



**NOTICE OF A JOINT WORKSHOP TO BE HELD BY THE
McALLEN PUBLIC UTILITY BOARD OF TRUSTEES
AND THE McALLEN BOARD OF COMMISSIONERS**

DATE: Monday, June 10, 2024

TIME: 3:45 P.M.

**PLACE: McAllen City Hall
Commission Chambers – 3rd Floor
1300 Houston Avenue
McAllen, Texas 78501**

SUBJECT MATTER:

CALL TO ORDER

1. Review of the Employee Health Plan

CERTIFICATION

I, the Undersigned authority, do hereby certify that the attached agenda of meeting of the McAllen Public Utility Board of Trustees is a true and correct copy and that I posted a true and correct copy of said notice on the bulletin board in the Municipal Building, a place convenient and readily accessible to the general public at all times, and said Notice was posted on the 7th day of June, 2024 at 2:00 P.M. and will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with Chapter 551 of the Texas Government Code.



Clarissa Hernandez
Utility Board Secretary



FRONTIER
HEALTH

CITY OF MCALLEN



WHAT IS THE PROBLEM?

Misaligned Incentives

Destroys Customer Experience

↑ Increased Cost

Cost = Extract Max Dollars

- More pills, more procedures, more tests = more money
- No transparency
- Bad outcomes = no consequences
- No incentive to change

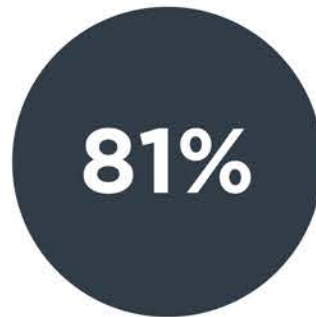


Increase in Employer Premiums Over 10 Years

↓ Decreased Quality

Quality = Bureaucratic Control

- 3,500:1 patient to provider ratio
- Providers are controlled by the system driving more claims
- Bad outcomes = more money
- Care is reactive



Americans Unsatisfied With Healthcare System

↓ Decreased Access

Access = Antiquated & Siloed

- Limited availability, long wait and short visits
- Limited/no access to data
- Complicated systems & antiquated tech
- No navigation or negotiation support



Decreased Employee/Family Access Over 10 Years

WHAT WAS THE GOAL?



FRONTIER
HEALTH



WHAT IS THE OPTIMAL STATE?

Aligned Incentives

Restores Customer Experience

↑ Increased Access

Access = Tech Enabled

- Same day availability, no wait, long visits (30min avg.)
- 100% data/price transparency
- Simple & modern tech platform
- Equal & unlimited access for all

↑ Improve Outcomes

Quality = Human Powered

- 800:1 patient to provider ratio
- Healthcare to workers = largest and most important asset
- Good outcomes = satisfied employees.
- Care is Proactive

↓ Decreased Cost

Cost = Savings Focused

- Less Admissions
- Transparent pricing
- Procure Care For Less
- Each party rewarded for good outcomes



Primary Care Increase



Net Promoter Score



Cost of Primary Care



WHAT IS THE OPTIMAL STATE?

Leading & Lagging Indicators

Leading	Lagging
<ul style="list-style-type: none">• Increase Primary Care Visits• Increase Chronic Disease Engagement• Increase Health Plan Utilization• Increase Transparency	<ul style="list-style-type: none">• Decrease Emergency Room Admissions• Decrease In Patient Admissions• Decrease Need• Decrease Costs

ACCESS

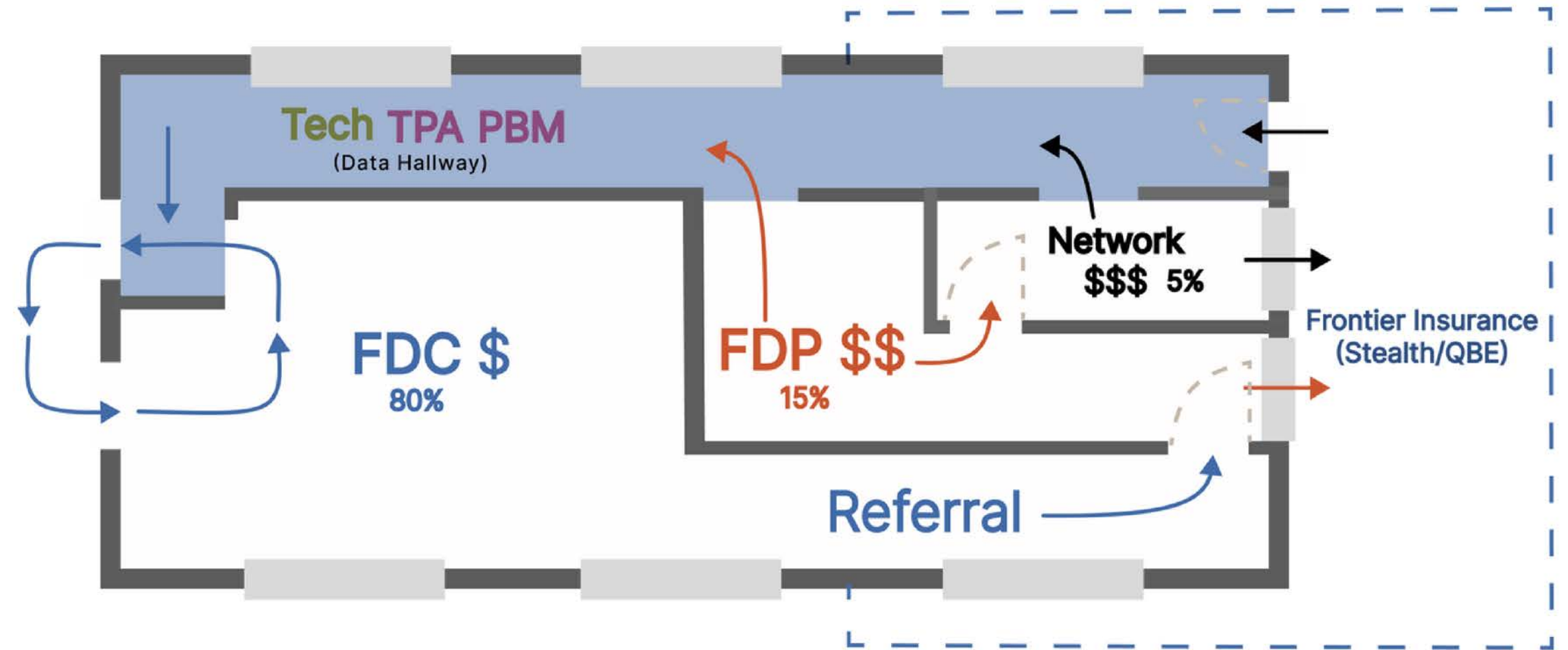


FRONTIER
HEALTH

2024

HOW DOES FRONTIER HEALTH WORK? - Member Journey

MEMBER JOURNEY



HOW DOES IT WORK?

FDC as the front door of healthcare

- Decreased Cost
- Increased Quality
- Increased Access

**INCREASE ACCESS.
ESTABLISH FRONTIER AS THE FRONT DOOR.**



HOW DOES FRONTIER HEALTH WORK? - Member Journey

MEMBER JOURNEY

	YR0	YR 1	YR 2
TOTAL TELEMEDICINE (Calls + Texts)	370	73,586	94,145
UNIQUE MEMBERS TELEMED	370	1,839	2,281
% MEMBERS USING TELEMED	10%	63%	71%

Unique Utilization
Increasing Efficiency

**FRONTIER IS THE FIRST CALL.
FRONTIER HAS BROKEN DOWN THE BARRIER TO ACCESS.**

UTILIZATION



FRONTIER
HEALTH



HOW DOES FRONTIER HEALTH WORK? - Employer Journey

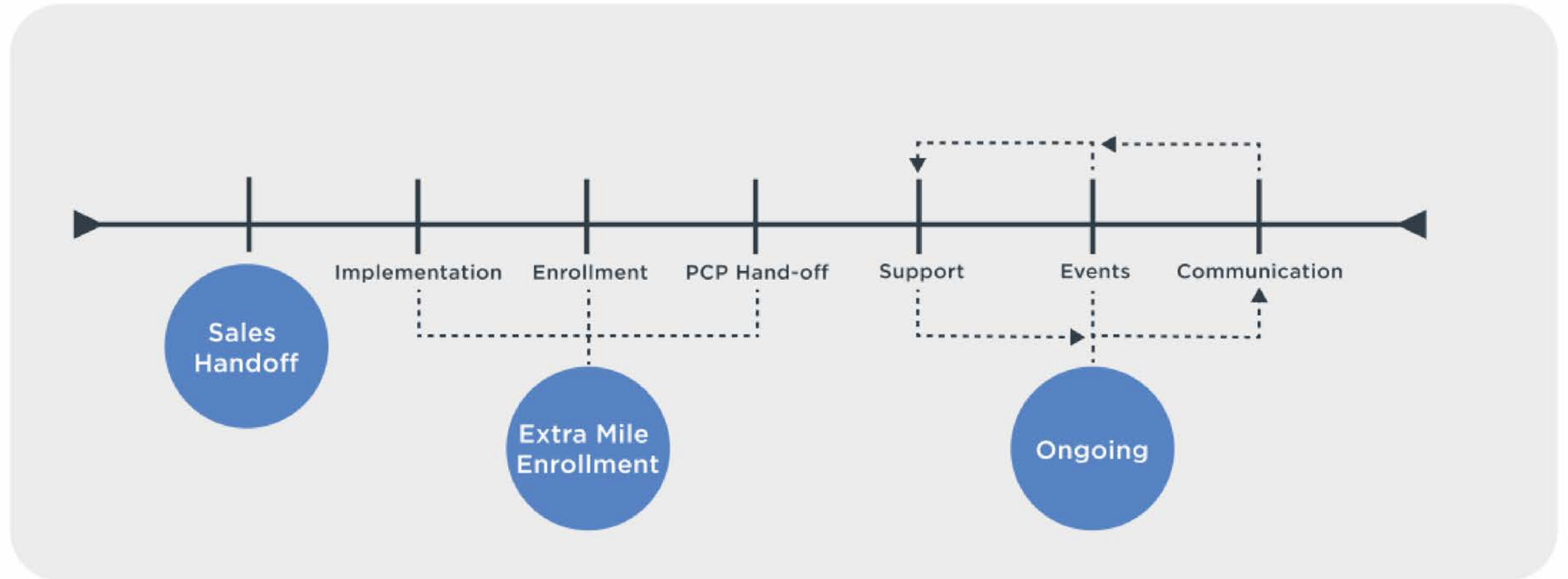
EMPLOYER JOURNEY - DELIVERED

FRONTIER

- Dedicated CSM: Monthly Monitoring
- Quarterly Utilization Review & Monthly Patient Campaigns
- Quarterly On-site Engagement

EMPLOYER

- Data Analysis & Reporting, Annual Planning
- Technical Integration, Resource Planning
- Pre-launch Planning, & Staff Allocation



HOW DOES FH CONNECT?

EXTRA MILE ENROLLMENT:

Getting Started:

- Data Collection
- Assign Resources
- Deploy Medical Staff
- Project Plan

Acceleration:

- Weekly Stand-ups
- Tech Portal Creation
- Enrollment
- Provider Introductions

Take Off:

- Dedicated CSM
- Utilization Monitoring
- Monthly Check-ins
- Health Events



HOW DOES FRONTIER HEALTH WORK? - Employer Journey

EMPLOYER JOURNEY

	YR 0	YR 1	YR 2	
Total Members Enrolled	3,519	2,940	3,224	
Members w/ Apt	No Data	1,621*	1,611*	Normalizing: 2.93% Increase in In Person Apt
Unique Utilization %	No Data	55%	62%	
Total Appointments	8,434	14,601	16,473	
In Person Apt	8,064	12,275	12,636	Gaining Efficiency: 64.96% Increase in Virtual Apt
Virtual Apt	370	2,326	3,837	
PMPY AVG Apt	2.4	4.97	5.11	
% Increase Apt	BM	81%	104%	Proactive Delivery

**FRONTIER HAS INCREASED UTILIZATION.
FRONTIER HAS DELIVERED PROACTIVE CARE.**

CARE DELIVERY



FRONTIER
HEALTH



WHAT ARE THE RESULTS?

	YR 0	YR 1	YR 2		
UHC Referral Rate 34%	Total Claimants	1,894	1,662	1,262	
	UHC Outpatient	8,064	6,253	4,912	
	Primary Care	5,532	3,723	2,884	
FRONTIER Referral Rate 7%	UHC Specialist	2,023	1,945	1,666	17.65% Reduction in Network Specialist
Keeping Primary Care Primary.	FDC Specialist	ND	505	837	
	OBGYN	509	435	363	
	FRONTIER	ND	8,348	11,561	
	TOTAL VISITS	8,064	14,601	16,473	
	% Increase Apt	BM	81%	104%	
	UHC Carve Out	BM	22%	39%	Regaining Control of the Referral.
	% FDC vs UHC Specialist	0%	21%	33%	

IMPROVED OUTCOMES



FRONTIER
HEALTH



HOW DOES IT SAVE MONEY?

Cost Breakdown:

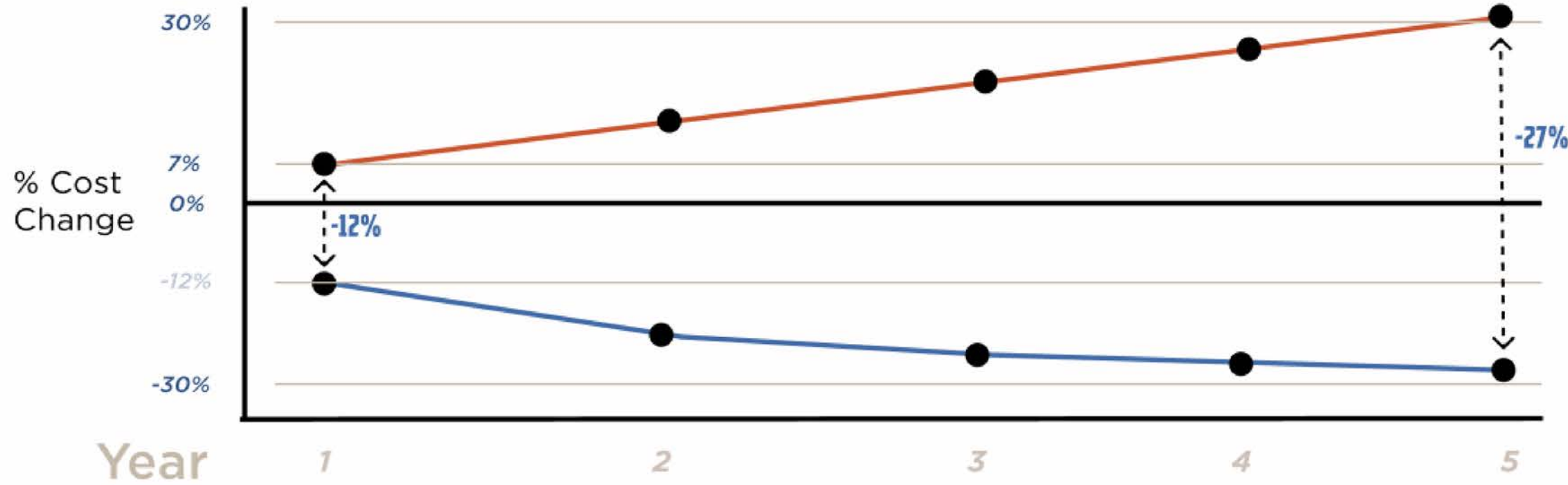
Traditional Healthcare



Frontier Health



5 Year Projected Spend



WITH FRONTIER

WITHOUT FRONTIER

GOALS:

- Improve Access
- Drive Utilization
- Improve the Customer Experience
- **Improve Population Health**
- **Procure Care Needs for Less**
- Mitigate Network Claims
- CHANGE THE MODEL
- INCREASE VALUE



HOW DOES IT SAVE MONEY?

Leading Indicators

Diabetics Engaged	19/20	20/21	21/22	22/23	23/24
UHC Identified	356	375	382	378	ND
UHC % Engaged	22%	21%	21%	23%	ND
UHC % Maintain / Improve	ND	81%	80%	82%	ND
FDC Identified	ND	ND	ND	542	556
FDC % Engaged	ND	ND	ND	100%	100%
FDC % Maintain / Improve	ND	ND	ND	95%	97%

178 New Pre Diabetic and Diabetic Members Engaged.

Cost drivers now being cared for.

The Average Annual Cost for a Diabetic is \$12-19k (NIH.gov)

$$178 \times \$12,000 = \$2.13M$$

MEMBER EXPERIENCE



FRONTIER
HEALTH



WHAT IS FRONTIER HEALTH & HOW IS IT DIFFERENT?

WHAT IS FRONTIER HEALTH?

A **DPC** and **cash** centric insurance program for self insured employers.

WHAT ARE THE COMPONENTS?

Frontier Direct Care

- No wait times, no co-pays, no deductibles
- Custom In Person locations

Frontier Direct Pay

- Concierge navigation and negotiation
- 50% reduction in specialty spend

Frontier Admin


- Fully-integrated TPA & PBM

Frontier Tech

- Powerful ROI Reporting & Live dashboards

Frontier Insurance

- Shares in risk with you
- Powered by Stealth/ Amwins

	Traditional Healthcare	Frontier Health
Administrative Time		Cut by 75%
Clinic Wait Times	3 hours	< 2 minutes
Duration of Visit	7 - 11 minutes	30 - 60 minutes
Office Co-pay	\$35 - \$100	\$0
Lab Results Delivery Time	5 - 7 days	2 days
Average Medication Cost	\$30 (with co-pay)	1,000 for free (With Frontier Rx)
ER & Urgent Care	Up to \$5,000+ Per Claim	50% Reduction in ER/UC Visits
Net Promoter Score (NPS)	-3 (United Health Care)	94
Frontier Rx	×	Free
Concierge Referrals	×	✓



WHAT IS FRONTIER HEALTH & HOW IS IT DIFFERENT?

94 NPS

Net Promoter Score

FINANCIAL IMPACTS



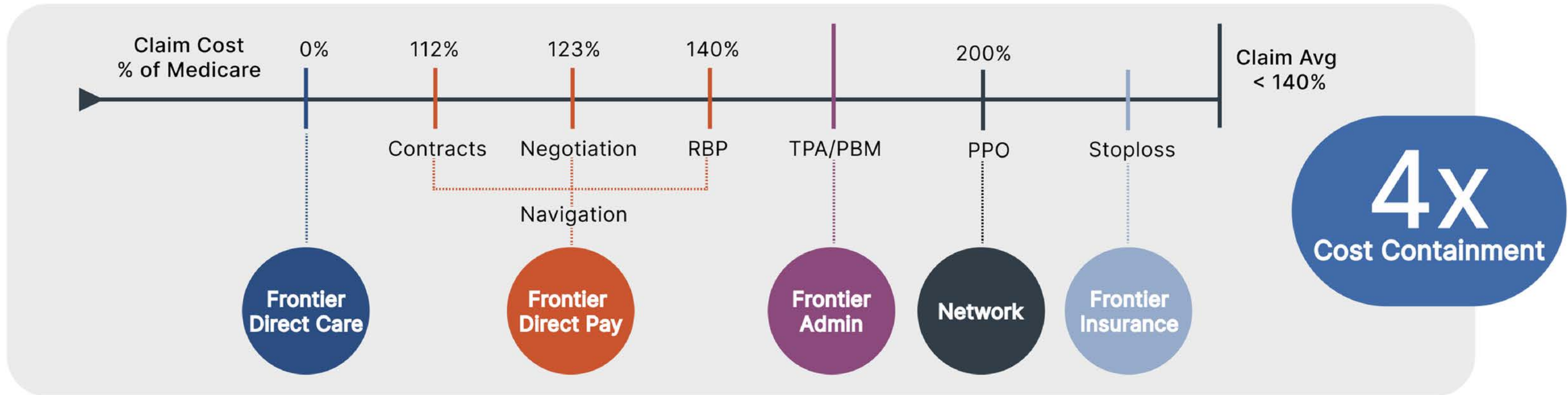
FRONTIER
HEALTH

2024

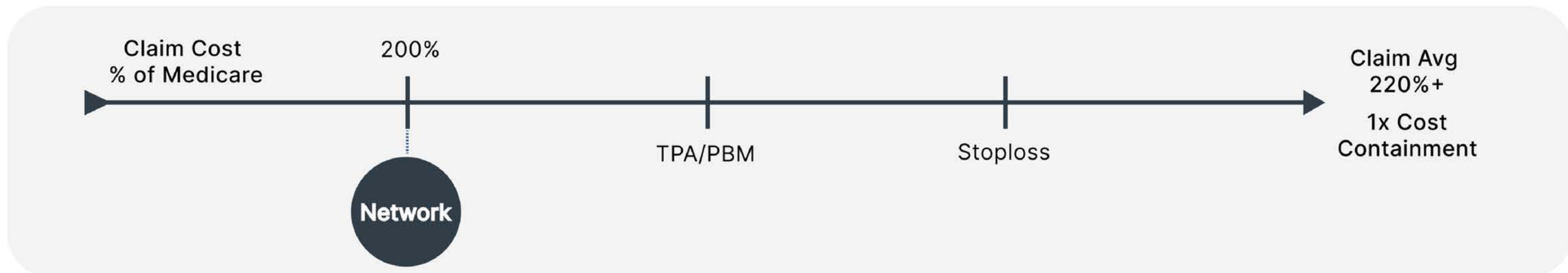
HOW DOES FRONTIER HEALTH WORK? - Claims Journey

CLAIMS JOURNEY

FRONTIER HEALTH PLAN



NETWORK ONLY HEALTH PLAN





HOW DOES FRONTIER HEALTH WORK? - Claims Journey

Frontier Membership as CMS Primary Care Appointments

	22/23	23/24	ALL TIME	
Membership Cost	\$2,018,080	\$1,303,220	\$3,321,300	32% Reduction The more its used, the more value is created.
# of Appointments	8,211	7,747	15,958	
100% Medicare Rate	\$198	\$193	\$196	Positive ROI Achieved
Cost Per In Person Appointment	\$245	\$168	\$208	
% of Medicare	124%	87%	106%	
CMS Appt Value	\$1,632,147	\$1,492,445	\$3,124,593	

The City has procured Primary Care for less than the Federal Government allowable rate.

National Network Rates Avg. 140-220% for Primary Care Services.

Frontier pays for itself.



WHAT IS THE OPTIMAL STATE?

Leading & Lagging Indicators

Leading	Lagging
<ul style="list-style-type: none">• Increase Primary Care Visits<ul style="list-style-type: none">◦ +104%• Increase Chronic Disease Engagement<ul style="list-style-type: none">◦ 178 New Diabetics Engagd• Increase Health Plan Utilization<ul style="list-style-type: none">◦ 71% Utilizing FDC• Increase Transparency<ul style="list-style-type: none">◦ Veracity Analytics◦ Frontier Direct Pay	<ul style="list-style-type: none">• Decrease Emergency Room Admission Rate<ul style="list-style-type: none">◦ -75%• Decrease In Patient Admission Rate<ul style="list-style-type: none">◦ -81%• Decrease Need<ul style="list-style-type: none">◦ -18%• Decrease Costs<ul style="list-style-type: none">◦ 87% of Medicare for Services◦ 7% Referral Rate vs 34% UHC

2024

HOW DOES FRONTIER HEALTH WORK?

104% Increase in Primary Care

75% Decrease in ER Admission

178 New Diabetics Engaged

81% Decrease IP Admission

7% Frontier Referral Rate

34% UHC Referral Rate

	22/23	23/24 - YTD	ALL TIME
Membership Cost	\$2,018,080	\$1,303,220	\$3,321,300
-CMS Appt Value	(\$1,632,147)	(\$1,492,445)	(\$3,124,593)
% of Medicare	124%	87%	106%
Savings vs CMS	\$385,932	(\$189,225)	\$196,706
	22/23	23/24*	ALL TIME
Membership Cost	\$2,018,080	\$2,018,080	\$3,321,300
UHC IP Admission Carve Out	37%	81%	
Est. IP Carve Out Impact	(\$1,942,971)	(\$2,687,794)	(\$4,630,765)
UHC ER Carve Out	30%	75%	
ER Carve Out Value	(\$804,151)	(\$1,268,678)	(\$2,072,829)
Savings vs. Estimated Impact	(\$730,722)	(\$1,940,072)	(\$2,670,794)
	22/23	23/24*	ALL TIME
BM - 2021/22 Medical Claims	(\$9,891,579)	-	-
21/22 Medical Claims + 5% Trend	(\$10,386,158)	(\$10,905,466)	(\$21,291,624)
Actual Network Medical Claims	\$8,959,850	\$8,842,227	\$17,802,076
Network Carve Out	(\$1,426,308)	(\$2,063,239)	(\$3,489,548)

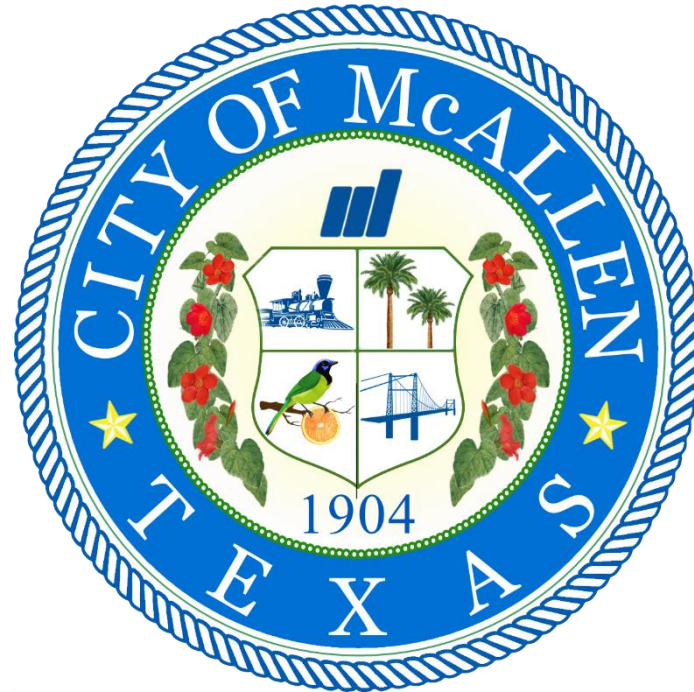
- Frontier Pays for itself
- Frontier Reduces IP/ER Need
- Frontier Mitigates Downstream Costs
- Frontier Delivers a Higher Value of Primary Care

International RX & Frontier Direct Pay Totals are procured at discount and have not been factored into any figures.

THANK YOU



FRONTIER
HEALTH



Population Health & Financial Analysis



Important Notes & Study Background



This report gives insight into the city's DPC Program performance including its influence on key performance measures and a financial summary. Future reporting will include insight into additional measures. The analysis tends to focus on Medical Spend without pharmacy because to manage most conditions you want pharmacy scripts filled and patients compliant with taking medication as prescribed. As expected, spend is higher with prescription drug claims included but the trend story does not change.

The Study Period for this report is based on incurred dates 10/1/2021 - 3/31/2024. The report years are labeled with "BY" indicating a Benefit Year rather than a calendar year (i.e., 10/1/2022 – 9/30/2023 is labeled "2023-BY"). We also included the first 6 months of the 2024 benefit year data (10/1/2023 – 3/31/2024) which is labeled "2024-YTD".

High-Cost Members are defined as those with > \$50,000 during the year.

Membership was analyzed using Member Months and cannot relate to a snapshot in time. For example, you may have had 1,000 members during a benefit year, but only 950 at the current time. Total Member Months are used to calculate Per Member Per Month rates (PMPM).

Columns often cannot be summed due to comorbidity and/or multiple risks. Totals, especially by enrollment status (Employee, Spouse, Dependent [Other]), will not match Age Gender Reports since Insured members can change enrollment status during a reporting period, and would therefore count in both (i.e., a Spouse may become an Employee).

Due to data remediation, timing issues, and claims lag some reporting may reflect revisions from previously released reports and condition reporting may differ slightly when comparing the counts and spend by conditions in each class to the All-Condition analysis. Veracity Analytics runs diagnostics on the data to remove outliers and orphans and remediate. An orphan report is available by request.

Key Highlights



Plan Medical Spend is projected to hold stable or decrease slightly by the end of the 2024 benefit year. Other evidence related to reducing risk, ER use, and managing spouses should translate into more favorable outcomes. As expected, **Plan Pharmacy Spend** was up comparing 2023-BY to 2022-BY and is projected to increase in 2024-BY. Member count was up in 2023-BY which may explain some of the spend increase for that year.

Tenure Analysis (Turnover) - Data shows that Spouse PMPM for Employees staying more than 24 months was the highest PMPM in 2023-BY and is not trending favorably in 2024, so management programs like DPC are warranted. There were 186 members in 2024-YTD who have fewer than 6 months of tenure. Of those, only 62 (about 33%) have had a visit with the DPC. Educating new members about the DPC is warranted. Of the 124 who haven't visited the DPC, only 7 have claims; one is a high-cost member.

High-Cost Members (those with > \$50k in spend during the year) - In 2023-BY there were 28 HCM* who represented 58.2% of Medical Spend (\$3.5m). In the first 6 months of 2024, there were 10 HCM representing 53% (\$1.1m) of Medical Spend, so it looks like HCM claimants and spend are decreasing, if current trends hold true. Cancer was predominant both years among conditions from claims that contributed to members being HCM. In 2024-YTD, the 10 HCM included 6 Employees, 2 Spouses, and 2 Dependents.

Core Conditions Analysis - In 2024-YTD, there were 244 members (7.6% of claimants) with one or more Core Condition who accounted for 42.4% of the Medical Spend (\$930k) and 29.8% (\$813k) of the Pharmacy Spend and an average Total PMPM of \$929. Members with Hypertension and Diabetes Type 2 represent the majority of the Medical and Pharmacy Spend among those with Core Conditions, which is not surprising since these conditions are prevalent in the United States. Those with Ischemic Heart Failure have the highest PMPM and PMPM increased for members with Asthma, Cerebrovascular Disease, Heart Failure, and Ischemic HD/CAD. In addition, 94 individuals with lab values indicative of diabetes were identified by the DPC.

If observations hold true, DPC appears to be favorably influencing (based on 2024-YTD and projections):

- **Medical Spend** - Spend is projected to hold stable or decrease slightly by the end of the 2024 benefit year. Other evidence related to reducing risk, ER use, and managing spouses should translate into influencing more favorable outcomes. Data suggests that new member education is needed as only a third of new members (those who have fewer than 6 months of tenure) are using the DPC. Encourage members with prescriptions for medications covered by International Rx (IRX) to fill then through IRX. Members who used IRX showed a savings of \$112K when compared to members filling the same medications through OptumRx. The IRX savings compared to the estimated retail price of filled drugs is \$229K.
- **Medical Events** - Inpatient Admits/k and ER Visits/k are down and lower than national norms.
- **Risk Modification** - Most members have held or decreased their risk by single health risk factors (95% of members held or decreased their risk by BMI, as did 78% for Blood Pressure, 94% for Ha1c, and 86% for LDL). Experience with data analysis usually shows that risk reduction will eventually translate into more favorable PMPM trending and savings. There appears to be a solid correlation to DPC influencing these positive outcomes.

Financial Foundation



Insured Summary	
Enrollment Status	2024-YTD
Employee	1,987
Dependent	1,009
Spouse	203
Total Insured Population	3,199
Gender Count & %	
Female	1,179
Male	2,020
Female	36.9%
Male	63.1%
Aggregate Payment Distributions	
Medical Spend	\$2,129,677
Pharmacy Spend	\$2,725,544
Total Medical + Pharmacy	\$4,855,221
Annual Cost Change	-26.7%

At this point in time, [Plan Medical Spend](#) is projected to hold stable or decrease slightly by the end of the 2024 benefit year. Other evidence related to reducing risk, ER use, and managing spouses should translate into influencing more favorable outcomes.

As expected, [Plan Pharmacy Spend](#) was up comparing 2023-BY to 2022-BY and is projected to increase in 2024-BY.

Member count was up in 2023-BY which may explain some of the increase in spend for that year. Employee counts are based on the total Employee Member Months/12. All plans and coverage tiers are aggregated.

Future analysis will determine if current trends hold true.

Medical and Pharmacy Spend by Fund						
	2022-BY		2023-BY		2024-YTD	
	Medical Plan Paid	Rx Plan Paid	Medical Plan Paid	Rx Plan Paid	Medical Plan Paid	Rx Plan Paid
Active	\$5,671,641.51	\$3,336,092.59	\$5,784,441.08	\$4,008,091.64	\$2,041,100.29	\$2,272,653.85
Retirees	\$514,285.56	\$444,617.76	\$249,738.60	\$409,845.91	\$88,577.04	\$206,462.23
Total	\$6,185,927.07	\$3,780,710.35	\$6,034,179.68	\$4,417,937.55	\$2,129,677.33	\$2,479,116.08

High-Cost Member Analysis



In 2023-BY there were 28 HCM* who represented 58.2% of Medical Spend (\$3.5m). In the first 6 months of 2024, there were 10 HCM representing 53% (\$1.1m) of Medical Spend, so it looks like HCM claimants and spend are decreasing, if current trends hold true.

Table 1 shows the conditions from claims that contributed to members being HCM; Cancer is predominant both years. In the 6-month period of 2024, the 10 HCM included 6 Employees, 2 Spouses, and 2 Dependents. The members with breast cancer both had a screening mammogram. As data builds, future reporting will include information on cancer screenings for those with prostate, breast, and colorectal cancer, and how many are being supported through their DPC physician.

2023-BY (10/1/22 – 9/30/23)	2024-YTD (10/1/23 – 3/31/24)
Cancer (breast, brain, skin, colorectal, kidney, lung)	Cancer (brain, prostate, endocrine, multiple sites)
Heart disease (cardiomyopathy)	Broken arm
End stage renal disease	Sepsis
Ileostomy (diverticulitis)	Fallopian tube inflammation
Developmental disorder	Hernia
Osteomyelitis, diabetes	
Multiple bone fractures	
Heart attack	
Scoliosis	

	Insured		% Insured		Medical Spend		% Medical Spend		PMPM (Medical)		Total Population		
	Not HCM	HCM	Not HCM	HCM	Not HCM	HCM	Not HCM	HCM	Not HCM	HCM	Insured	Medical Spend	PMPM Med
2022-BY	2,085	25	98.8%	1.2%	\$3,445,642	\$2,740,286	55.7%	44.3%	\$178.95	\$10,419.34	2,110	\$6,185,927	\$316.93
Employee	1,306	20	98.5%	1.5%	\$2,232,615	\$1,947,438	53.4%	46.6%	\$185.77	\$9,142.90	1,326	\$4,180,053	\$341.76
Dependent	618	3	99.5%	0.5%	\$859,508	\$442,443	66.0%	34.0%	\$152.04	\$17,017.05	621	\$1,301,952	\$229.26
Spouse	161	2	98.8%	1.2%	\$353,518	\$350,404	50.2%	49.8%	\$223.18	\$14,600.18	163	\$703,922	\$437.76
2023-BY	3,420	28	99.2%	0.8%	\$2,524,187	\$3,509,993	41.8%	58.2%	\$74.68	\$12,145.30	3,448	\$6,034,180	\$177.02
Employee	2,067	19	99.1%	0.9%	\$1,626,117	\$2,569,654	38.8%	61.2%	\$80.45	\$12,658.39	2,086	\$4,195,771	\$205.50
Dependent	1,126	6	99.5%	0.5%	\$634,371	\$633,739	50.0%	50.0%	\$56.09	\$10,562.32	1,132	\$1,268,110	\$111.54
Spouse	227	3	98.7%	1.3%	\$263,699	\$306,600	46.2%	53.8%	\$115.86	\$11,792.29	230	\$570,298	\$247.74
2024-YTD	3,189	10	99.7%	0.3%	\$1,001,703	\$1,127,975	47.0%	53.0%	\$41.85	\$21,691.82	3,199	\$2,129,677	\$88.79
Employee	1,981	6	99.7%	0.3%	\$624,791	\$858,524	42.1%	57.9%	\$42.52	\$33,020.15	1,987	\$1,483,315	\$100.76
Dependent	1,007	2	99.8%	0.2%	\$281,672	\$108,370	72.2%	27.8%	\$36.55	\$6,773.12	1,009	\$390,041	\$50.51
Spouse	201	2	99.0%	1.0%	\$95,240	\$161,081	37.2%	62.8%	\$62.17	\$16,108.09	203	\$256,321	\$166.23

*High-Cost Members (HCM) had claims in a benefit year ≥ \$50,000 in Medical Spend. Non-high-cost Claimants (Non-HCC) had claims < \$50k in Medical Spend during a benefit term. Percentages displayed in this table are calculated based on the row, not the column.

Core Conditions (claims based)



Condition	Claimants	% Claimants	Medical \$	% Med	Rx \$	% Rx	Med+Rx\$	Medical PMPM	Pharmacy PMPM	Med+Rx PMPM
Asthma	11	0.3%	\$42,702	2.0%	\$16,342	1.4%	\$59,043	\$485.25	\$185.70	\$670.94
Cerebrovascular Dis	5	0.2%	\$118,122	5.5%	\$11,890	1.0%	\$130,012	\$3,474.17	\$349.71	\$3,823.88
COPD	9	0.3%	\$85,313	4.0%	\$34,626	3.0%	\$119,940	\$1,376.02	\$558.49	\$1,934.51
DM Type 1	3	0.1%	\$0	0.0%	\$16,951	1.5%	\$16,951	\$0.00	\$706.28	\$706.28
DM Type 2	73	2.3%	\$101,884	4.8%	\$431,602	37.7%	\$533,486	\$180.65	\$765.25	\$945.90
Heart Failure	6	0.2%	\$490,292	23.0%	\$33,923	3.0%	\$524,215	\$12,571.58	\$869.82	\$13,441.41
Hyperlipidemia	71	2.2%	\$22,780	1.1%	\$73,848	6.4%	\$96,628	\$41.88	\$135.75	\$177.63
Hypertension	103	3.2%	\$325,505	15.3%	\$362,289	31.6%	\$687,794	\$414.66	\$461.51	\$876.17
Ischemic HD/CAD	33	1.0%	\$356,400	16.7%	\$153,173	13.4%	\$509,573	\$1,425.60	\$612.69	\$2,038.29
Pre-Diabetes	21	0.7%	\$7,425	0.3%	\$10,514	0.5%	\$17,939	\$47.90	\$67.83	\$115.74
Has Condition	244	7.6%	\$903,199	42.4%	\$812,517	29.8%	\$1,715,715	\$489.01	\$439.91	\$928.92
No Condition	2,955	92.4%	\$1,226,479	57.6%	\$1,913,027	70.2%	\$3,139,505	\$55.40	\$86.41	\$141.82
Total	3,199	100.0%	\$2,129,677	100.0%	\$2,725,544	100.0%	\$4,855,221	\$88.79	\$113.64	\$202.43

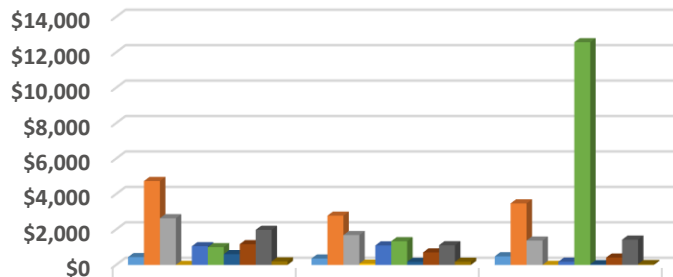
In 2024-YTD, there were 244 members (7.6% of claimants) with one or more Core Condition. These members accounted for 42.4% of the Medical Spend (\$930k) and 29.8% (\$813k) of the Pharmacy Spend. The average Total PMPM for these members was \$929. (A member may be captured in more than one condition.)

- Members with Hypertension and Diabetes Type 2 represent the majority of the Medical and Pharmacy Spend among those with Core Conditions. This is not surprising since these conditions are prevalent in the United States. Those with Ischemic Heart Failure have the highest PMPM. In addition, 94 individuals with lab values indicative of diabetes were identified by the DPC.
- Management of cardiovascular risk factors such as diet, physical activity, and not using tobacco products, along with management of Diabetes Type 2, Hypertension, and Hyperlipidemia can help lower the risk of a cardiac event. Consider campaigns related to identifying risk factors for stroke (Cerebrovascular Disease) and actions to take when signs occur to mitigate costs and improve prognosis.

Core Condition Trend by Condition & Relationship

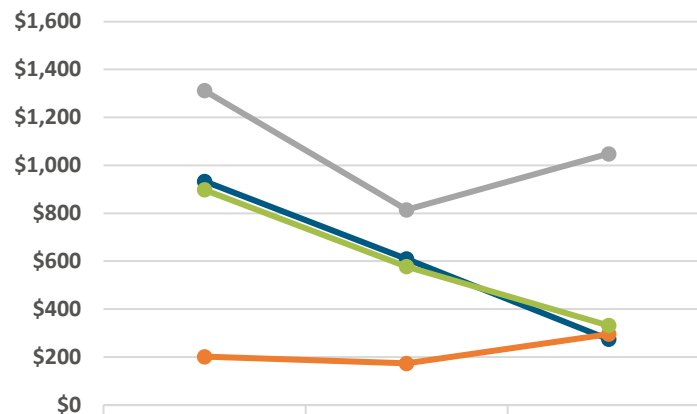


Core Conditions Plan PMPM Trend
By Condition



	2022-BY	2023-BY	2024-YTD
Asthma	\$440.45	\$359.74	\$485.25
Cerebrovascular Dis	\$4,734.84	\$2,781.17	\$3,474.17
COPD	\$2,636.12	\$1,684.48	\$1,376.02
DM Type 1	\$0.00	\$70.32	\$0.00
DM Type 2	\$1,057.86	\$1,102.11	\$180.65
Heart Failure	\$1,002.70	\$1,336.30	\$12,571.58
Hyperlipidemia	\$608.03	\$171.92	\$41.88
Hypertension	\$1,172.92	\$704.87	\$414.66
Ischemic HD/CAD	\$1,978.19	\$1,109.27	\$1,425.60
Pre-Diabetes	\$199.01	\$177.45	\$47.90

Core Condition Plan PMPM Trend
By Enrollment Status



	2022-BY	2023-BY	2024-YTD
Employee	\$933.18	\$609.43	\$274.66
Dependent	\$201.47	\$173.53	\$295.78
Spouse	\$1,312.37	\$814.82	\$1,048.55
Total	\$898.29	\$577.30	\$331.91

Core PMPM Rate Changes (Spouse)			
Year	PMPM	Yr to Yr	Over SP
2022-BY	\$1,312.37		
2023-BY	\$814.82	-37.9%	
2024-YTD	\$1,048.55	28.7%	-10.1%

Core PMPM Rate Changes (Employee)			
Year	PMPM	Yr to Yr	Over SP
2022-BY	\$933.18		
2023-BY	\$609.43	-34.7%	
2024-YTD	\$274.66	-54.9%	-35.3%

- In 2024-YTD, PMPM has increased for members with Asthma, Cerebrovascular Disease, Heart Failure, and Ischemic HD/CAD.
- In the first 6 months of 2024, PMPM was up for Spouses 28.7% but down -10.1% over the Study Period; down for Employees -54.9% and down -35.5% over the Study Period; up for Dependents.

DPC Influence on Spend



Overall, DPC appears to be favorably influencing outcomes. **Plan Medical Spend** is projected to hold stable or decrease slightly by the end of the 2024 benefit year. Other evidence related to reducing risk, ER use, and managing spouses should translate into influencing more favorable outcomes. The data suggests that new member education is needed as only a third of new members (those who have fewer than 6 months of tenure) are using the DPC. Encourage members with prescriptions for medications covered by International Rx (IRX) to fill then through IRX. Members who used IRX showed a savings of \$112K when compared to members filling the same medications through OptumRx. The IRX savings compared to the estimated retail price of filled drugs is \$229K.

	Office Visits/Encounters	Patients	Estimated Billed Amt*
2023-BY	12,686	1,966	\$1,515,089
2024-YTD	8,587	1,731	\$1,025,545
Total	21,273	2,358	\$2,540,634

*If a 99215 office visit claim had been filed with United Healthcare

	2022-BY	2023-BY	2024-YTD
Medical Plan Paid	\$6,185,927.07	\$6,034,179.68	\$2,129,677.33
Rx Plan Paid	\$3,780,710.35	\$4,417,937.55	\$2,479,116.08
Membership Fees		\$2,017,600.00	\$1,140,660.00
Physicals		\$36,284.88	
Ancillary		\$803,991.97	\$683,035.19
Total Spend	\$9,966,637.42	\$13,309,994.08	\$6,432,488.60

Potential Savings from office visits

\$1,515,088.98

\$1,025,545.41

Savings from International Rx YTD

\$112,872.60

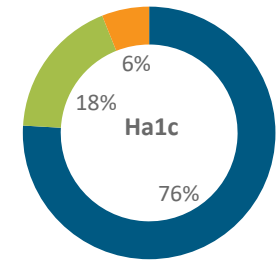
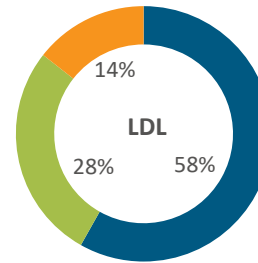
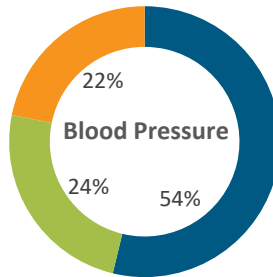
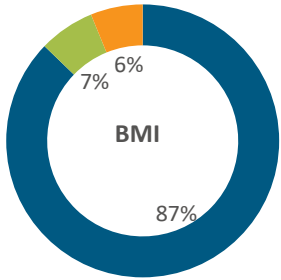
Health Risk Modification by BMI & Blood Pressure



In 2024-YTD 95% of members held or decreased their risk by BMI, 78% for Blood Pressure, 94% for Ha1c, and 86% for LDL. Experience with data analysis usually shows that risk reduction will eventually translate into more favorable PMPM trending and savings. There appears to be a solid correlation to DPC influencing these positive outcomes (more detail available by request). Calculations are based on first and most recent values.

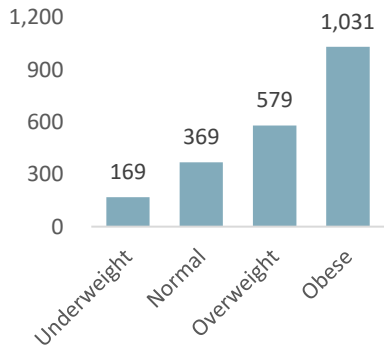
Risk Modification by Single Risk Factor

■ Held Risk Level ■ Decreased Risk Level ■ Increased Risk Level

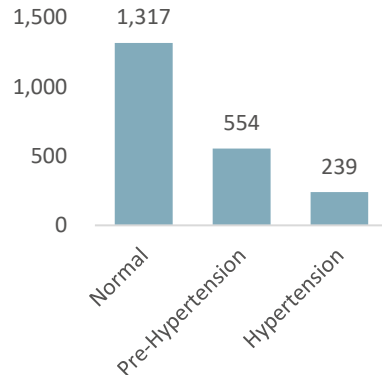


Member Count by Condition Category

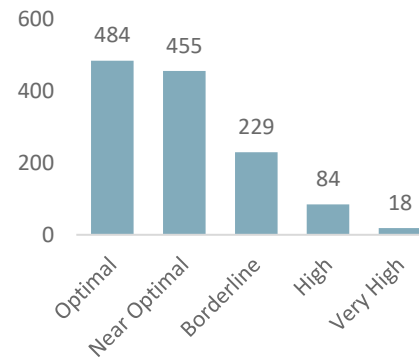
BMI



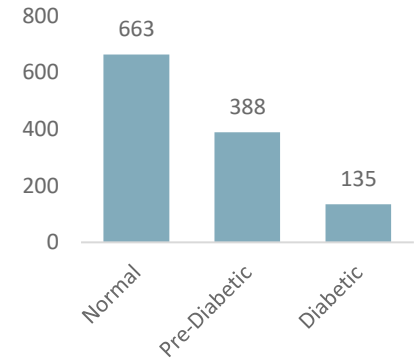
Hypertension



LDL



Diabetes

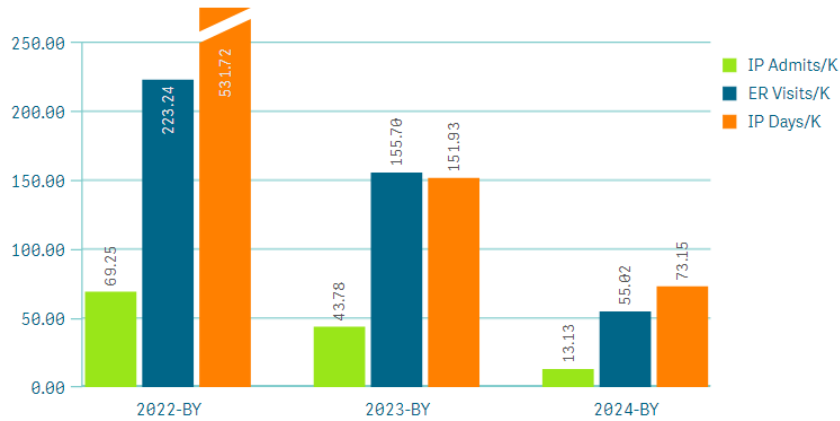


Medical Events – Utilization Rates

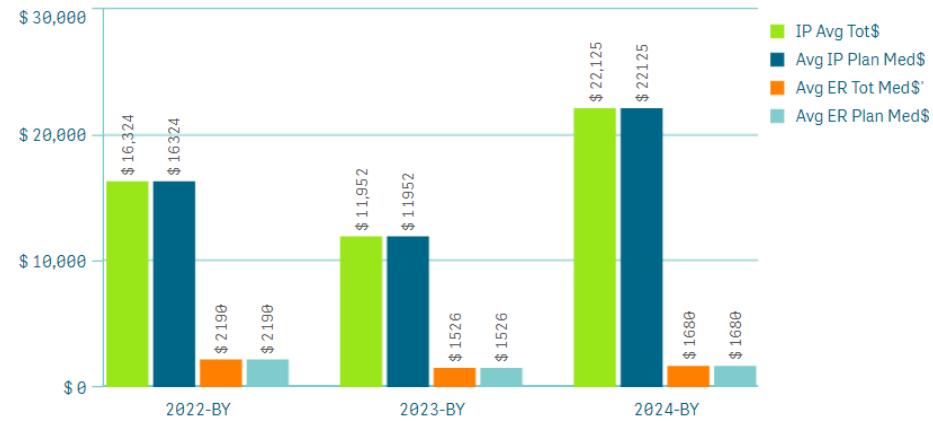


In 2024-YTD and projections for the full 2024-BY, data indicates Inpatient Admits/k and ER Visits/k will be favorable, if current trends hold true. There appears to be a correlation that DPC is influencing favorable medical event outcomes. Compared to national norms, ALOS is higher than the norm of 4.3 days, but Inpatient Admits/k is lower than the 49.4 norm, and ER Visits/k is also lower than the norm of 236.4. Calculation of Total Medical Spend because UHC did not provide Member Spend.

Medical Events - Utilization (Days)



Medical Events - Utilization (Dollars)



Medical Events - Utilization (Days & Dollars)

Period	IP Admits/K	ER Visits/K	IP Days/K	IP ALOS	Avg IP Plan Med\$	Avg IP Tot Med\$	Avg ER Plan Med\$	Avg ER Tot Med\$
2022-BY	69.25	223.24	531.72	7.68	\$16,324	\$16,324	\$2,190	\$2,190
2023-BY	43.78	155.70	151.93	3.47	\$11,952	\$11,952	\$1,526	\$1,526
2024-BY	13.13	55.02	73.15	5.57	\$22,125	\$22,125	\$1,680	\$1,680