A Healthy Approach to Care Transformation

Practical solutions for population health

Franciscan Health & Wellness Services, Inc.

November 2016
Our profile: FMOL Health System

- 5 Hospitals
- 144 Primary Care Providers
- 360 Specialty Care Providers
- 19 Urgent Care Facilities
- 1 Freestanding ER
The Healthy Lives program

Implemented for FMOL Health System in November 2010

• >13,000 employees and >17,000 insured members
• 75% participation rate
• >$20 million in savings over 5 years
• Quality measures exceed national benchmarks
• Five years in a row with no premium increase for members
• Recognized by the National Business Group on Health: Best Employers for Healthy Lifestyles in 2012-2016
Driving value

**Program Services**
- **Medical Homes and Providers**
- **Healthy Lives**
  - Analytics
  - Wellness Programs
  - Health Coaching
- **Member Engagement**
  - Healthy Lives Screening
  - Healthy Lives Portal
  - Healthy Lives Rewards

**Employer Benefits**
- Annual Enrollment
- Achieving Results
- Claim Analysis
- Healthy Lives Screening
- Health Coaching
- Healthy Lifestyle Activities

**Member Benefits**
Franciscan Health & Wellness Services

Expanding our model

- Subsidiary of FMOLHS launched in June 2012
- 33 organizations in 9 states
- Fully and self insured companies ranging in size from 30 – 14,000 FTEs
- >85,000 lives total
- Variety of industries
  - Government and municipalities
  - Oil and gas
  - Education
  - Manufacturing
  - Banking
  - Health care
- Health care consulting and collaboration: 7 health systems
  - Population health management
  - Employer-based health and wellness programs
  - Infrastructure & support
Healthy Lives program results*

• Engagement > 75%

• Health care expense trends per member per month (PMPM)
  • 2012: ↑ 4%
  • 2013: ↓ 2%
  • 2014: ↑ 1%
  • 2015: ↓ 3%

• Acute care admission rates 70/1000, with a 13% decrease in average cost per episode in 2015

• Evidence-based quality measures exceed national benchmarks

• Overall program satisfaction >90%

*Reflects Franciscan Health and Wellness performance metrics for >80,000 lives across 9 states
The business case

Health care expense trends*

• Employer expense growth rates have slowed since 2010: 4-5%
• Premium increases outpace incomes in all states
  • Average annual premiums = 20-25% of median income
• Increased out-of-pocket expenses for workers
  • Employee premium contribution nearly doubled in the past decade, increasing 93 percent from 2003 to 2013
  • Deductible expense doubled from 2003-2013
  • High deductibles becoming the norm

*The Commonwealth Fund, Issue Brief, January 2015
How do employers tackle this?

“Companies seeking to achieve and sustain high performance need to develop clearly defined, comprehensive and aggressive multiyear strategies for maximizing their health care investments.”

- Managing costs
- Adding value
- Improving employee engagement
- Exploring new options

*2015 Emerging Trends in Health Care Survey, Towers-Watson, April 2015*
The impact of health and well-being

Financial Impact of Chronic Conditions on Employers

- Obesity: $73.1 billion
- Depression: $35 billion
- On-the-job pain: $47 billion

Source: The Mayo Clinic's True Cost of Poor Health White Paper and U.S. Preventative Medicine

Wellness with Results

Healthy Lives is a complete solution to help employers improve their employees’ health and productivity and reduce their healthcare costs.
Developing strategic touch points

• Focusing on “health” and not “hospital” care
• Driving value-based care: cost and quality
• Redesigning care: connecting silos across environments
• Fostering relationships with providers in care delivery
• Developing practical solutions in the face of competing priorities
• Linking to innovative payment models
How it works…

1. Analytics & Consulting
2. Health Assessment & Screening
3. Healthy Lives Wellness Services
4. Health Coaching
Healthy Lives analytics

Monitor trends in health plan expense to identify target opportunities

Inpatient admission trends

Average length of stay

ER visits per 1000

Procedures per 1000

High utilizers > $100,000 medical & pharmacy claims
11% reduction in avoidable cases of chronic disease

- Blood pressure: 29% improvement
- Exercise: 17% improvement
- Smoking: 14% improvement
- Cholesterol: 5% improvement
- Weight: 6% improvement

Identify improvements & quantify cost savings

<table>
<thead>
<tr>
<th>Diseases</th>
<th>Baseline</th>
<th>Follow-Up</th>
<th>Change</th>
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<tbody>
<tr>
<td>Type 2 Diabetes</td>
<td>$3,228,989</td>
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<tr>
<td>Coronary Heart Disease</td>
<td>$2,414,425</td>
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<td>Stroke</td>
<td>$2,007,331</td>
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<td>Heart Failure</td>
<td>$600,789</td>
<td>$571,242</td>
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<tr>
<td>COPD</td>
<td>$183,092</td>
<td>$179,571</td>
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<tr>
<td>Lung Cancer</td>
<td>$88,740</td>
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<tr>
<td>All Diseases</td>
<td>$8,523,366</td>
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</table>
Healthy Lives wellness services

Programs tailored for your population

Pregnancy Wellness Program

This holistic program enhances the development of healthy mothers and babies.

DIABETES MANAGEMENT PLAYBOOK

Join us for the 2014 Diabetes Fair to help you tackle your BMI, learn proper nutrition, have fun and learn the fundamentals to better manage your diabetes. Open to all team members!

See dates, times and locations below:

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
<th>Time</th>
<th>Location</th>
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<tr>
<td>April</td>
<td>1</td>
<td>1 pm to 4 pm</td>
<td>Auditorium A</td>
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<tr>
<td>May</td>
<td>7</td>
<td>3 pm to 6 pm</td>
<td>Auditorium B</td>
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<tr>
<td>July</td>
<td>8</td>
<td>1 pm to 4 pm</td>
<td>Auditorium A</td>
</tr>
<tr>
<td>August</td>
<td>6</td>
<td>3 pm to 6 pm</td>
<td>Auditorium B</td>
</tr>
</tbody>
</table>

If you are a member of the Diabetes Management Program, contact your health coach to discuss attendance requirements.

1 (855) I AM HEALTHY (1-855-426-4325)
Healthy Lives incentives
Programs tailored for your population

• Participation incentives
• Outcomes incentives
• Link to employer and community activities
• Customized for each population
• Automated incentive management
Healthy Lives care management

**HEALTHY**
Focus on wellness

**AT-RISK GROUP**
Focus on preventative care, nutrition, exercise, and avoiding chronic disease

**CHRONIC CONDITIONS**
Focus on managing and treating chronic disease; work closely with primary care physicians and Health Coaches.

- Good Health
- Family History of Cancer
- Smoker
- Overweight
- High Cholesterol
- Heart Disease
- Diabetes
- Cancer
Healthy Lives in action

• Integrated health & wellness “brand”
• Employer-based subscriptions in local markets
• Individual subscriptions for in-house fitness centers
• “Farm-to-work” programs for fresh fruits & vegetables
• Linkage to clinically integrated initiatives for at-risk populations
Transforming Care

Creating a culture of wellness

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