AGENDA

State and Public School Life and Health Insurance Board
Benefits Sub-Committee

December 9, 2016
10:00 a.m.

EBD Board Room – 501 Building, Suite 500

I.	*Call to Order*	*Jeff Altemus, Chairman*
II.	*Approval of November 4, 2016 Minutes*	*Jeff Altemus, Chairman*
III.	*ASE-PSE Financials November, 2016*	*Marla Wallace, EBD Fiscal Officer*
IV.	*ACHI Updates.*	*Mike Motley, Elizabeth Whittington, ACHI*
V.	*Wellness Update*	*David Doctor, Nina Reed, ActiveHealth*
VI.	*Wellness Update*	*Lee Dukes, David Michel, Catapult*
VII.	*Director's Report*	*Chris Howlett, EBD Executive Director*

2017 upcoming meetings:

January 6, 2017, February 10, 2017, March 10, 2017, April 7, 2017

NOTE: All material for this meeting will be available by electronic means only
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Notice: Silence your cell phones. Keep your personal conversations to a minimum.
Observe restrictions designating areas as "Members and Staff only"

State and Public School Life and Health Insurance Board Benefits Sub-Committee Minutes December 9, 2016

The Benefits Sub-Committee of the State and Public School Life and Health Insurance Board (hereinafter called the Committee) met on December 9, 2016, at 10:00 a.m. in the EBD Board Room, 501 Woodlane, Suite 500, Little Rock, Arkansas.

Members Present	Members Absent
Becky Walker	
Dan Honey	
Shelby McCook	
Jeff Altemus	
Claudia Moran	
Ronnie Kissire	
Susan Gardner	
Carla Haugen	
Janis Harrison	

Chris Howlett, Executive Director, Employee Benefits Division (EBD)

Others Present

David Michel, Lee Dukes, CataPult Health; Geri Bemberg, Dwight Davis, Sherry Bryant, UAMS; Stella Greene, Janna Keathley, Marla Wallace, Ethel Whittaker, Eric Gallo, Matt Turner, Terri Freeman, EBD; Jennifer Vaughn, Com Psych; Nina Reed, David Doctor, AHM; Sylvia Landers, Minnesota Life; Bill Clary, H&H; Wayne Whitley, Ronda Walthall AHTD; Kanita Collins, Health Advantage; Karyn Langley, QualChoice; Elizabeth Whittington, Mike Motley, Randy Loggins, ACHI; Suzanne Woodall, MedImpact; Steve Althoff, MTI; Marc Bagby, Lilly; Andy Davis, ADG.

CALL TO ORDER

The meeting was called to order by Jeff Altemus, Chairman

APPROVAL OF MINUTES

A request was made by Altemus to approve the minutes from November 4, 2016. Harrison motioned for adoption of the minutes. Haugen seconded; all were in favor.

Minutes Approved.

ASE PSE FINANCIALS: *by Marla Wallace, EBD Fiscal Officer*

Wallace reported financials for November 2016. For November PSE, four (4) weeks of medical and pharmacy claims were paid. The FICA savings for the month is $487,000. The plan received the quarterly payment of $20 million for funding plan year 2017 from the Department of Education. The Transitional Reinsurance Fee of $745,000 for plan year 2016 was paid. Pursuant to the Affordable Care Act (ACA), no additional payments are required. There was a net gain of $1.7 million for the month and a net gain of $33.5 million year-to-date. Net assets available are $63.6 million.

For ASE the month of November, four (4) weeks of medical and pharmacy claims were paid. The Transitional Reinsurance Fee of $524,000 was paid for 2016. The year-to-date total is $1.18 million. The net gain was $1.4 million for the month, and the year-to-date gain is $21 million. Net assets available are $21 million.

Wallace provided an additional report, which outlines the projected paid claims and expenses compared to the actual totals for the month.

ACHI UPDATES: *by Dr. Mike Motley, Elizabeth Whittington, ACHI*

Motley reported The Choosing Wisely recommendations were developed from evidence review and specialty groups; ACHI is using this framework to inform potential EBD analyses.

We have chosen the choosing wisely and USPSTF pap test recommendation as fist analysis (evidence-based recommendation is only every 3 years for asymptomatic women age 21-65); currently EBD covers annually, while BCBS recently switched to every 3 years for their fully insured line of business.

- For cervical cancer screening, plan to look at how plan member's utilization compares to HEDIS measures.

- From Quality of Care Subcommittee, we are also reviewing cervical cancer rates for this population as requested by a Board member.

- ACHI was also asked to look into HPV vaccination rates for the 9-26 population from a board member; are coordinating with EBRx on collecting this information to further inform this discussion.

Motley reported the Statewide Tracking Report on Payment Improvement Initiative focused on multi-player quality and financial impacts of the patient-center medical homes and Episodes of Care programs in place since 2012.

Motley provided an updated for the Arkansas Works program wellness visit requirement. As previously, reported to the Board, the AR Works legislation requires an annual wellness visit – the incentive is an additional benefit, likely to be dental coverage. ACHI has convened a working group of qualified health plan (QHP) carries, who has landed on a final recommendation to meet the wellness visit requirement.

- In year one, count any office visit to any PCP (excluding ER, hospital and urgent care centers) with an evaluation and management or preventive visit CPT code.

- In year two, count any preventive visit CPT code at any PCP (for new patients, codes are 99381 through 99387, for established patients, codes are 99391 through 99397).

- In year three, count any preventive visit CPT code at beneficiaries' attributed PCP/clinic.

Motley reported the health risk assessment survey analysis is related to the wellness strategy alignment and also establishing a mechanism to evaluate the existing wellness program; can help to further shape where the board wants to take the wellness program.

WELLNESS UPDATE: *by David Doctor, Nina Reed, ActiveHealth*

ActiveHealth's CareEngine insightful guidance helps create healthier members through building awareness, gaining interest, converting, and engaging. Meeting members where they are and recognizing that health is not static. Some of the services provided by ActiveHealth is as follows:

- Biometric Screenings
- Digital Coaching
- Group Coaching
- Onsite Health Programs
- Lifestyle Management
- Disease Management

- Advocacy Support
- Maternity Support
- 24/7 Nurseline
- Clinical “Gap in care” Messaging
- Case and Utilization Management
- Bariatric Management
- Complex Case Management
- Transitions of Care
- Compassionate Care

Onsite health specialist can do more than support engagement. They can also serve as a strategic resource by working in partnership with EBD, assessing the EBD’s wellness program to identify gaps and opportunities for enhancing programs, and providing support and recommendations to foster a strong culture of health.

Harrison inquired regarding the services indicated are those services included with EBD contract services? Doctor said the services indicated are examples of the products available through ActiveHealth, however, they are not services necessarily allocated for EBD.

Harrison inquired regarding the $65.00 payment range in terms of who will be responsible for the fee? Doctor reported the Plan will absorb the fees.

Honey requested information indicating the Return on Investment (ROI). Doctor reported the information will be provided at the next meeting.

McCook has concerns that an annual wellness with no lab work performed is not an effective method to implement. Also, McCook believes the $75.00 discount will not alter positive behavior change.

McCook has additional concerns with the administrative cost of $52 - $56 million the plans spends annually.

Gardner inquired how long is the average tenure of ActiveHealth’s clients? Doctor reported the company gained their first client in 1998 and they remain with ActiveHealth today.

Gardner requested historic data that indicates improvement in the health of the members. Doctor reported the information will be provided.

WELLNESS UPDATE: *by Lee Dukes, David Michel, Catapult*

Catapult delivers Preventive Checkups at worksites across the country. Catapult is an on-site clinical provider.

- Convenient: 30-40 minute checkups performed at the worksite in just one visit, labs processed onsite in real time
- Efficient: Each checkup includes diagnostic blood tests, medical history, physical measurements & clinical consultation with a board certified Nurse Practitioner
- Cost Effective: A clinical preventative checkup at about half the cost ($130) of brick and mortar checkups ($200-$300)
- Highly Impactful: Cohort studies show greatly reduced health risks for Diabetes, Hypertension & Heart Disease

Dukes reported that there is no implementation fee, no setup fee, and no travel fee.

Howlett inquired where can the members access the data from their visits?

Dukes reported members will have immediate access to the data results from their visit via their mobile device. The Nurse Practitioner recommendations are essential to the member. Dukes reported the assigned personnel will interpret the clinical results and provide an action plan. The members can receive results on their tablet and phone. The results will be provided to the patient's PCP as well.

Harrison inquired what is the relationship between Catapult and BlueCross and BlueShield.

Dukes reported Catapult is an in-network provider for BlueCross with provider agreements.

Harrison inquired is Catapult a provider for additional businesses in Arkansas? Dukes reported Catapult is not a provider of other health plans in Arkansas. Dukes reported Catapult has established many provider relationships across the United States.

McCook reported if the plan included retirees they would need to be billed through BlueCross and BlueShield.

Moran reported the division would need to accept a Catapult visit instead of a PCP visit.

Howlett requested the committee refer additional questions for Catapult to him by December 16th.

EBD DIRECTOR'S REPORT: *by Chris Howlett, EBD Executive Director*

Howlett reported the wellness numbers as requested in the last meeting. Out of 71,346 eligible members 62,757 (88%) met the requirements with 8,589 (12%) not meeting the requirements. ASE had 22,398 met with 3,646 not met. PSE had 40,359 met and 4,943 not met.

Those who had a wellness visit but did not participate in the health assessment was 72,081. There are 1,001 who took the health assessment but did not have a wellness visit.

Of the eligible members, (71,346) 63,270 met the requirements and 28,841 did not meet the requirements. Of the spouses, 7,783 met the requirements and 6,402 did not meet the requirements.

HHS Mandate 1557 is still in review in a Texas court along with the "Bathroom mandate." More information will be provided as it becomes available.

The actuarial services contract was awarded to Milliman Inc. However, upon protesting Cheiron received the contract as follows; a one-year initial contract with six (6) one year options. The contract is a paid by use plan costing $463,000 annually.

The medical management transition is moving forward with positive results. After discussion there will be a March 1, 2017 implementation date.

Shelby motioned for approval of a $3 increase per budget position for 2017. Harrison seconded.

Motion approved.

The WageWorks to DataPath transition has begun. The division was not successful with negotiating WageWorks absorbing additional fees. Therefore, Howlett issued a letter to terminate service with WageWorks effective 12/31/16 due to potential contract disagreements.

Howlett is requesting the committee to consider paying the $16 fee to WageWorks to transfer funds with balances of $100 or more. The fees will be paid from the trust fund.

Harrison motioned to pay the $16 transfer fee for ASE and PSE participants with HSA and Cobra accounts, for any amount that is $100 or more. Haugen seconded.

Motion approved.

Howlett reported the Public Schools have the option to continue business with WageWork. However, EBD will not be responsible for associated fees. The total fee amount is $223,500 for 12,000 PSE members, and 1,300 ASE members.

Mandatory opt-in participation for case management, disease management, and various programs, was tabled until January 6th, 2017 pending additional information.

Harrison motioned to adjourn. Haugen seconded; all were in favor.

Meeting adjourned

Arkansas State Employees (ASE) Financials - January 1, 2015 through November 30, 2015

	EMPLOYEE ONLY					EMPLOYEE + DEPENDENTS			
	ACTIVES	RETIREES	MEDICARE	TOTAL		ACTIVES	RETIREES	MEDICARE	TOTAL
BASIC	1039	23		**1062**		1764	39		**1803**
CLASSIC	1814	69		**1883**		3085	98		**3183**
PREMIUM	23626	2167		**25793**		41306	2800		**44106**
PRIMARY		205	9011	**9216**			420	11812	**12232**
TOTAL	**26479**	**2464**	**9011**	**37954**		**46155**	**3357**	**11812**	**61324**

REVENUES & EXPENDITURES

		Current Month	Year to Date (11 Months)
	Funding		
1	State Contribution	$ 14,694,568	$ 159,625,256
2	Employee Contribution	$ 7,870,149	$ 87,466,287
3	Other	$ 485,343	$ 11,498,868
4	Allocation for Actives - Plan Year 2015	$ 971,667	$ 10,688,333
	Total Funding	$ 24,021,727	$ 269,278,745
	Expenses		
	Medical Expenses		
5	Claims Expense	$ 14,698,371	$ 150,901,889
6	Claims IBNR	$ -	$ -
7	Medical Administration Fees	$ 1,258,355	$ 12,034,456
8	Refunds	$ -	$ (89,076)
9	Employee Assistance Program (EAP)	$ 55,516	$ 615,973
10	Life Insurance	$ 54,160	$ 600,823
	Pharmacy Expenses		
11	RX Claims	$ 6,003,555	$ 66,730,574
12	RX IBNR	$ -	$ -
13	RX Administration	$ 208,583	$ 2,318,930
14	Plan Administration	$ 1,252,517	$ 6,351,506
	Total Expenses	$ 23,531,057	$ 239,465,075
15	**Net Income/(Loss)**	$ 490,670	$ 29,813,670

BALANCE SHEET

	Assets	
16	Bank Account	$ 3,887,654
17	State Treasury	$ 90,332,480
18	Due from Cafeteria Plan	$ 5,195,886
19	Due from PSE	$ -
20	Receivable from Provider	$ -
21	Accounts Receivable	$ (178,643)
	Total Assets	$ 99,237,377
	Liabilities	
22	Accounts Payable	$ 654
23	Deferred Revenues	$ 1,260
24	Due to Cafeteria	$ 259
25	Due to PSE	$ -
26	Due to Federal Government ($44 fee)	$ 2,005,433
27	Health IBNR	$ 24,700,000
28	RX IBNR	$ 1,800,000
	Total Liabilities	$ 28,507,606
	Net Assets	$ 70,729,771
	Less Reserves Allocated	
29	Premiums for Plan Year 1/1/15 - 12/31/15 ($6,260,000 + $5,400,000)	$ (971,667)
30	Premiums for Plan Year 1/1/16 - 12/31/16 ($3,600,000 + $12,600,000)	$ (16,200,000)
31	Premiums for Plan Year 1/1/17 - 12/31/17 ($7,560,000))	$ (7,560,000)
32	Premiums for Plan Year 1/1/18 - 12/31/18 ($5,040,000)	$ (5,040,000)
33	Catastrophic Reserve (2015 $10,400,000)	$ (10,400,000)
34	**Net Assets Available**	$ 30,558,105

35 Fifth Week of Claims $

Arkansas State Employees (ASE) Financials - January 1, 2016 through November 30, 2016								
	EMPLOYEE ONLY					EMPLOYEE + DEPENDENTS			
	ACTIVES	RETIREES	MEDICARE	TOTAL		ACTIVES	RETIREES	MEDICARE	TOTAL
BASIC	1368	42		1410		2224	57		2281
CLASSIC	1847	66		1913		3072	90		3162
PREMIUM	22610	2146		24756		39379	2744		42123
PRIMARY		203	9418	9621			419	12292	12711
TOTAL	25825	2457	9418	37700		44675	3310	12292	60277

	REVENUES & EXPENDITURES		
		Current Month	Year to Date (11 Months)
	Funding		
1	State Contribution	$ 14,585,592	$ 161,437,360
2	Employee Contribution	$ 7,834,369	$ 87,174,551
3	Other	$ 472,862	$ 11,380,614
4	Allocation of Reserves	$ 1,350,000	$ 14,850,000
	Total Funding	$ 24,242,823	$ 274,842,525
	Expenses		
	Medical Expenses		
5	Claims Expense	$ 14,756,786	$ 160,577,089
6	Claims IBNR	$ -	$ 3,300,000
7	Medical Administration Fees	$ 1,088,677	$ 12,064,749
8	Refunds	$ -	$ 265
9	Employee Assistance Program (EAP)	$ 54,464	$ 604,310
	Life Insurance	$ 78,328	$ 868,885
	Pharmacy Expenses		
11	RX Claims	$ 5,840,577	$ 69,133,301
12	RX IBNR	$ -	$ (100,000)
13	RX Administration	$ 107,051	$ 1,856,960
14	Plan Administration	$ 876,027	$ 5,511,196
	Total Expenses	$ 22,801,910	$ 253,816,755
15	**Net Income/(Loss)**	$ 1,440,913	$ 21,025,771

	BALANCE SHEET	
	Assets	
16	Bank Account	$ 8,437,428
17	State Treasury	$ 91,246,503
18	Due from Cafeteria Plan	$ 5,018,599
19	Due from PSE	$ (1,400)
20	Receivable from Provider	$ -
21	Accounts Receivable	$ (234,570)
	Total Assets	$ 104,466,560
	Liabilities	
22	Accounts Payable	$ 750
23	Deferred Revenues	$ 3,477
24	Due to Cafeteria	$ (1,400)
25	Due to PSE	$ -
26	Due to Federal Government ($27 fee)	$ 1,188,490
27	Health IBNR	$ 28,000,000
28	RX IBNR	$ 1,700,000
	Total Liabilities	$ 30,891,316
	Net Assets	$ 73,575,243
	Less Reserves Allocated	
29	Premiums for Plan Year 1/1/16 - 12/31/16 ($3,600,000 + $12,600,000)	$ (1,350,000)
30	Premiums for Plan Year 1/1/17 - 12/31/17 ($7,560,000 +13,770,000)	$ (21,330,000)
31	Premiums for Plan Year 1/1/18 - 12/31/18 ($5,040,000 + 8,262,000)	$ (13,302,000)
	Premiums for Plan Year 1/1/19 - 12/31/19 ($5,508,000)	$ (5,508,000)
32	Catastrophic Reserve (2016 $10,700,000)	$ (10,700,000)
33	**Net Assets Available**	$ 21,385,243

34 Fifth Week of Claims $

Public School Employees (PSE) Financials - January 1, 2015 through November, 2015

	EMPLOYEE ONLY				EMPLOYEE + DEPENDENTS			
	ACTIVES	RETIREES	MEDICARE	TOTAL	ACTIVES	RETIREES	MEDICARE	TOTAL
BASIC	2851	224		**3075**	4198	280		**4478**
CLASSIC	21611	1874		**23485**	39767	2286		**42053**
PREMIUM	19889	1150		**21039**	25648	1232		**26880**
PRIMARY		97	10524	**10621**		196	11490	**11686**
TOTAL	**44351**	**3345**	**10524**	**58220**	**69613**	**3994**	**11490**	**85097**

REVENUES & EXPENDITURES

		Current Month	Year to Date (11 Months)
	Funding		
1	Per Participating Employee Funding (PPE Funding)	$ 8,143,175	$ 89,581,037
2	Employee Contribution	$ 9,082,250	$ 100,246,124
3	Department of Education $35,000,000 & $15,000,000 & Other Funding	$ 23,181,818	$ 83,112,135
4	Other	$ 477,057	$ 6,661,833
5	Allocation for Actives	$ 1,666,667	$ 18,333,333
	Total Funding	$ 42,550,967	$ 297,934,462
	Expenses		
	Medical Expenses		
6	Claims Expense	$ 15,232,215	$ 160,975,204
7	Claims IBNR	$ -	$ -
8	Medical Administration Fees	$ 1,794,593	$ 17,473,226
9	Refunds	$ -	$ (66,503)
10	Employee Assistance Program (EAP)	$ 76,674	$ 840,655
	Pharmacy Expenses		
11	RX Claims	$ 4,327,444	$ 43,630,815
12	RX IBNR	$ -	$ -
13	RX Administration	$ 296,900	$ 3,213,523
14	Plan Administration	$ 1,644,589	$ 8,345,026
	Total Expenses	$ 23,372,414	$ 234,411,947
15	**Less Allocation for Plan Year 2016**	$ 20,000,000	$ 20,000,000
16	**Net Income/(Loss)**	$ (821,447)	$ 43,522,515

BALANCE SHEET

	Assets	
17	Bank Account	$ 36,797,625
18	State Treasury	$ 81,730,173
19	Receivable from Provider	$ -
20	Accounts Receivable	$ 4,868,867
21	Due from ASE	$ -
	Total Assets	$ 123,396,665
	Liabilities	
22	Accounts Payable	$ 379
23	Due to ASE	$ -
24	Deferred Revenues	$ -
25	Due to Federal Government ($44 fee)	$ 2,813,977
26	Health IBNR	$ 28,000,000
27	RX IBNR	$ 1,400,000
	Total Liabilities	$ 32,214,356
28	**Net Assets**	$ 91,182,309
	Less Reserves Allocated	
29	Premiums for Plan Year 1/1/15 - 12/31/15 ($20,000,000 rec'd from Dept. of Education)	$ (1,666,667)
30	Premiums for Plan Year 1/1/16 - 12/31/16 ($9,600,000 + $20,000,000 DOE)	$ (29,600,000)
31	Premiums for Plan Year 1/1/17 - 12/31/17 ($5,760,000)	$ (5,760,000)
32	Premiums for Plan Year 1/1/18 - 12/31/18 ($3,840,000)	$ (3,840,000)
33	Premium Assistance (FICA Savings)	$ (5,134,571)
34	Catastrophic Reserve (2015 $10,900,000)	$ (10,900,000)
35	**Net Assets Available**	$ 34,281,071

36 Fifth Week of Claims $

Public School Employees (PSE) Financials - January 1, 2016 through November 30, 2016

	EMPLOYEE ONLY					EMPLOYEE + DEPENDENTS			
	ACTIVES	RETIREES	MEDICARE	TOTAL		ACTIVES	RETIREES	MEDICARE	TOTAL
BASIC	3586	336		**3922**		5364	413		**5777**
CLASSIC	22386	2032		**24418**		41659	2460		**44119**
PREMIUM	18778	911		**19689**		24638	974		**25612**
PRIMARY		78	11299	**11377**			160	12314	**12474**
TOTAL	**44750**	**3357**	**11299**	**59406**		**71661**	**4007**	**12314**	**87982**

REVENUES & EXPENDITURES

		Current Month	Year to Date (11 Months)
	Funding		
1	Per Participating Employee Funding (PPE Funding)	$ 8,116,882	$ 89,039,628
2	Employee Contribution	$ 9,368,266	$ 102,402,143
3	Department of Education $35,000,000 & $15,000,000 & Other Funding	$ 23,181,818	$ 66,818,182
4	Other	$ 540,793	$ 7,126,407
5	Allocation of Reserves	$ 3,975,000	$ 43,725,000
	Total Funding	$ 45,182,759	$ 309,111,360
	Expenses		
	Medical Expenses		
6	Claims Expense	$ 16,205,513	$ 179,162,609
7	Claims IBNR	$ -	$ 2,000,000
8	Medical Administration Fees	$ 1,666,193	$ 18,129,138
9	Refunds	$ -	$ -
10	Employee Assistance Program (EAP)	$ 77,331	$ 844,403
	Pharmacy Expenses		
11	RX Claims	$ 4,153,479	$ 45,784,386
12	RX IBNR	$ -	$ (300,000)
13	RX Administration	$ 161,183	$ 2,685,546
14	Plan Administration	$ 1,157,739	$ 7,209,626
	Total Expenses	$ 23,421,439	$ 255,515,707
16	**Net Income/(Loss)**	$ 21,761,320	$ 53,595,653
17	**Allocated for Plan Year 2017 (Department of Eduction Funding)**	$ (20,000,000)	$ (20,000,000)
		$ 1,761,320	$ 33,595,653

BALANCE SHEET

	Assets	
18	Bank Account	$ 15,098,757
19	State Treasury	$ 105,339,658
20	Receivable from Provider	$ -
21	Accounts Receivable	$ 24,993,952
22	Due from ASE	$ -
	Total Assets	$ 145,432,366
	Liabilities	
23	Accounts Payable	$ 198
24	Due to ASE	$ (1,400)
25	Deferred Revenues	$ 303
26	Due to Federal Government ($27 fee)	$ 1,755,987
27	Health IBNR	$ 30,000,000
28	RX IBNR	$ 1,100,000
	Total Liabilities	$ 32,855,088
29	**Net Assets**	$ 112,577,278
	Less Reserves Allocated	
30	Premiums for Plan Year 1/1/16 - 12/31/16 ($9,600,000 + $20,000,000 DOE + 18,100,000 DOE)	$ (3,975,000)
31	Premiums for Plan Year 1/1/17 - 12/31/17 ($5,760,000+$20,000,000 DOE)	$ (25,760,000)
32	Premiums for Plan Year 1/1/18 - 12/31/18 ($3,840,000)	$ (3,840,000)
33	Premium Assistance (FICA Savings)	$ (4,852,654)
34	Catastrophic Reserve (2016 $10,500,000)	$ (10,500,000)
35	**Net Assets Available**	$ 63,649,624

36 Fifth Week of Claims $

PROJECTED PAID CLAIMS AND EXPENSES BY MONTH

PSE

2016 November

Medical Claims

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
19,780,000	16,205,513	(3,574,487)	195,270,000	181,162,609	(14,107,391)

Pharmacy Claims

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
4,820,000	4,153,479	(666,521)	46,700,000	45,484,386	(1,215,614)

Expenses/Other

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
2,566,333	3,062,446	496,113	28,433,330	28,868,713.00	435,383

ASE

2016 November

Medical Claims

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
15,170,000	14,756,786	(413,214)	169,300,000	163,877,089	(5,422,911)

Pharmacy Claims

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
5,950,000	5,840,577	(109,423)	68,620,000	69,033,301	413,301

Expenses/Other

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
1,939,041	2,204,547	265,506	21,110,410	20,906,365.00	(204,045)

PROJECTED PAID CLAIMS AND EXPENSES BY MONTH

PSE

2016 October

Medical Claims

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
18,520,000	15,434,845	(3,085,155)	175,490,000	164,957,096	(10,532,904)

Pharmacy Claims

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
4,610,000	4,231,782	(378,218)	41,880,000	41,330,907	(549,093)

Expenses/Other

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
2,566,333	2,359,987	(206,346)	26,013,330	25,806,265.00	(207,065)

ASE

2016 October

Medical Claims

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
15,680,000	13,422,955	(2,257,045)	154,130,000	149,120,303	(5,009,697)

Pharmacy Claims

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
5,890,000	6,026,742	136,742	62,670,000	63,192,724	522,724

Expenses/Other

PROJECTED Monthly Amount	ACTUAL Monthly Amount	DIFFERENCE Monthly Amount	PROJECTED YTD Total	ACTUAL YTD Total	DIFFERENCE YTD Total
1,939,041	1,750,729	(188,312)	19,270,410	18,701,818.00	(568,592)

PROJECTED PAID CLAIMS AND EXPENSES BY MONTH

		Medical		Pharmacy		Expenses/Other	
		Monthly Amount	YTD Total	Monthly Amount	YTD Total	Monthly Amount	YTD Total
PSE							
2016	October	18,520,000	175,490,000	4,610,000	41,880,000	2,420,000	24,550,000
	November	19,780,000	195,270,000	4,820,000	46,700,000	2,420,000	26,970,000
	December*	25,010,000	220,280,000	6,490,000	53,190,000	2,420,000	29,390,000
2017	January	17,680,000	17,680,000	2,850,000	2,850,000	2,750,000	2,750,000
	February	15,010,000	32,690,000	3,680,000	6,530,000	2,750,000	5,500,000
	March	15,300,000	47,990,000	4,590,000	11,120,000	2,750,000	8,250,000
	April	14,290,000	62,280,000	3,980,000	15,100,000	2,750,000	11,000,000
	May	14,550,000	76,830,000	4,130,000	19,230,000	2,750,000	13,750,000
	June	24,870,000	101,700,000	6,500,000	25,730,000	2,750,000	16,500,000
	July	13,910,000	115,610,000	3,320,000	29,050,000	2,750,000	19,250,000
	August	20,030,000	135,640,000	4,600,000	33,650,000	2,750,000	22,000,000
	September	23,360,000	159,000,000	6,050,000	39,700,000	2,750,000	24,750,000
	October	17,540,000	176,540,000	5,000,000	44,700,000	2,750,000	27,500,000
	November	19,300,000	195,840,000	5,360,000	50,060,000	2,750,000	30,250,000
	December	24,900,000	220,740,000	7,090,000	57,150,000	2,750,000	33,000,000
ASE							
2016	October	15,680,000	154,130,000	5,890,000	62,670,000	1,840,000	18,280,000
	November	15,170,000	169,300,000	5,950,000	68,620,000	1,840,000	20,120,000
	December	20,110,000	189,410,000	7,480,000	76,100,000	1,840,000	21,960,000
2017	January	14,430,000	14,430,000	5,420,000	5,420,000	1,980,000	1,980,000
	February	14,060,000	28,490,000	6,500,000	11,920,000	1,980,000	3,960,000
	March	16,580,000	45,070,000	7,620,000	19,540,000	1,980,000	5,940,000
	April	14,450,000	59,520,000	6,310,000	25,850,000	1,980,000	7,920,000

May	14,780,000	74,300,000	6,170,000	32,020,000	1,980,000	9,900,000
June	23,060,000	97,360,000	9,550,000	41,570,000	1,980,000	11,880,000
July	11,290,000	108,650,000	4,710,000	46,280,000	1,980,000	13,860,000
August	15,200,000	123,850,000	6,320,000	52,600,000	1,980,000	15,840,000
September	19,970,000	143,820,000	8,210,000	60,810,000	1,980,000	17,820,000
October	15,670,000	159,490,000	6,460,000	67,270,000	1,980,000	19,800,000
November	16,370,000	175,860,000	6,710,000	73,980,000	1,980,000	21,780,000
December	19,940,000	195,800,000	8,250,000	82,230,000	1,980,000	23,760,000

** Transitional reinsurance fee for 2016 not included in the figures above*

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Strategic Partner

- Evidence-based health and well-being solutions, with proven benefits in quality improvement and cost savings to **over 23 million individuals**
- **Broad, national customer base** includes State, public sector, self-funded employers, health plans, health systems, TPAs, IPAs, CINs and ACOs
- **Unparalleled analytic power - 160+ data experts**, supporting over 1,500 data formats (clinical, financial & administrative) from nearly 300 data suppliers (including 45 payers)
- **Patented CareEngine® -** developed by physicians, for physicians - foundation of our services, providing actionable clinical analytics and decision support
- **Regional model** with Chicago office supporting EBD with onsite liaison in Little Rock, AR

Founded in 1998

1,000+ employees

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Differentiators

CARE ENGINE INTELLIGENCE PLATFORM
Personalized insights and analytics drive more meaningful engagement and relevant care management

DATA SYNCHRONIZATION
Real time data, expanded sources and types—and ability to ingest big data

ENHANCED ANALYTICS
Deeper insights, refreshed monthly with more predictive models

INTELLIGENT OUTREACH
Precise, personalized and integrated messaging, based on member segments and insights

ENGAGEMENT
Multi-modalities (with preference), integrated and aligned content leveraging motivational interviewing engagement framework

REPORTING
Clear demonstration of impact and value, each step of the way

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Driving Healthy Behaviors

Wellness Overview

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Our philosophy on behavior change

While there are many aspects to behavior change (with many theories), we **embrace** and **focus on three proven practices**:

20 to 50%
increase in engagement
shown with MI
at no added cost[1]

Building a **strong "why"**

Our approach is rooted in the principles of **"self-determination theory"** and enables us to help people, based on their personal path

Creating a precise, **personalized "how"**

We use a variety of cognitive and behavioral techniques across all our services

Leveraging nudges to **keep people motivated**

We help get individuals to the party (helps motivate the "why" and "how") and then stimulate the ongoing actions (selectively and strategically) **Motivational interviewing** techniques are **integrated across our programs,** modalities of **outreach** and **communications**

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Engagement options from high-touch to high-tech

We understand the need to augment traditional care management models with technologies that meet people where they are

- **One-on-one support** services focus on high opportunities
- While our **online group meetings** focuses on moderate risk
- And **digital coaching** targets individuals with the lowest risk
- **Onsite services** are also available using the same, deep clinical expertise available in all of our care management offerings

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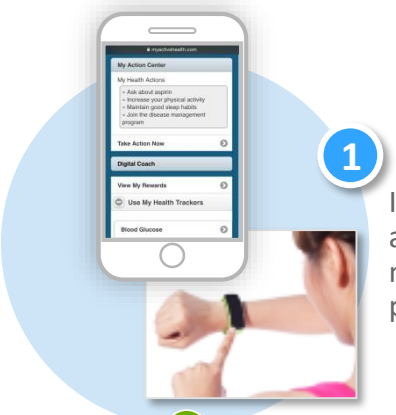
It works better…together

Taking wellness further with the MyActiveHealth personalized engagement platform

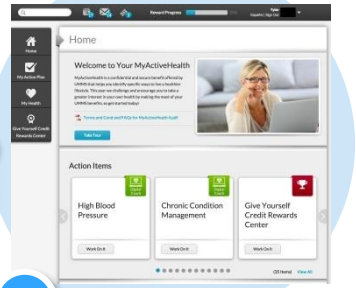
Total interconnectivity:

- Comprehensive health data capture, with deep analysis
- Precise, evidence-based health action messaging
- Digital coaching and other health support
- Integrated incentives/rewards



1

Information/data capture (health assessment, tracking, etc.) from mobile, event or device drives personalized insights (CareEngine)

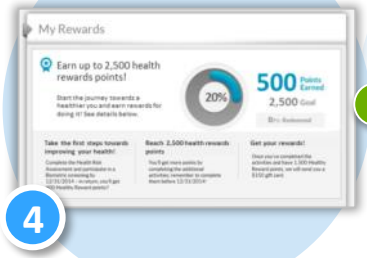


2

CareEngine delivers insights and recommended actions via MyActiveHealth as Health Actions

3

Health Actions drive to engagement in programs, such as digital coaching (or group coaching or 1:1); MAH provides other resources and information



4

We reward for information and behaviors – tracked within the fully integrated Rewards Center

Driving meaningful engagement

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2015 Executive Summary Report

26,426
Events Conducted in 2015

99.5%	98.9%	99.8%	<24 HR
Participant Satisfaction Rating	Health Professional Attendance	Quality, Error-Free Rating	Speed of Results Delivery

Highest quality and consistency

- **Credentialed network of 10k+ Health Professionals** with training on client-specific requirements
- **Event Management System℠** allows us to manage your events end to end: planning, staffing, training, event execution and reporting

Superior data access and personalized engagement

- **Tablet technology** automates onsite paperless applications and delivers quality, consistency, and fast data transmission
- **Industry leading accuracy and turnaround time** of biometrics and lab data
- **On-site health consultation** will be tailored to drive engagement into ActiveHealth wellness and disease management

Flexible screening solution

- **Maximum compliance** with legal, clinical and regulatory requirements
- **Walk-in labs, physicians forms, individual screenings and more**

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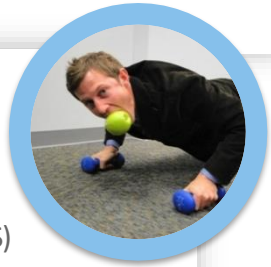
Well-being coaches with extensive experience

Natalie

- MPH in Health Behavioral Health Education from Univ of Michigan
- ACSM Certified WellCoach & Personal Trainer
- Tobacco Dependence Treatment Specialist trained at UMDNJ



Gabe

- MS in Nutrition with focus in clinical dietetics
- Certified Strength & Condition Specialist (CSCS)
- BS in Exercise Science
- Performance nutrition expert

Sonja

- MS in Health Education
- ACSM Certified WellCoach
- ACE Exercise Certified
- Author, *Live Your Ideal Life Now*

Communications model

Motivational and clinical support

- Registered nurses
- Licensed practical nurses (LPN)
- Registered dietitians
- Nutritionists
- Exercise physiologists
- Licensed counselors

Specialty – focused advanced training

- Health coaching
- Tobacco cessation
- Personal training
- Weight management
- Stress management
- Diabetic educator
- Oncology specialists
- Maternity specialists

Average of 18 years of coaching experience in health & wellness

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Best Practice Impact

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Onsite program statistics

Beginning in mid 2014, Mississippi began offering a option for members to participate in their weight management program via **Onsite Wellness Presentations** provided by the ActiveHealth Onsite Wellness Team

Onsite Statistics	2015
Total Presentations	564
Participants	5,428
Webinar Participants	1,082
Number of Surveys	1,025
Positive Responses	99%

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Onsite program statistics

Beginning in late March, PEEHIP began offering a third option for members to complete their coaching requirements through **Onsite Wellness Presentations** provided by the ActiveHealth Onsite Wellness Team

Onsite Statistics – Completed	As of 12/31/15
Total Presentations	**128**
Unique Sites	**161**
Participants	**4,883**
Number of Surveys	**681**
Positive Responses	**99.6%**

Onsite Statistics – Year 2	As of 06/27/16
Total Presentation/ Wellness Booths	**215**
Unique Sites	**172**

The team has a full schedule up to the incentive deadline!

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North Carolina State Health Plan

Consistently exceeding expectations…

88%
Engagement Rate in 2015

>$473M
in savings
(2011-2014)

94%
Satisfaction Rate

5 out of 6
Clinical measures improved
since 2015

Expanding Solutions

Added in 2015: PCMH Practice Support Pilot, ESRD/CKD CM, MAPCP members,

Transition of Care + packet, Medication Therapy Management

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Implementation

99%

Satisfaction

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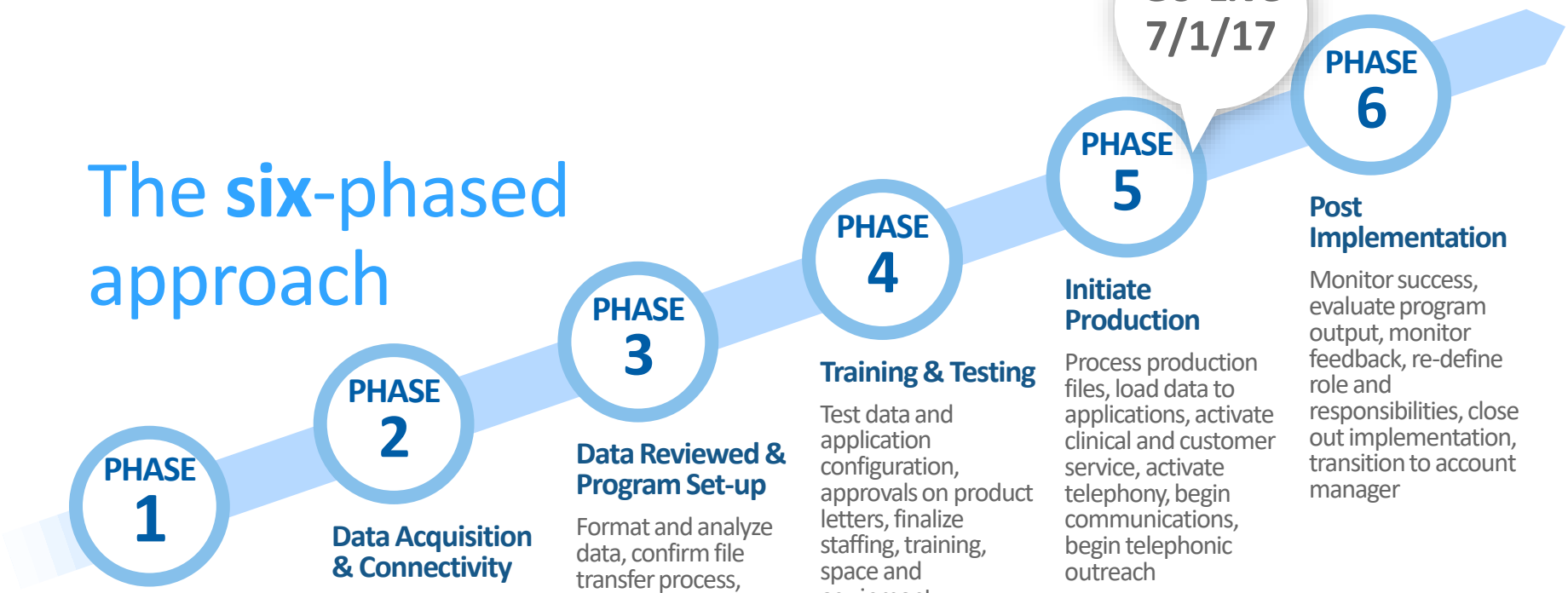
Implementation strategy

The six-phased approach



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Why partner with us?

Best-in-class Solutions

Total health management: infrastructure and execution

- Proven flexibility, experience, patented technology, and savings working with States.
- Strategic partnership focus, throughout all phases, driving results across the health continuum.
- Single vendor implementation and communication strategy; leveraging multiple user friendly, tailored, engaging modalities.
- Providing engaging and effective well-being programs and follow-up services.
- Award winning, customized, engaging and secure web-portal/app including a dynamic health risk assessment and intuitive personalized health actions.
- One expert experienced vendor managing data ingest, integrated care management, positive health outcomes, incentive tracking, reporting and fulfillment, biometric screening and lowering medical spend.

Integrated and actionable reporting

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Questions and Next Steps

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Enabling people to live
healthier lives

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Wellbeing
for the whole person

Wellbeing across the Spectrum of Health

Meeting members where they are – and recognizing that health is not static

Healthy	At Risk	Chronic Condition	Acute/ Complex	End of Life
ACTIVATE	**EMPOWER**	**INTERVENE**		**COMFORT**
Biometric Screenings	Disease Management	Case and Utilization Management	Complex Case Management	Compassionate Care
Digital Coaching	Advocacy Support	Bariatric Management	Transitions of Care	
Group Coaching	Maternity Support			
Onsite Health Programs	24/7 Nurseline			
Lifestyle Management	Clinical “Gap in Care” Messaging			

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Engagement
is a process

It’s all about the journey

Insightful guidance helps **create healthier members**

1. **Build awareness**
2. **Gain interest**
3. **Convert**
4. **Engage**
5. **Delight**

The power of in-person: Onsite health specialists

Onsite health specialists can do more than support engagement. They can also serve as a strategic resource by:

- **Working in partnership with EBD** to support the day to day administration, coordination and execution of wellness programs
- **Assessing the EBD's wellness program to identify gaps and opportunities for enhancing programs.** Use assessment to understand your culture. Develop a plan for the best use of all available wellness programs, tools and resources. Implement, assess, and revise as needed.
- **Providing support and recommendations to foster a strong culture of health**

Supporting and fostering a culture of health

- Serves on **wellness committees** to align with EBD's wellness strategy
- Assists with **program design**, implementation and evaluation
- Provides **integration support** for all health and wellness programs
- Trains and collaborates with **wellness champions**
- Helps to **communicate**—increasing awareness around programs
- Delivers **one-on-one** and **group** coaching services—providing a support system for EBD employees
- Develops and leads **health challenges** and activities
- Promotes and attends EBD onsite wellness events
- Educates employees on **incentives requirements**

Onsite lifestyle and condition-based solutions

Stress management

Nutrition

Exercise

Condition management

Weight management

Tobacco cessation

Health Screening Services Offered

Innovative Solutions for EBD

On Site Health Screenings

- Venipuncture
- Fingerstick
- Height, Weight, Waist
- BMI Calculation
- Body Composition
- Blood Pressure
- Full Lipid Panel
- Glucose
- Additional testing available
- Spouse screenings

Remote Biometric Screenings

- Individual at home or office venipuncture screening
- Venipuncture / Fingerstick walk in clinic solution
- Self Test Kits
- EZLink Physician Screening
- Ease of access for spouse to participate

All data is delivered the same as an on site biometric screening event

Post-screening Engagement

- Explain risks and results
- Personalized engagement materials
- Deliver & collect enrollment materials
- Encourage participants to online / web platforms, telephonic coaching or Onsite Coaching
- Explain incentive programs

Integrated Results

Automatic integration of biometric screening results with:

- HRAs
- Our Personal Wellness Report
- Incentive Platforms
- Risk stratification
- Lifestyle coaching
- Clinical Trials
- ActiveHealth Medical Management

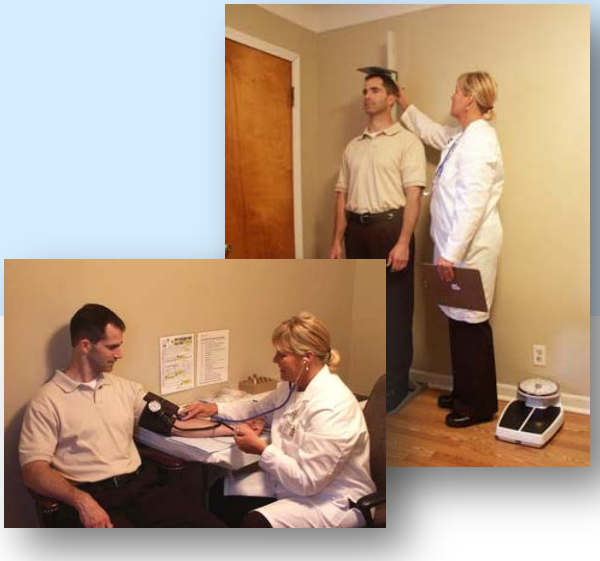
On Site Engagement Counseling

- Affordable, face-to-face health coaching
- Trained health Champions
- Personalized, individual engagement sessions
- Healthy lifestyle counseling
- Worksite assessments
- Lunch-and-learn seminars

Our End-to-End Screening Solution

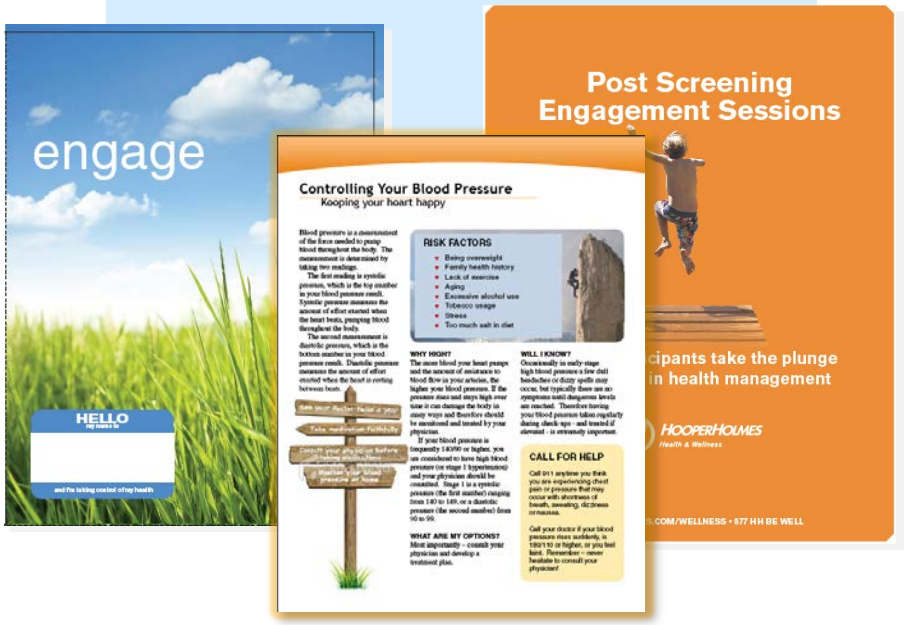
Screening

- Pre-event site visit
- Wellness certified examiners
- On-site management
- 1-station screenings
- Venipuncture or Fingerstick



Coaching

- Capitalize on teachable moment
- Link to enrollment in programs
- Begin ongoing engagement process
- Answer questions – explain results



EBD Participant Experience

- Program announcement and education – 2-4 months prior
- EBD participant registers via online scheduler or paper – 1 month
- Confirmation and reminder emails
- Arrives at onsite screening event
- Welcomed by assigned receptionist
- Directed to screening station and examiner
- Paperless sign-in consent via tablet (paper back-up)
- Biometric measurements and blood sample obtained
- Results review and resource instructions
- Optional handout(s) given to EBD participant
- 10 minutes!
- *Optional 10-15 min. consultation with ActiveHealth Coach*

Powered by Tablet Technology

- Wireless technology solutions
- Utilizing tablet app for real-time data feeds
- Customized form fields with requirement controls
  - Retest protocol
  - Extreme values
- Increases data availability by eliminating data entry
- Eligibility file integration & ad-hoc capabilities
- Reduction in errors by controlling mandatory data fields
- Customizable forms and screening steps
- Participant data verification with signature at beginning and end of screening

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Changing behavior
for the better

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1
Building a strong “why”
2
Creating a precise, personalized “how”
3
Leveraging “nudges”
Evidence-based
methods

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A CareEngine that
powers change

Fueling a Healthy Life

CARE ENGINE INTELLIGENCE PLATFORM
Personalized insights and analytics drive more meaningful engagement and relevant care management

DATA SYNCHRONIZATION
Real time data, expanded sources and types—and ability to ingest big data

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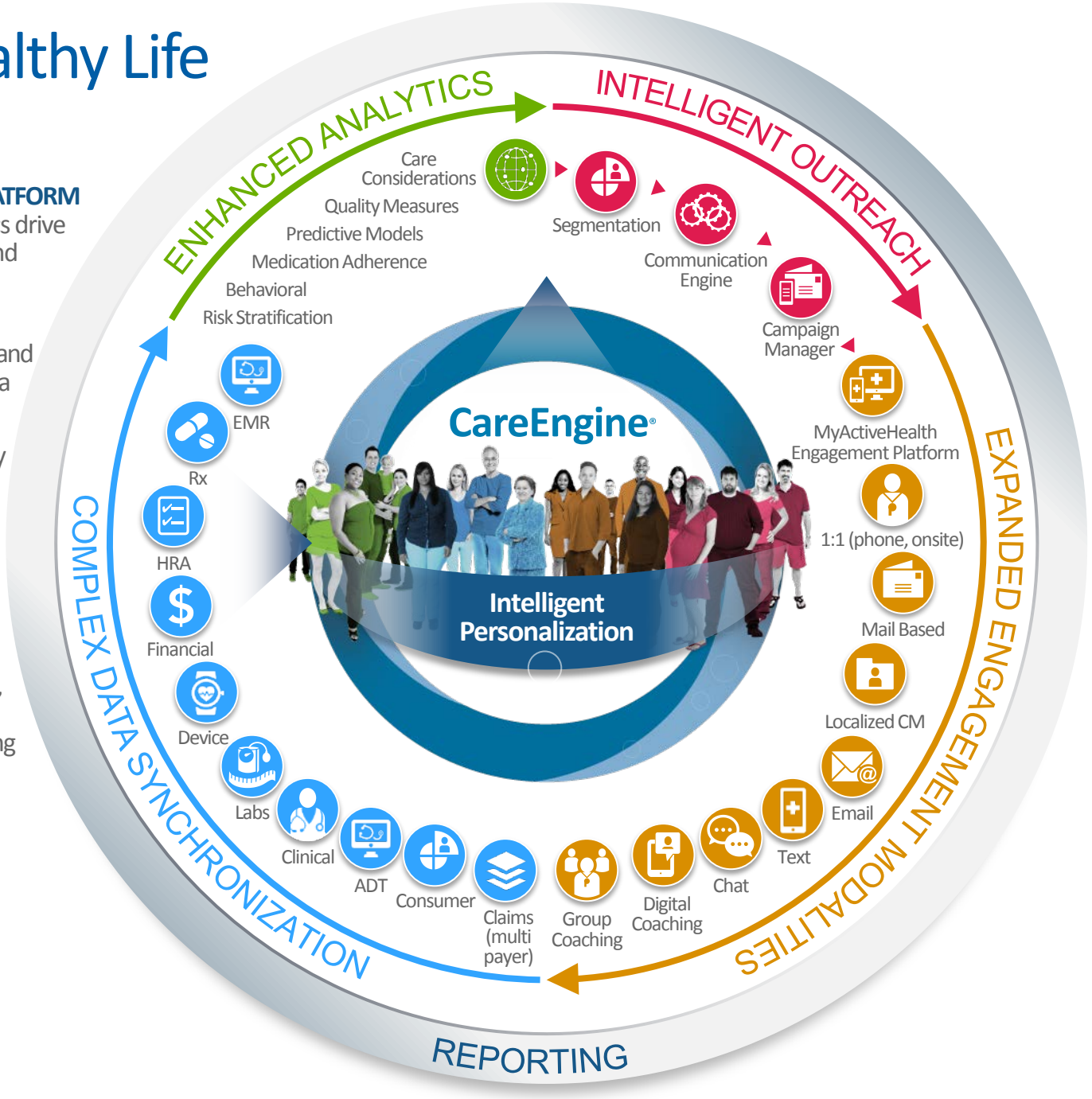

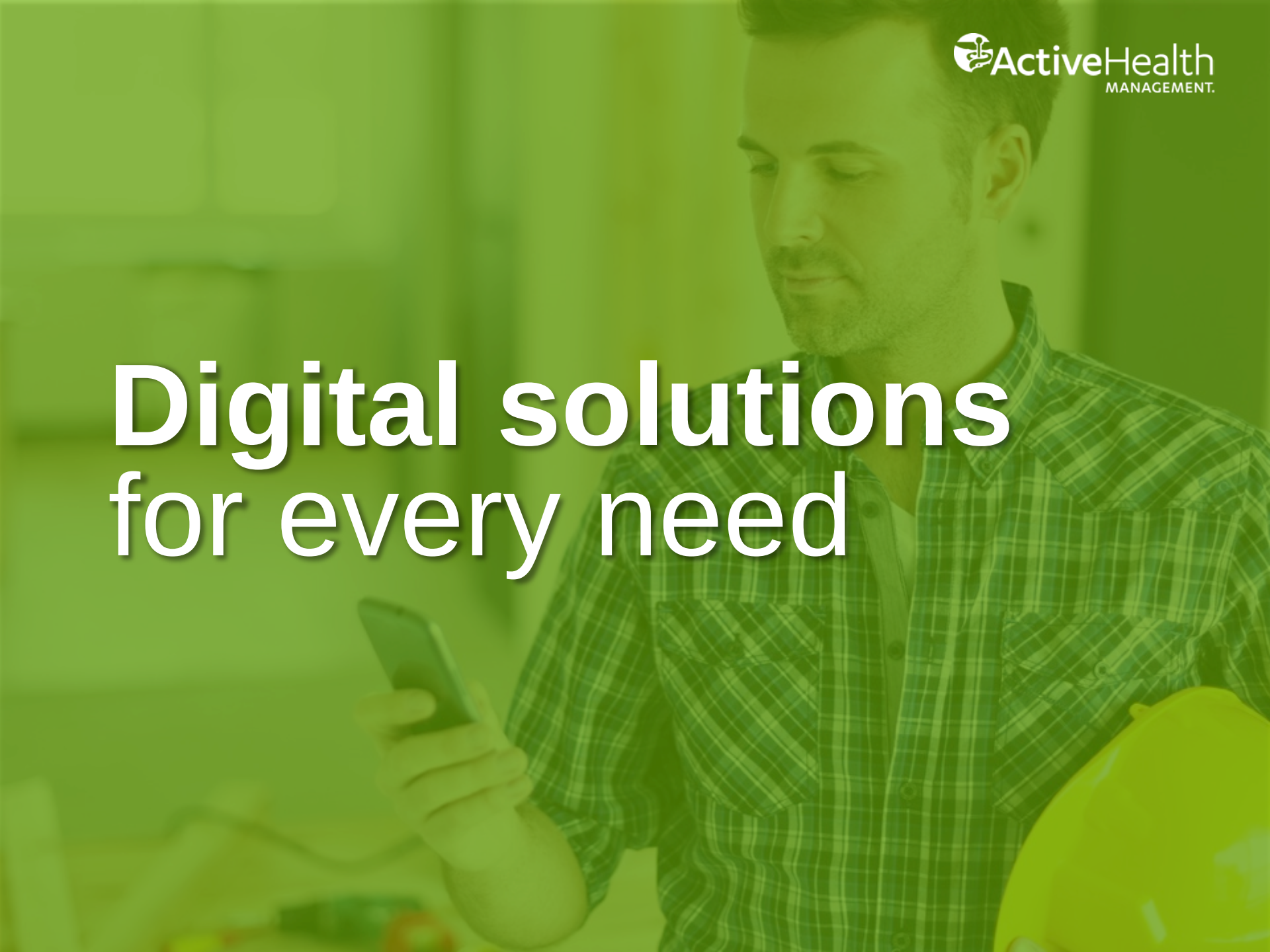
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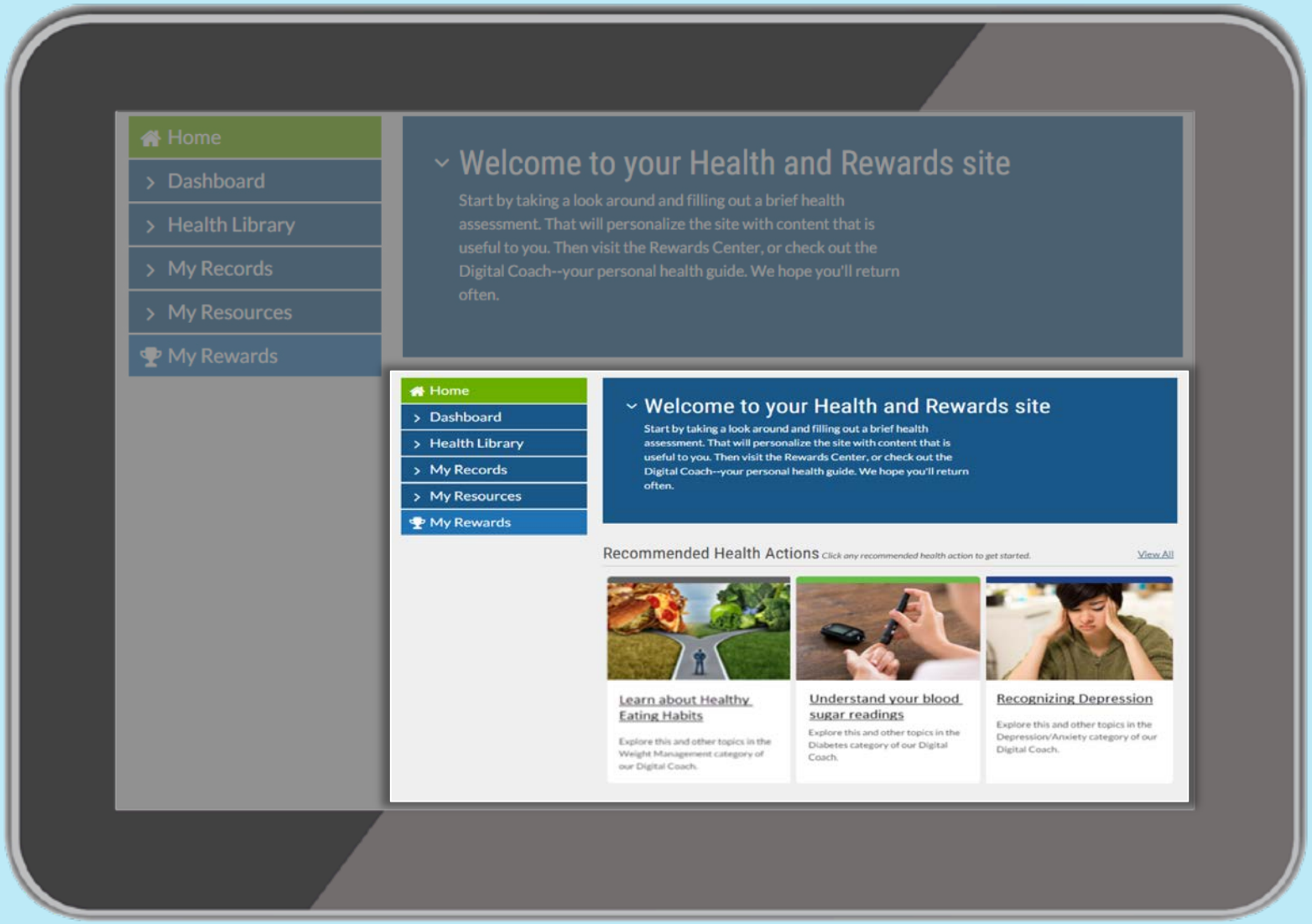
Digital solutions
for every need

Health Actions for every goal



Rewards for healthy living

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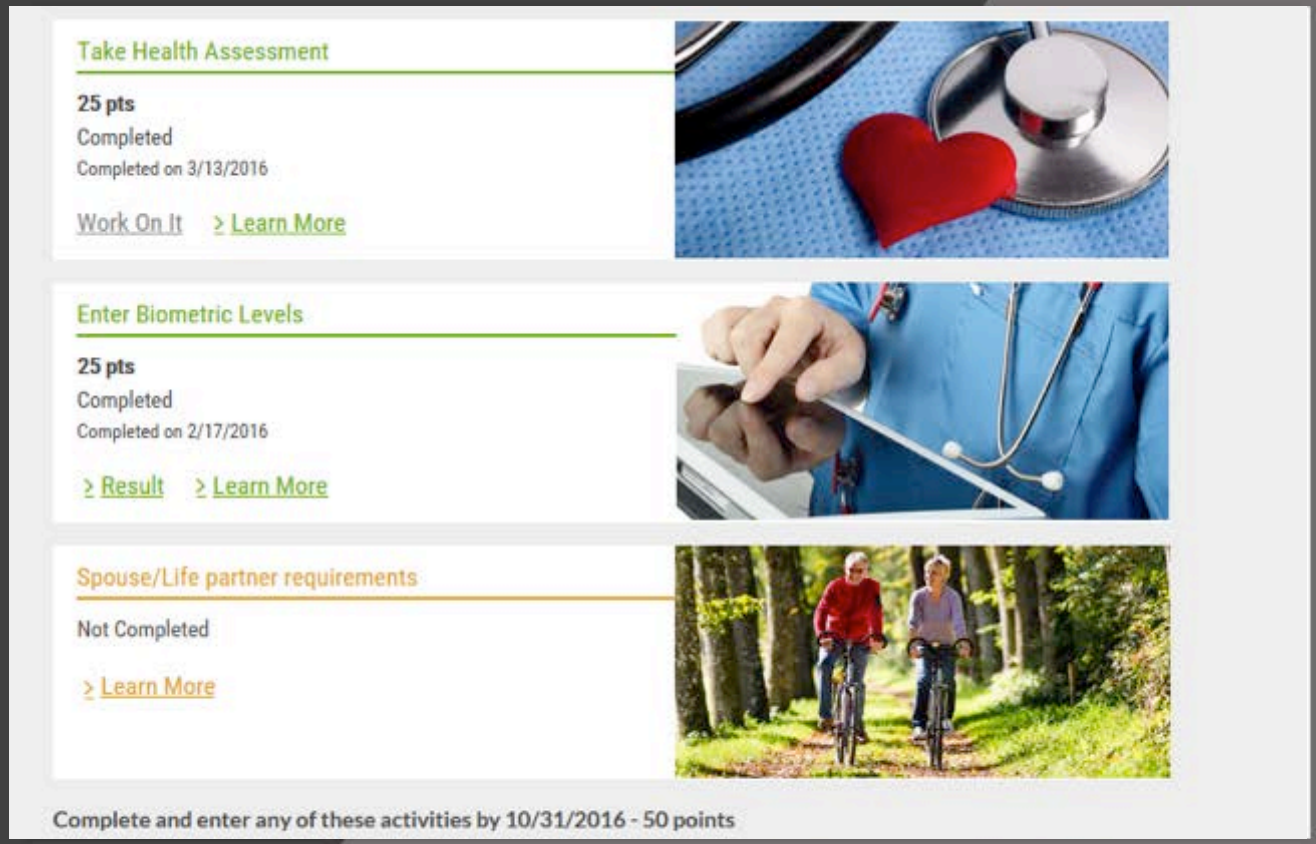

Stop. Listen. Relax.

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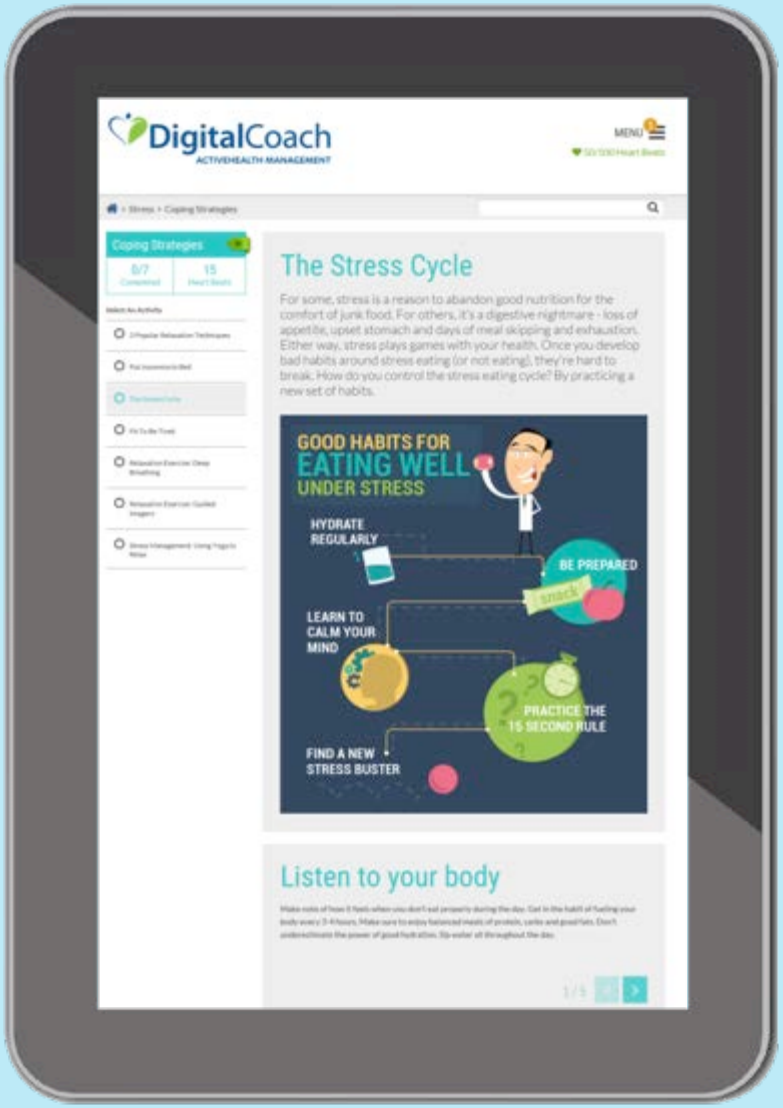

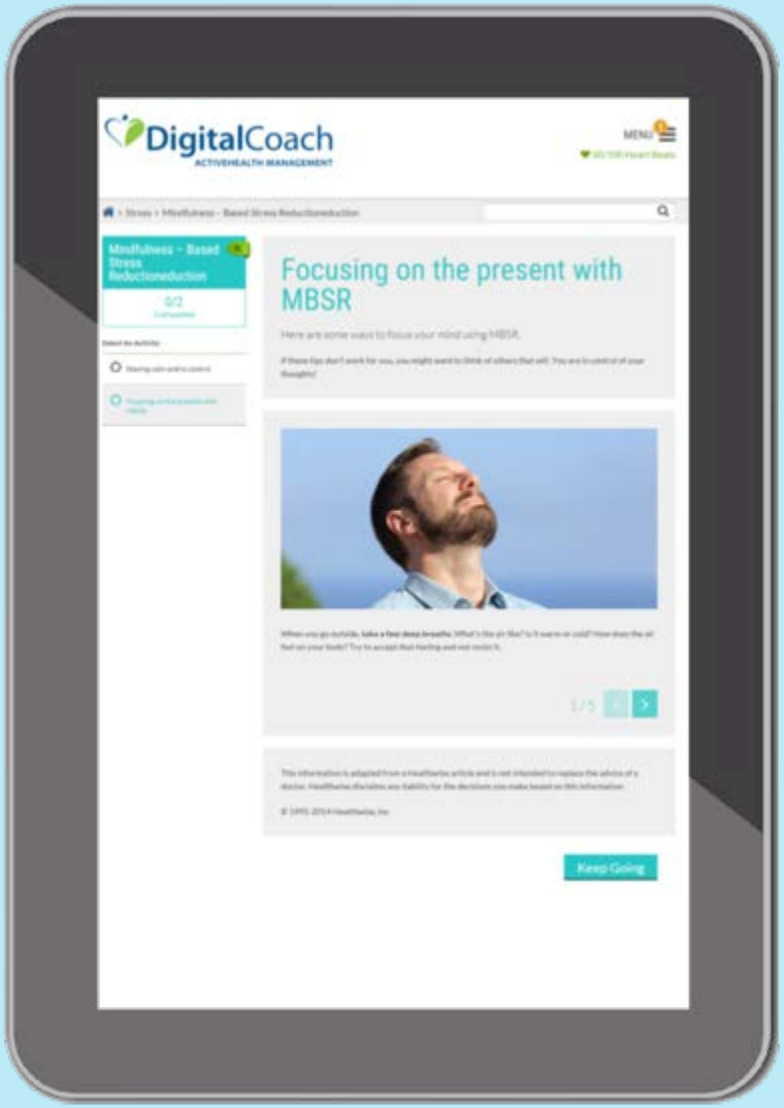

Invested in financial wellness

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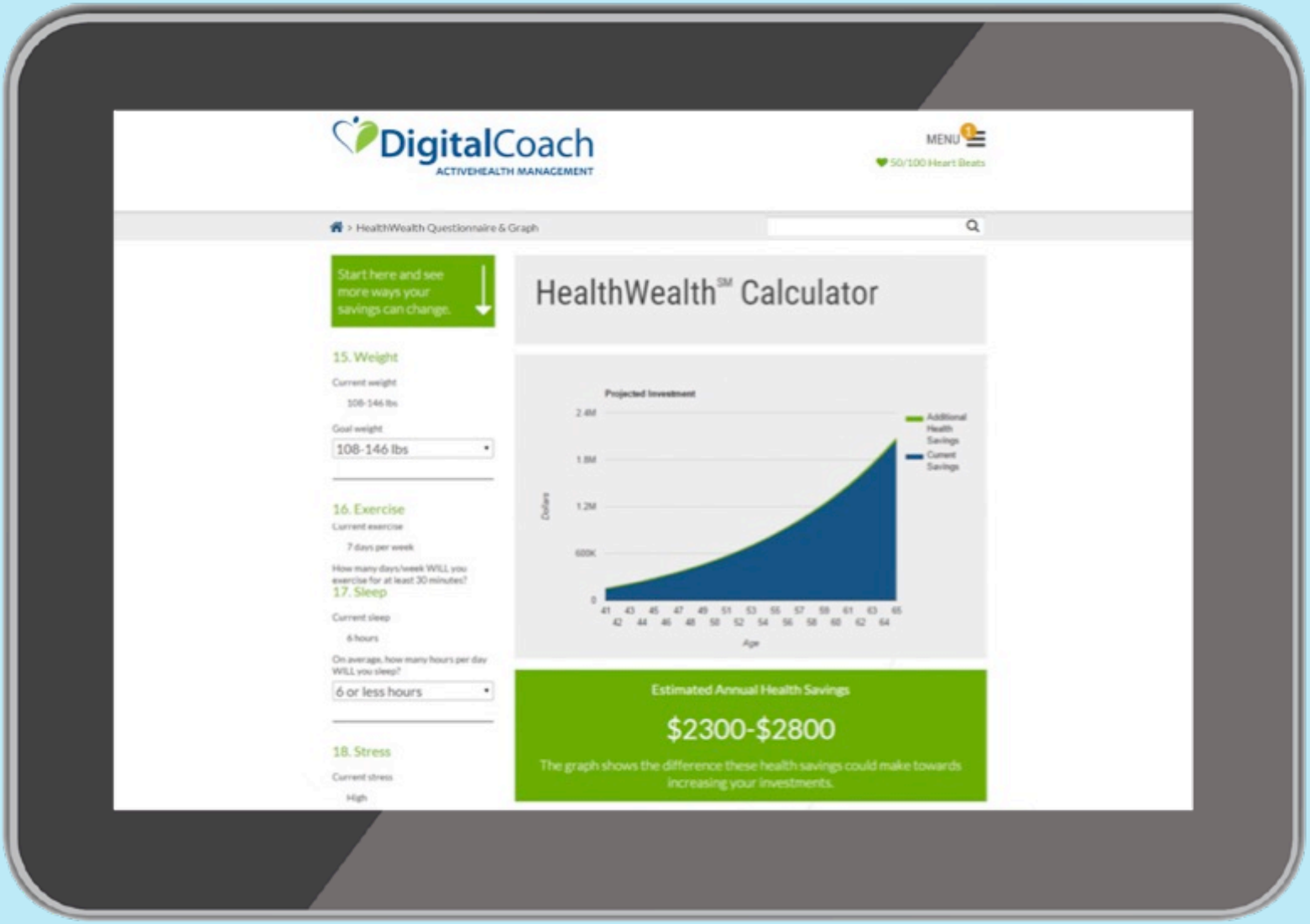
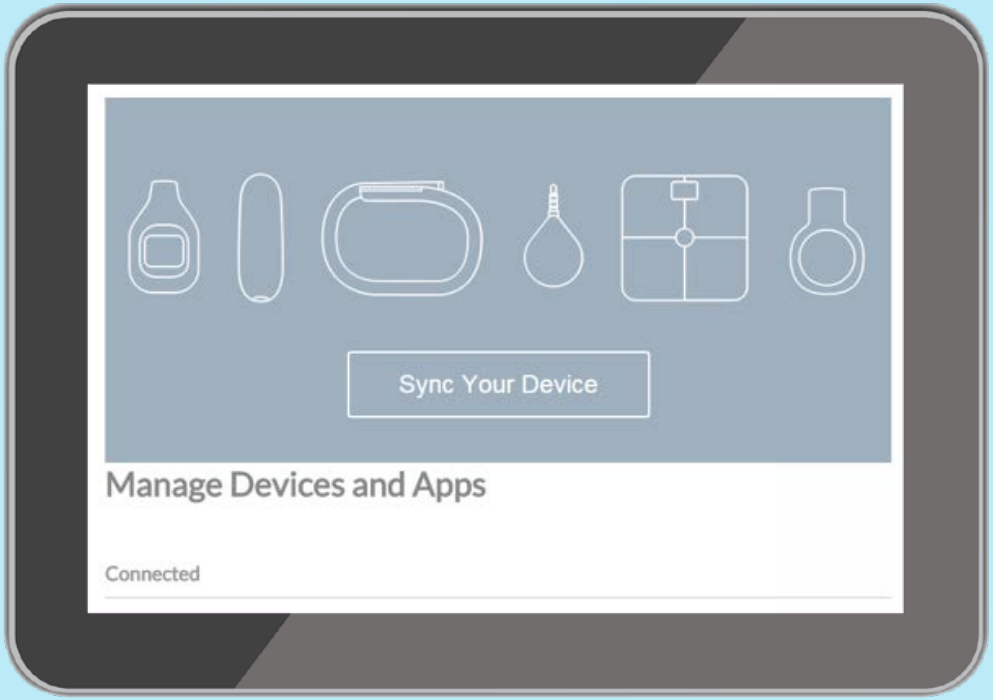
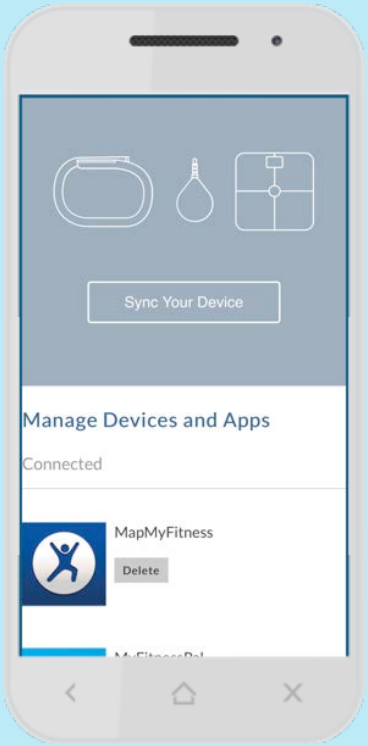


Let’s get synched!





Pick your device

Garmin | Fitbit | Jawbone | Withings | MapMyFitness | MyFitnessPal | RunKeeper | Misfit Shine

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Champions
change the culture

Creating champions in the workplace

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Rewards that
inspire and motivate

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Real solutions
for real people

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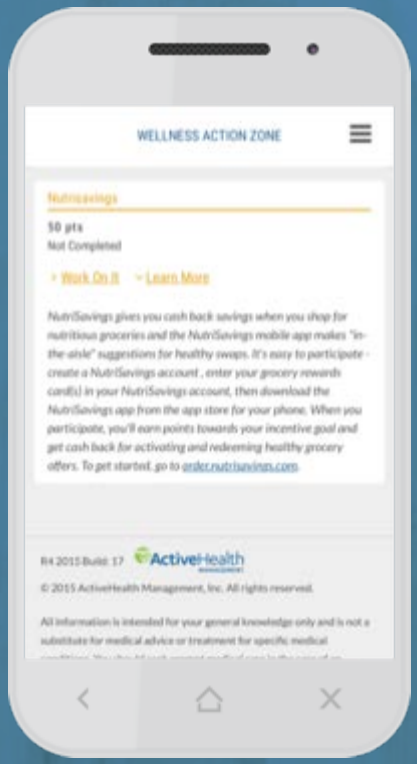
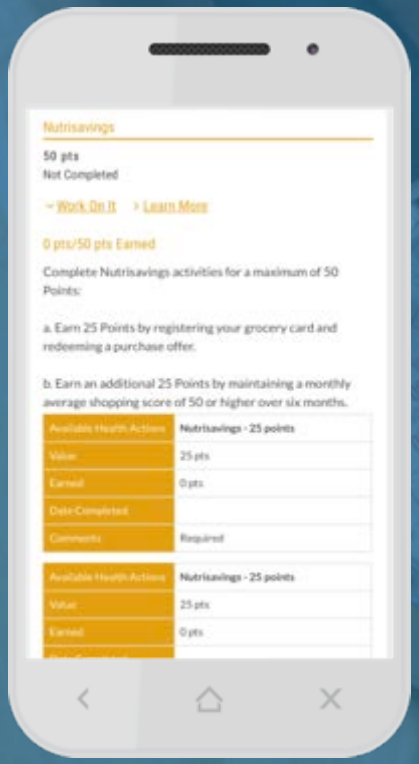
Meet Adrian

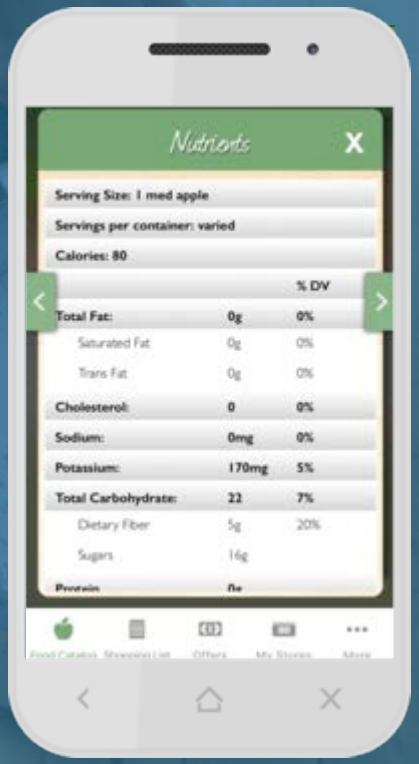
(**before** his wellness journey with ActiveHealth)

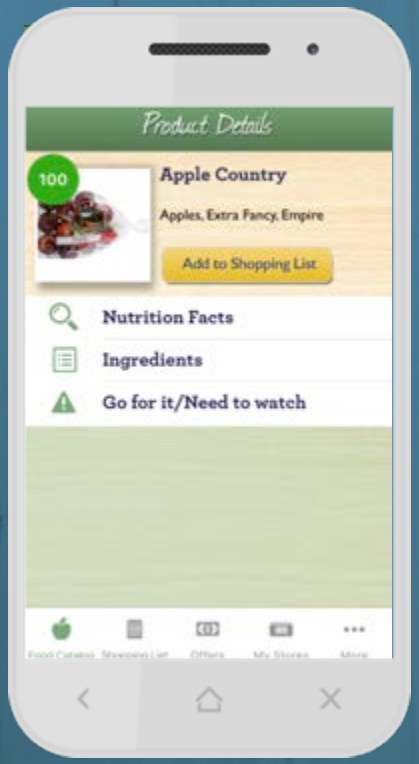
Meet Adrian

(**while** he charts his journey to wellness)



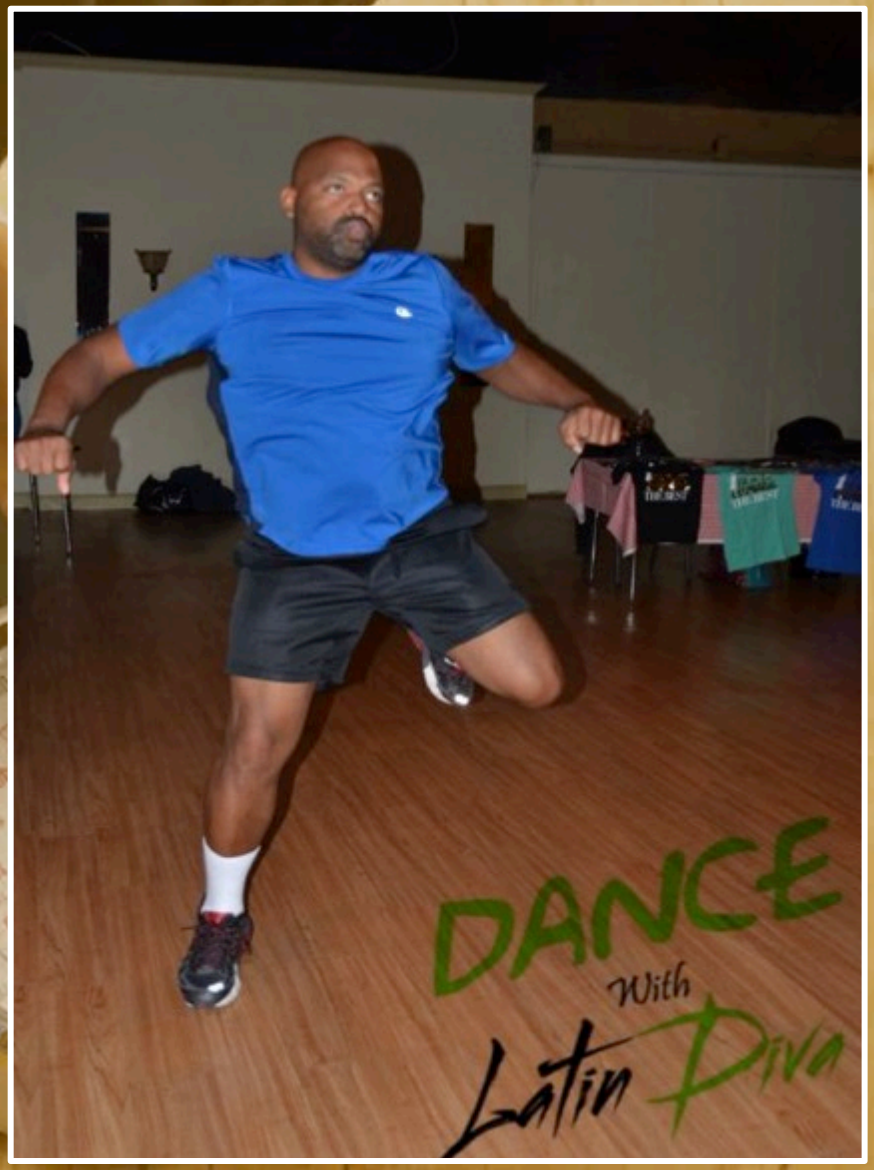






ActiveHealth MANAGEMENT.

Meet Adrian (now!)



Robust Reporting Portfolio

Standard/ Operational Reports	Dashboards	Self-Service Access and Analysis	Predictive Analysis	Exploration Visualization
Access and transform source data into highly formatted reports for greater insights	Visualize data for better decision making	Answer ad hoc questions and interact with information	Determine trends from complex historical data and make possible better forecasts	Find immediate answers to business questions

ActiveHealth Informatics Team

ActiveHealth has an industry leading informatics team that will be responsible for carrying out the savings/ROI calculation and providing support for reporting and analytics.

Our team of experts includes:

- Executive VP for Reporting and Informatics
- Senior Medical Director (MD)
- Medical Director of Health Informatics (MD)
- Bioinformaticist (PhD)
- Senior Informatics Consultants (MBA, MPH)
- Senior Business Analysts and Business Analysts

Return on Investment methodology library

1

Health Economic Model

Cost avoidance from resolved evidence-based gaps in care

2

"PHA" methodology

Actual spend/trend comparison for chronically-ill population

3

"PHA" methodology estimate

Per-engaged savings model estimate based on 200k+ population

4

Edington/HERO HRA-based estimate

Per-lifestyle-risk reduced estimate

5

Avoided Events

Actual avoided utilization & cost from case management

6

Actuarial Forecast vs. Actual

Actuarial projected trend vs. actual financial results

7

Multivariate Analysis

propensity-adjusted participant vs. non- comparison

8

Impactable Utilization Methodology

Tracking utilization of hospitalization, ER and readmission rates

The ActiveHealth Outcomes & Informatics team is capable of **multiple methodologies**

Why partner with us?

Best in Class Solutions

Total Health Management - Infrastructure and Execution

- Proven flexibility, experience, patented technology, and savings working with States
- Strategic partnership focus, throughout all phases, driving results across the health continuum
- Single vendor implementation and communication strategy; leveraging multiple user friendly, tailored, engaging modalities
- Providing engaging and effective wellness/medical management programs and follow-up services
- Award winning, customized, engaging and secure web-portal including a dynamic health risk assessment and intuitive personalized health actions
- One expert experienced vendor managing EBD data ingest, integrated care management, positive health outcomes, incentive tracking/reporting, biometric/diagnostic screenings and lowering medical spend

Integrated and Actionable Reporting

ActiveHealth
MANAGEMENT.
Let’s build something
healthy together