



Why HealthComp?

HealthComp At-A-Glance

- Founded in 1994
- Largest Independent TPA: Medical, Dental, Vision, COBRA, HIPAA, Flexible Spending Accounts
- Serve over 900K medical and 1.5M total members nationwide
- Client size range: 30,000-150,000 medical members
- National footprint: Operations center in Fresno (CA), Homewood (IL), Covington (LA), Lancaster (PA), and Ripley (WV), Lexington (KY)

Extensive network access:

Anthem.

CA, NY, GA, CO,
OH (Student and
Hospital Plans),
VA (Student and
Hospital Plans)

blue
california



BlueCross
BlueShield
of Arizona

aetna[™]

Cigna.

Reference-based
Pricing

ACOS/Narrow
Networks

Operational Excellence: Measurable, Repeatable, and Predictable

Our clients work with an designated team (pod) of associates from various departments. This ensures that you receive the best service from a team that understands your benefits offering.

99.7% claims accuracy

2.8 days claims turnaround time

63% of claims processed in 1 day

97%+ client retention

Lower Health Plan Costs

HealthComp operates independently, with no ties to providers. Our cost management program utilizes claims and quality excellence, payment integrity, and care management to optimize your health plan spend.



Claims and Quality Excellence

Operational excellence, auto-adjudication, QA processes, post-claims reviews, 100% audit above \$5,000



Payment Integrity

Out-of-network negotiations, subrogation, fraud protection, waste & abuse monitoring, stop loss processing



Care Management

- Large case management, care coordination, claims review and negotiation, member education
- Chronic Condition Management
- Specialized programs to control ER and dialysis costs
- Preventive care programs: Cancer Awareness, Mommies 2-Be



Clients see **30% lower utilization** and **19% lower medical costs** than the industry average using **HealthComp's Clinical Care Management Program**

Help your employees get affordable, high-quality medical care. HealthComp's high-touch clinical care management programs nurture healthy employee populations.

Wakely, an independent actuarial firm crunched our numbers and revealed how HealthComp's high-touch, personalized approach to care administration ensures more plan members receive tailored, appropriate medical care.

Our clinical care management team serves as the change-making advocates that health plan members need most.

KEY FINDINGS



30%
lower utilization

through inpatient, outpatient, and professional services, or **\$3,000 in savings per employee per year**, without changing benefits or network design



48%
lower inpatient costs
for HealthComp members



40%
lower maternity spend
for members in HealthComp's Mommies 2-Be Program



80
NPS score,
compared to the
healthcare industry's
average of 12



32%
lower emergency room utilization,
representing **\$16.09 PEPM in savings**



19%
lower medical costs

across every service category for managed HealthComp members compared to the industry average

COMPLETE TRANSPARENCY

HealthComp's analytics provide complete transparency into your data, so you can develop insights to better manage your benefits offering.

- Integrated dashboards
- A reports library, custom reports and on-demand reports
- HCNavigator, a proprietary tool that allows you to drill into your data and identify trends

Get the **full report** by Wakely at HealthComp.com/Clinical-Care-Management or **scan the QR code** below.



Learn more at HealthComp.com



Savings Analysis

Summary:

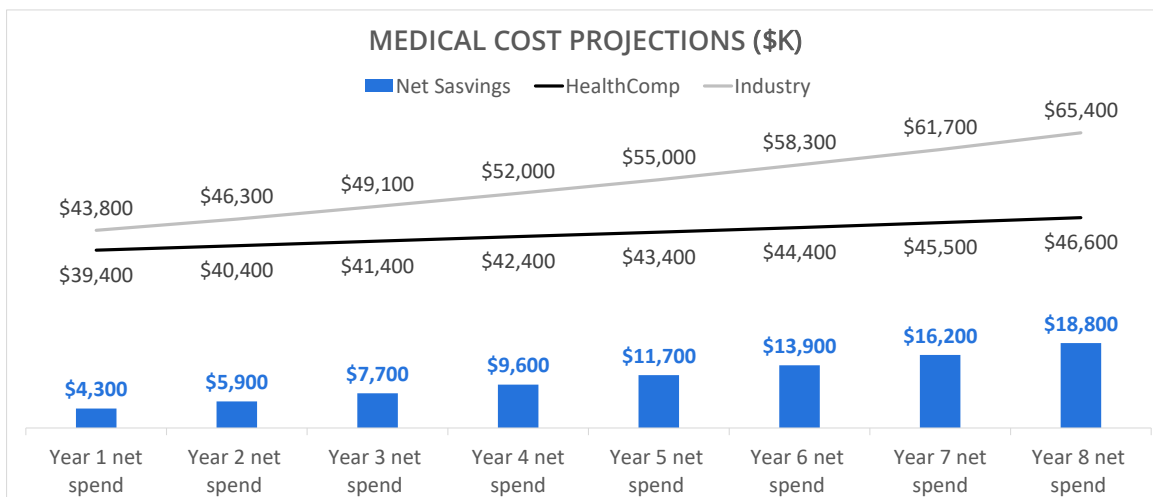
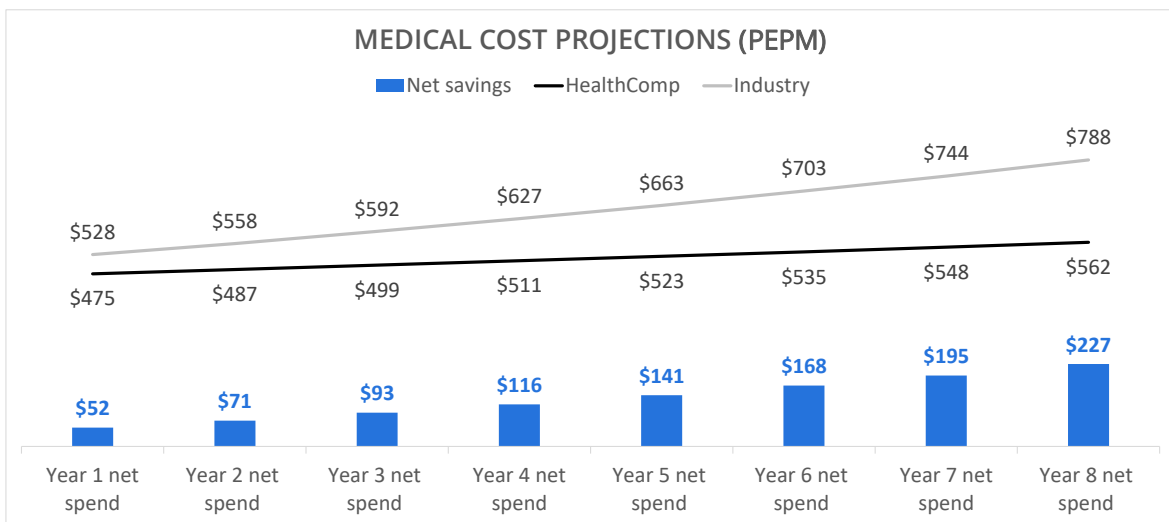
Savings estimates are based on HealthComp's book-of-business results and have been independently validated by actuarial firm, Wakely**. Furthermore, HealthComp's programs have achieved a Level 1 Validation for Savings from the Validation Institute, featuring their \$25,000 credibility guarantee***. These savings have then been scaled back for conservatism (see table for exact figures). With this conservatism, we estimate a cost reduction (i.e., PEPM compared to prior year) of 10.7% (equivalent to \$52 PEPM). Furthermore, by measuring HealthComp's market-leading cost trend relative to industry average trend, we can not only account for immediate cost reduction but also long-term cost avoidance. Cost reduction plus cost avoidance equals \$4,300K in year 1 savings, with annual savings of \$11,700K by year 5. Year 5 equates to a 21%+ medical cost savings versus staying with the incumbent. In addition to these savings, HealthComp also boasts an 80 Net Promoter Score (on a scale of -100 to +100; relative to Healthcare Industry 27).



Validation Institute

healthcomp.com/clinical-care-management

validationinstitute.com/wp-content/uploads/2022/04/HealthComp_Savings_2022_Final.pdf



Projected EE	6,915
Prior Year PEPM	\$484
Projected EE * Prior Year PEPM	\$40,149,043

	With HealthComp	Without HealthComp	Net savings with HealthComp	Cost reduction and avoidance: Savings as % of status quo	Cost reduction: Savings as % of prior year spend
Prior Year spend (adjusted for projected enrollment)		\$40,149,043		N/A	
Year 1 spend pre-savings with industry trend	\$43,754,139	\$43,754,139	\$0		
Year 1 savings	\$4,307,432	\$0	\$ 4,307,432		
- Reduction in duplicates (conservative estimate of \$7 improvement; compared to HealthComp's typical \$46 in savings)	580860				
- Enhanced claims processing (conservative estimate of \$6 improvement; compared to HealthComp's typical \$44 in savings)	497880				
- Additional savings from Fraud, Waste, and Abuse (conservative estimate of \$13 improvement; compared to HealthComp's typical \$20 in savings)	1078740				
- Additional savings from Out-of-Network management (conservative estimate of \$11 improvement; compared to HealthComp's typical \$17 in savings)	912780				
- Additional savings from Third Party Liability (conservative estimate of \$7 improvement; compared to HealthComp's typical \$9 in savings)	580860				
- Enhanced clinical solutions (conservative estimate of 1.5% utilization reduction; compared to independent actuarially validated HealthComp utilization reduction of 30%**)	656312				
Year 1 net spend	\$39,446,707	\$43,754,139	\$4,307,432	9.8%	10.7%
Year 2 net spend	\$40,393,428	\$46,335,633	\$5,942,205	12.8%	
Year 3 net spend	\$41,362,870	\$49,069,435	\$7,706,565	15.7%	
Year 4 net spend	\$42,355,579	\$51,964,532	\$9,608,953	18.5%	
Year 5 net spend	\$43,372,113	\$55,030,439	\$11,658,327	21.2%	
Year 6 net spend	\$44,413,043	\$58,277,235	\$13,864,192	23.8%	
Year 7 net spend	\$45,478,956	\$61,715,592	\$16,236,636	26.3%	
Year 8 net spend	\$46,570,451	\$65,356,812	\$18,786,361	28.7%	
8-year projected trend (including recurring savings from reduction in duplicates, enhanced claims processing, additional savings from FW&A, clinical services driving reduced utilization; savings mix may change over time and index towards FW&A and clinical savings)****	2.40%	5.90%			
Cumul 8 year spend	\$343,393,147	\$431,503,818	\$88,110,671	20.4%	

**Independent actuarial firm, Wakely, conducted a risk-adjusted, geographically-adjusted analysis of HealthComp's 2019 book, showing that HealthComp drives:

- 30% utilization reduction
- 19% medical cost savings
- 27% lower radiology/lab spend
- 48% lower inpatient spend
- 40% lower maternity spend
- 32% lower emergency room utilization
- Claims projections based off elected clinical buy-ups where two of the following three are elected by the group to be serviced through HealthComp: Case Management, Population Preventive Care, Utilization Review.

<https://healthcomp.com/clinical-care-management/>

***Validation Institute is willing to provide up to a \$25,000 guarantee as part of their Credibility Guarantee Program.

<https://validationinstitute.com/credibility-guarantee/>

****5.9% is industry average medical cost trend (excluding admin fees) for employers, based on benchmarks from PWC, IBM Truven. HealthComp's 2.4% trend is based on "all-HealthComp-clients" results, including member costs.