CONIFER HEALTH SOLUTIONS®

Food Employers Labor Relations Association (FELRA) Q3 2021 Checkpoint

November 11, 2021

Today's Agenda

1. Conifer Health Solutions Overview

2. Executive Summary

2. Population Overview
   a. Key Indicators
   b. Categories of Care (COCs)
   c. Risk Stratification

3. Personal Health Management (PHM)
   a. Outreach
   b. Cost Savings
   c. Case Studies
   d. Member Satisfaction

4. Appendix

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Executive Summary

Population Overview	• Current population of 10,005 employees and 16,007 covered members, a drop in total membership of 6% from Q2 2021 • The average member age is 46
Engagement	• Engagement rate of 98% for Q3 2021 with an average of 94% since program inception • The nurses are able to reach 81% of members which is well above the book of business average
Results	• 81% of members engaged Q3 2020 participated in medical management for 3 months or longer which leads to improved member outcomes • 76% of engaged members met all established goals while participating in medical management • 75% of currently engaged members have either met goals or made positive progress towards goals during the measurement period • Priority and High Risk triggers for members engaged Q3 2020 decreased by 14.1 points since engagement • Engaged members show increased adherence to condition specific and preventive screenings when compared to the overall population
Satisfaction	• 100% Member satisfaction Q3 2021 consistent with 100% satisfaction since program inception • Comments included: “My interactions with [my nurse] have been the best I’ve experienced- bar none! This past 2 years has brought more medical issues than I’ve experienced my entire life. If I needed to reach out for information, she was there and she has been great!” • Return rate 29% which is well above book of business average

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Monitoring Key Indicators

Members Eligible as of Q3.2021

- **Total PMPM** costs increased 7% over Q2 2021, led by a 16% jump in inpatient hospital costs and a 9% increase in medicine costs
- **RX PMPM** for Q3 increased slightly as compared with Q2; brand name medications made up 21% of all scripts and 82% of total RX costs; medications make up 29% of all healthcare dollars spent, below national trends
- **378** members (55 of whom are termed from the plan) have healthcare expenses of $50,000+ YTD, an increase of 214 lives over Q2; average claim costs are 11% higher:
  - The largest claimant in Q3 is a 6-year-old with cystic fibrosis; her YTD spend is $1,577,818; the second largest claimant is a 69-year-old spouse whose spend totals $1,276,087
  - Current High Cost Claimant expenses represent 65% of total medical spend to date ($45.7M of $70.3M total spend)

Metric	Q1 2021	Q2 2021	Q3 2021
Number of Employees	10,675	10,606	10,005
Number of Members	17,203	17,049	16,007
Medical PMPM	$340.97	$298.28	$329.91
RX PMPM	$115.34	$134.74	$135.38
Total PMPM	$456.31	$433.02	$465.29
General COC PMPM	**Q1 2021**	**Q2 2021**	**Q3 2021**
Hospital Related	$127.06	$160.14	$175.91
Professional	$209.52	$133.61	$145.03
Other	$4.09	$4.53	$8.97
Rx	$115.34	$134.74	$135.38
Total	$455.31	$433.02	$465.29
Claimants over $50,000	**Q1 2021**	**Q2 2021**	**Q3 2021**
Number of Claimants	73	164	378
% of Population	0.4%	0.9%	2.3%
% of Total Paid	35%	39%	65%
Largest Claimant Cost	$859,580	$859,640	$1,577,087
Average Cost/Claimant	$111,070	$108,985	$120,952

Monitoring Key Indicators *(continued…)*

Members Eligible as of Q3.2021

Predicted Trend	Q1 2021		Q2 2021		Q 3 2021		
	#	%	#	%	#	%	Δ
Number of Members	17,203	n/a	17,049	n/a	16,007	n/a	-1,042
Priority Risk	17	0.09%	56	0.3%	41	0.3%	-15
High Risk	1,379	8.0%	1,470	8.9%	1,485	9.2%	+15
Prevalent Chronic Conditions	3,251	18.8%	3,339	19.5%	3,073	19.2%	-266
High Cost Cancers	88	0.5%	84	0.5%	78	0.5%	-6

- Priority and High Risk Members account for 9.2% of the entire population, a slight increase from the prior reporting period
  - Conditions that contribute to instability, high predicted costs, ineffective utilization patterns and past high cost clams are the four most common triggers driving Priority and High Risk members
- The most prevalent chronic conditions, in descending order, include: obesity, hypertension, diabetes and high cholesterol
- The percentage of members with high cost cancers remains static, though the total number of high cost cancers continues to drop; the most prevalent diagnosed cancers in Q3, in descending order: breast, colon, lung, multiple myeloma, leukemia and lymphoma

Identifying Cost Drivers by Category of Care (COC)

Members Eligible as of Q3.2021

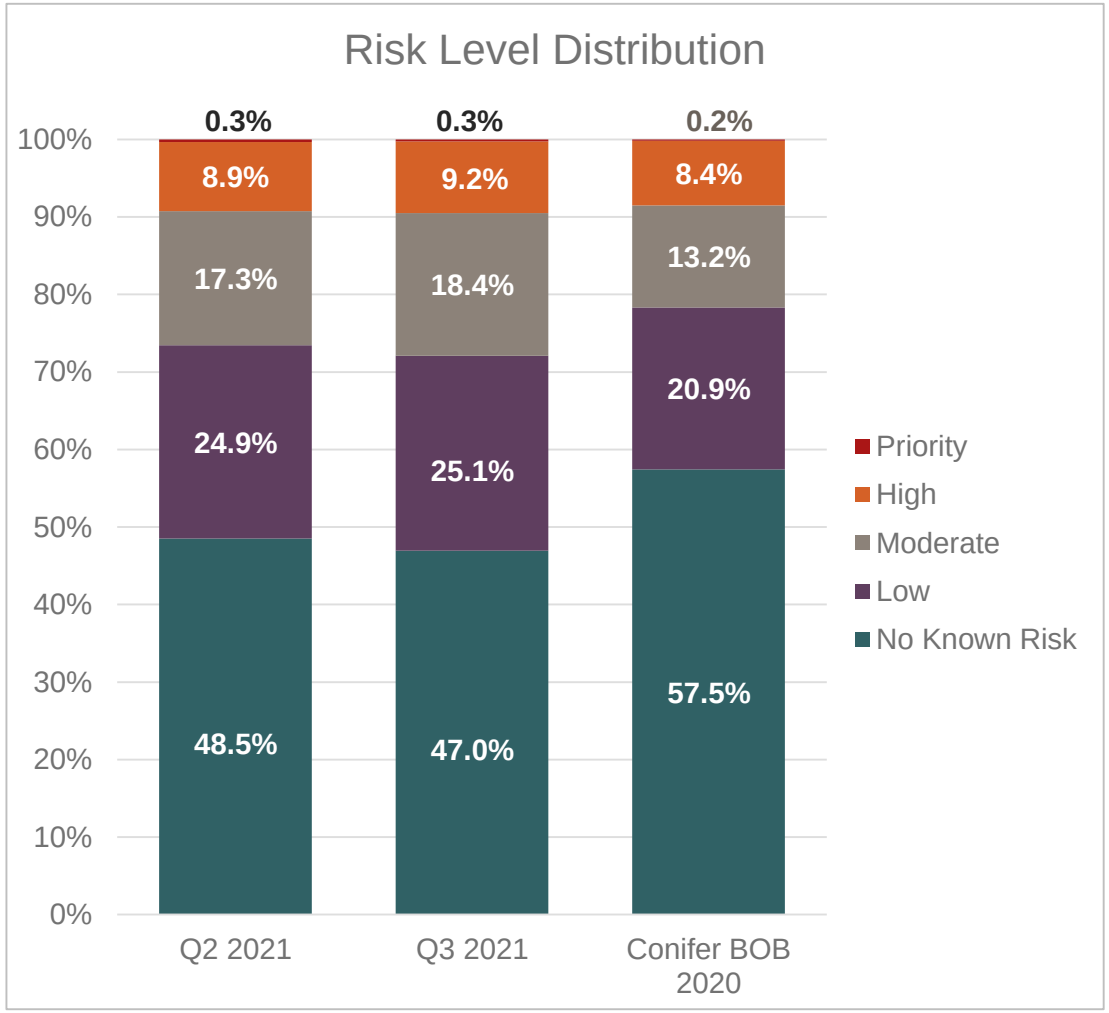
- **Inpatient Hospital** spend in Q3 is up 16% to slightly more IP admissions and higher room and board charges
- **Facility** costs were nearly flat quarter over quarter, with a slight increase in outpatient services
- **Evaluation & Management** costs increased 8%, led by a higher cost associated with office visits
- **Outpatient Radiology** costs increased in Q3, due primarily to a 21% increase in use of radiation therapies

COC	Q1 2021	Q2 2021	Q3 2021
Inpatient Hospital	$140.78	$92.71	$106.81
Facility	$67.40	$56.03	$57.51
Procedures	$22.87	$29.57	$30.08
Medicine	$30.15	$32.05	$34.84
Evaluation & Management	$28.51	$31.32	$33.56
Outpatient Radiology	$18.66	$20.73	$22.88
Emergency Room	$11.34	$11.40	$11.59
Outpatient Laboratory	$7.64	$5.85	$6.00
Anesthesia	$5.91	$5.76	$6.02
Other Outpatient Services	$3.64	$4.98	$4.82
Outpatient Pathology	$2.71	$3.21	$3.47
Undefined Services	$0.77	$3.87	$3.25
Ambulance	$0.59	$0.66	$0.90
Totals	**$340.97**	**$298.28**	**$321.91**

Comparing Risk Stratification

Members Eligible as of Q3.2021

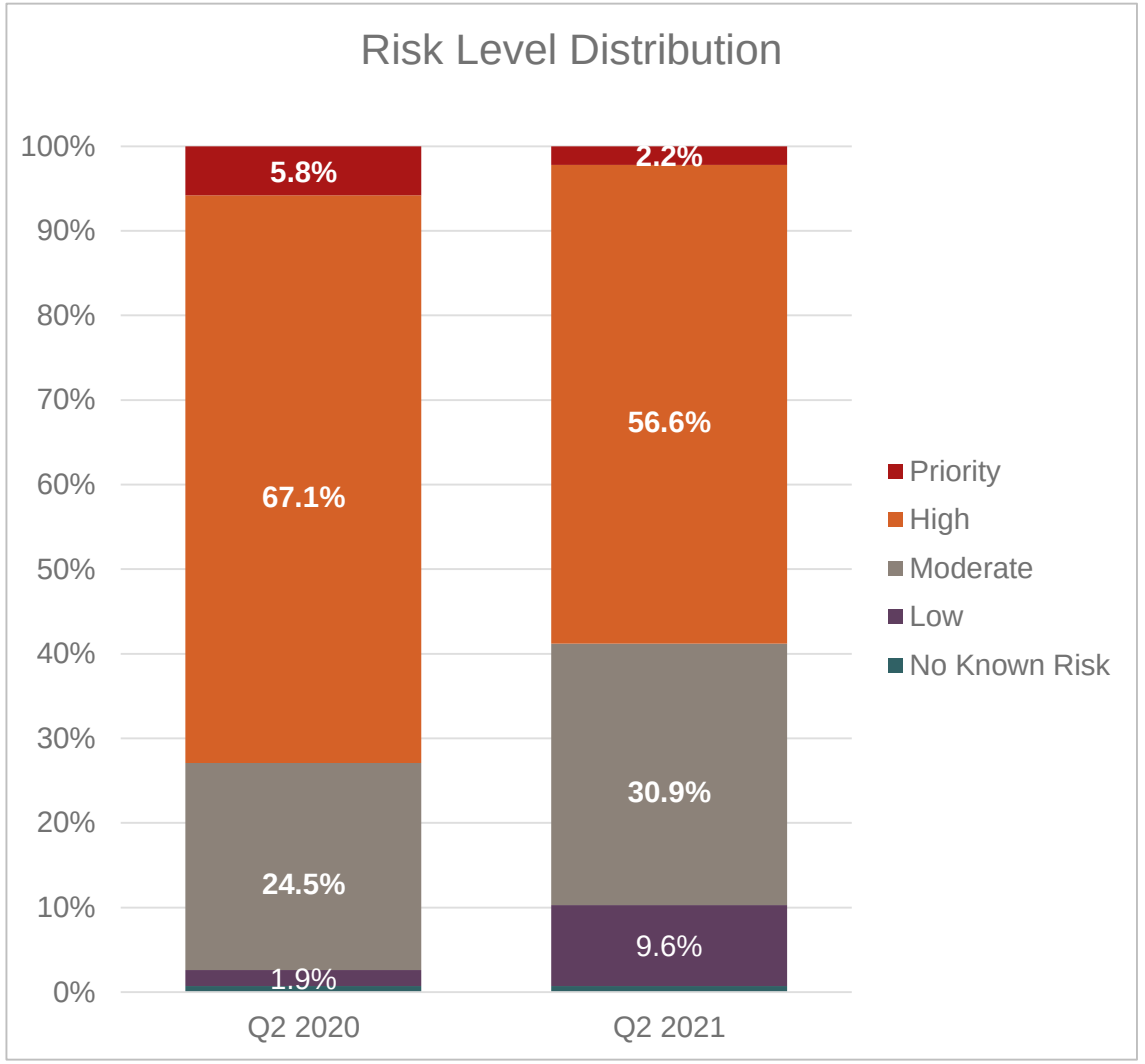
- The total number of participants in the **Priority Risk** population has dropped, but remains above Conifer's BoB
- The **High Risk** group increased slightly quarter over quarter, and is less favorable than Conifer's BoB
- The **Moderate Risk** group has increased slightly, and remains above Conifer's BoB
- The **Low Risk** group grew a bit, and remains better than Conifer's BoB
- The **Unknown Risk** population continues to decrease, and remains lower than Conifer's BoB



Changing Modifiable Risk through Engagement

Members Engaged Q3 2020 with Risk Stratification for Q3 2020 v. Q3 2021

- **Priority** and **High Risk** triggers for members engaged Q3 2020 decreased by 14.1 points since engagement
  - One large impact was a 69% decrease in the number of members with medical spend greater than $25,000 in prior 6 months
  - Multiple provider and multiple prescriber triggers also decreased as members engaged with PCP providers appropriately
- **Moderate Risk** members increased by 6.4 points year over year
  - Members with prior medical claims between $10,000-$24,999 decreased by 34%
  - Another positive impact is an 89% decrease in members who had 4+ ER visits in prior 12 months
- **Low Risk** population increased by 7.7 points



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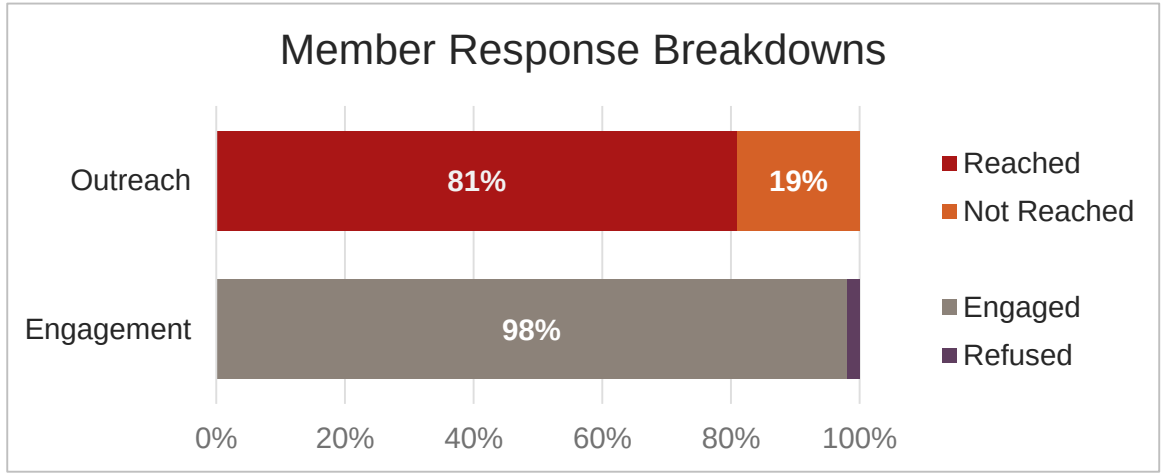
Targeting and Engaging Members

Q3 2021

	Eligible	Outreached	Not Reached	Reached	Refused	Engaged
Number of Unique Members	16,007	413	82	335	6	329
Number of Episodes	NA	421	82	339	6	333
Total Healthcare Costs over Last 12 Months	$94.7M	$21.6M	$2.3M	$19.3M	$342K	$19.0M
Healthcare Costs/Member over Last 12 Months	$5.9K	$52.3K	$28K	$57.6K	$57K	$57.8
Average Risk Score	18.5	103.7	86.9	107.8	96.5	108.1



Quarterly Engagement Trend

Q4-2020: 97%

Q1-2021: 95%

Q2-2021: 97%

Q3-2021: 98%

Note: See Appendix C for population definitions

Comparing Outreach Members Who Do Not Engage

Members as of Q3 2021 with data as of Q3 2021

Not Reached N=82

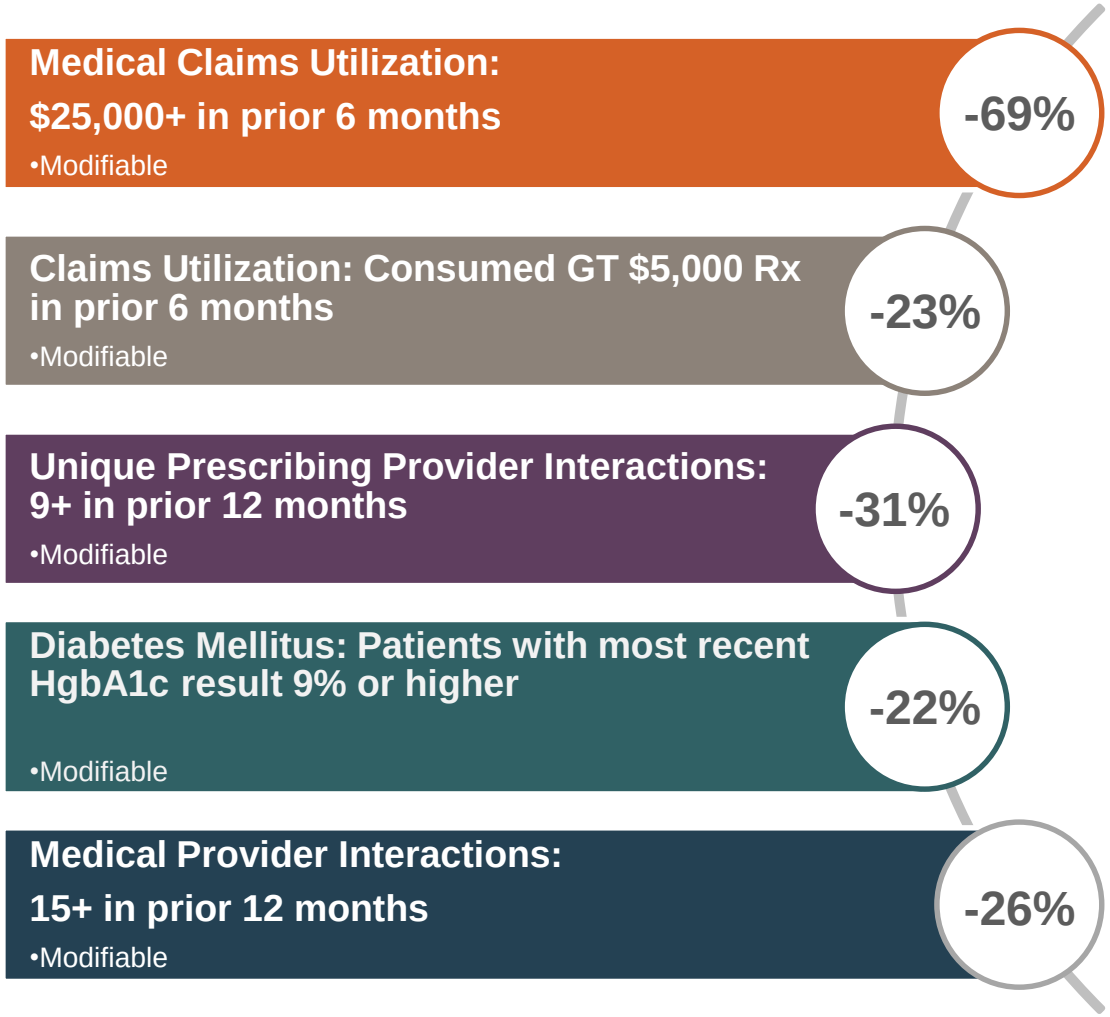
Utilization Risk Triggers	Primary Health Conditions	Average Health Care Costs	Outreach Results	Ongoing Focus
• Future Predicted Costs • Prior Medical Costs • Multiple Medical Providers	• Hypertension • Hyperlipidemia • Diabetes	• $28,000 per member in last 12 months	• 95% no response (i.e., no answer) • 5% unable to locate (no or incorrect contact information)	• Outreach facility discharge planner and PCP to encouragement engagement • Use Introduction before Outreach letter

Refused N=6

Utilization Risk Triggers	Primary Health Conditions	Average Health Care Costs	Outreach Results	Ongoing Focus
• Prior Medical Costs • Prior Prescription Costs • Multiple Prescribing Providers	• Hypertension • Hyperlipidemia • Obesity	• $57,000 per member in last 12 months	• 83% feel conditions well managed • 17% no needs at this time	• Adjusting clinical scripts as needed • Use of introduction letter • Possible postcard campaign if needed

Identifying the Most Prevalent High Risk Triggers

Comparing High Risk Triggers for Engaged Members Q3 2020 vs Q3 2021



Interventions Driving Change

- Improved health literacy through acute and chronic disease education
- Resource coordination and facilitation of in network providers
- Increased adherence with specialist visits and hospital follow up appointments
- Timely outreach while members are inpatient and day of discharge

Observations and Next Steps

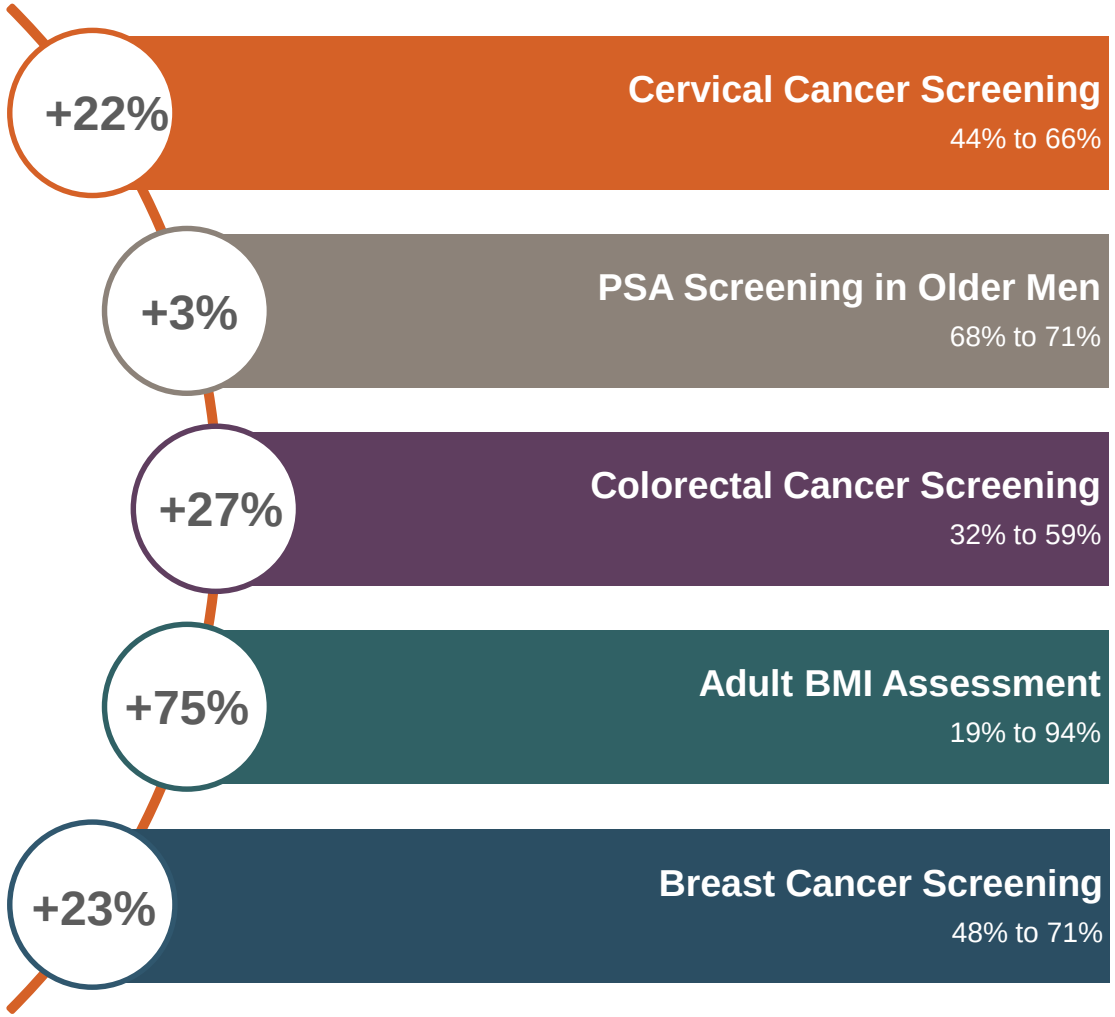
- Personal Health Nurse continues to focus education and interventions on decreasing members risks and proper utilization of benefits
- EBM gaps will be addressed with all members participating in management

Monitoring Preventive Screening Adherence

Members Engaged Q3 2020 with Adherence Q3 2021 vs Overall Population

Personal Health Nurses impact compliance to preventive screenings while managing members in acute or chronic medical management:

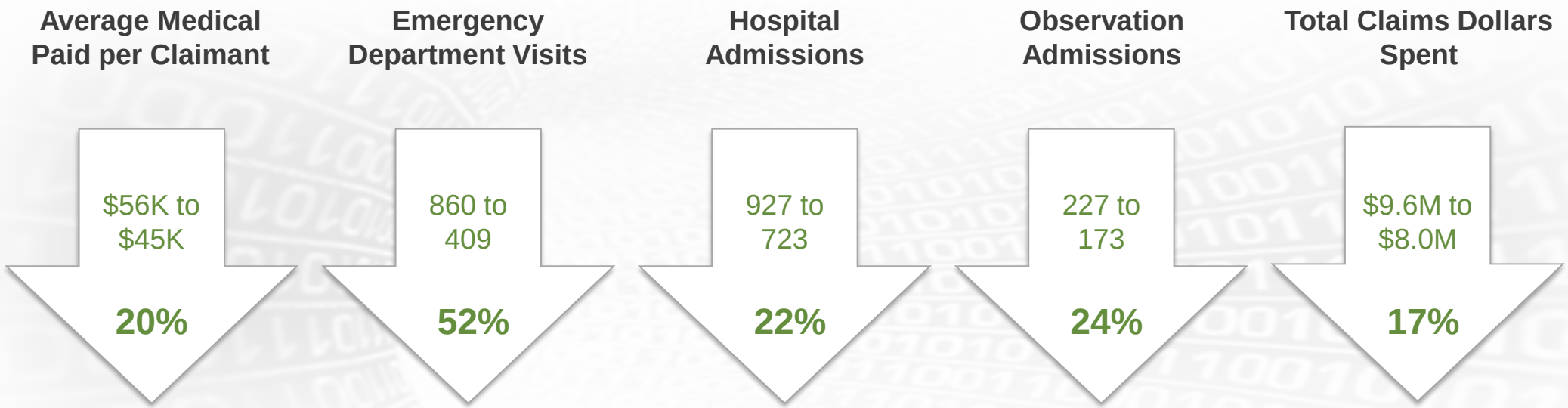
- Engaged members see an increase over the general population with adherence to recommended preventive screenings.
- An increase in BMI Assessment represents increased adherence to annual PCP visits.
- Focusing education and interventions on chronic diseases, the nurses are able to improve adherence to national standards preventing complications or exacerbations in the future.
- Modest increases in screenings across book of business due to Covid restrictions. As restrictions are lifted, the nurses will encourage screening adherence while maintaining recommended guidelines.



Supporting Your Initiatives while Improving Outcomes

Members Engaged for 3+ Months Q3 2020 with Data as of Q3 2020 v. Q3 2021

Of the members engaged in the program during Q3 2020, **81%** participated for 3 months or more, which is significant in building lasting, trusting relationships. Nurse advocacy, education, and care coordination have driven significant improvement in the following outcomes:

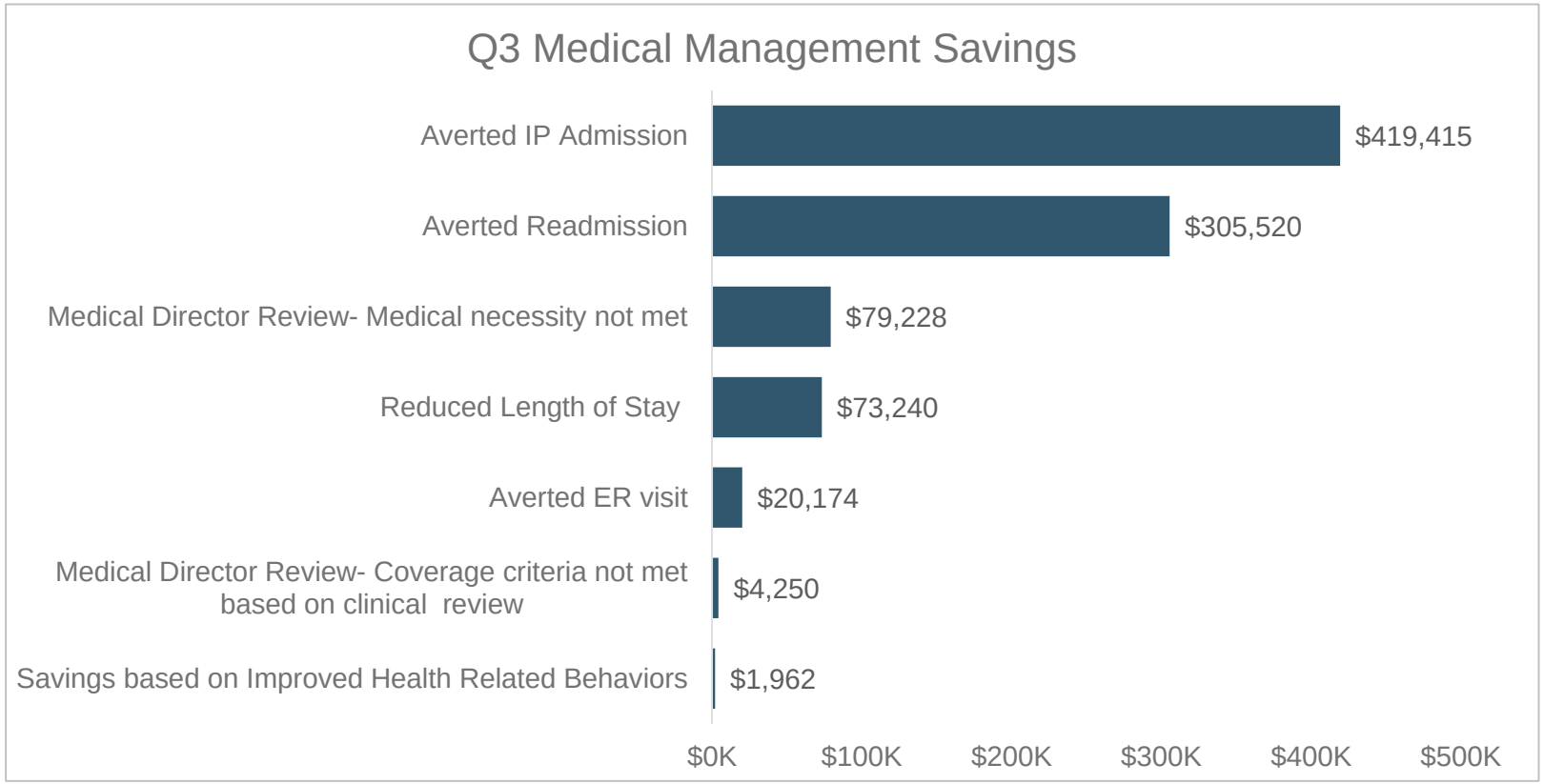


Note: Utilization values represented above are per 1,000 members

Saving on Services while Helping Members

Q3 2021

Metric	Q1 2021	Q2 2021	Q3 2021
Cost of medical management services	$209,174	$204,526	$201,749
Savings from medical management services	$921,668	$846,181	$903,788
ROI	4.41	4.14	4.48



Note: See Appendix D for cost savings description definitions

Going the Distance Every Day

Member Leaving the Acute Care Hospital

- 59 year old member
- Inpatient admission for 5 days with traumatic hematoma to right leg that was surgically debrided
- Medical history includes prior stroke, cardiomyopathy, hemiparesis, expressive aphasia and chronic pain

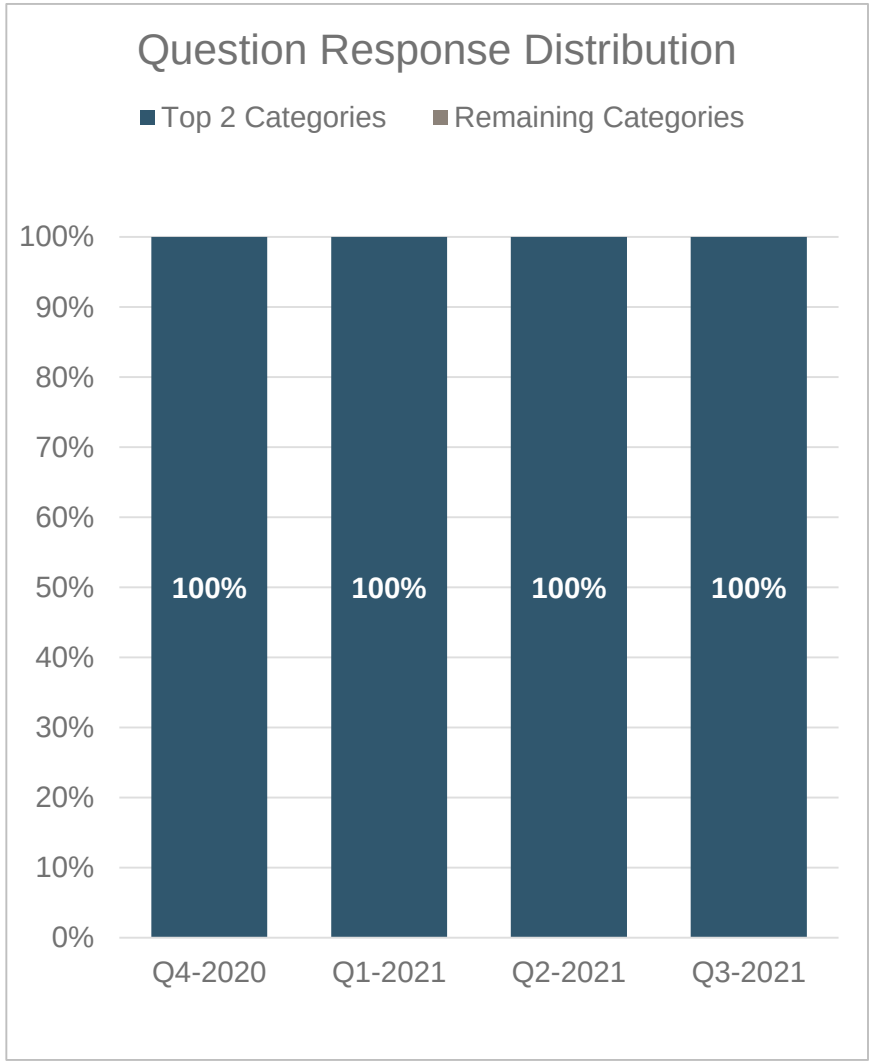
How a Conifer Nurse Helped

- **Timely outreach** to member and facility while inpatient and upon discharge
- **Identified** that home health had not followed up after discharge and that member disagreed with her treatment plan
- Member did not think she needed home health although spouse was working and member was home alone with limited mobility
- **Assessed** members wound and asked member to send PHN a picture due to concerns of infection
- **Identified** areas of wound concerning for infection and advised member to go to ER for further assessment and care
- **Confirmed** wound infection treated with wound vac and IV antibiotics
- **Coordinated** home health with member in agreement of treatment plan
- **Educated** member and spouse on education prevention, wound care and assessment, importance of follow up and treatment plan adherence

Members Results

- Member now understands treatment plan and is adherent
- Home health is in place and wound is healing appropriately
- Care is being provided outpatient and member has not needed additional IP admissions or ER visits
- Member continues to work with PHN towards completion of goals

Q3 2021: 100% Overall Member Satisfaction Rate



She has been wonderful- not only for dealing with my health issues but helping me to stay calm and focused as I deal with my illness.

[My nurse] is an asset to this company and very professional. Easy to communicate with, always willing to assist with any health matter. It's because of her I as able to get my required medications.

[My nurse] is one awesome lady! She has helped me and my husband. We do not know her personally but we wish we did because we would give her the biggest hug we could. She has cheered us on the good days and helped us on the bad. We love her!

It was nice to know that when I picked up the phone with a question or problem, I got [my nurse] on the other end. She is an incredible caring person with an abundant amount of patience.

[My nurse] has been very helpful to me over the past 2 years with multiple issues. She is a great asset to your organization.

My interactions with [my nurse] have been the best I've experienced, bar none! These past 2 years have brought more medical issues than I've experienced my entire life. If I needed to reach out for information, she was there and she has been great!

Working Together to Support Your Members

Focusing Our
Efforts

- Partnership to increase awareness and participation
- Chronic condition adherence
- Priority and high risk member outreach
- Continue to engage members identified from Utilization file feed

Moving Forward
Together

- Link Gaps in Care letter to Introduction Letters and/or use as standalone campaign to address EBM gaps
- Conifer contributions to Newsletters
- Possible post card campaign to the UTR/refused member or specific high risk populations

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Appendix A: Team Structure

		Interaction	
RVP, Senior Client Director	Scott Dever	**Operations** *Daily/Wkly*	Account lead, escalation point, manage performance and day-to-day, client-specific resource for Conifer team
Manager, Population Health	Michele Hamilton	**Daily**	Direct oversight of clinical operations and PHN team; Only resourced through Client Delivery request
Director, Population Health	Christy Beherns	**Operations** *Wkly/Mthly/Qrtly*	Operational oversight of PHN teams
VP, Practice Management	Justin Berry	**Senior Leadership** *Qtrly/As needed*	Executive oversight for Client Delivery
VP Medical Management	Chingping Wan		Executive oversight for Care Management / PHN services
Senior Executive Sponsor	Mary Bacaj		Executive oversight and highest level of escalation.

Primary POC

Appendix B: Acronyms

Acronym	Expansion
A1C or HgbA1C	Hemoglobin A1c
ALOS	Average Length of Stay
BMI	Body Mass Index
BOB	Book of Business
CAD	Coronary Artery Disease
CHF	Congestive Heart Failure
COC	Category of Care
CMI	Case Mix Index
EBM	Evidence Based Medicine
ED	Emergency Department
EOS	Episode of Service
ER	Emergency Room
GT	Greater Than
ICD	International Classification of Diseases
IP	Inpatient
LDL	Low Density Lipids

Acronym	Expansion
LOS	Length of Stay
PEPM	Per Employee Per Month
PHM	Personal Health Management
PHN	Personal Health Nurse
ROI	Return on Investment
UM	Utilization Management

Appendix C: Glossary of Terms

Term	Definition
Case Mix Index (CMI)	a means to measure the relative health of a population where each Episode of Care (EOC) for a patient is assigned an Episode Treatment Grouping (ETG) and each ETG is assigned a relative value or weight to calculate the rate by summing the relative values for the population and then dividing that number by the number of episodes encountered for the population
Eligible	the total unique members who are eligible for medical management
Engaged	the total unique reached members who agreed to engaged in medical management
Hemoglobin A1c (HgbA1C)	Diabetic Control Measurement
ICD-10	patient diagnosis or procedure codes (i.e., ICD-10-CM or ICD-10-PCS, respectively); the 10th revision of the International Statistical Classification of Diseases and Related Health Problems (ICD), a medical classification list by the World Health Organization (WHO)
Not Reached	the total unique members who a personal health nurse (PHN) attempted to reach by phone but were either unable to locate (UTL) because of a bad phone number or were unresponsive and did not pick up the phone
Outreached	the total unique members who a personal health nurse (PHN) attempted to reach by phone and were either reached or not reached
Pending	the total unique triggered members a personal health nurse (PHN) is still attempting to reach by phone
Reached	the total unique triggered members with whom a personal health nurse (PHN) has spoken on the phone and who either agreed to engaged in medical management or refused to participate at the given time
Refused	the total unique reached members who refused to participate in medical management at the given time

Appendix D: Cost Savings Definitions- 2021

Cost Savings Description	Definition
Averted ER visit	Averted ER Visit category is appropriate when the Medical Management Nurse directly works with member/member caregiver to address acute health issue(s) to avoid need for emergent care.
Averted IP admission	Medical Management Nurse directly works with member/member caregiver and healthcare team to address acute health issue(s) that would likely result in an inpatient admission without intervention.
Averted Readmission	Averted Readmission category is appropriate when the Medical Management Nurse directly works with member/member caregiver and healthcare team following an acute inpatient admission. MMN is actively involved in the Transitions of Care process. MMN works with healthcare team to ensure discharge instructions are in place, and member safely transitions to home.
Medical Director review - Coverage criteria not met based on clinical review	A service request is reviewed by the medical director and measured against the clinical requirements in the SPD - for instance the plan does not pay for plastic surgery; a request comes in for some kind of reconstruction surgery and the medical director determines that it is considered plastic surgery rather than surgery that improves health and / or function.
Medical Director review - Medical necessity criteria not met	This would be used when a service request is sent to the medical director and the service is denied. In this situation the case manager should be documenting that she researched the request and sent the information to the medical director with a request for a review.
Reduced Length of Stay	This is the category that should be used by UM when they have reviewed the information on the ORG, communicated the information with the facility regarding the LOS, have stayed on top of the goals of care and progress towards those goals and have worked to assure that the participant is moved along in a timely manner. If the LOS is less than the guideline LOS and the CM determines that they have made sure that the service was provided in a shorter LOS then this is the category for savings. We do not claim savings if the CM did nothing to impact the savings. Whether through UM or CM the CM may have worked to coordinate alternative services or facilitated patient / family self-management and communicated the patient's and / or family's abilities in order to reduce the length of stay.

Appendix D: Cost Savings Definitions- 2021 *(…continued)*

Cost Savings Description	Definition
Reduced Level of Service	This category is used when the case manager has assessed the needs of the individual and the goals of care and determined that the services are not required at the level at which they are being delivered. This will apply to therapy and other outpatient visits, as well as in acute care situations where the case manager has been involved in making sure that a participant is moved from a higher level of care (ICU) to a lower level of care (med-surg unit).
Savings based on improved health related behaviors	After engagement with PHN, member shows improvement in clinical and behavioral outcomes.

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Thank You