

CEBT Summer Conference 2024





Your Team



Marc Neely
President & CEO
Colorado/Wyoming



Matt Vesledahl
Employer & Individual Chief
Affordability Officer



Mark Olson
Vice President, Key Accounts



Jennifer Dudei
Sr. Strategic Account
Executive

CEBT- July 2024

- **UHC Colorado – Marc Neely**
 - Medical & Rx Trend
 - Healthcare Trend
 - Contract Negotiations
- **CEBT Plan Performance – Jen Dudei**
 - Claims processed
 - Performance Guarantees
- **CEBT Select CO Analysis – Mark Olson**
- **CEBT Considerations – Jen Dudei**
 - One Pass Select
 - Fertility & Family Planning
- **GLP-1's – Matt Vesledahl**

Recent Trend Insights

What we are currently seeing in healthcare:

Economy: Levels of core/pricing trend anticipated to return to more historical levels as COVID no longer materially affecting trend combined with unit cost pressure

Changes to Preventative Guideline: The increase in colonoscopies is largely driven by changes in the age (45-50) guidelines.

Behavioral Health: Utilization increases in behavioral health services has led to sustained double digit PMPM trends over the past 5 quarters.

Surgical: Utilization trends are up over 2022. Hip and Knee replacements trends are leveling off, but large trends in other elective procedures like Ear Tubes and Tonsillectomies which were very depressed over the pandemic.

Health Tech Pipeline: GLP1s and Gene/Cell Therapy introducing new drugs and therapies in 23/24 driving utilization and spend



2023 Trend emerging results:

Core Pricing Trend

▲7.0% Core trend expected to return to historical levels
▲0.9% Unit cost pressure

Colonoscopies

▲14.4% Per 1000

Behavioral Health

PMPM ▲23.8%
behavioral related. Over 50% of telehealth services are now virtual

Surgeries

Hip Per 1,000 ▲2.0%
Knee Per 1,000 ▲4.5%
Adenoids Per 1,000 ▲19.6%
Tonsils Per 1,000 ▲45.4%

GLP1s and Gene/Cell

GLP1s adding ~\$4 PMPM
Gene/Cell - Currently projecting a dozen gene/cell therapies with treatment cost estimates over \$2M



CEBT Plan Performance

A glance at the numbers

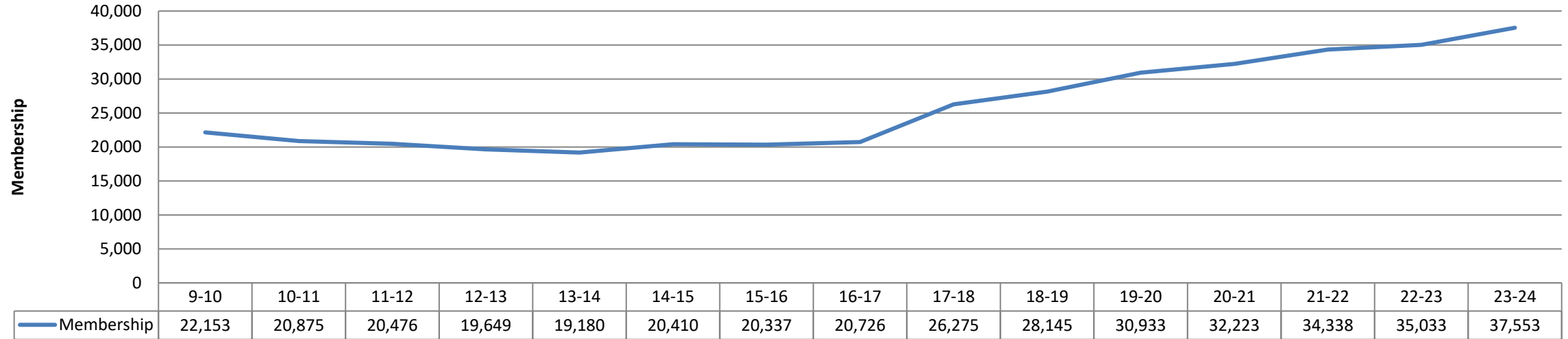


15 Years of Partnership



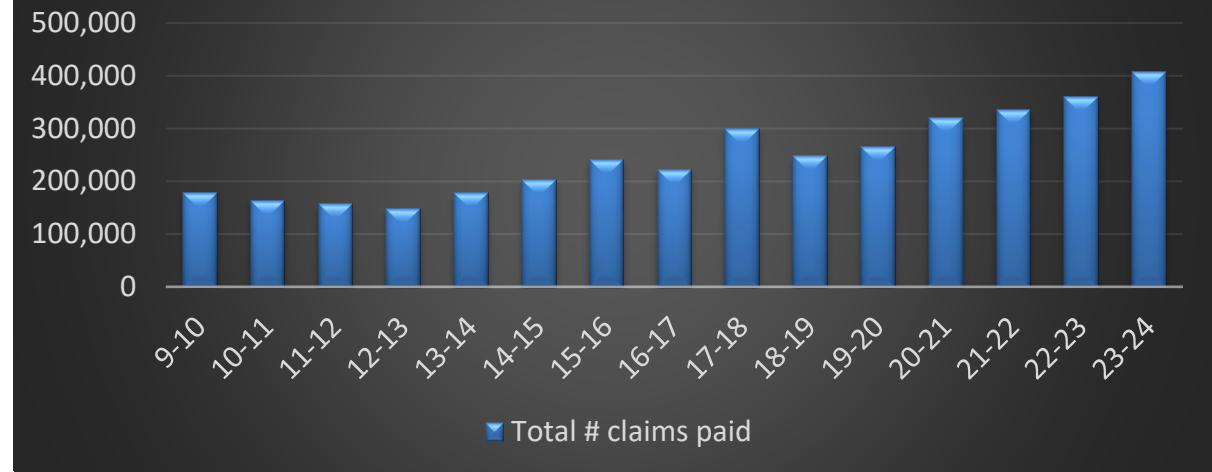
2009-2024

Membership



- **2022-2023 plan year there were 10.26 claims PMPY average paid per claim was \$437.82**
- **2023-2024 plan year there were 10.94 claims PMPY average paid per claim was \$470.46**

Total # claims paid



Medical Claims Processing



Summary of medical claims processed 7/1/2023 to 6/30/2024

- 1** The UMR Claim team processed 408,119 claims from 7/1/23 to 6/30/24, average number of claims per week processed is 7,700.
- 2** The average turnaround time for processing these claims was 7 days.
- 3** 1,160 claims paid over \$25,000, average of 22 per week.
- 4** 353 claims paid over \$50,000, average of 7 per week.
- 5** The average cost per claim was \$437.82.

Performance Guarantee Results



CEBT – Jan 1st thru May 31st 2024

Metric	Target	Actual	Current Variance
Financial Accuracy	99%	99.8%	+0.8%
Payment Accuracy	98%	99.9%	+1.9%
Procedural Accuracy	98%	99.8%	+1.8%
Claim TAT w/in 10 Days	94%	97.5%	+3.5%
Claim TAT w/in 30 days	99%	99.9%	+0.9%
Adjustment TAT w/in 5 Days	95%	98.6%	+3.6%
Email TAT (in Calendar Days)	>5	2.5 Days	>2.5 Days



SelectColorado

United
Healthcare

SelectColorado

“I want good health, at less cost, when I want it.”

– Customers



Deep understanding of consumer needs / wants / motivations / constraints, and ability to market to and serve them

Skills, drive integration and reach to provide optimal health value

Consumer/employer-centered value-based products measured by NPS®

Goal, structure, and process alignment/integration

Be dedicated to consumer value

Engage, educate, and empower consumers

Align and integrate care delivery processes & providers

Manage variation aggressively; eliminate unnecessary variation

Optimize transparency and user-friendliness

uhealth

SCL Health



CU Medicine



United Healthcare

Optum

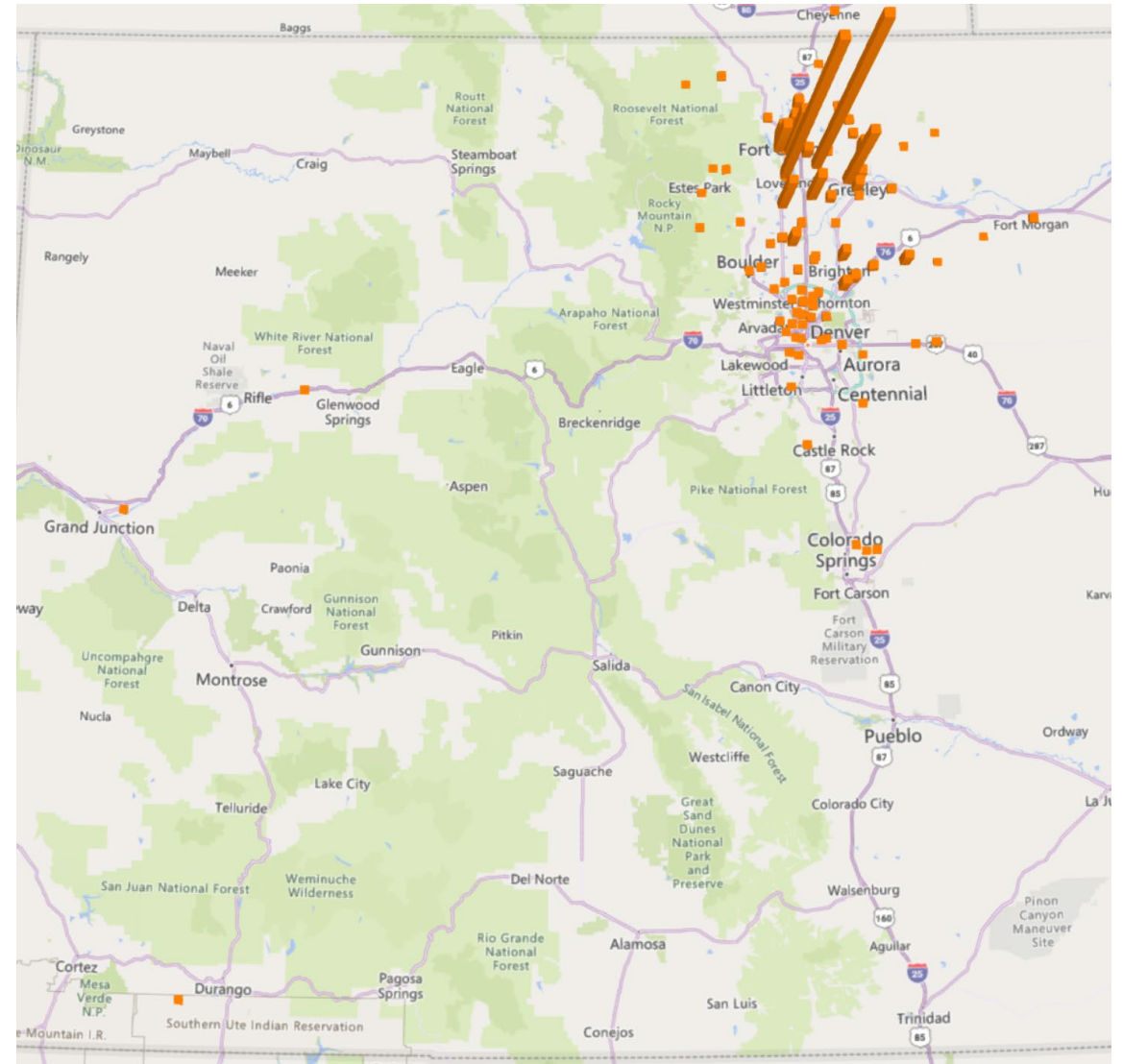
MONUMENT HEALTH

- Built “from scratch” for specified premium to compete in the market
- Guaranteed availability/accessibility/ outcomes/service standards
- “Systems of Excellence”

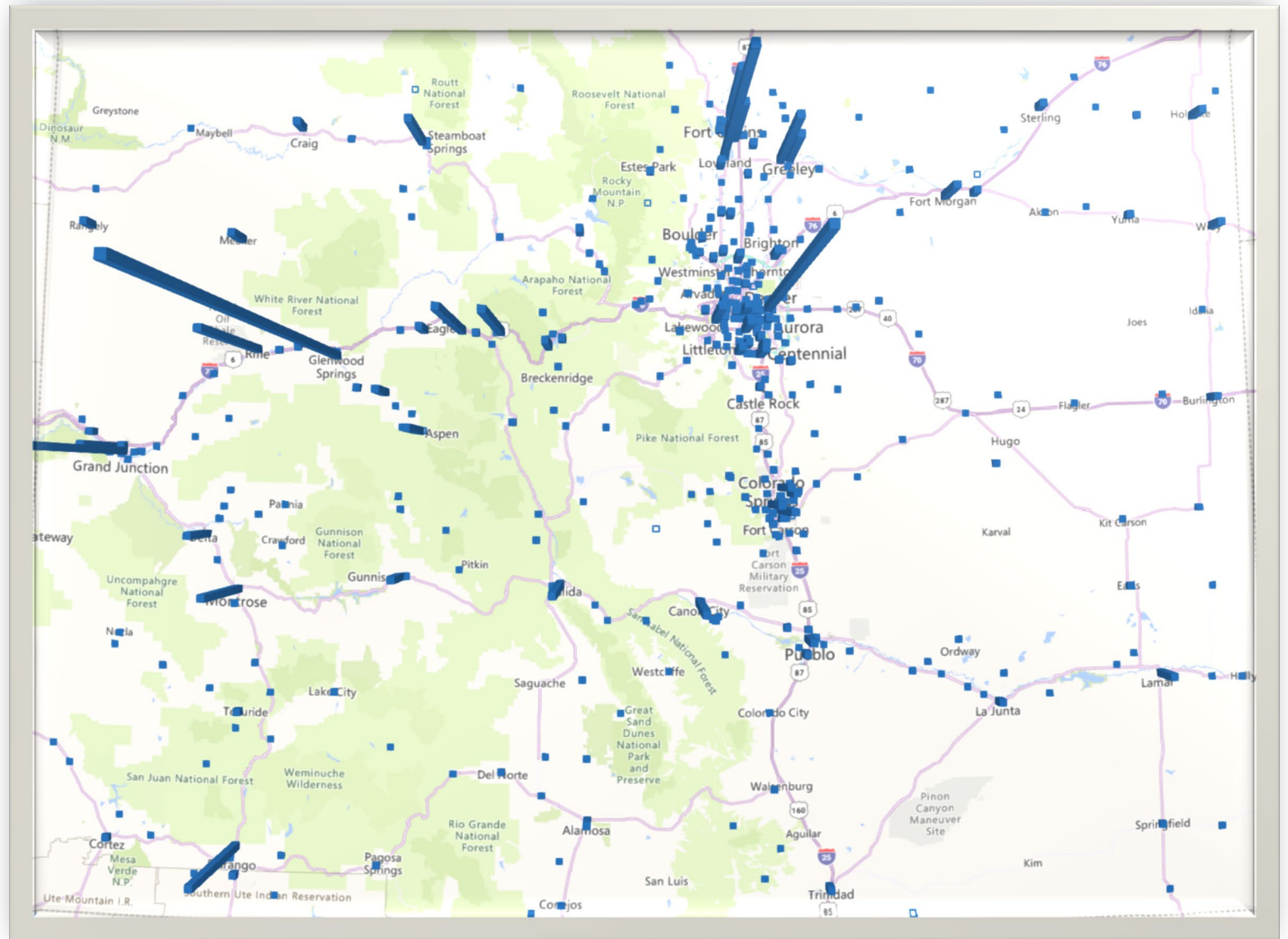


CEBT Select Colorado Enrollment

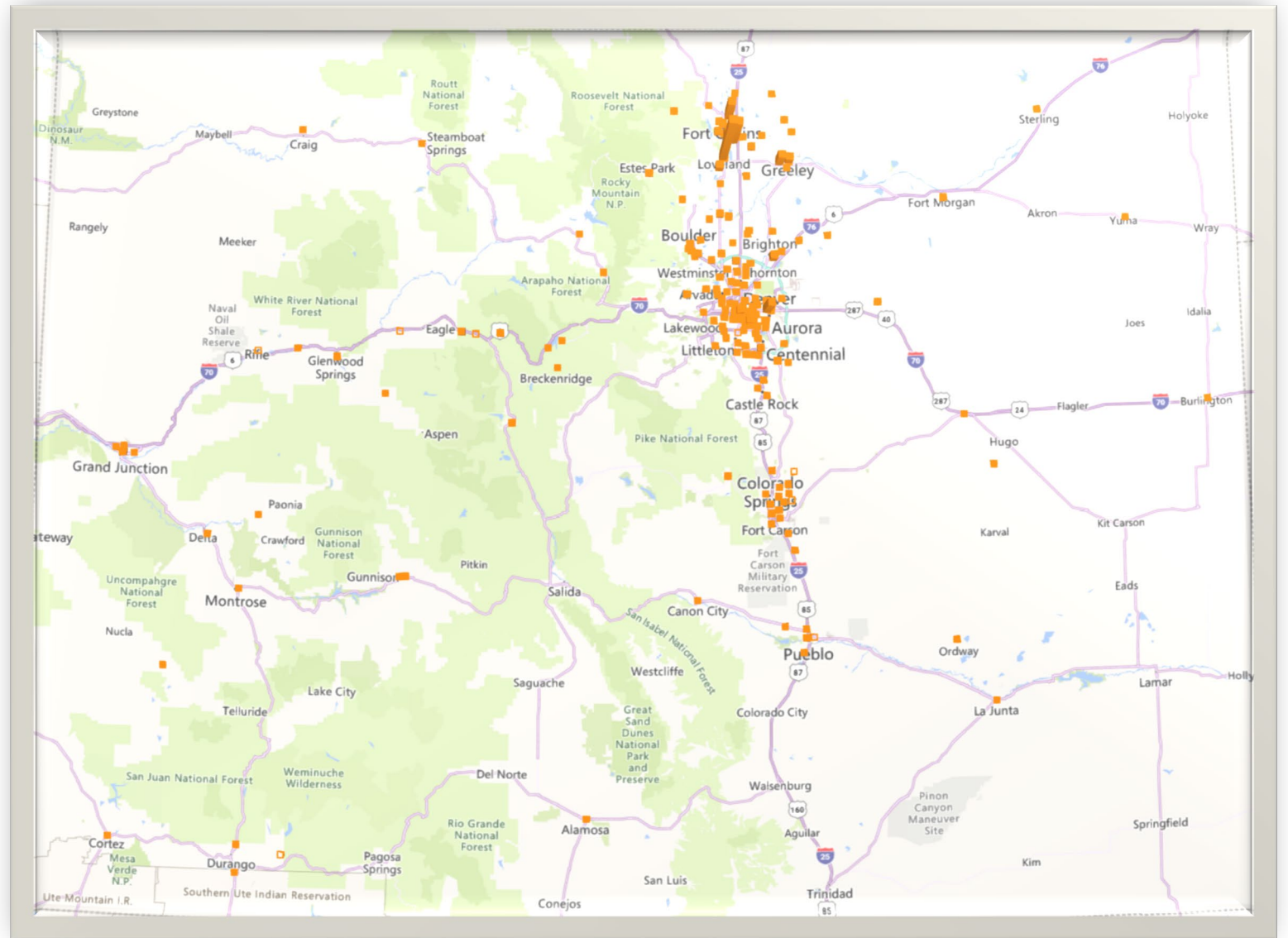
- 3,924 Members Currently Enrolled
 - +60% increase in 2023
- Primarily Northern CO: Weld and Larimer Counties



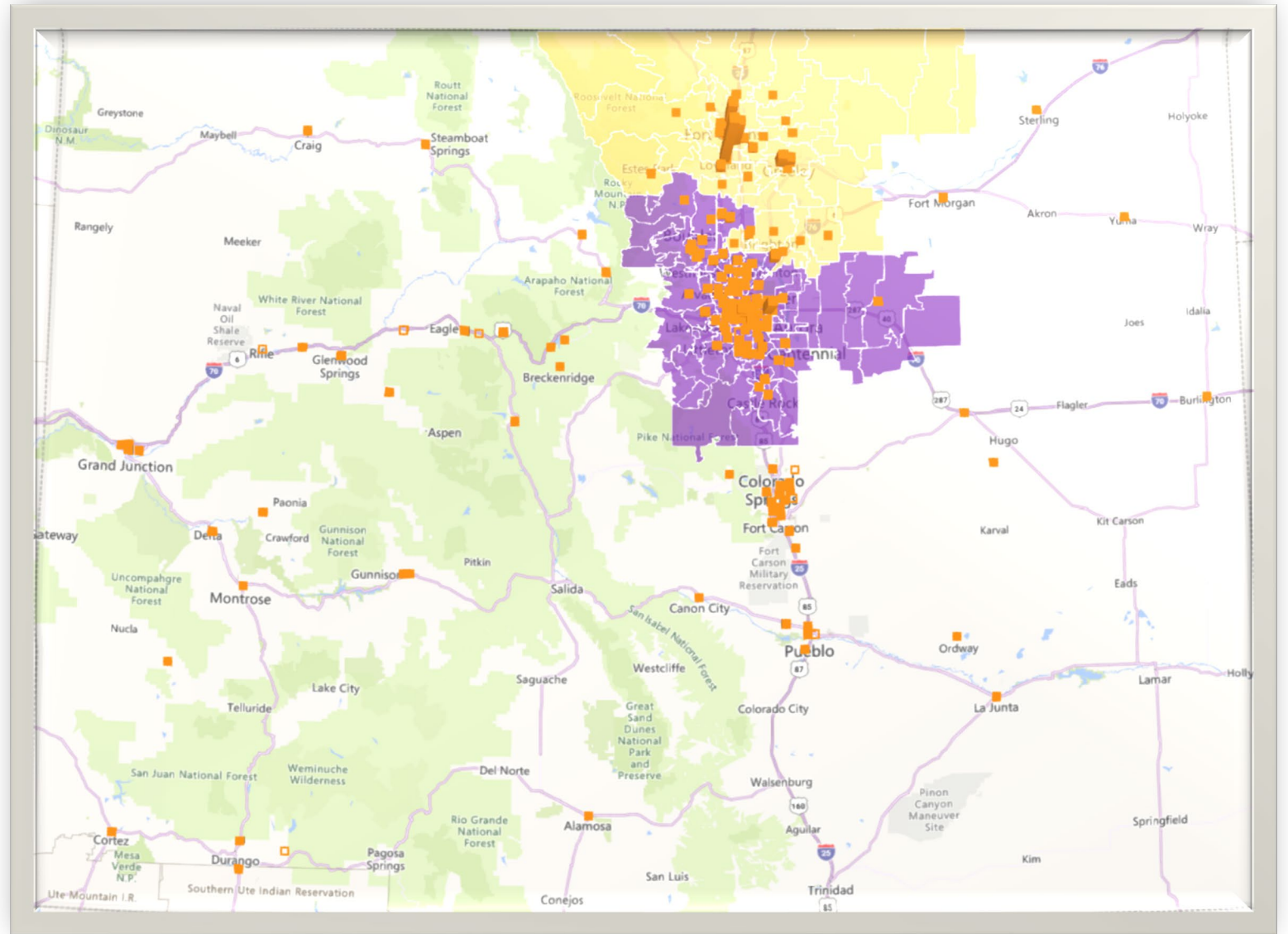
CEBT Medical Utilization



CEBT Medical Utilization



CEBT Medical Utilization



SelectColorado Tier-1 Hospital Utilization

Health Systems	Claims	% of Spend	Tier
UCHEALTH NORTH	\$8,296,035	63%	Tier-1
CHILDRENS HOSPITAL COLORADO	\$1,375,636	11%	Tier-1
BANNER HEALTH SYSTEMS	\$1,201,499	9%	Tier-2
UCHEALTH	\$1,192,262	9%	Tier-1
SCL HEALTH	\$788,572	6%	Tier-1
CENTURA HEALTH	\$103,605	1%	Tier-2
HCA INC	\$78,139	1%	Tier-2
DENVER HEALTH	\$9,302	0%	Tier-2
COMMUNITY HOSPITAL ASSOCIATION	\$9,227	0%	Tier-2
Total Tier-1 Utilization	\$11,652,505	89%	

SelectColorado Key Performance Indicators

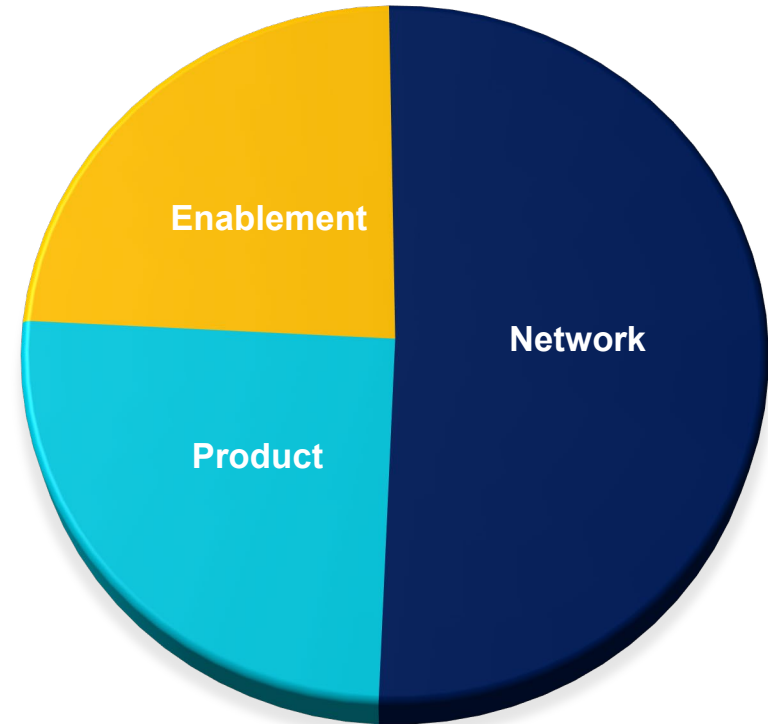
7/2022 - 6/2023

CEBT PMPM	\$536.04
SelectColorado PMPM	\$435.57
CEBT Total Discount	62.10%
SelectColorado Discount	65.17%

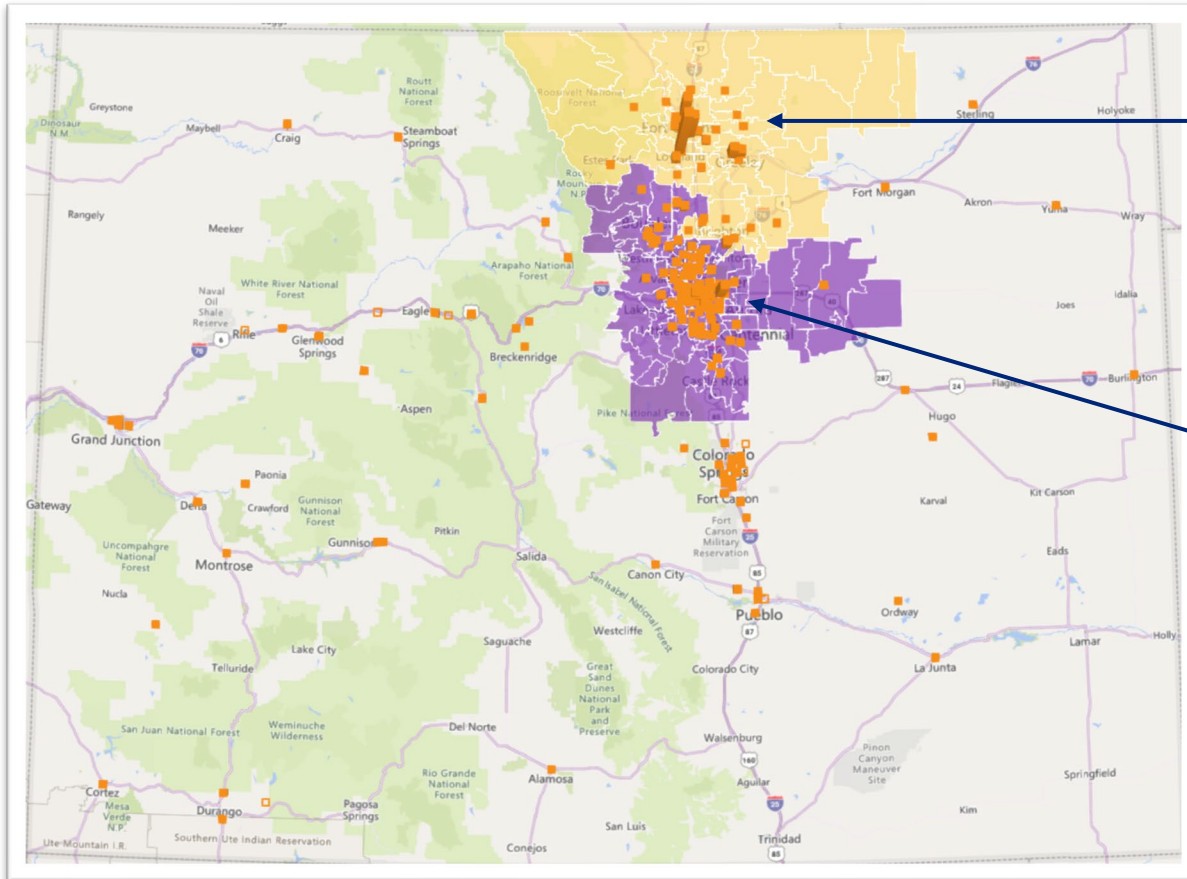
7/2023 - 6/2024

CEBT PMPM	\$517.29
SelectColorado PMPM	\$458.93
CEBT Total Discount	61.94%
SelectColorado Discount	69.34%

Total Savings



Network Deep Dive



Northern Colorado

- SelectColorado IP & OP spend was \$9.75M
- SelectColorado IP & OP Discount = 66.91%
- CEBT (non-SC) IP & OP spend was \$25.86M
- CEBT (non-SC) IP & OP discount = 55.12%
- Savings = \$3.47M

Denver Metro Area

- SelectColorado IP & OP spend was \$3.61M
- SelectColorado IP & OP Discount = 85.53%
- CEBT (non-SC) IP & OP spend was \$54.4M
- CEBT (non-SC) IP & OP discount = 80.57%
- Savings = \$1.24M

Total Savings

- \$4.71M across both areas
- Equal to ~13% of medical premium





A UnitedHealthcare Company

One Pass Select

Fitness and well-being program

UM1997 0324



Offering employees flexible, accessible health resources

One Pass Select™ is a subscription-based fitness and well-being program that supports a healthier lifestyle for employees.

One Pass Select offers:



Lower cost to you and your employees

Allows you to offer competitive pricing and flexible health options to your employees and their families.



Flexible options

Employees can choose from five membership tiers to access thousands of nationwide commercial fitness networks — with no long-term contracts or annual membership fees.



Total solution for your employees' needs

One Pass Select provides a holistic offering that includes physical and digital fitness options as well as grocery delivery subscription to help your employees live healthier lives.

¹ One Pass Select Utilization Report, 2023.

² One Pass Select Internal Analytics/Book of Business, 2022.



76%

Over ¾ of employees who signed up for One Pass Select were actively engaged in the program.¹

50%

of U.S. consumers surveyed reported wellness as a top priority in their day-to-day lives, up 8% since 2020.¹

Employee engagement

20%

average retail gym membership savings with One Pass Select.²

A variety of employee membership options to fit lifestyle goals

Category	Digital	Classic	Standard	Premium	Elite
Monthly fee	\$10	\$29	\$64	\$99	\$144
One-time enrollment fee	\$10	\$29	\$29	\$29	\$29
Gym network size		11,000+	12,000+	14,000+	16,000+
Premium network			✓	✓	✓
Multi-location access		✓	✓	✓	✓
Digital classes	10,000+	10,000+	10,000+	10,000+	10,000+
On-demand	✓	✓	✓	✓	✓
Livestreaming	✓	✓	✓	✓	✓
Workout builder	✓	✓	✓	✓	✓
Grocery delivery		✓	✓	✓	✓
Family & friend memberships*	✓	✓	✓	✓	✓
Upgrade/downgrade	✓	✓	✓	✓	✓
Cancel within 30 days	✓	✓	✓	✓	✓

*10% discount off the tier selected for each person added



One Pass Select commercial gym brands*

Digital (23k+)	Classic (12k)	Standard (13k+)	Premium (16k+)	Elite (18k+)
				
				
				
				
				
				
				

*Crunch Fitness and Lifetime membership tiers may vary depending on member's location. Other participating locations available in our network. All trademarks are the property of their respective owners.

Participating grocery delivery services





Fertility & Family Planning



Fertility & Family Planning



Five Advantages to offering sponsored Fertility benefits

- Deep healthcare savings for the Employer.
 - Managed fertility benefits increase the likelihood of a health pregnancy, while decreasing neonatal ICU, pharmacy and other healthcare related costs.
- Improved outcomes means improved employee loyalty.
 - Employees tend to have strong, positive feelings toward employers that offer coverage for fertility treatment.
- A more engaged and productive workforce.
 - Giving employees access to clinical guidance and oversight throughout their fertility journey will decrease their stress on multiple fronts, helping them to stay engaged at work.
- Inclusive benefits that support all employees.
 - The holistic view of family-building benefits supports the wellbeing of an increasingly diverse workforce and makes a cultural statement on your company's value for diversity in the workplace.
- Enhancing an employer's reputation.
 - Companies who offer fertility benefits earn a reputation as a family friendly employer when they provide support for family-building with fertility benefits.

UMR Fertility & Family Planning Benefit Trend



- Employers offering Fertility benefits have increased over the last 2 years
- The standard is to have a \$10k-\$20k lifetime maximum for medical and pharmacy combined

	Low Paid Estimate	High Paid Estimate
Ongoing <u>Medical Infertility</u> Impact	\$1.00 PMPM	\$1.50 PMPM
Pent-up Demand for <u>Medical Infertility</u> in the first 24 months [these expenses should disappear after 24 months]	\$0.50 PMPM	\$1.25 PMPM
Ongoing <u>Medical</u> Maternity & NICU Impact	\$1.00 PMPM	\$1.50 PMPM
Pent-up Demand for <u>Medical</u> Maternity & NICU in the first 24 months [these expenses should disappear after 24 months]	\$1.00 PMPM	\$2.50 PMPM
Ongoing <u>Pharmacy</u> Impact	Contact CVS for the cost estimate	Contact CVS for the cost estimate
Pent-up Demand for <u>Pharmacy</u> infertility in the first 24 months	Contact CVS for the cost estimate	Contact CVS for the cost estimate

Projected costs for CEPT to add unlimited Fertility & Family Planning Benefit:

- Estimated Year 1 Medical costs = \$3.50 PMPM to \$6.75 PMPM
 - Ongoing Year 1 Medical Costs = \$2.00 PMPM to \$3.00 PMPM, which 50% of this is infertility costs and 50% is maternity/NICU/birth costs
 - Pent-Up Demand Medical Costs = \$1.50 PMPM to \$3.75 PMPM, which 33% of this is infertility costs and 67% is maternity/NICU/birth costs
- So, if you take a longer-term view of this benefit, you see the pent-up demand should go away after about 24 months.

**There should be Pharmacy costs too, but CVS will need to provide those financial estimates



GLP1's

Latest News

Employer & Health Plan Coverage

- Lifetime Limits
- Coverage Reversals

Studies

- Mounjaro vs. Ozempic
- Cancer Impacts?

Cost/Benefit

- Adherence
- Full Deployment Cost
- Lifetime Commitment



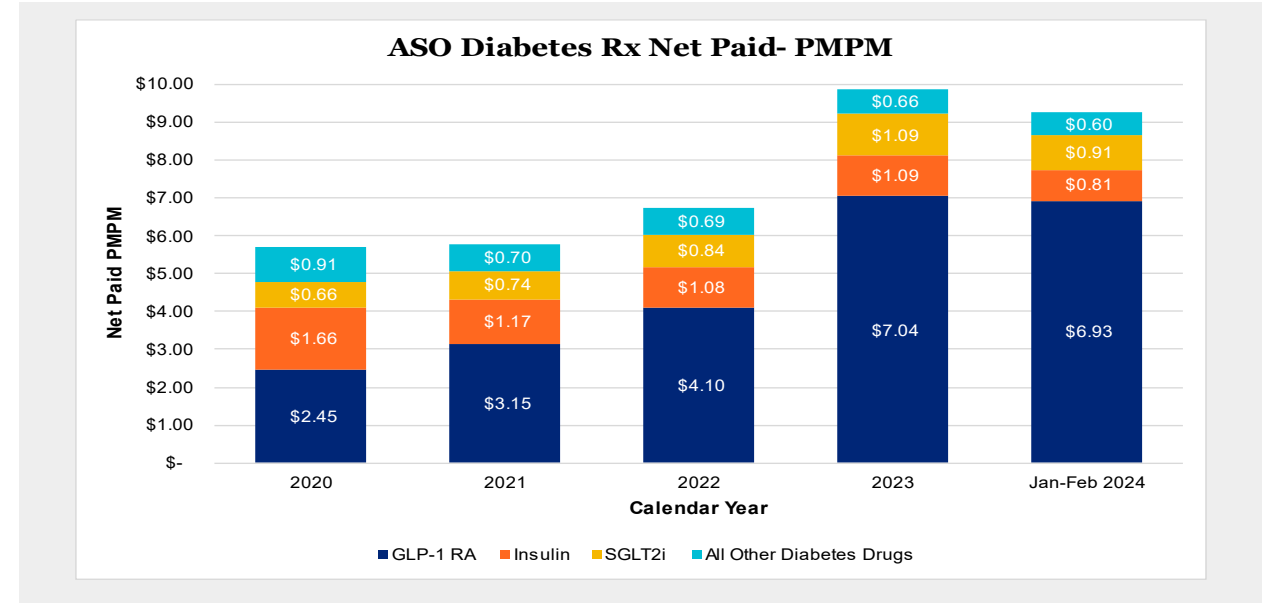
Evolving landscape and prescribing practices for type 2 diabetes

The most utilized diabetes drug is metformin, which helps lower baseline blood glucose levels and is often used in combination with other prescribed medications that help treat conditions like obesity, hypertension, nicotine addiction, etc.

Updated guidance from the American Diabetes Association (ADA) now recommends GLP-1 RA or SGLT2i, like Ozempic and Jardiance, as initial therapy in certain populations, specifically people with certain pre-existing conditions.

We are ensuring our approach aligns with treatment guidelines as more information becomes available for type 2 diabetes for all populations.

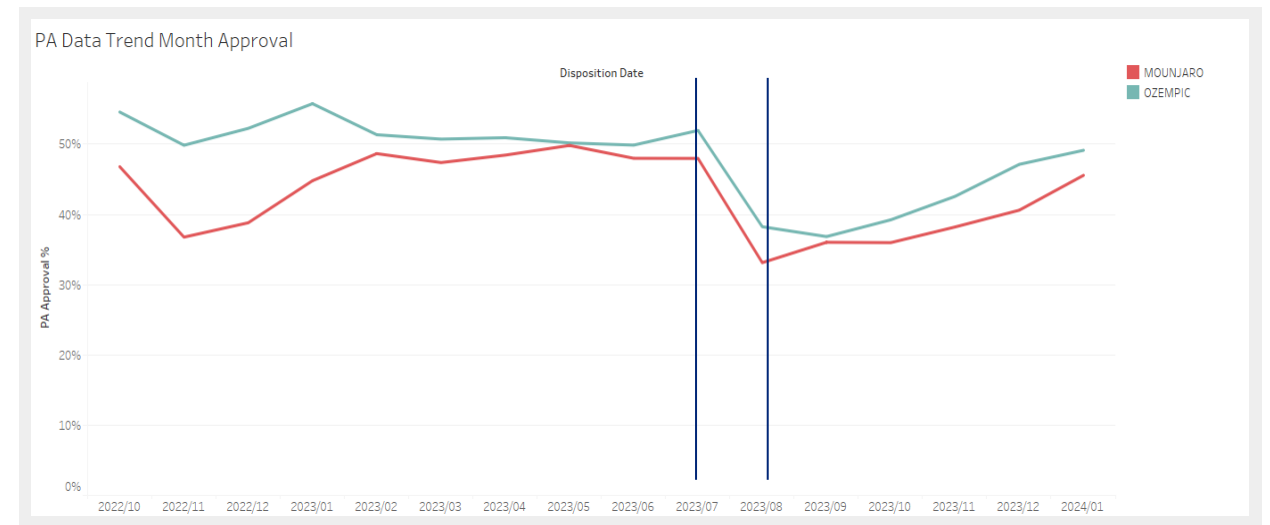
GLP-1 receptor agonists use has continued to increase over the last several years



Our goals

- Encourage medication access and adherence for those diagnosed with type 2 diabetes
- Drive affordability for clients and members

Increased Management has removed off label use



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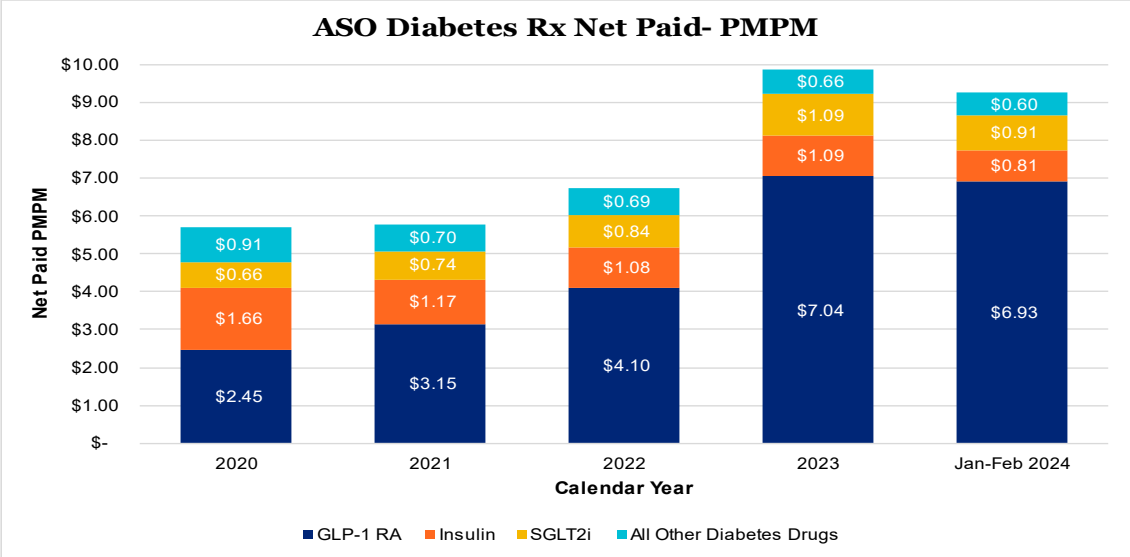
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Landscape

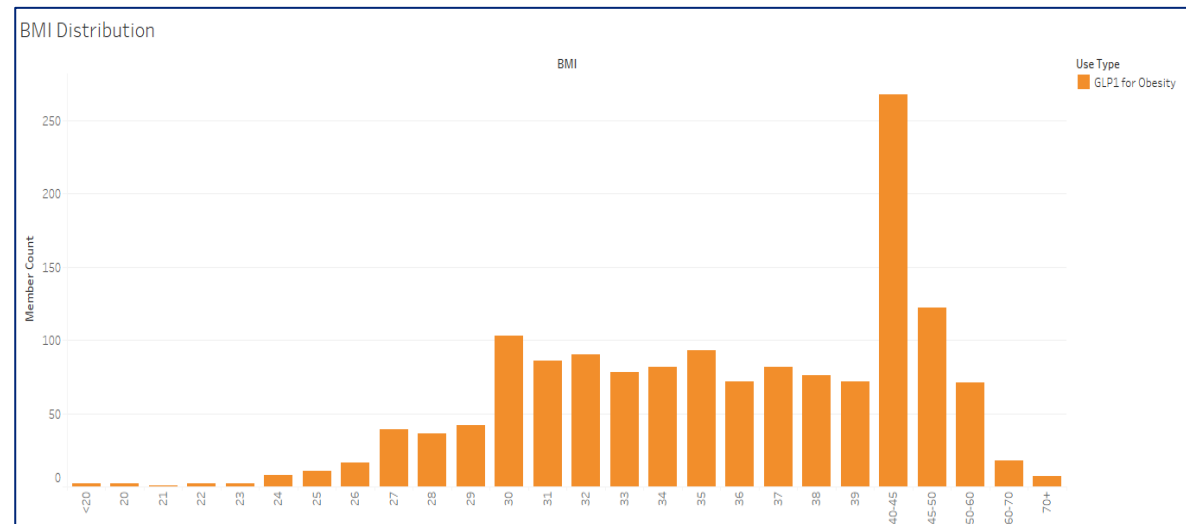
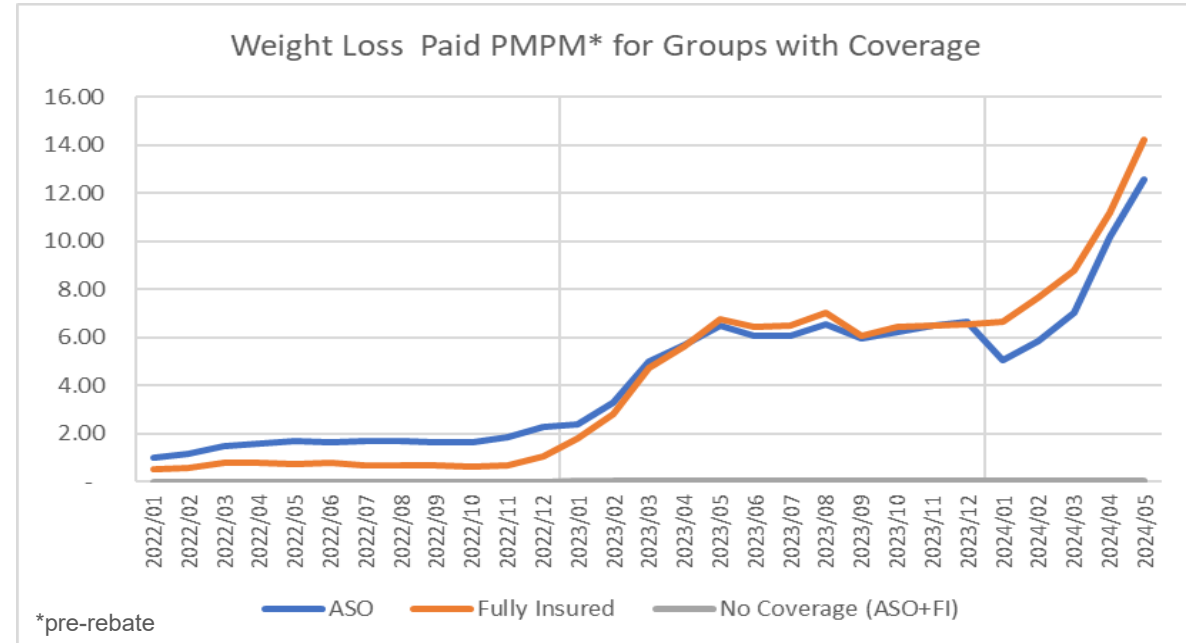
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Rx trend impact: GLP-1s for weight management

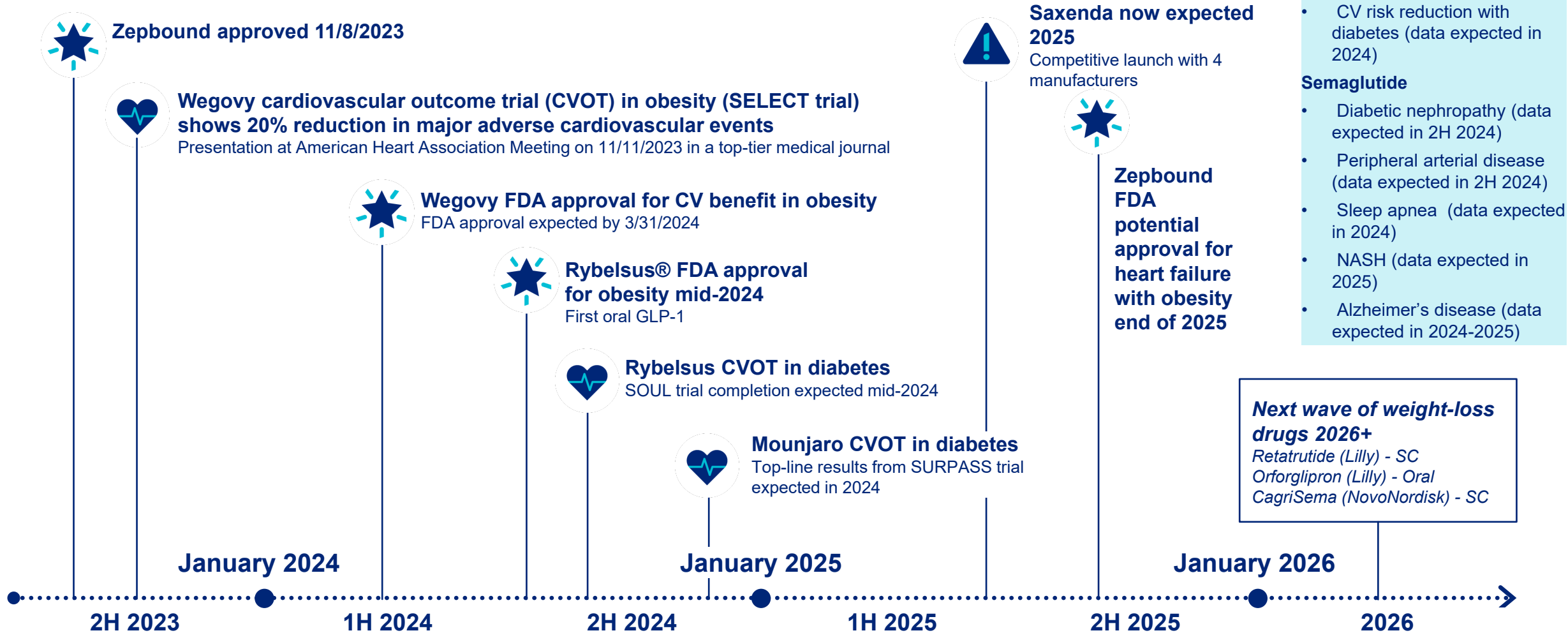
Clinical trial data for both Wegovy and Zepbound shows higher weight-loss efficacy, rivaling surgical treatment, and demonstrated more acceptable safety profiles than previous products.

- **Top trend driver** despite intermittent supply issues and high abandonment/persistency rate
 - ~40% continue therapy after 1 year
- **~\$8.00 average PMPM** for self-funded customers
 - ~5% of overall pharmacy spend¹
- The highest use is seen at the **BMI +40 level**²



1. May YTD 2024. 2. Internal UHC data.

Upcoming key events in weight loss and GLP-1 agonist category



The UnitedHealthcare approach¹

For clients seeking a motivation-based approach that works in conjunction with prior authorization.

- Potential fixed PMPM pricing arrangement in development so client can confidently plan for cost impacts even as utilization trends fluctuate.
- Program participation and prior authorization required prior to drug coverage.
- Potential client choice between select behavioral modification program vendors.



1. The concept detailed is still in the planning and development stage. Product details and rollout to come future state. 2. The weight loss program does not include medical care.





Thank you CEBT!

-Your UMR/UnitedHealthcare Team