		-\$1,940.94	-\$1,915.99	-\$3,138.31	-\$1,682.36
	Actuarial Value Difference- Plan Advantage		8.46%	6.35	8.49	13.1
	Grandfather vs Non-Grandfather Plan	Grandfathered	Non-Grandfathered	Non-Grandfathered	Non-Grandfathered	Non-Grandfathered
	Preventative Care	\$30 Co-Pay	\$0 Cost	\$0 Cost	\$0 Cost	\$0 Cost
	Cost Per Covered Employee % Difference to Employer A		-12.55%	-12.4%	-20%	-11%
	Employer A Annual Additional Cost		\$3,476,480	\$3,431,680	\$5,623,296	\$3,014,144



# Risk Pool Management

# RPM Alignment Stabilizes Premium Trend

- RPM Alignment – Minimize Adverse Selection
  - Out of Pocket Maximum Levels
  - Aligned Rate Tiers according to the groups enrollment demographics
  - Aligned Employer Contributions
  - No multiple plan (PPO and HDHP) Funding Difference vs. Actuarial Value
  - Paying employees who don't participate on employers' health insurance
  - Spousal Surcharge

# What Drives Health Insurance Premium Increases?

The factors can increase health plan cost

**Misaligned Employer Contributions** by plans and tiers can understate required revenue

**Rate Tier Factors** are generally not set correctly according to enrolled risk of those tiers

Offering misaligned **Multiple Plans Creates Adverse Selection**... healthy members select lower cost plans

Plan design is immaterial to driving healthcare costs increases... **High Cost Claimants Drive Cost**

**Behavior Economics and Member Choices** are most often misaligned and not considered... **Cost vs. Value**

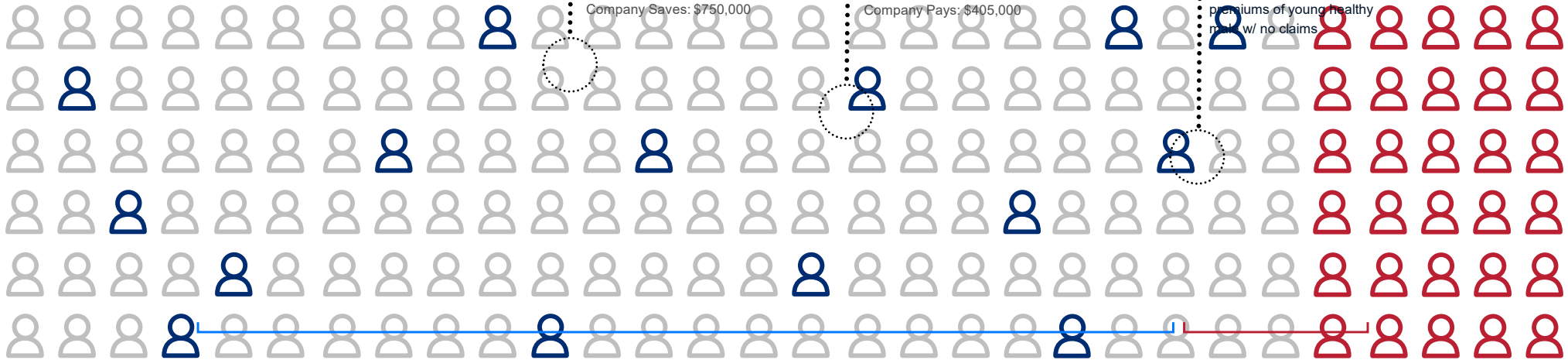
# Risk Pool Management – Focus on Choice

*What choice would you make?*

• John (45)  
• Hemophiliac  
• Cost: \$750,000  
• Your Plan's MOOP: \$5,000  
• Spouse's Plan MOOP: \$3,000  
• Choice: Spouse's plan  
• John Saves: \$2,000  
• Company Saves: \$750,000

• Sarah (58)  
• Transplant  
• Cost: \$410,000  
• Your Plan's MOOP: \$5,000  
• Spouse's Plan MOOP: \$7,000  
• Choice: Your plan  
• Sarah Pays: \$5,000  
• Company Pays: \$405,000

• Stephen (27)  
• No Claims  
• Monthly Premium: \$160  
• Your Deductible: \$3,000  
• Spouse's Deductible: n/a  
• Choice: Waive  
• Result: Company loses premiums of young healthy male w/ no claims



Your Risk Pool

Waivers

**Design**

$$\text{Value} = \frac{\text{GET}}{\text{\$ \$ \$}} = \frac{\text{Design (Design, Copay, MOOP)}}{\text{Contribution (What comes from their paycheck)}}$$

*Who is choosing to elect or not elect your health plan?*



# January Renewal Claims Distribution

**16% of the population accounts for 79% of total paid**

	<<<<<	CLAIM	CHARGES	>>>>>	<<<<<	CLAIMS	PAID	>>>>>
Level of Benefits	Members	Percent of Total Members	Total Charges	Percent of Total Charges	Members	Percent of Total Members	Total Paid	Percent of Total Paid
None	60	2.23	-57.76		105	3.91	-658.05	-.01
\$1 to \$100	72	2.68	4,771.71	.02	165	6.14	10,036.94	.09
\$101 to \$250	195	7.26	36,017.49	.15	338	12.58	59,281.12	.50
\$251 to \$500	244	9.08	89,574.78	.38	356	13.25	131,530.47	1.11
\$501 to \$750	198	7.37	123,594.72	.52	257	9.57	160,147.59	1.36
\$751 to \$1,000	156	5.81	137,227.40	.58	186	6.92	161,893.23	1.37
\$1,001 to \$1,500	240	8.94	296,318.25	1.25	273	10.16	336,848.59	2.85
\$1,501 to \$2,500	329	12.25	645,893.28	2.73	283	10.54	552,541.89	4.68
\$2,501 to \$5,000	400	14.89	1,428,107.10	6.04	293	10.91	1,030,476.42	8.73
\$5,001 to \$10,000	323	12.03	2,287,110.61	9.67	175	6.52	1,240,331.39	10.51
Over \$10,000	469	17.46	18,603,266.73	78.65	255	9.49	8,122,485.59	68.81
<b>TOTAL</b>	<b>2,686</b>	<b>100.00</b>	<b>23,651,824.31</b>	<b>100.00</b>	<b>2,686</b>	<b>100.00</b>	<b>11,804,915.18</b>	<b>100.00</b>

Claims Incurred January 2021 through December 2021

Data Collection & Analysis by PlanIT, LLC



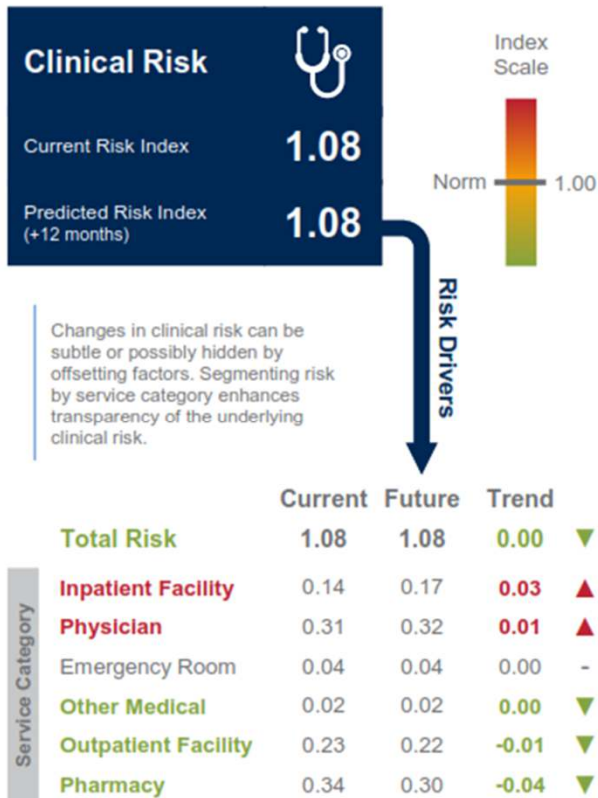


# **NDPHIT Round 1 Clinical and Utilization Trends**

## NDPHIT Plan Cost Drivers - Performance Observations

- + Large Claimants
- + Chronicity and High-Risk Claimants
- + Muscular Skeletal Conditions and Specialty Drugs
- + 2022-2023 large inflationary factors in Medical/Rx Costs Trends
- + COVID claims are still impactful
- + Larger % of 65+ population remaining on the plans and the related higher claims cost

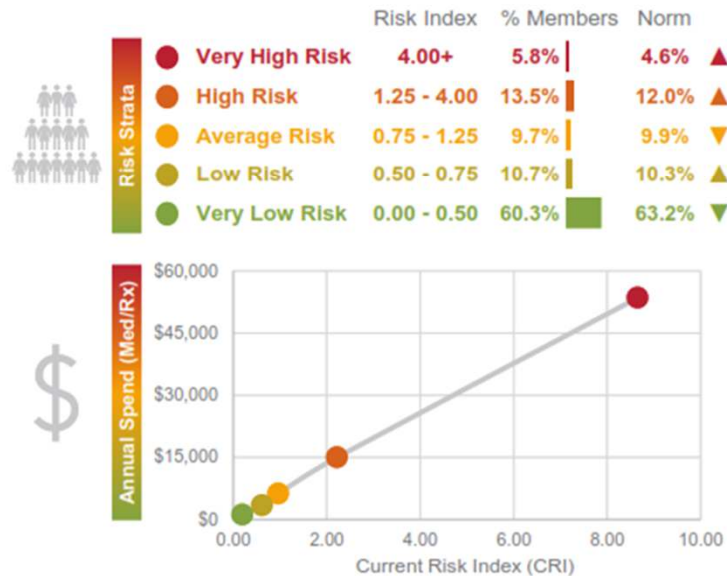
# Clinical Risk Index



## About HPI Advanced Risk Metrics

Membership, medical and/or pharmacy claims are run through an industry-leading clinical risk platform which leverages machine learning algorithms to develop relative risk scores at the member level. The risk scores (or indexes) are based on underlying demographics, clinical markers, comorbidities, medication adherence, etc. Member risk scores are then aggregated and stratified for each customer.

## Population Risk // Associated Claim Spend



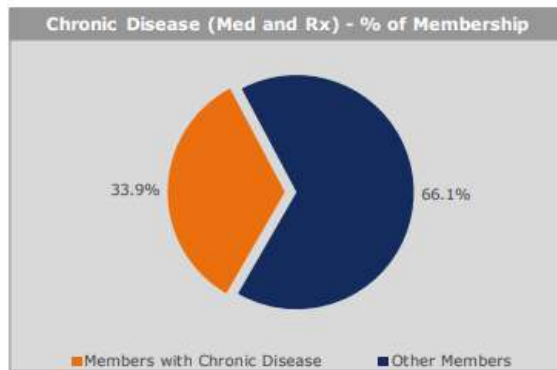
Round 1 Population Risk % of members compared to normative population:

- 26.8% above normative population very high risk
- 12.5% above normative population in high risk

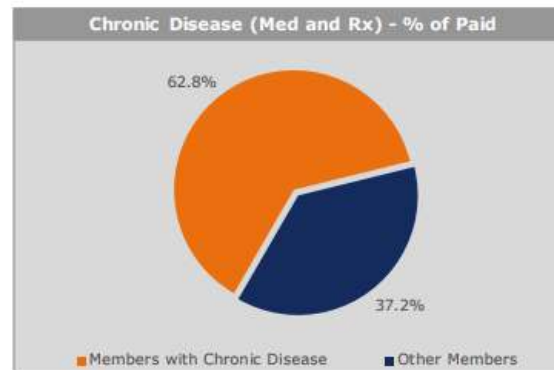
# 2021 Round 1 Chronic Disease Impact

- ✓ Coronary Heart Disease
- ✓ Obesity
- ✓ High Blood Pressure

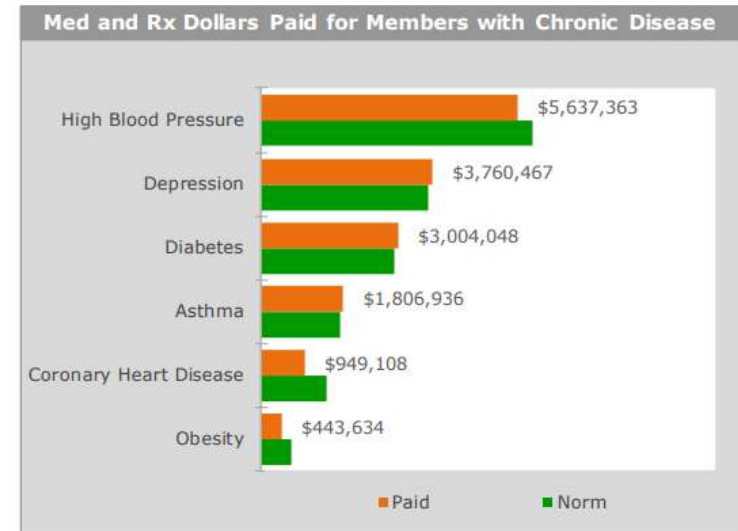
- ✓ Depression
- ✓ Asthma
- ✓ Diabetes




Norm = 29.9%



Norm = 56.9%



		Members	Annual Gross Med & Rx Paid	Average Per Member	Norm
All Members		2,686	\$15,860,029	\$5,905	\$6,285
Members without Chronic Disease		1,775	\$5,897,011	\$3,322	\$3,575
Members with Chronic Disease		911	\$9,963,018	\$10,936	\$11,351
Number of Chronic Risk Factors 	One	657	\$5,343,148	\$8,133	\$8,936
	Two	205	\$3,680,611	\$17,954	\$17,160
	Three or more	49	\$939,259	\$19,169	\$33,188

# High Cost Claimants and Members Eligible for Medicare

## All Members

-At the conclusion of this reporting period, there were 289 members that were 60-64 years old enrolled on the plan.

-At the conclusion of this reporting period, there were 106 members that were over 65+ years old enrolled on the plan.

-At the conclusion of this reporting period, the cost for 65+ members was \$1,587,951. Which was 10% of the total cost for the year.

-Since 2021, the total cost for 65+ year old members was \$1,587,951. Which is 10% of the total costs attributed to 4% of the total population.

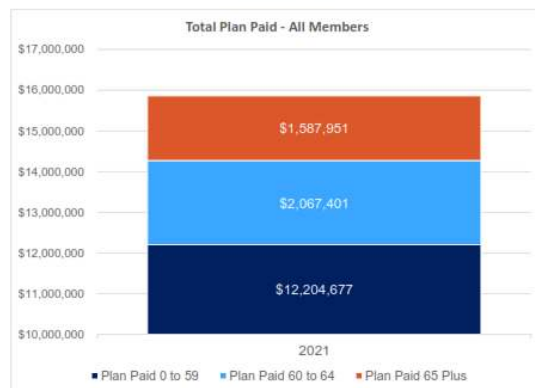
## PMPY

-PMPY of \$ for a 0-59 year old during 99.

-PMPY of \$ for a 60-64 year old during 99.

-PMPY of \$ for a 65+ year old during 99.

## Total Costs



## Employees Only

-At the conclusion of this reporting period, there were 196 employees that were 60-64 years old enrolled on the plan.

-At the conclusion of this reporting period, there were 61 employees that were over 65+ years old enrolled on the plan.

-At the conclusion of this reporting period, the cost for 65+ employees was \$782,630. Which was 9% of the total cost for the year.

-Since 2021, the total cost for 65+ year old employees was \$782,630. Which is 9% of the total costs attributed to 5% of the total population.

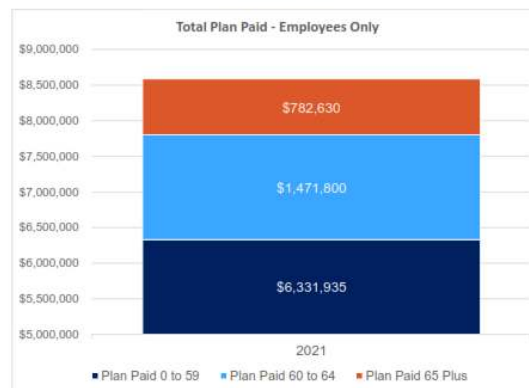
## PEPY

-PEPY of \$ for a 0-59 year old during 99.

-PEPY of \$ for a 60-64 year old during 99.

-PEPY of \$ for a 65+ year old during 99.

## Total Costs



106 (4%) Members 65+ account for \$1,587,951 or 10% of the entire plan cost

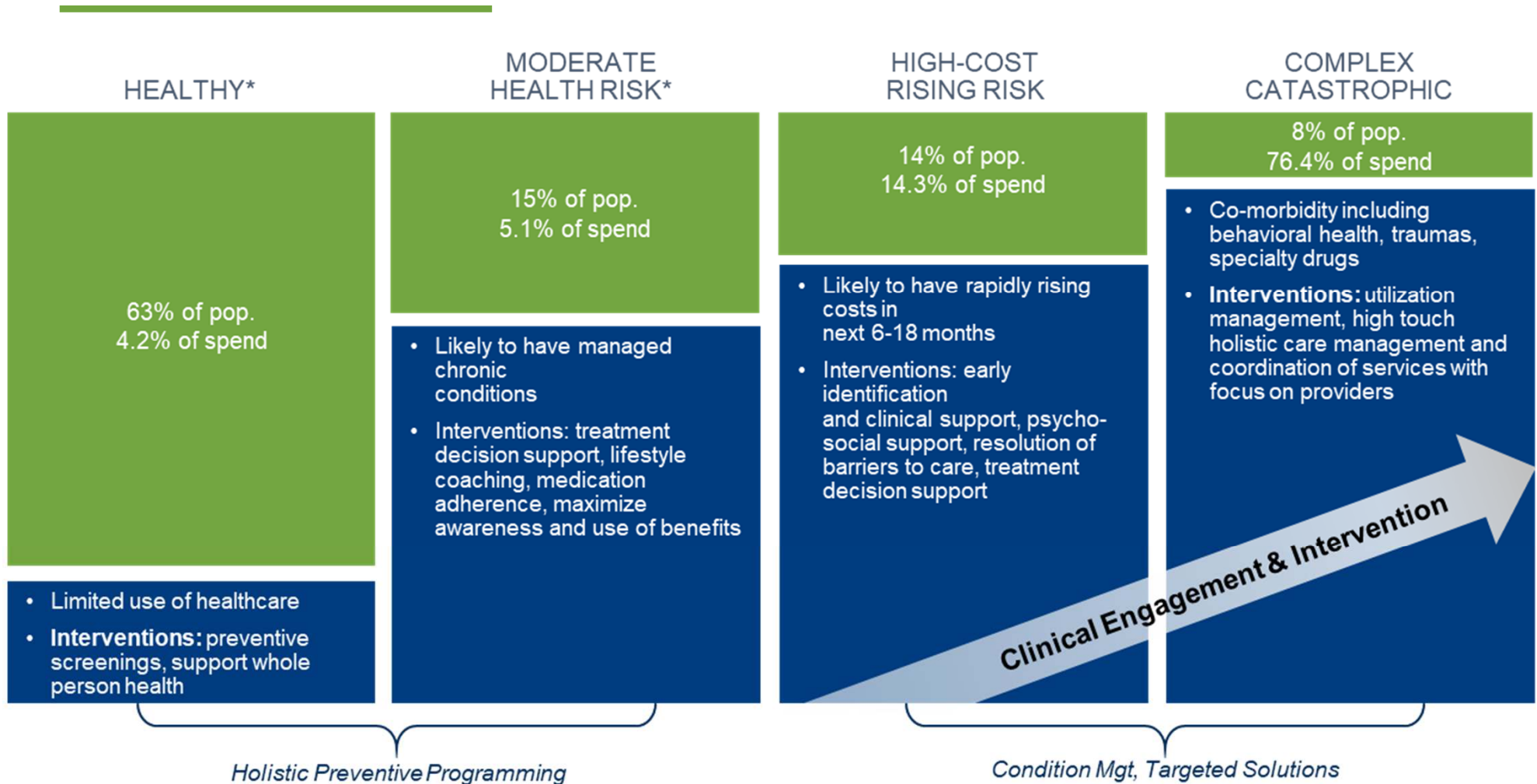
61 (5%) Employees 65+ account for \$782,630 or 9% of the Employee paid cost

Member Education Opportunities about Medicare-Medicare Supplements and Medicare Advantage Plans

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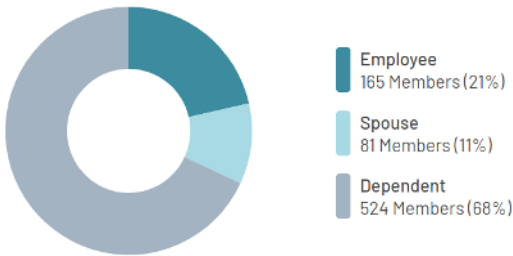
## Population Health – EAP Mental Health

# Population Health Spectrum



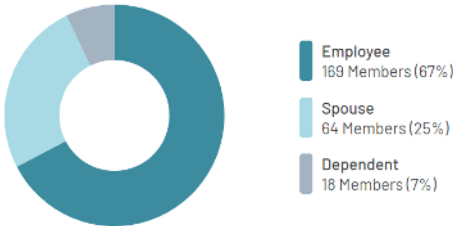
# NDPHIT Wellness – Population Health Opportunities

Preventive Gaps in Care  
Noncompliant Members  
770 (12%)



Claims: May 21 - Apr 22 | Population: 6352

Chronic Condition Gaps In Care  
Noncompliant Members  
251 (4%)



Claims: May 21 - Apr 22 | Population: 6352

Savings Opportunity  
\$651,748

### Comorbid Members

Identified  
549

Members with MH and at least one Chronic Condition

### Forecast: Event Prediction

Forecasted  
395

Type 2 Diabetes: Members Currently Identified or At-Risk

Total Savings Opportunity  
\$1,346,692

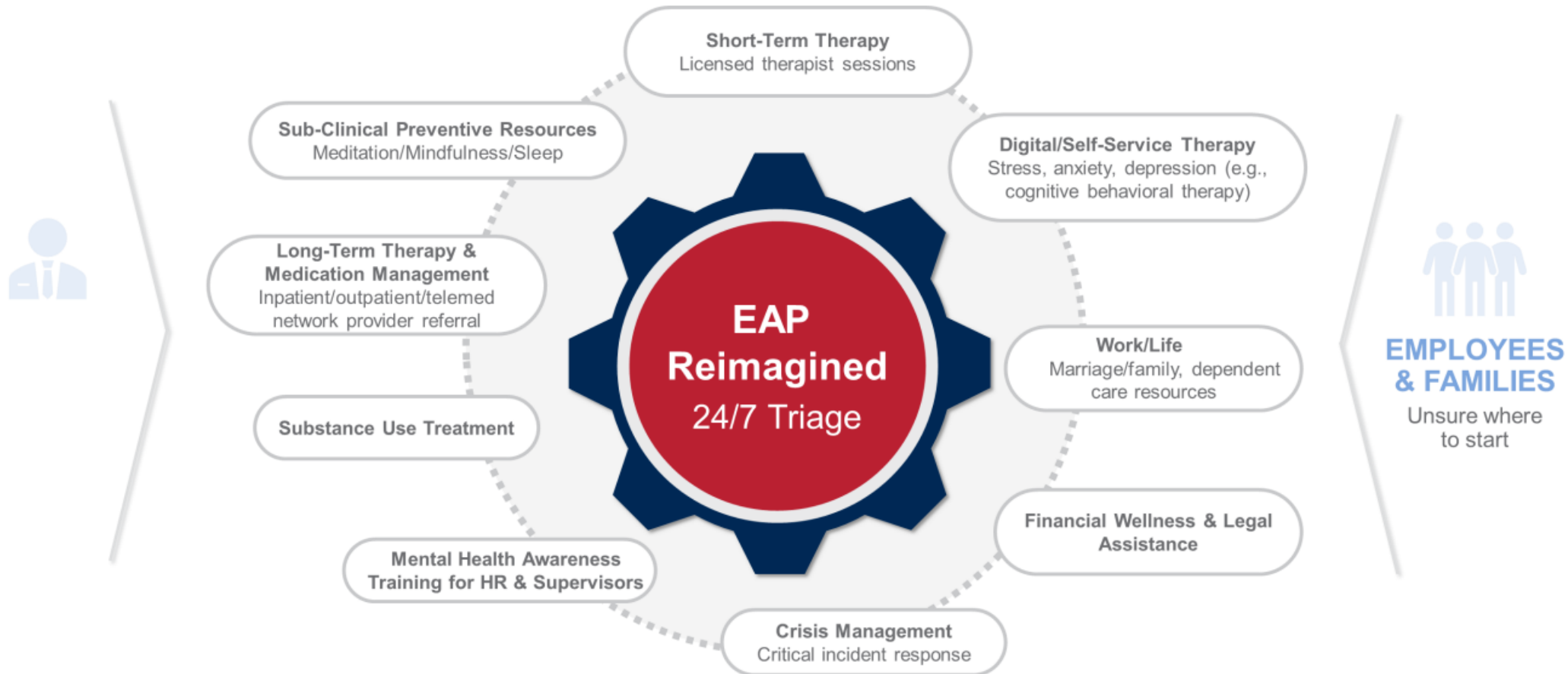
Unique Members Identified  
2,722

549 Members with a Chronic Disease with A Mental Health Condition



# ENI-Population Health-Wellbeing

## EAP Reimagined: The “Mental Health Front Door”



# Population Health-EAP Wellbeing



- Short-term Mental Health Counseling
  - » 24/7/365 Access to the EAP
  - » 8 sessions per year per family member
    - Depression and other behavioral health concerns
    - Family and relationship concerns
    - Grief counseling and medical illness anxiety
    - Concerns related to substance abuse
    - Managing stress and anxiety
- Mental Health Network Coverage
  - » 42,000 mental health counselors across the US
- Total Wellbeing
  - » Clinical
  - » Emotional
  - » Social
  - » Spiritual
  - » Fitness
  - » Nutrition
  - » Stress Management
  - » Lifestyle Balance
  - » Financial & Legal
  - » Rest and Recovery

# Population Health-EAP Wellbeing



- Virtual Concierge Services
  - » Concierge Services
  - » Renter Resources
  - » Simplified Travel Planning
  - » Parental Resources
- Healthcare Navigation
- Healthcare Provider Search
- Healthcare Billing Assistance
- Individualized Total Wellness Support
  - » Wellness Coaching
  - » Wellness Referrals
  - » Fitness and Lifestyle Research
  - » Financial Wellbeing Resources
- Mindfulness Training

# Population Health-EAP Wellbeing

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- HR Support and Training
  - » Risk Management
  - » Digital Program Management
- Organizational Training
- 2 hours Onsite Trauma Response
- 2 hours Mediation Services

# Population Health-Advocacy and Navigation



## Advocacy & Navigation

Concierge/coach and digital technology helps members efficiently navigate their benefits and the health care system

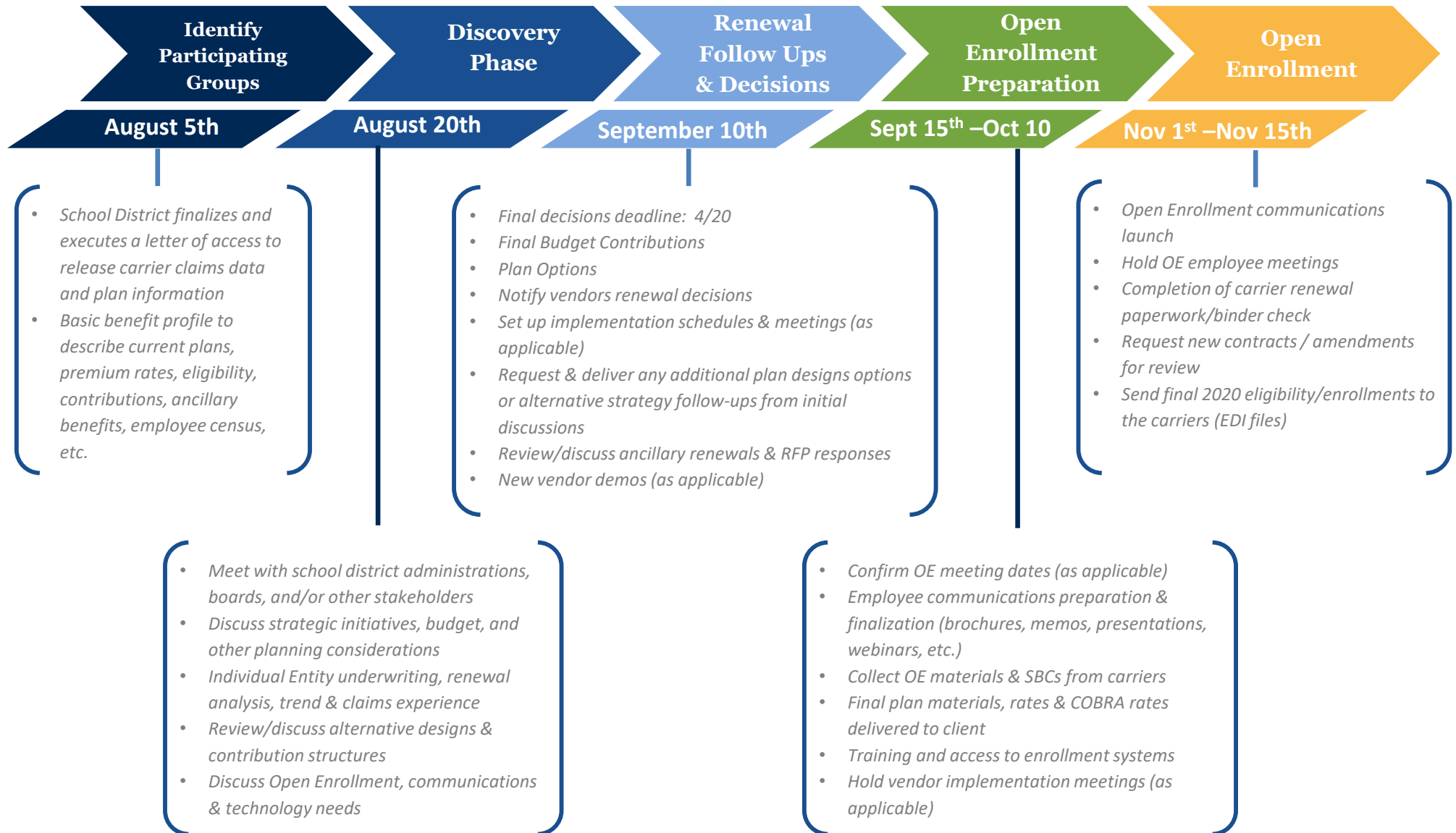
### Value

- Medical cost savings
- Optimizes medical benefits
- Exceptional user satisfaction
- Reduces calls to HR/Benefits

Category	Vendor Capabilities
Target Audience	<ul style="list-style-type: none"> <li>• Employers with 50+ employees</li> <li>• Members with questions about benefits/coverage and/or medical issues</li> <li>• Members with chronic conditions, surgery, complex cases/diagnoses</li> </ul>
Typical Utilization	<ul style="list-style-type: none"> <li>• Up to 15% to 25% of eligible members; Up to 50%+ of high-cost claimants</li> </ul>
Value Proposition	<ul style="list-style-type: none"> <li>• Value add benefit for employees – exceptional user satisfaction</li> <li>• Reduces unnecessary costs and waste in healthcare system</li> <li>• Increases utilization of cost-effective health programs and resources</li> <li>• Educates members to be efficient health care consumers</li> </ul>
Services/Features	<p><b>Benefits Advocacy &amp; Navigation</b> Plan selection, EOBs/bills &amp; coverage questions, access to other benefits</p> <p><b>Care Advocacy &amp; Navigation</b> Provider search/matching, compare procedure/Rx costs, ask a nurse/doc, health literacy</p> <p><b>Clinical Management</b> (certain solutions) Manage/coordinate complex cases, chronic conditions, referral to complementary benefits</p> <p><b>Member Services</b> (certain solutions for self-insured employers) Replaces carrier/TPA member services function</p>
Implementation	<ul style="list-style-type: none"> <li>• Lead Time: 90+ days (6 months+ for carved out clinical/member services)</li> <li>• Required: Eligibility file, vendor contacts, vendor data integration</li> </ul>
Key Performance Metrics	<ul style="list-style-type: none"> <li>• % of high-cost claimants engaged in service</li> <li>• % of members engaged in advance of planned surgeries</li> <li>• Increase utilization of complementary resources/vendors</li> <li>• Medical cost savings (e.g., % difference in client medical trend vs. market)</li> <li>• User satisfaction scores</li> </ul>
Cost	<ul style="list-style-type: none"> <li>• \$3.25 pepm to \$10.00 pepm (plus implementation fee)</li> <li>• With clinical management and member services: \$25+ pepm (plus implementation)</li> </ul>
Performance Guarantees	<ul style="list-style-type: none"> <li>• Engagement, satisfaction, and ROI with varying amounts at risk</li> </ul>



# January 2023 Effective Date







# THANK YOU!

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*“The definition of insanity is doing the same thing over and over again and expecting different results.”*



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