CONIFER HEALTH SOLUTIONS®

Food Employers Labor Relations Association

Annual Performance Review

Plan Year 2020

Executive Summary

Population Overview	• Current population consists of 10,571 employees and 16,871 covered members, with average member age of 47
Engagement	• Engagement rate for PY 2020 averaged 96% with a 97% engagement rate in Q4 2020. The able to reach measured 61% which is well above industry standards and Conifer's Book of Business. • In PY 2020, 657 unique members engaged in 692 separate episodes with 146 members currently engaged.
Results	• 67% of engaged members identified as at risk for infection are no longer compromised • 77% of members working to lower their blood pressure now report blood pressures within goal range • 82% of members with identified mobility/transfer impairments report no longer being compromised • 65% of members with hypertension are consistently adhering to their treatment plan • Engaged members are more likely to adhere to disease management such as COPD, diabetes and asthma and also more adherent to recommended screenings when compared to the overall population
Satisfaction	• 100% satisfaction with the Personal Health Management program for PY 2020 • Comments included: "If only everyone were as helpful and kind as [my nurse.]" and "I would like to thank [my nurse] for all of her help. Also for keeping in contact with me and asking how I was feeling and if I had any problems. She said she was always just a phone call away. Thank you, [my nurse.]"

Today's Agenda

1. 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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Monitoring Key Indicators

Members Eligible as of Q4.2020

- **Total Medical PMPM** increased 60 points from Q3, lead by an increase in hospitalizations and prescription drug costs
- **RX PMPM** for Q4 increased 22 points from the prior quarter; brand name medications made up 17% of all scripts/80% of total RX costs in Q4, which is on par with the prior quarter, but lower than Q1
- **375** members had healthcare expenses of $50,000+ in PY 2020
  - The highest cost claimant was a 6-year-old dependent with cystic fibrosis and several long-term hospitalizations, at a spend of $1.78 million
  - The second highest cost claimant was an 45-year-old employee, now termed, with multiple myeloma at a total spend of just under $1.1 million (member was the highest cost claimant in Q3)

Metric	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Number of Employees	10,973	10,617	10,377	10,571
Number of Members	17,693	17,192	16,860	16,871
Medical PMPM	$305.40	$277.13	$303.92	$340.95
RX PMPM	$148.16	$136.97	$112.26	$134.38
Total PMPM	$453.56	$414.10	$416.18	$475.33
General COC PMPM	**Q1 2020**	**Q2 2020**	**Q3 2020**	**Q4 2020**
Hospital Related	$176.92	$173.02	$166.59	$192.01
Professional	$122.38	$94.86	$128.86	$143.40
Other	$6.10	$9.25	$8.47	$5.54
Rx	$148.16	$136.97	$112.26	$134.38
Total	$453.56	$414.10	$416.18	$475.33
Claimants over $50,000	**Q1 2020**	**Q2 2020**	**Q3 2020**	**Q4 2020**
Number of Claimants	80	161	261	375
% of Population	0.4%	0.9%	1.5%	2.2%
% of Total Paid	27%	38.8%	43.4%	48.2%
Largest Claimant Cost	$216,715	$1,079,048	$1,082,519	$1,777,481
Average Cost/Claimant	$83,709	$111,393	$115,151	$119,936

Monitoring Key Indicators *(continued…)*

Members Eligible as of Q4.2020

Predicted Trend	Q1 2020		Q2 2020			Q3 2020			Q4 2020		
	#	%	#	%		#	%		#	%	
Number of Members	17,693	n/a	17,192	n/a	-501	16,860	n/a	-833	16,871	n/a	+11
Priority Risk	51	0.3%	31	0.1%	-20	37	0.1%	-14	52	0.3%	+15
High Risk	1,550	9.0%	1,457	8.4%	-93	1,374	8.2%	-176	1,350	8.2%	-24
Predicted to Spend $5,000+ in next 12 Months	6,516	36.8%	6,088	35.4%	-428	7,644	45.3%	+1,556	5,888	34.9%	-1,756
Prevalent Chronic Conditions	3,606	20.3%	3,425	19.9%	-181	4,233	25.1%	+808	3,284	19.4%	-949
High Cost Cancers	107	0.60%	87	0.50%	-20	96	0.56%	-16	103	0.61%	+7

- Priority and High Risk Members remain 8.3% of the entire member population in Q4, which is lower than in Q1 and Q2
  - The most common risk triggers for both the Priority and High Risk members are: high predicted cost, conditions that contribute to instability, readmission risks and poor or ineffective utilization patterns
- Number of members currently predicted to spend $5,000 or more in 2021 dropped to 35% of the population, from 45% in Q3
- The most prevalent chronic conditions remain hypertension, high cholesterol, obesity and diabetes
- Most prevalent diagnosed cancers include: breast, colon, liver and multiple myeloma

Identifying Cost Drivers by Category of Care (COC)

Members Eligible as of Q4.2020

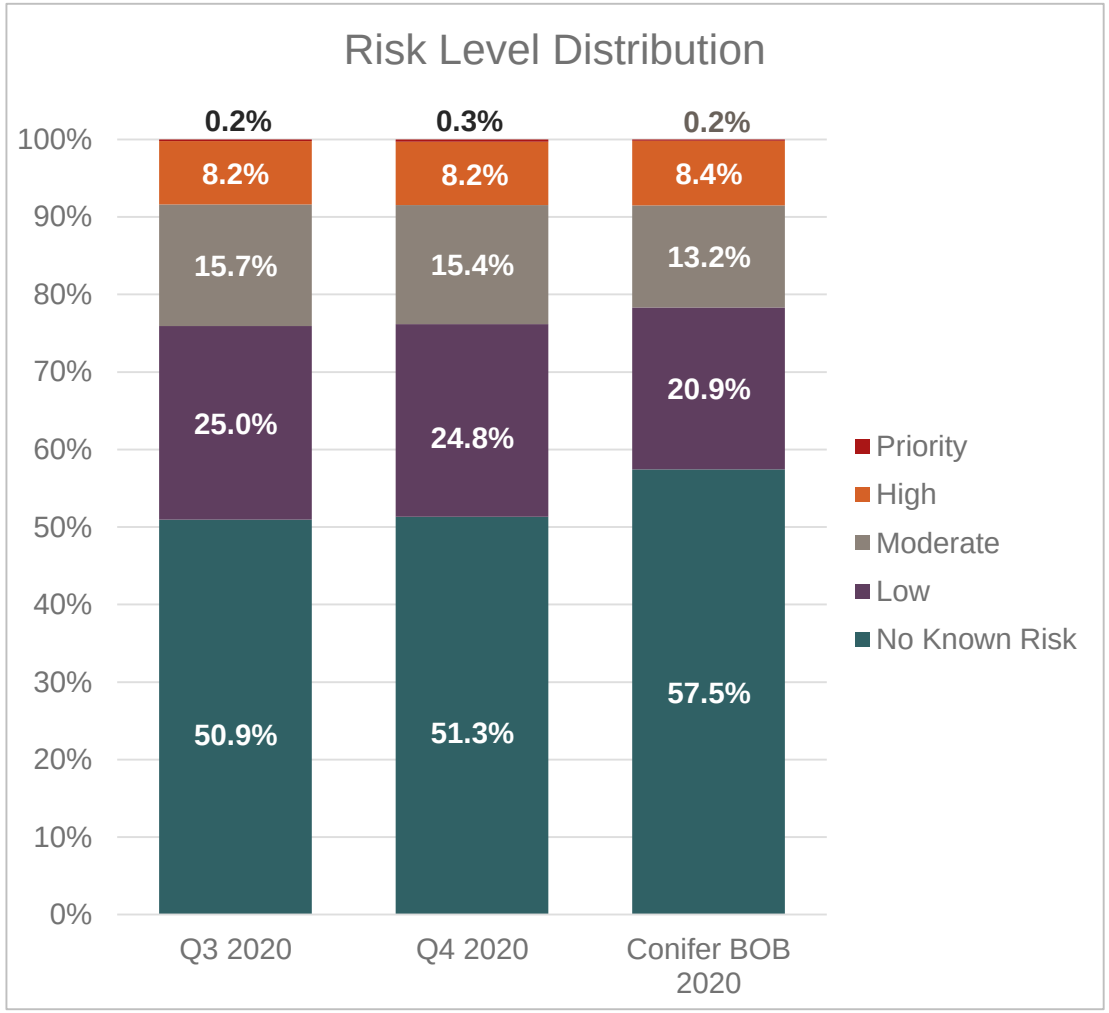
- **Inpatient Hospital** spend increased 21% over Q3 due to increased costs associated with slightly fewer inpatient admittances
- **Facility** costs increased 6% over Q3 but are lower than Q1, due to increases in outpatient surgical centers, outpatient services and nursing facility care
- **Evaluation & Management** costs increased slightly due to higher utilization of office visits, home care and urgent care
- **Emergency Room** costs increased 14% due to an 8% uptick in the number of visits and a 6% increase in costs

COC	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Inpatient Hospital	$103.70	$131.05	$98.84	$119.46
Facility	$60.51	$32.59	$56.80	$60.06
Procedures	$28.50	$17.76	$27.51	$28.76
Medicine	$33.63	$31.36	$37.26	$39.17
Evaluation & Management	$26.04	$23.07	$31.72	$33.50
Outpatient Radiology	$21.19	$14.12	$17.81	$23.38
Emergency Room	$12.71	$9.38	$10.96	$12.49
Outpatient Laboratory	$4.13	$3.42	$6.36	$8.40
Anesthesia	$5.97	$3.44	$5.29	$5.69
Other Outpatient Services	$4.24	$5.01	$5.34	$5.06
Outpatient Pathology	$2.86	$1.68	$3.10	$3.07
Undefined Services	$1.78	$3.70	$2.37	$1.27
Ambulance	$0.13	$0.54	$0.75	$0.48
Totals	**$305.40**	**$277.13**	**$303.92**	**$340.95**

Comparing Risk Stratification

Members Eligible as of Q4.2020

- The Priority Risk population increased between Q3 and Q4 (from 37 to 52 lives) and is now above Conifer's Book of Business (BoB)
- The High Risk group remains flat from the prior quarter, and is slightly below the Conifer BoB
- The Moderate Risk group dropped slightly in Q4, but remains above Conifer's BoB
- The Low Risk group remains fairly steady and is above Conifer's BoB
- The Unknown Risk population grew slightly in Q4, and is below Conifer's BoB; 38% of this population has had no claims filed in the past 12 months



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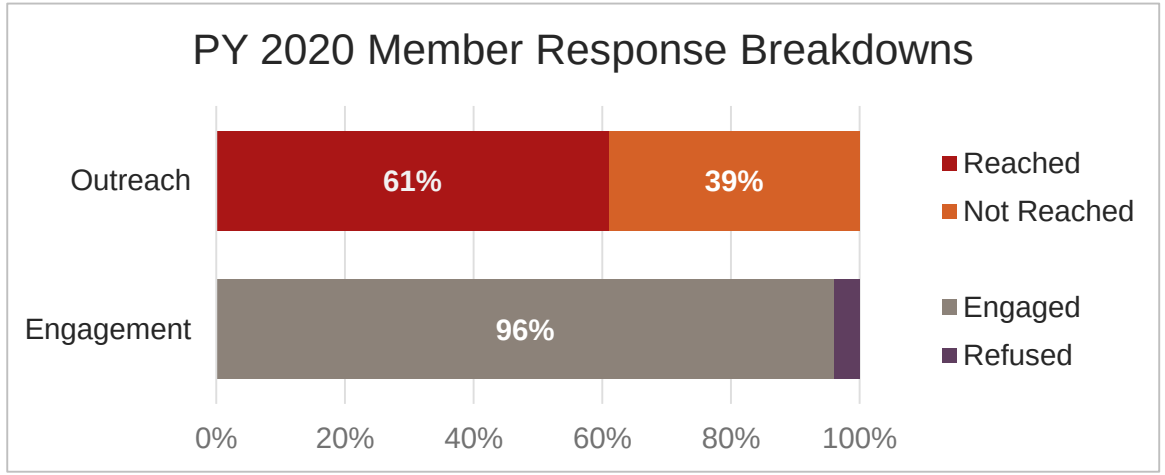
Targeting and Engaging Members

PY 2020

	Eligible	Outreached	Not Reached	Reached	Refused	Engaged
Number of Unique Members	16,871	1,071	438	698	41	657
Number of Episodes	NA	1,205	467	738	46	692
Total Healthcare Costs over Last 12 Months	$93M	$48.9M	$21M	$36.8M	$2.7M	$35.1M
Healthcare Costs/Member over Last 12 Months	$5.5K	$45.7K	$47.9K	$52.7K	$65.9K	$53.4K
Average Risk Score: Overall Population	15.9	87.3	88.4	92.1	109.5	103.1



Quarterly Engagement Trend

Q1-2020: 92%

Q2-2020: 99%

Q3-2020: 96%

Q4-2020: 97%

Note: See Appendix C for population definitions

Comparing Outreach Members Who Do Not Engage

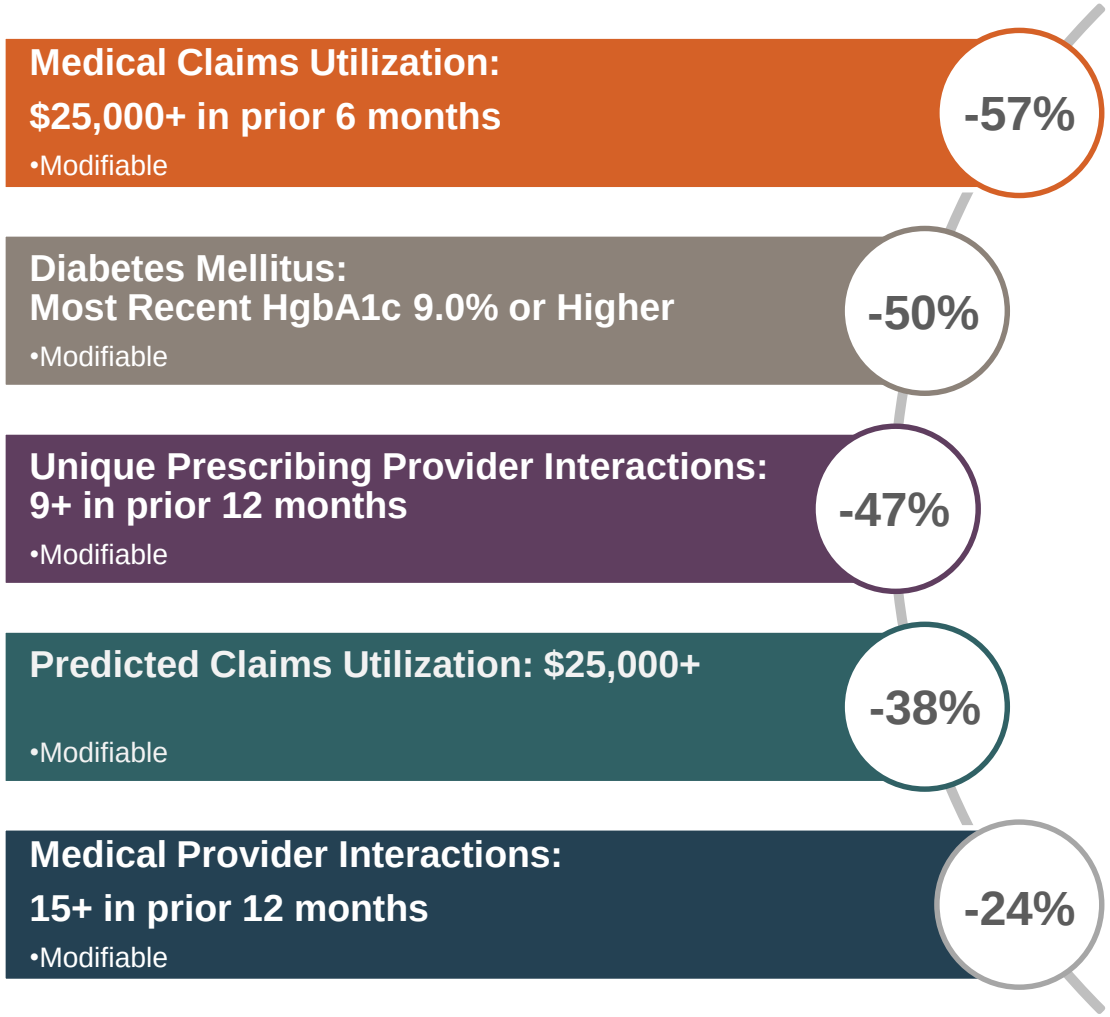
Members as of Q4 2020 with data as of Q4 2020

Utilization Risk Triggers	Primary Health Conditions	Average Health Care Costs	Outreach Results	Ongoing Focus
• Future Predicted Costs • Prior Prescription Costs • Multiple Medical Providers	• Hypertension • Hyperlipidemia • Obesity • Diabetes	• $47,900 per member in last 12 months	• 4% unable to locate (i.e., bad number) • 96% no response (i.e., no answer)	• Utilize providers, pharmacies, and online resources for updated contact information • Continue outreaching facility discharge planner

Utilization Risk Triggers	Primary Health Conditions	Average Health Care Costs	Outreach Results	Ongoing Focus
• Future Predicted Costs • Multiple Medical Providers • Prior Prescription Costs	• Hypertension • Diabetes • Hyperlipidemia • Obesity	• $65,900 per member in last 12 months	• 61% feel conditions well managed • 17% interested but not at this time • 9% feel 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

Members Engaged Q1 2020 with High Risk Triggers for Q1 2020 vs Q4 2020



Interventions Driving Change

- Health education and resource coordination
- Complex diagnosis education and management
- Increased adherence with specialist visits and hospital follow up appointments
- Discharge planning assistance and follow up to ensure smooth transitions of care

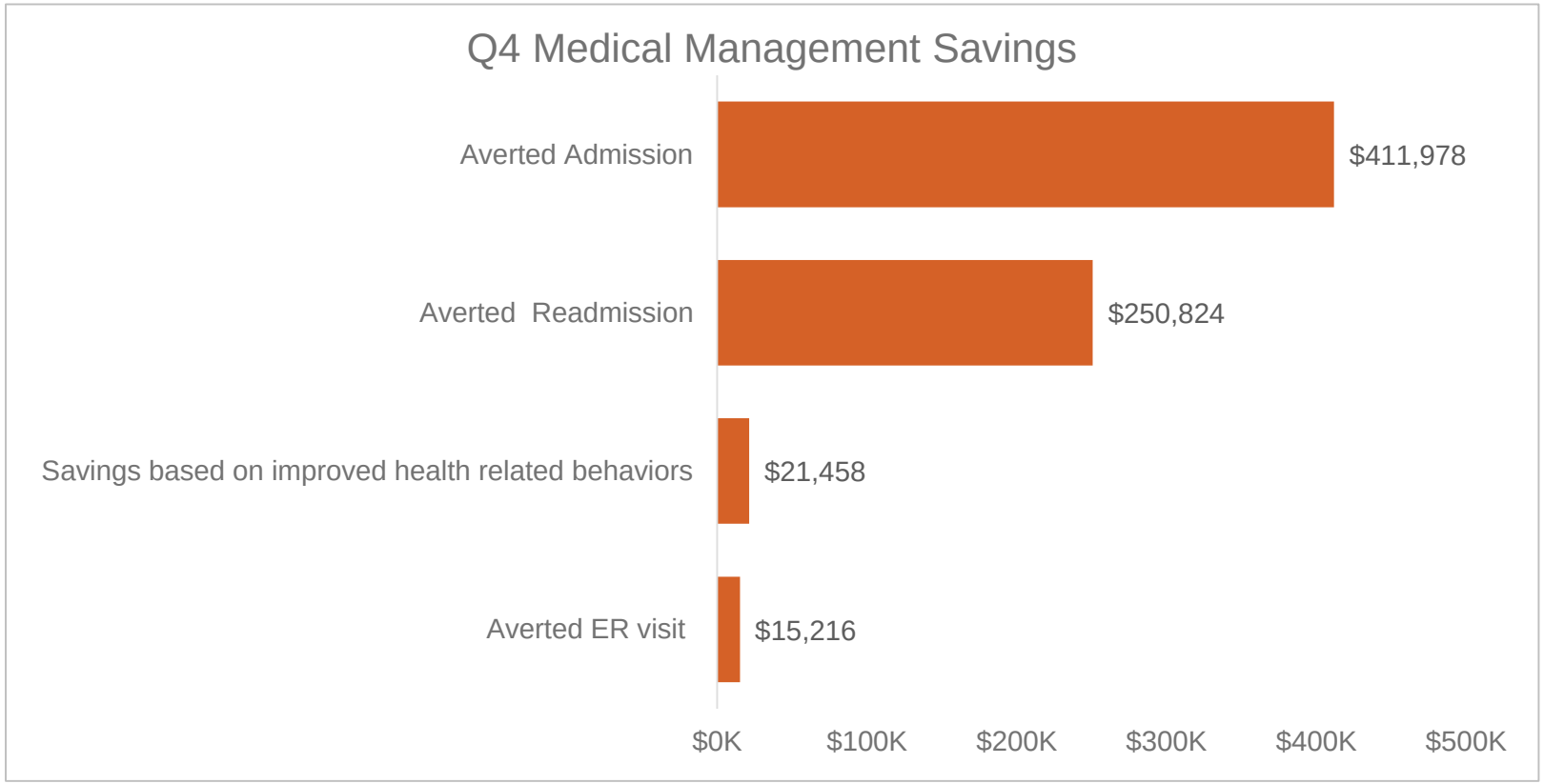
Observations and Next Steps

- Risk triggers will be measured quarter over quarter for engaged members
- Continue to focus on preventive measures and coordination of care
- Focus education and interventions on decreasing members risks and proper utilization of benefits

Saving on Services while Helping Members

PY 2020

Metric	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Cost of medical management services	$149,501	$150,707	$146,605	$145,097
Savings from medical management services	$524,579	$936,839	$684,215	$699,476



Note: See Appendix D for cost savings description definitions

Going the Distance Every Day

Member Leaving the Acute Care Hospital

- 58 year old male
- UR referral for cardiac catheterization
- Prior Medical History: **cognitive delay, coronary artery disease (CAD), chest pain, hyperlipidemia**
- Lives with mother who is legal guardian

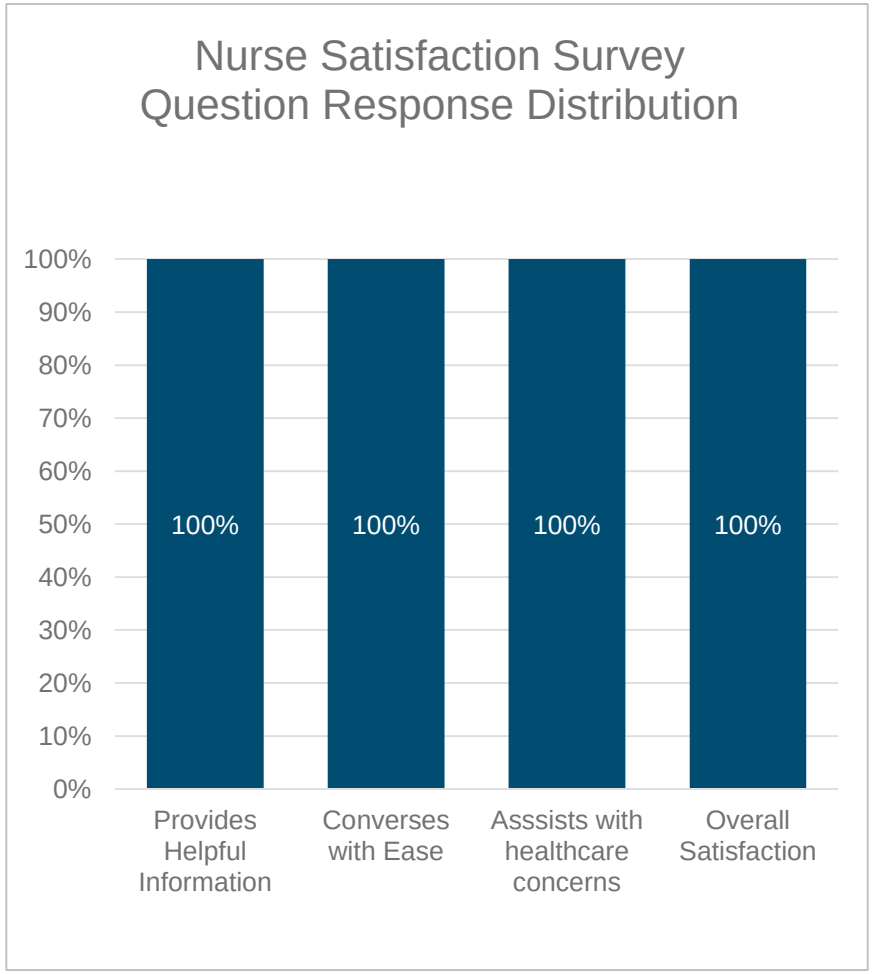
How a Conifer Nurse Helped

- **Timely outreach** to mother who reported multiple blockages on cardiac catheterization and plan for Coronary Artery Bypass Graft (CABG) surgery
- **Identified** that member was prescribed new medications and educated his mother on taking as prescribed and possible side effects
- **Provided** Care Guide Kit for CAD and discussed all information with his mother before CABG surgery
- **Assisted** inpatient discharge planner in transitioning member to IN inpatient rehab facility after CABG surgery
- **Engaged** rehab facility discharge planner and coordinated IN therapy and follow up provider appointments after discharge
- **Educated** mother on heart healthy diet changes, blood pressure monitoring, activity to lower cholesterol

Members Results

- Ambulating without assistance 10,000 steps/day
- Adherent to heart healthy diet and treatment plan
- Lipid panel within normal limits and medication is being weaned
- BMI decreased from 27.7 to 23.2
- Member has returned to work

2020: 100% Overall Member Satisfaction Rate



[My nurse] takes her time when I have an issue I need to talk to her about. She is amazing.

[My nurse] was very helpful every time I talked to her. She is very knowledgeable and always concerned about my health. I enjoyed talking with her. She is the best!

Extremely helpful, extremely easy, extremely satisfied. Excellent! [My nurse] is wonderful. She really put my mind at ease after my surgery and was extremely helpful. I just love her. I hope all your nurses are as sweet as her!

She was absolutely wonderful during our Covid illnesses and my husband's subsequent death. She was attentive and helpful.

I have never been more at ease with a Personal Health Nurse than I have with [my nurse]. She has checked in on me prior to my surgery and often as I continue to heal.

She helped me fill out papers and answered questions about my operations and all problems. I could not find a thermometer or hand sanitizer and she sent me both. Thank you for all your help.

Working Together to Support Your Members

- 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
- Conifer contributions to Newsletter
- Possible post card campaign to the UTR/refused member or specific high risk populations

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Appendix A: Team Structure

		Interaction	
Senior Client Director	Scott Dever	**Operations** *Daily/Weekly*	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
AVP, Practice Management	Justin Berry	**Senior Leadership** *Quarterly/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

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.

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Thank You