



CEBT Summer Conference 2024

Agenda

- ❖ **Kaiser Permanente Overview**
- ❖ **Plan Performance**
- ❖ **Topics of Interest**
 - ❖ **GLP-1's**
 - ❖ **Fertility and Family Planning**
 - ❖ **Employee/member communications**
- ❖ **Appendix**
 - ❖ **Value Based Care**

Who Are We?

97%

Group retention

15 years

Average tenure

Mission driven

9

Research facilities

\$100M+

Community investment annually

#1 health plan
Insure.com

Most 5-star plans



People's Voice Winner

Most ethical companies



What Do We Do?



 KAISER PERMANENTE®

Health Plan

Member

PERMANENTE MEDICINE®
The Permanente Medical Group



38 medical facilities
Washington

63 medical facilities
Oregon






540 medical facilities
California

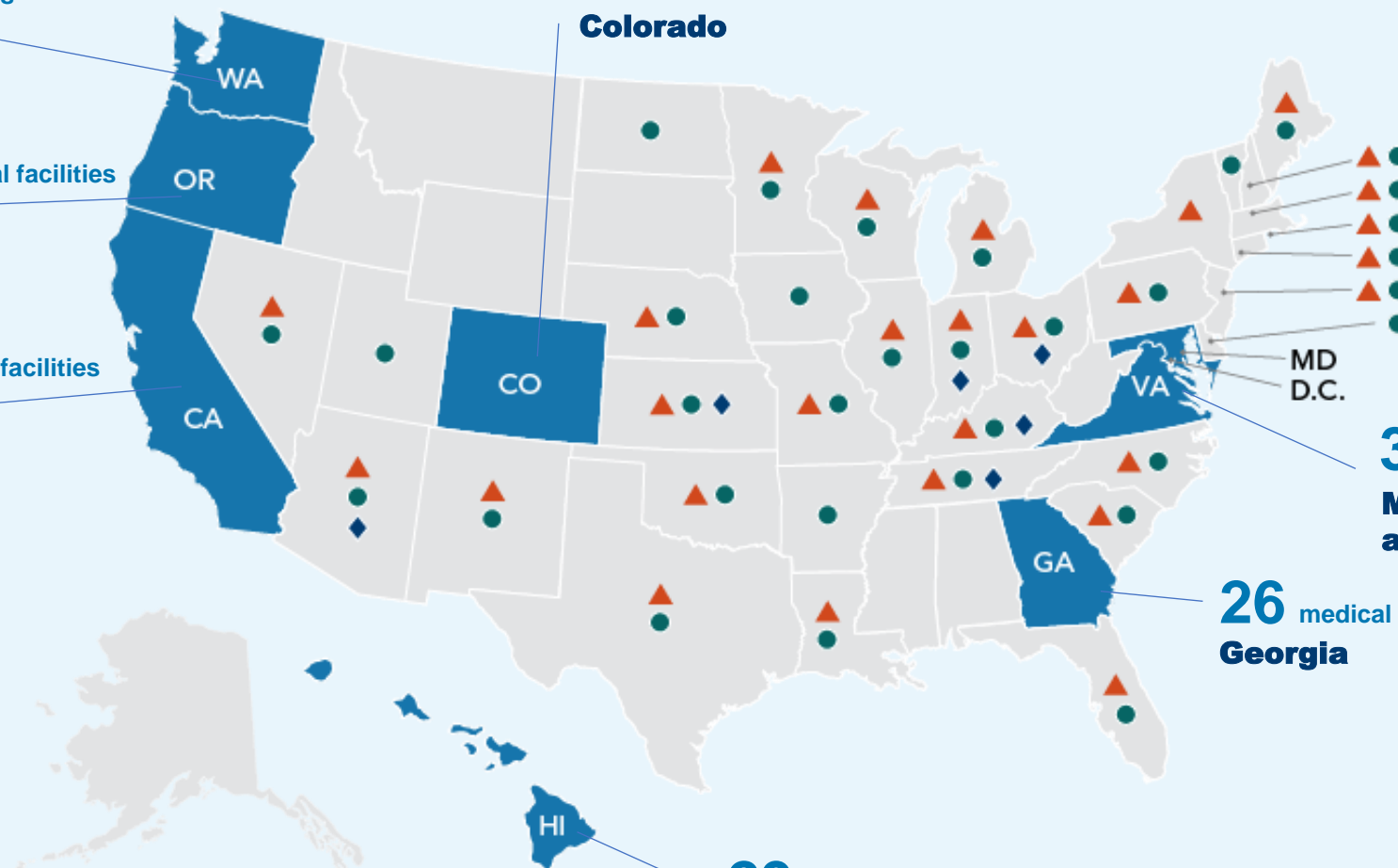
41 medical facilities
Colorado

36 medical facilities
**Maryland, Virginia,
and Washington, D.C.**

26 medical facilities
Georgia

29 medical facilities
Hawaii

-  Kaiser Permanente
-  Cigna PPO Network partnership
-  Concentra
-  MinuteClinic®, including pharmacies
-  The Little Clinic, including pharmacies



12.7 million
Kaiser Permanente
members

23,000+
physicians

784
connected
medical facilities

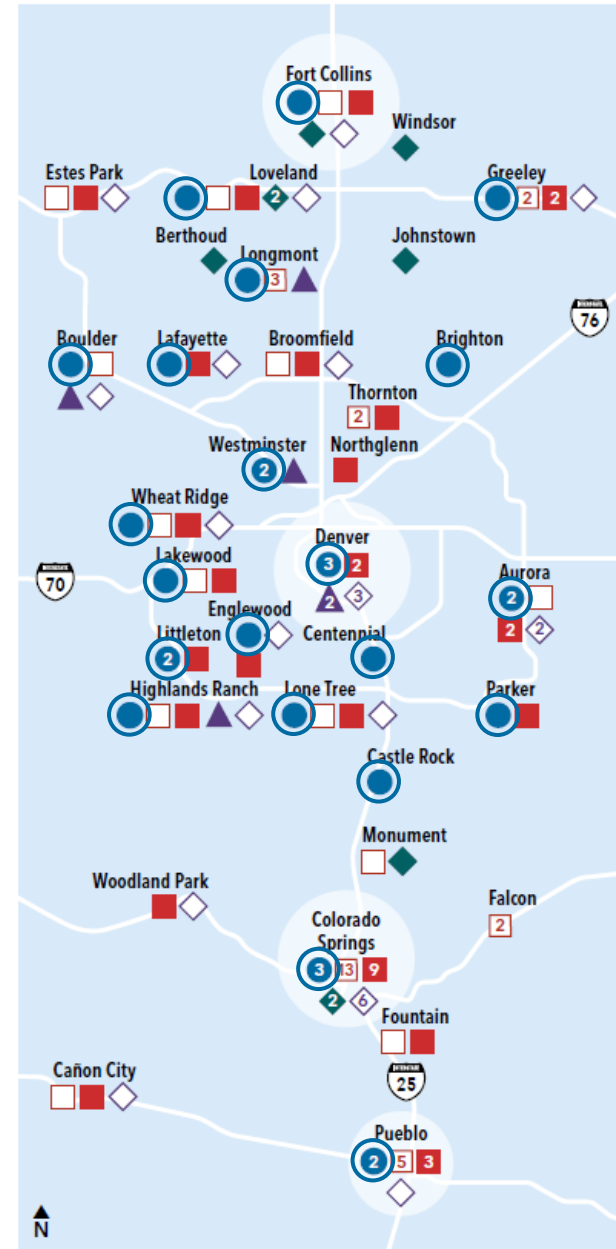
94%
members using
digital tools

Virtual care

Affiliates
14K+ providers



1.3K+ doctors



29



- 41 Urgent care facilities
- 35 Emergency care facilities
- 6 Behavioral health offices
- 9 Affiliated providers with extended hours
- 25 Affiliated hospital/inpatient care



Plan Performance

Historic Renewals and Risk Sharing Settlements

Renewal Increase History

	7/1/2016	7/1/2017	7/1/2018	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023	7/1/2024	Average
CEBT	-5.0%	2.4%	6.0%	0.0%	9.0%	4.1%	0.0%	2.0%	9.94%	3.2%
Kaiser	5.1%	2.9%	4.6%	4.5%	6.0%	4.0%	4.0%	5.8%	10.6%	5.3%

RSA

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020 - 2021	2021 - 2022	2022 - 2023	Total
CEBT	\$275,503	\$453,604	-\$51,358	\$1,081,225	-\$656,605	\$1,269,286	\$2,340,232	\$1,540,273	\$1,233,023	\$7,485,183
Corridor	7.5/-7.5	7.5/-7.5	10/-10	15/-15	15/-15	15/-15	15/-15	15/-15	20/-20	

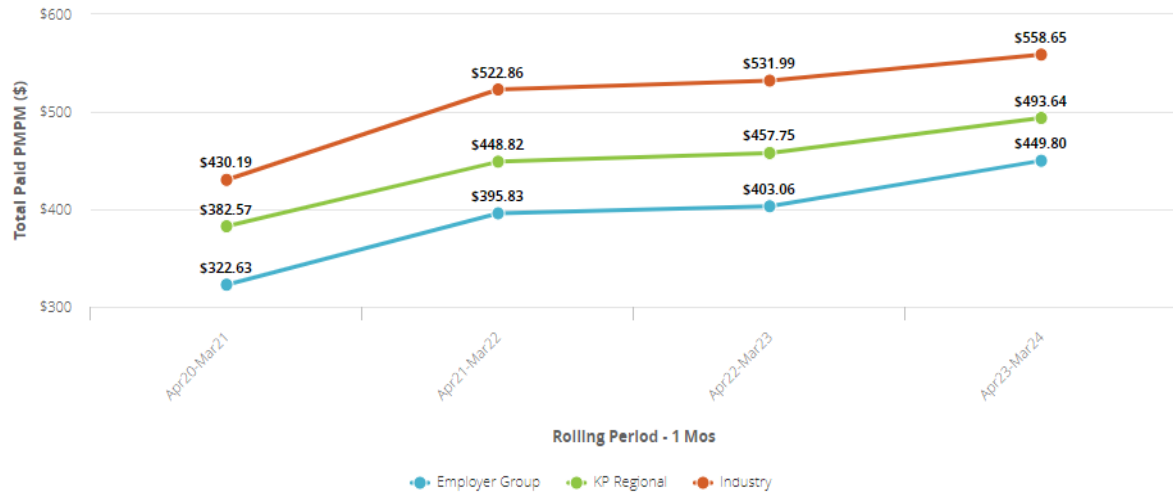
- RSA Risk Corridor for 2022 – 2023 Policy year is 20% / -20% and \$750K Pooling
- 2023 - 2024 RSA Settlement **estimated** to be -\$980K - \$1.21M

Plan Experience and Demographics

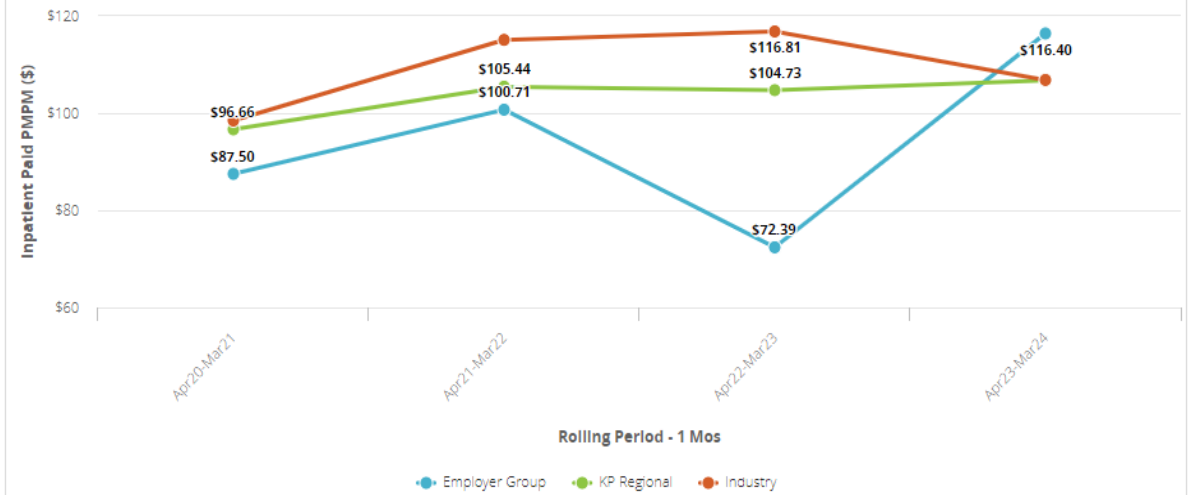
Time Period	Premium	Claims	Paid Loss Ratio	Average Monthly Subscribers	Average Monthly Members	Avg Contract Size	Average Age
Apr 15 - Mar 16	\$5,376,734	\$3,049,817	56.7%	653	1,075	1.65	35.5
Apr 16 - Mar 17	\$7,140,691	\$6,252,204	87.6%	884	1,475	1.67	35.4
Apr 17 - Mar 18	\$10,470,203	\$8,442,217	80.6%	1,285	2,119	1.65	34.9
Apr 18 - Mar 19	\$12,734,125	\$10,611,437	83.3%	1,449	2,437	1.68	34.4
Apr 19 - Mar 20	\$14,126,561	\$12,982,809	91.9%	1,568	2,660	1.70	34.2
Apr 20 - Mar 21	\$15,375,149	\$10,428,783	67.8%	1,612	2,694	1.67	34.5
Apr 21 - Mar 22	\$15,885,648	\$12,684,331	79.8%	1,571	2,670	1.70	34.5
Apr 22 - Mar 23	\$15,858,980	\$12,922,991	81.5%	1,508	2,672	1.77	34.5
Apr 23 - Mar 24	\$18,220,717	\$16,567,549	90.9%	1,701	3,069	1.81	34.8

Claims PMPM by Service Category

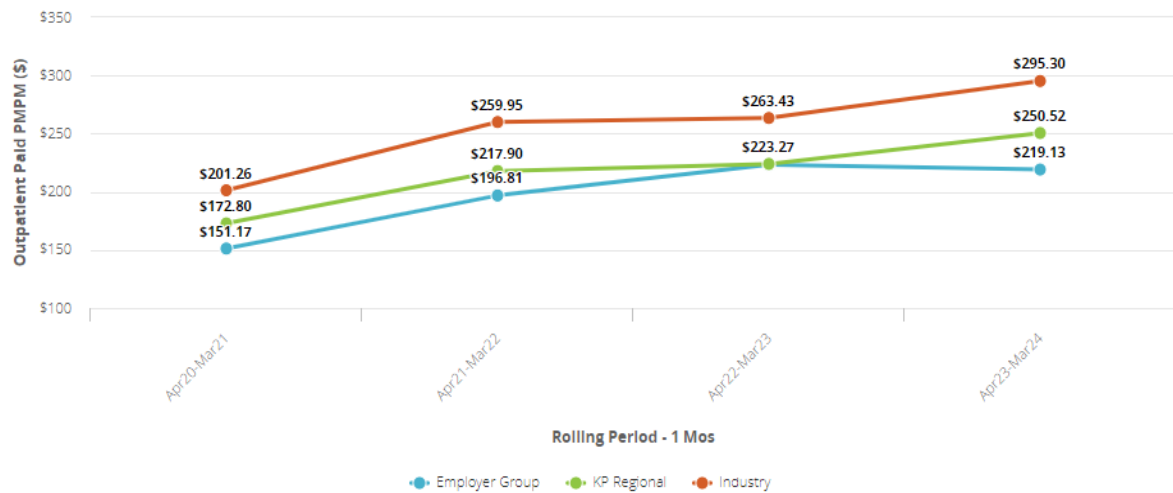
Total Paid PMPM



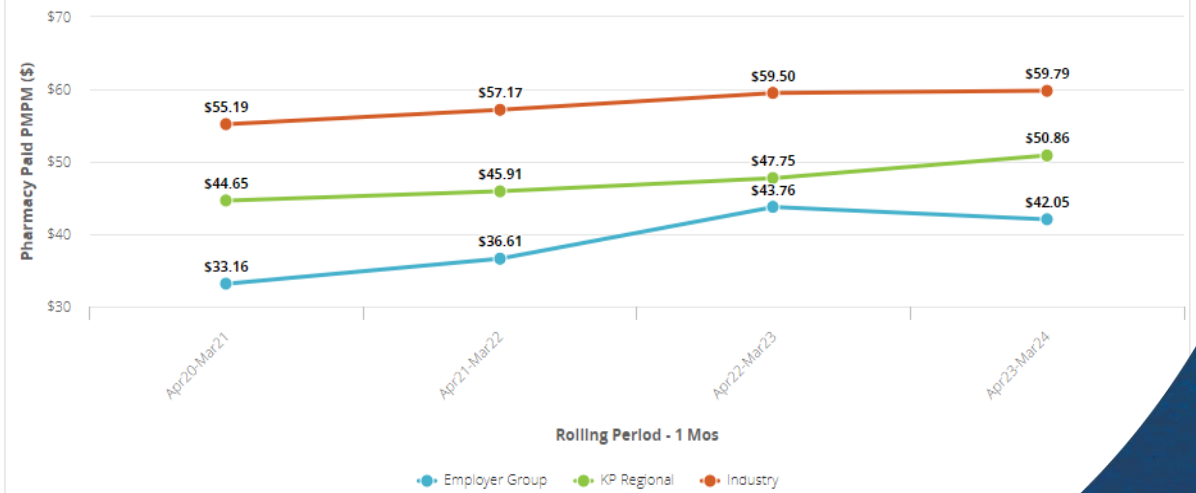
Inpatient Paid PMPM



Outpatient Paid PMPM



Pharmacy Paid PMPM



Member Engagement Overview



Knowing your numbers

- 2023: 73.3%
- 2022: 60.4%
- 2021: 53.2%

Body mass index, blood pressure, exercise as a vital sign



Staying up to date

- 2023: 79.1%
- 2022: 74.3%
- 2021: 72.5%

Cancer screenings, flu shots, cholesterol, glucose



Getting Connected (kp.org)

- 2023: 75.6%
- 2022: 75.6%
- 2021: 74.9%

Registering and signing on to kp.org

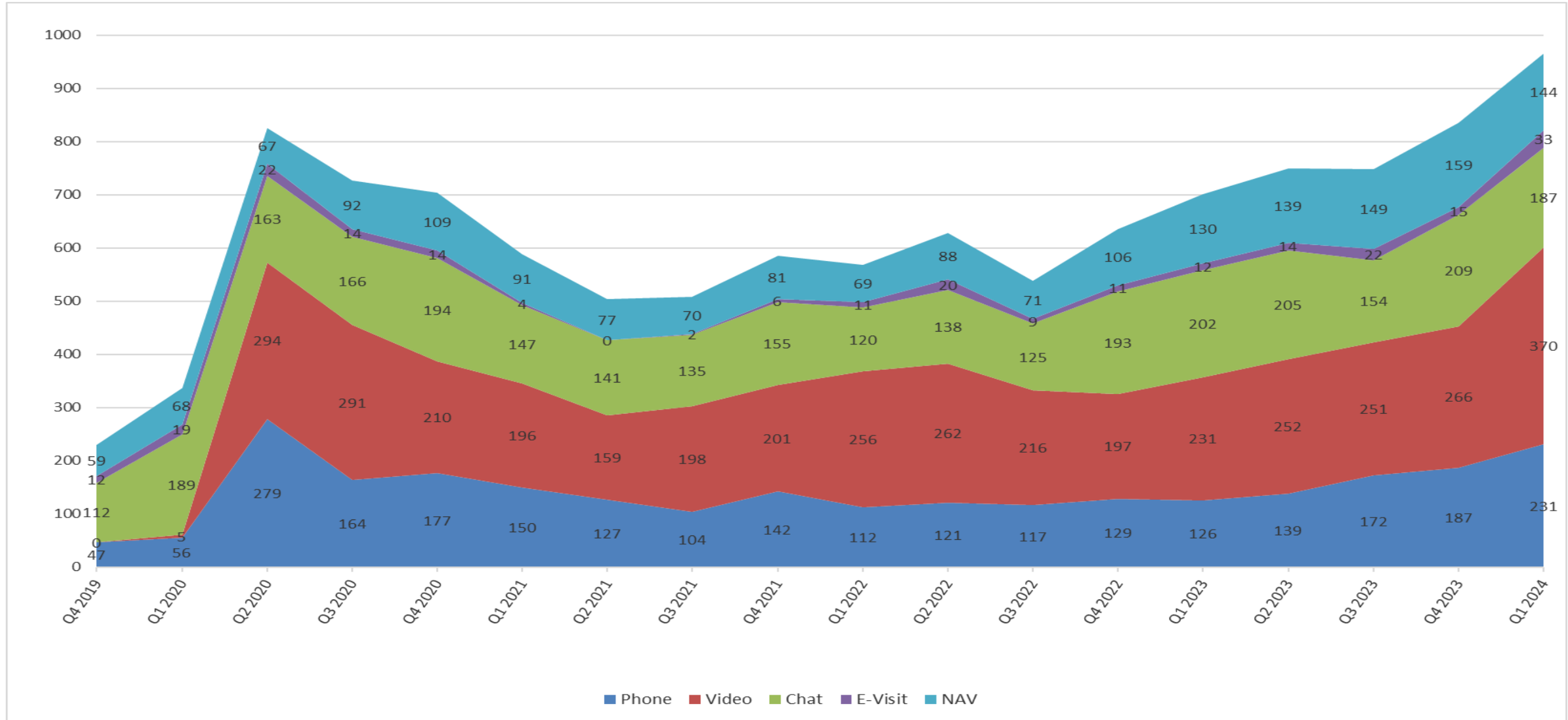


Seeking Care

- 2023: 81.1%
- 2022: 83.0%
- 2021: 83.6%

Outpatient visits, nurse advice, secure messaging, filling prescriptions

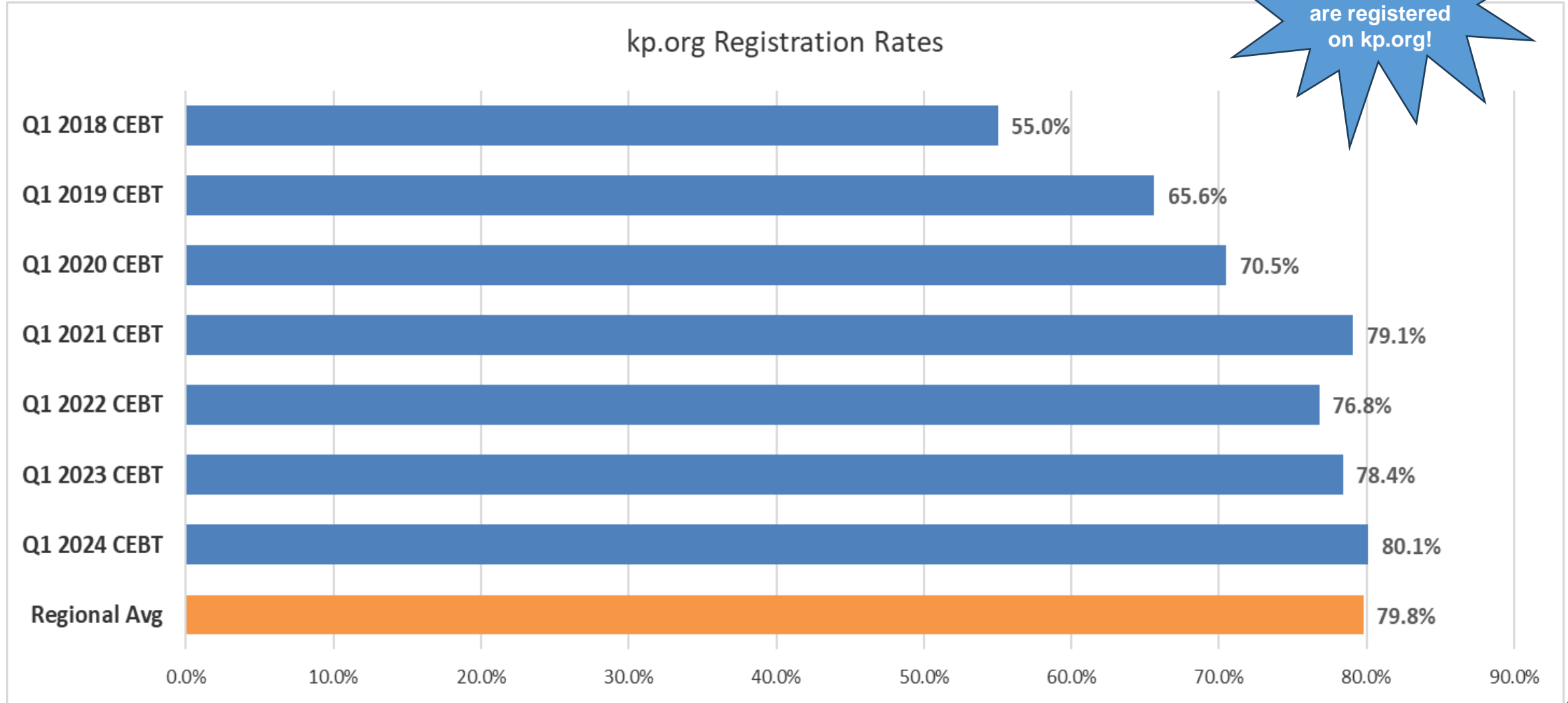
CEBT Telehealth - Quarterly



NAV = 24/7 Nurse Advice Line

CEBT kp.org Engagement Metrics

87.5% of all Employees are registered on kp.org!



CEBT kp.org Engagement Metrics

Measure	Q1 2021	Q1 2022	Q1 2023	Q1 2024	Change
Online prescription refill orders	2,837	2,533	3,158	7,222	128.7%
Total prescription refills	8,184	8,160	8,623	13,062	51.5%
Unique members ordering prescriptions	698	569	835	1,208	44.7%
Online prescription orders sent via U.S. mail	1,872	1,487	1,425	3,660	156.8%
Lab tests results viewed online	5,023	9,175	9,150	12,428	35.8%
Unique members viewing lab results	940	1132	1268	1,431	12.9%
Email messages sent to health care providers	3,256	3,245	3,265	4,071	24.7%
Unique members sending email messages	646	602	720	818	13.6%

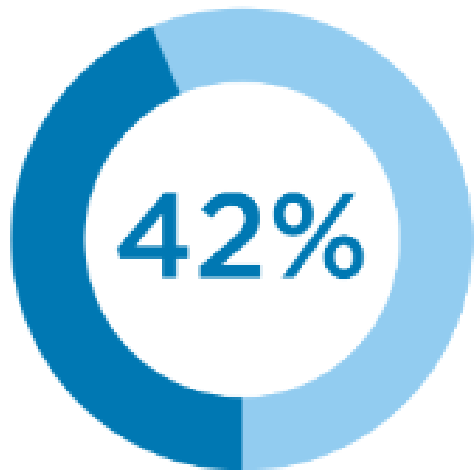
Topics of Interest

- ❖ **GLP-1's**
- ❖ **Fertility and Family Planning**
- ❖ **Employee/Member Communications**

GLP-1s may be new to mainstream media, but they're not new to the health care industry. The first one was approved by the FDA in 2005 to treat type 2 diabetes. Over time, researchers observed side effects — namely, decreased appetite and weight loss. Fast-forward to today, and millions of people are using GLP-1s to lose unwanted pounds. Prescriptions increased 300% between Q1 2020 and Q4 2022 — and now only 54% are prescribed to treat type 2 diabetes.



GLP-1 users can lose
15% to 20%
of their body weight



of employees are obese, making them candidates for GLP-1s

GLP-1 prescriptions cost up to

\$1,349

per employee, per month

Kaiser Permanente is uniquely positioned to effectively prescribe GLP-1 medications

GLP-1 medications can significantly help manage type 2 diabetes and reduce the risk of long-term complications. In prescribing GLP-1s, we evaluate each of your employee's health needs to help them reach the best possible health outcomes.



Prescribe proactively and effectively

Our doctors and pharmacists carefully identify and proactively prescribe GLP-1s to successfully help manage blood sugar levels in people with type 2 diabetes. GLP-1s may also be prescribed for weight loss if appropriate.



Monitor progress

We partner closely with those taking GLP-1s to monitor progress and side effects.



Modify treatment if appropriate

If needed, we'll modify treatment, de-prescribing the GLP-1, and transition to a more effective medication.

Approximately

75%

of our GLP-1 prescriptions are for patients with diabetes.¹

¹ Kaiser Permanente internal data.

Beginning January 1, 2023, upon renewal, covered services include:

- Up to three (3) completed egg retrievals and unlimited embryo transfers in accordance with the guidelines of the American Society for Reproductive Medicine (ASRM), using single embryo transfer when recommended and medically appropriate.
- Coverage for IUI, IVF, GIFT, and ZIFT with no dollar limits or other limitations, consistent with the guidelines of the American College of Obstetricians and Gynecologists (ACOG) or ASRM.
- Coverage for infertility drugs at the same cost share as other prescription medication. Drug coverage applies only if the group purchases a prescription drug rider.
- Coverage for cryopreservation consistent with the guidelines of the American Society of Clinical Oncology (ASCO) or ASRM.

According to the World Health Organization, infertility affects up to 15% of reproductive-aged couples worldwide

Kaiser Permanente communicates with members through the following channels:

- **kp.org and Mobile App:**

Members receive important updates, can view health care reminders, access their medical record, schedule appointments, message their doctors, and manage prescriptions.

- **Email:**

Email is used to send notifications, reminders, and updates.

- **Mail:**

Health care reminders, care access options, and other essential communications are sent through the mail.

- **Text Messages:**

Appointment & prescription reminders and other notifications are sent via text.

A woman in a light green shirt is speaking to a group of people in a meeting. Several people in the audience have their hands raised, indicating they want to ask a question or have a point. The scene is set in a bright room with large windows in the background. The overall tone is professional and interactive.

Questions?

Appendix

Value Based Care

**All health care is not
created equal**

There is a better way

Kaiser Permanente defines value-based care as:

A model that **improves health outcomes** and **increases access** to affordable care through **evidence-based medicine** and a commitment to **equity, simplicity,** and **aligned incentives** across the system.





Value-based care — we did it first, and we still do it best.

Value-based care has been the foundation of our industry-leading model for nearly 80 years.

Is value-based care really possible in a for-profit health plan?

At Kaiser Permanente, we're accountable to our members, customers, and communities — not to shareholders. As a nonprofit health plan, all revenue is reinvested into our care delivery system, and we're able to realize the full potential of value-based care.

\$1 trillion

Potential savings by
2027 if the entire U.S.
health care system shifted
to value-based care.*

*Abou-Atme et al., McKinsey & Co., December 16, 2022.

4 reasons why Kaiser Permanente is the gold standard for value-based care

1. Quality & outcomes

2. Affordability & aligned incentives

3. Access & simplicity

4. Equity & evidence-based care

Quality and outcomes

Value-based health care that delivers
superior results



Setting the national standard for cancer care

Top 10% nationally in 2023 for 3 key cancer screenings:¹

- Breast cancer
- Cervical cancer
- Colorectal cancer

For more than a decade, we've been in the top 25% for these screenings.²

Early cancer detection can mean less invasive treatment, more care options, and better chances of survival.

It can also lower treatment costs by **nearly two-thirds**.³



1. NCQA Quality Compass® 2023. 2. NCQA Quality Compass® 2011–2023.
3. Mariotto et al., *Cancer Epidemiology, Biomarkers & Prevention*, 2020.

Higher survival rates for cancer

Kaiser Permanente members are

20% ↓

less likely to experience premature death
due to cancer*



Recognized for excellence
in cancer care by
U.S. News & World Report.

*McGlynn et al., "Measuring Premature Mortality Among Kaiser Permanente Members Compared to the Community," July 20, 2022.

Cardiac care that all Americans deserve

Top 10% nationally in 2023 for controlling high blood pressure.¹

For more than a decade, we've beaten the national average.²

The hidden cost of hypertension

1 in 2

adults has high blood pressure³

\$7,418

added annual health care costs for each employee with high blood pressure⁴

1. NCQA Quality Compass® 2023. 2. NCQA Quality Compass® 2011–2023. 3. cdc.gov, July 6, 2023. 4. Ortaliza et al., Peterson-KFF Health System Tracker, November 12, 2021.



Higher survival rates for heart disease

Kaiser Permanente members are

33% ↓

**less likely to experience premature death
due to heart disease.¹**



**Not all health care
is created equal**

38 Kaiser Permanente hospitals
honored for excellence treating
heart disease and stroke²

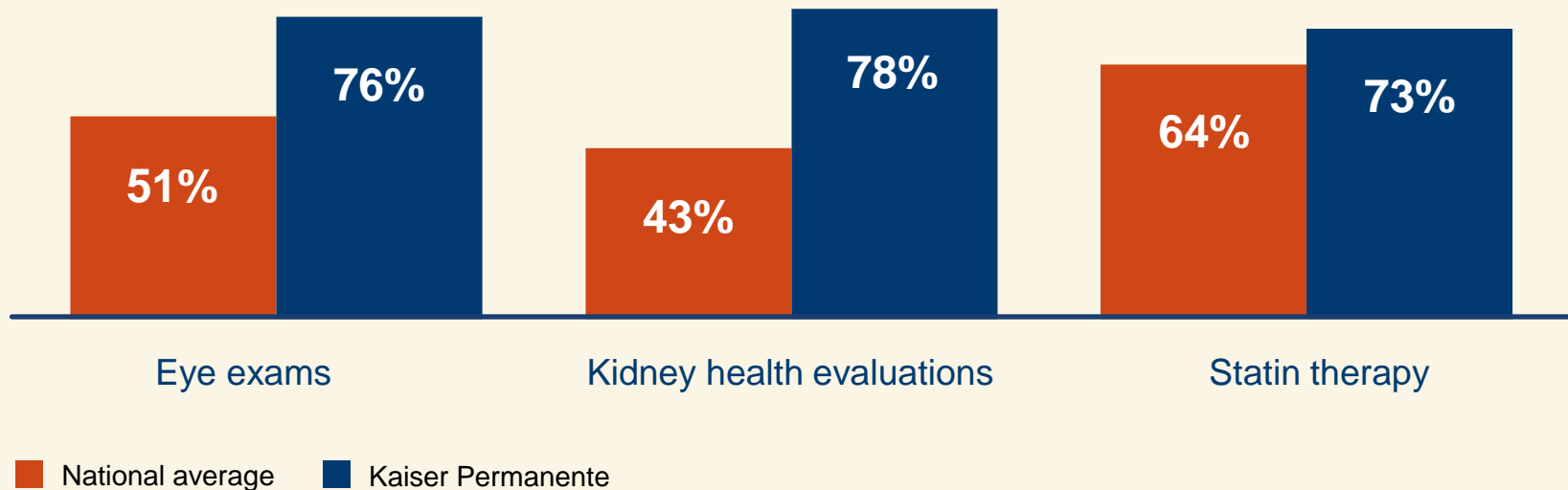
— American Heart Association
& American Stroke Association

1. McGlynn et al., "Measuring Premature Mortality Among Kaiser Permanente Members Compared to the Community," July 20, 2022.

2. AHA/ASA, July 6, 2023.

Superior diabetes care that drives healthier outcomes

We're in the top 5% nationally for key diabetes care measures where early detection matters most¹



Kaiser Permanente members have better adherence to diabetes medications

20%
higher than average²

Taking diabetes medications as prescribed reduces hospitalizations and health care costs.

1. NCQA Quality Compass® 2023. 2. Kaiser Permanente internal data, 2023. Piragine et al., *Journal of Clinical Medicine*, March 22, 2023.

Controlling diabetes dramatically cuts health care costs

\$10,968

added annual costs for each employee with diabetes¹

\$68,325

added annual costs for each diabetic employee who develops kidney disease²

1. Ortaliza et al., Peterson-KFF Health System Tracker, November 12, 2021.

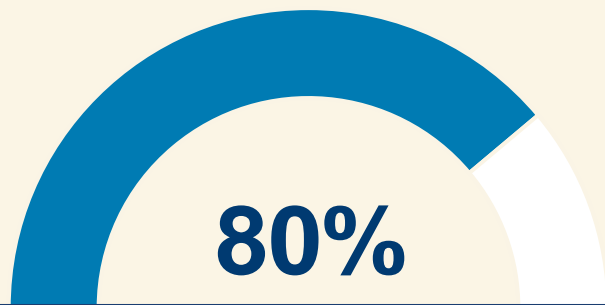
2. Minemyer, *Fierce Healthcare*, March 14, 2023.



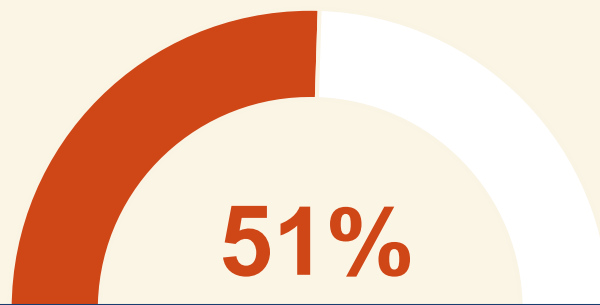
Cost-effective, evidence-based musculoskeletal care

A leader in same-day joint replacement

Kaiser Permanente¹



National average²



\$7,684
savings per employee³

Fewer readmissions
and higher satisfaction
than patients with overnight
hospital stays⁴

1. Koplan et al., *NEJM Catalyst*, February 2021. 2. Projected national average by 2026. *OrthoInfo*, October 27, 2023.
3. Condon, *Becker's ASC Review*, February 7, 2022. 4. See note 1.

Research-driven best practices drive better ACL reconstruction outcomes¹

77% ↓

reduction in hospital readmissions

1,200+

follow-up surgeries prevented

\$21M

in savings

A critical cost driver across industries

Musculoskeletal conditions affect 1 in 2 employees.² These conditions make up 15% of employer health care expenditures and cause 14 missed workdays per year for each affected employee.³

1. Kaiser Permanente internal data, 2009–2020. 2. boneandjointburden.org, accessed May 25, 2023.

3. Bravata et al., *2022 Castlight Workforce Health Index*, April 2022. U.S. Bureau of Labor Statistics, 2023.

Affordability and aligned incentives

Maximizing health while
minimizing inefficiencies



Delivering more for each health care dollar

Innovative cost-efficiency measures are inherent to our integrated, not-for-profit, value-based model. Our clinicians have aligned incentives — working together to keep your employees and their families healthy, and sharing best practices that create meaningful, measurable savings.

Kaiser Permanente is composed of the nonprofit Kaiser Foundation Health Plan, Inc.; the nonprofit Kaiser Foundation Hospitals; and the for-profit Permanente Medical Groups.



Not all health care is created equal

“[Our model] puts the patient, the doctor, the hospital, the employer and the insurance company all on the same side of the ledger. They all benefit by the patient remaining well.”

— Kaiser Permanente founding physician
Dr. Sidney Garfield, April 4, 1945

Increasing cost-efficiency while maintaining exceptional quality



Strategic contracting and management of outside medical costs



Physician-led, evidence-based pharmacy strategies focused on quality, efficacy, and affordability



Streamlining care delivery processes and reducing unnecessary variation



Improving administrative efficiencies, including reducing discretionary spending, to mitigate the impact of inflation



Leveraging technology, including automation and AI, to improve care, streamline processes, and reduce costs over time

A value-based, clinically appropriate approach to obesity management and GLP-1 drugs

At Kaiser Permanente, we evaluate each member's needs — protecting your employees' health and your bottom line.

GLP-1 drugs are a huge cost driver for employers:

\$12,000+
per prescription, per year

Prescribing thoughtfully is essential:

Half of people prescribed GLP-1s stop taking them.¹

Most people gain weight back after they stop taking these drugs.

75%
of our GLP-1 prescriptions are for members with diabetes.²

1. Liss and Cherupaly, *American Journal of Managed Care*, December 2023.

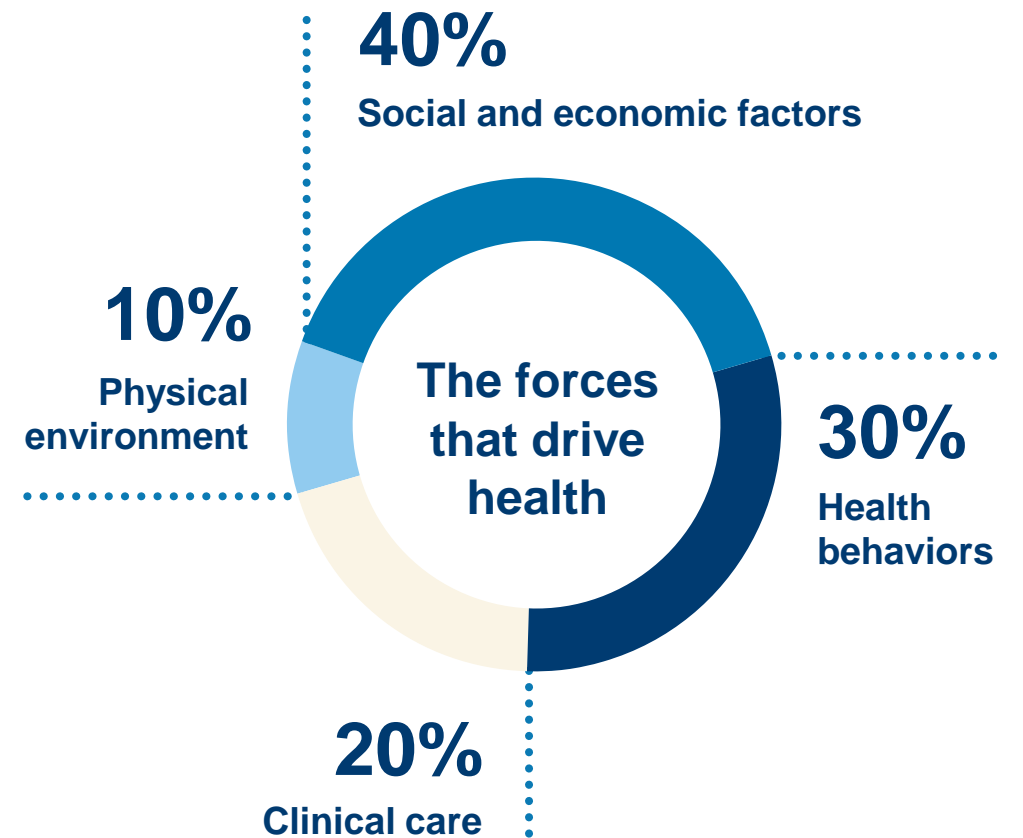
2. Kaiser Permanente internal data, November 2023.

Holistic, evidence-based weight management that goes beyond Rx

Addressing physical, mental, and social factors

Just as there's not a single cause of type 2 diabetes or obesity, there's no single solution. That's why we support the whole person with a personalized, long-lasting lifestyle modification plan.

- In addition to considering healthy diet, exercise, medications, and surgery, we also focus on the motivation for change, social drivers of health, and mental health concerns.
- Our integrated model enables a member's care team to refer, support, and follow up on other clinical changes that might impact weight.



When clinically appropriate, GLP-1s may be added as a complement to other evidence-based weight management support.

Integrated, value-based care accelerates adoption of cost-saving biosimilars

With evidence-based formulary review and coordination between physicians and pharmacists, we advance biosimilar adoption — ensuring the next emerging drug is available to your employees sooner.

\$300M
expected savings

in 2023 from replacing expensive biologic Humira with biosimilar Amjevita¹

Amjevita adoption

Kaiser Permanente —
within 1 month of release²

National average —
within 6 months³



Not all health care is created equal

Outside Kaiser Permanente, available biosimilars are prescribed **less than 25% of the time.**⁴

1. Kaiser Permanente Institute for Health Policy. 2. Kaiser Permanente internal data, 2023. 3. Malhotra, Clarivate, July 5, 2023. 4. IQVIA Institute, January 2023.

Access and simplicity

Hassle-free health care that's easy
to get and easy to use



Timely access is essential to value-based care — and to good health

We're actively working to shorten wait times by:

- ✓ Adding more physicians through accelerated recruitment in primary and specialty care
- ✓ Maximizing available appointments through more efficient scheduling in primary care
- ✓ Expanding availability of services through contracted services such as imaging
- ✓ Expediting communication about lab results so members know when to expect a follow-up
- ✓ Continuing to offer a robust array of virtual care options in tandem with in-person care



Not all health care is created equal

At Kaiser Permanente, most members report that they get primary care appointments as soon as — or sooner than — they expect.*

Fully integrated virtual and in-person care

Employers' top telehealth concern is lack of coordination with in-person visits.¹

At Kaiser Permanente, telehealth is seamlessly connected to overall care.



Not all health care is created equal

Integrated telehealth drives more efficient care access: More than 50% of members who used our 24/7 virtual care for a video visit avoided a trip to the ER or urgent care.²



1. Business Group on Health, 2023. 2. Kaiser Permanente GCN Post-Visit Survey of 60,945 members, 2023.

Integrated digital experience gets strong reviews

Our online tools offer superior experiences that drive higher engagement, better experiences, and healthier outcomes.

Satisfaction and utilization are extraordinarily high

85%

of our members use our digital tools¹

9.6/10

satisfaction rating for our 24/7 virtual care²

82%

of our members are satisfied with their telehealth experience, and 85% say the technology is easy to use³

Detailed data to inform your workforce health strategy

With our new **Care Your Way** report, you can see how your employees are utilizing care — and how much access to care our integrated, value-based system truly offers.

1. Kaiser Permanente 2022 Annual Report. 2. Kaiser Permanente internal data, December 19, 2023. 3. Kaiser Permanente 2022 Fall METEOR Survey.

Integrated mental health and addiction support

On-demand self-care and wellness resources

Available to all members at no cost.

Coordinated primary care

Primary care physicians screen for depression and unhealthy substance use and can manage many mental health conditions directly through our Collaborative Care program.

Accessible specialty care

Members can contact Kaiser Permanente directly — without a referral — to access mental health and addiction medicine services.



Expanding mental health and addiction medicine access to meet surging demand

36%↑

Increase in mental health visits between 2019 and 2022

600

New mental health clinicians hired since 2020

2x

Number of appointments provided by external clinicians

Proactive steps to prevent suicides and overdoses

✓ Regular screenings for substance misuse and suicidal ideation identify risk sooner.

✓ Automated clinician alerts recommend naloxone for opioid users — preventing potentially fatal overdoses.

Leveraging tech to expand access to mental health support

Physicians can prescribe apps that help treat anxiety, depression, and more.

These apps are:

- ✓ Evidence-based
- ✓ Clinician-approved
- ✓ Integrated into clinical treatment plans

Self-care and wellness coaching apps offer convenient support around the clock

Employees can get help navigating life's challenges with engaging tools designed to improve sleep, mood, relationships, and more.*



*The apps and services described above are not covered under health plan benefits, are not a Medicare-covered benefit, and are not subject to the terms set forth in members' *Evidence of Coverage* or other plan documents. The apps and services may be discontinued at any time. Calm can be used by members 13 and over. The Headspace Care app and services are not available to any members under 18 years old. Eligible Kaiser Permanente members can text with a coach using the Headspace Care app for 90 days per year. After the 90 days, members can continue to access the other services available on the Headspace Care app for the remainder of the year at no cost.



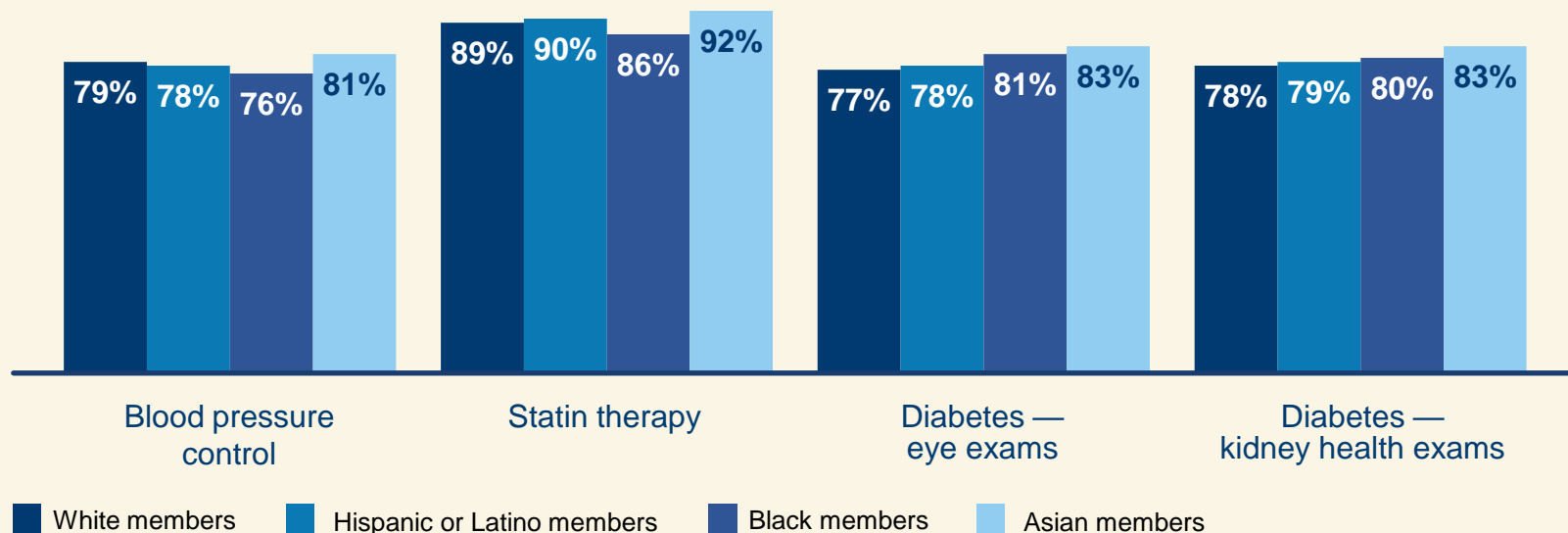
Equity and evidence-based care

A commitment to making evidence-based care and healthier outcomes available to all



Eliminating racial disparities in cardiac and diabetes care

Kaiser Permanente members across racial and ethnic groups score highly in key measures of cardiac and diabetes care excellence.*



Diverse care teams that reflect our diverse membership

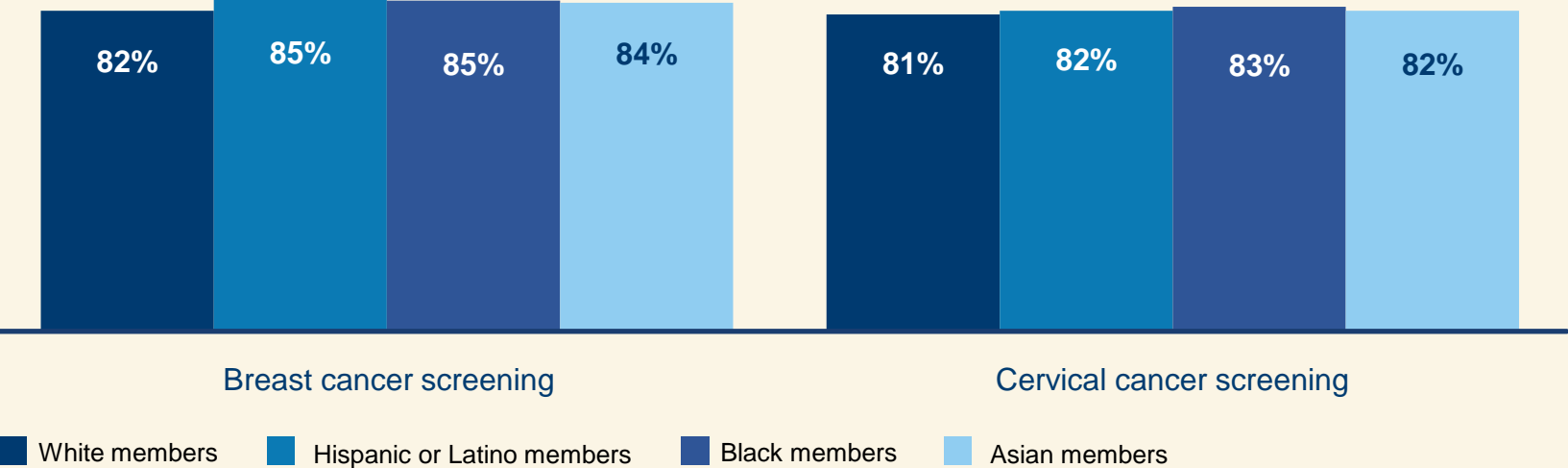
58%

of our physicians identify with and represent communities of color.

*Kaiser Permanente Equitable Care Health Outcomes report, Q3–Q4 2022.

Proactive cancer screenings for all members

In addition to scoring in the top 10% nationally, our screening rates for Asian, Black, and Latino members are consistently high.¹ Outside Kaiser Permanente, these groups have lower screening rates than white patients, often leading to worse health outcomes.²



We've closed gaps across demographics through our commitment to prevention and health equity.

1. NCQA Quality Compass® 2023. Kaiser Permanente Equitable Care Health Outcomes report, Q4 2022. 2. Tong et al., KFF, February 3, 2022.

Reducing care gaps to improve survival rates

Our Black cancer patients' 5-year survival rates outperform the national average for Black patients by:*

Colorectal cancer

13.8% ↑
higher survival rate

Breast cancer

6.4% ↑
higher survival rate

Lung cancer

1.1% ↑
higher survival rate

These superior outcomes are a direct result of proactive, equitable cancer treatment.

*Age-standardized, 5-year survival rates for Black or African American (including Hispanic) Kaiser Permanente members diagnosed with breast, colorectal, and lung cancer, for cases diagnosed between 2011 and 2015, compared with the Surveillance, Epidemiology, and End Results (SEER) national benchmark rate for members from Black or African American (including Hispanic) racial and ethnic groups.

A trailblazer in equity and social health

Social drivers account for 70% of health outcomes, and 68% of adults have at least 1 unmet social health need.¹ Kaiser Permanente is uniquely positioned to help.

Our clinical care teams **proactively identify members with social needs** — linking them to critical resources through the Kaiser Permanente Community Support Hub.

- ✓ Financial assistance
- ✓ Child care
- ✓ Healthy foods
- ✓ Housing

2023 impact and outreach:²

2.5M+ members
screened for social health needs

300K members
connected to resources

1. Duke Social Science Research Institute, 2023. Kaiser Permanente, June 4, 2019. 2. Kaiser Permanente internal data.

Discover the true meaning of value-based care

All health care is not created equal

As a business leader, you know the importance of getting the most value for each health care dollar you spend. Choosing a value-based health plan that's proven to deliver high-quality, affordable, accessible, and equitable care is the best way to support your workforce — in 2025 and beyond.



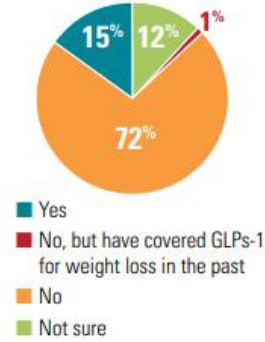
Pulse Survey: GLP-1 Drugs Public Employers and Multiemployer Plans

This survey, conducted from May 22, 2024 to May 29, 2024, captures U.S. employers' coverage and considerations surrounding GLP-1 drugs, which have historically been prescribed for diabetes and weight loss. It also provides a snapshot of other approaches used by employers that offer health care coverage to address certain chronic health conditions. The data below reflects responses from public employers and multiemployer plans.

2024 Coverage of GLP-1 Drugs (n=107)

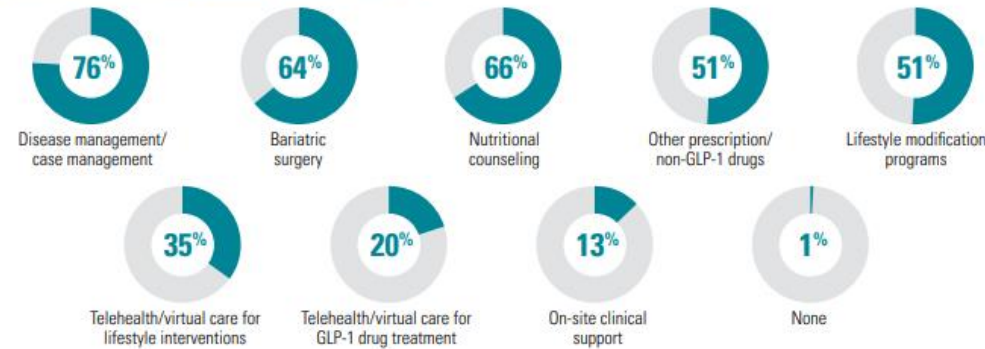


Considering Offering Coverage for GLP-1 Drugs for Weight Loss* (n=67)



* Respondents who only offer GLP-1 drugs for diabetes answered this question.

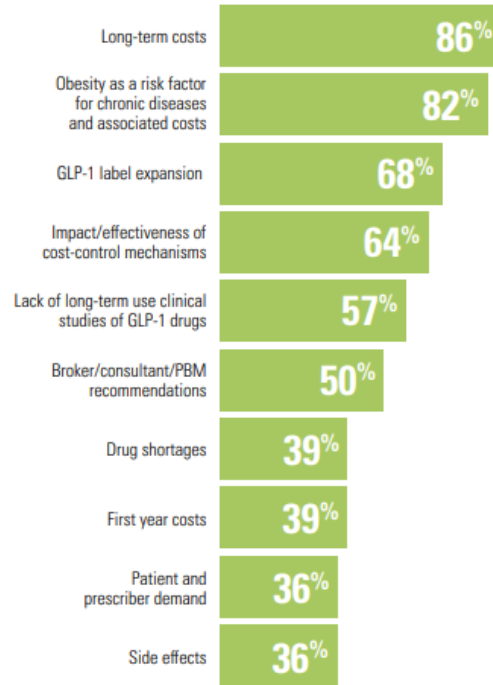
Services Covered for Diabetes or Weight Loss* (n=95)



* Respondents were asked to select all that apply.

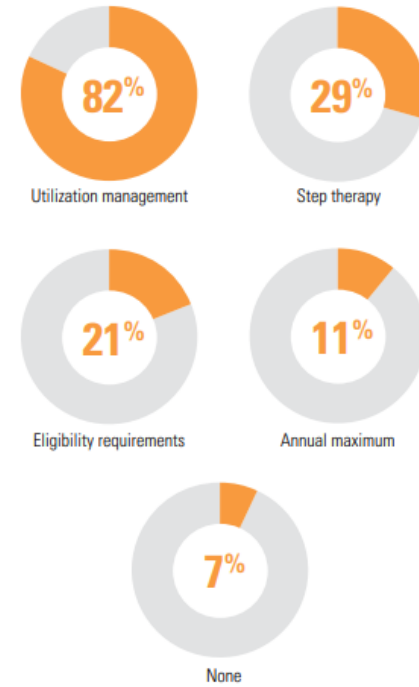
The following are results from organizations that offer GLP-1 drugs for weight loss.

Top Ten Factors When Considering GLP-1 Coverage for Obesity Care* (n=28**)



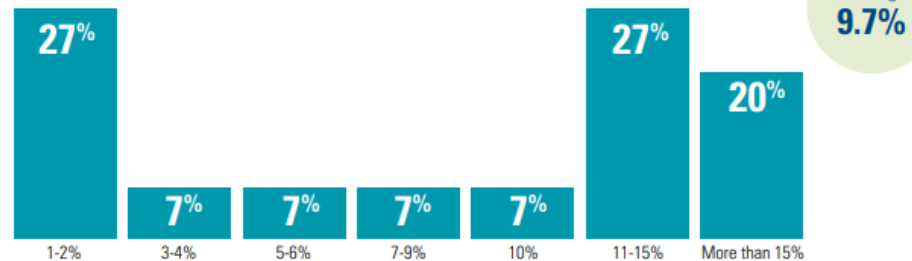
* Respondents were asked to select all that apply.
 ** Due to small number of responses, please use caution when generalizing findings to a particular population.

Cost-Control Mechanisms in Place for GLP-1 Drugs for Weight Loss* (n=28**)



* Respondents were asked to select all that apply.
 ** Due to small number of responses, please use caution when generalizing findings to a particular population.

Representation of GLP-1 Drugs for Weight Loss in Total Annual Claims for 2024 (n=15**)



** Due to small number of responses, please use caution when generalizing findings to a particular population.