



MarshMcLennan
Agency

Virginia Bankers Association

Healthcare Landscape Update

VBA Peer Group Meeting

August 2, 2023

Your future is limitless.™

Agenda

- Healthcare Landscape
 - High Cost Claimants Risk
 - Gene Therapy/High Cost Drug Discussion
 - VBA Clinical Data Review
- 2024 RFP Update
 - Pharmacy
 - Voluntary Benefits
 - Dental

2023 Healthcare Trends

Your future is limitless.™

Marsh & McLennan Agency LLC



The employee health & benefits trends of 2023

1 Shifting workforce expectations

- Employees are placing a higher premium on finding meaning and purpose at work.
- Organizations struggle with moving their diversity, equity, and inclusion (DEI) programs beyond building awareness to creating real action.
- Empathy is key to solving the challenges employers face with apathy and attrition among their employees.

2 Mental and behavioral health needs

- The workforce continues to expect more from their employee experience, as it relates to well-being benefits.
- Building flexibility into the workplace creates new opportunities for employers and employees.
- Mental and behavioral health support will dominate in employers' offerings in the coming years.

3 Changes in health care economics

- U.S. employers can expect health benefit costs to increase between 5.6% - 7% based on plan design.
- High-cost prescription drugs are a source of frustration, especially with cell and gene therapies that cost millions.
- High-cost claimants, utilization increases, and employment trends will keep health care costs higher overall.

Tomorrow's workforce is looking for more than a benefits plan.

Marsh McLennan Agency (MMA) offers a variety of solutions to support the needs of your people, your team, and your business. We specialize in helping middle-market organizations — whether self-funded or fully insured — find ways to provide their employees with benefits they can take advantage of.

While predicting and responding to employee benefit trends and employee expectations can be difficult, MMA is here to help make it easier. We offer a number of solutions that help you stay in touch with your employees and streamline how you offer the benefits they need.

Healthcare Landscape

High Cost claimants impacting medical trend

The Million Dollar Claim

Why are they more common now?

paid claims for million dollar+ claimants

Under 2
27%



Congenital
Anomalies

2-19
18%



Malignant
Neoplasm

20-39
16%



Hemophilia/
Bleeding
Disorder

40-59
28%



Malignant
Neoplasm

60+
11%



Malignant
Neoplasm

45%

of million dollar claims are for
claimants under 20 years old

22% of Employers had at
least one member with
claims over

\$1M

Highest Cost Individual
Million Dollar Claimant
Conditions 2020

- 1 Malignant neoplasms (cancer)
- 2 Leukemia/Lymphoma/
Multiple Myeloma
(cancers)
- 3 Septicemia (infection)



In 2020,
\$368.3 million
spent on
injectable medications

Since 2017, number of members
with claims \$1M+ rose 31%

Claimants With Million Dollar Claims	
\$1-\$1.5M	174
\$1.5-\$2M	40
\$2-\$3M	27
\$3M+	14
Total	255

2020's highest cost claim was for Leukemia, lymphoma and/or multiple myeloma at \$6.3M

Source: 2021 Sun Life Stop-loss Research Report: High-cost Claims And Injectable Drug Trends Analysis

Marsh & McLennan Agency LLC

2023 Pharmacy Trends

Biosimilars	GLP-1 Drugs	Cell & Gene Therapy
<ul style="list-style-type: none">- Biosimilars in the market drive competition and present potential savings for employers.- The biosimilar for Humira, the #1 drug in the world, hit the market on February 1, 2023<ul style="list-style-type: none">- Amjevita is currently included on formulary for many prominent PBMs and at least 7 more products are expected to follow.- The Stelara patent expires in 2023 with biosimilar target launch in 2H 2023, pending lawsuits- Plan sponsors should monitor utilization of anti-inflammatory biologics and explore strategies to maximize the benefits that biosimilars present while ensuring rebates are protected.	<ul style="list-style-type: none">- GLP-1 drugs are popular medications approved for the treatment of Type 2 diabetes and/or weight loss that have a monthly cost of approximately \$1,000.- Mounjaro, the most recent GLP-1 drug approved for Type 2 diabetes, is expected to generate \$4.9 billion of yearly revenue by 2026.- Off-label use of GLP-1 diabetes drugs for weight loss purposes is increasing as they are not subject to the weight loss prior authorization process under the assumption the drug is being used to treat diabetes.- Implementing tight utilization management to ensure the right patient is taking the right GLP-1 drug at the right time will help employers avoid overspend as more products hit the market.	<ul style="list-style-type: none">- There are more than 20 cell & gene therapy drugs approved by the FDA today, with as many as 50 - 100 anticipated by 2025.- In January 2023, Hemgenix, a treatment for hemophilia B, was approved with a price tag of \$3.5 million, making it the most expensive drug on the market.- Today, most self-insured employers are protected from this risk through their stop-loss plan language- Due to large cost and unpredictability, stop loss-market is starting to eliminate coverage for these drugs- It may be prudent for employers to explore alternative coverage strategies and adjustments in plan coverage to protect against future claims.

Rx: GLP-1 Agonists

GLP-1 Agonists

- Trulicity, Ozempic, etc., treats Type 2 Diabetes.
- Lowers blood sugar levels over period of time.
- Found to have side effect of weight-loss.
- Only Wegovy and Saxsenda approved for weight loss.

Mounjaro recently passed through Phase II out of III for FDA approval.

VBA Population Utilization

- Members with Rx claims: 47% increase per 1k.
- 223/339 members on GLP-1's were coded as having Diabetes during the reporting periods.
- Total Employer Paid \$2.14M (59% increase).

MMA BoB for Employer Spend increased 54% between 2021-2022.

CONSIDERATIONS*

- Less than 22% of employers are covering prescription drugs specifically designed for weight-loss for smaller employers (<5,000 EE's) and more frequently for employers larger than 5,000 EE's.
- Average cost of drug ~\$1,000/mo. per employee; studies support drugs are designed for long-term use → higher costs.

Best Practice

- MMA does not recommend off-label use of medications outside of FDA approved labeling language.
- Examine Carrier and PBM guidelines for utilization and Prior Authorization requirements and quantity limits.
- Ensure consistency in policy documents depending on client decisions to cover or exclude weight-loss medications.

Approved Therapies

Current approved therapies include

Drug	Disease Indication	Cost
Luxturna	Inherited retinal dystrophy	\$850,000
Zolgensma	Spinal muscular atrophy (SAM)	\$2,125,000
Zynteglo	Transfusion dependent β -thalassemia	\$2,800,000
Skysona	Cerebral adrenoleukodystrophy (CALD)	\$3,000,000
Hemgenix	Hemophilia B	\$3,500,000
Roctavian (recently approved)	Hemophilia A	\$2,900,000
Elevidys (recently approved)	Duchenne muscular dystrophy (DMD)	\$3,200,000

It is estimated that in 2023, cellular and gene therapies will total between

70

per million members

and

43

per million members

compared
with just

7

per million
members
in 2020.⁹

50-100

gene and cell therapies
are anticipated to receive
FDA approval by 2025.¹

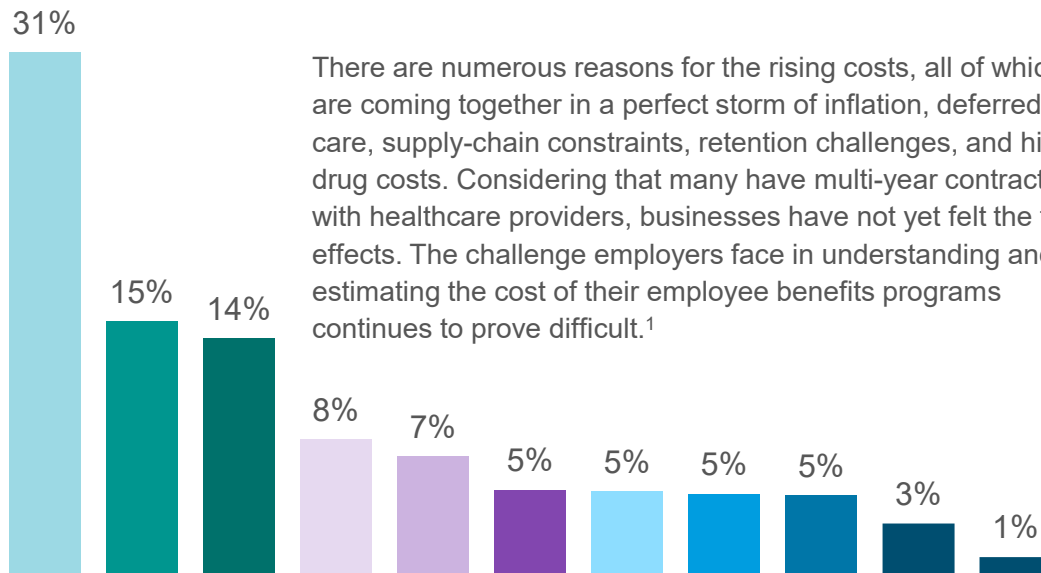
87%

of employers are concerned
about the new million-dollar
treatments getting
approved by the FDA.⁹



Typically, medical inflation outpaces inflation in the rest of the economy. But in 2022, medical prices are growing at a similar rate as in past years, while prices in some other parts of the economy are growing much more rapidly than in the past.

—Peterson-KFF,
Health Systems Tracker⁵



There are numerous reasons for the rising costs, all of which are coming together in a perfect storm of inflation, deferred care, supply-chain constraints, retention challenges, and high drug costs. Considering that many have multi-year contracts with healthcare providers, businesses have not yet felt the full effects. The challenge employers face in understanding and estimating the cost of their employee benefits programs continues to prove difficult.¹

- Hospital care
- Physician services
- Net cost of health insurance
- Clinical services
- Investment
- Other personal health care
- Prescription drugs
- Government public health activities
- Nursing care facilities
- Home health care

We anticipate frequency and severity of medical stop-loss claims to tick up as the 2022 year progresses and extends into 2023.¹

This is an outcome of deferral challenges and a direct result of macroeconomic factors. One of the top influences contributing to the rise in costs are worsening availability of clinical labor staff.⁶

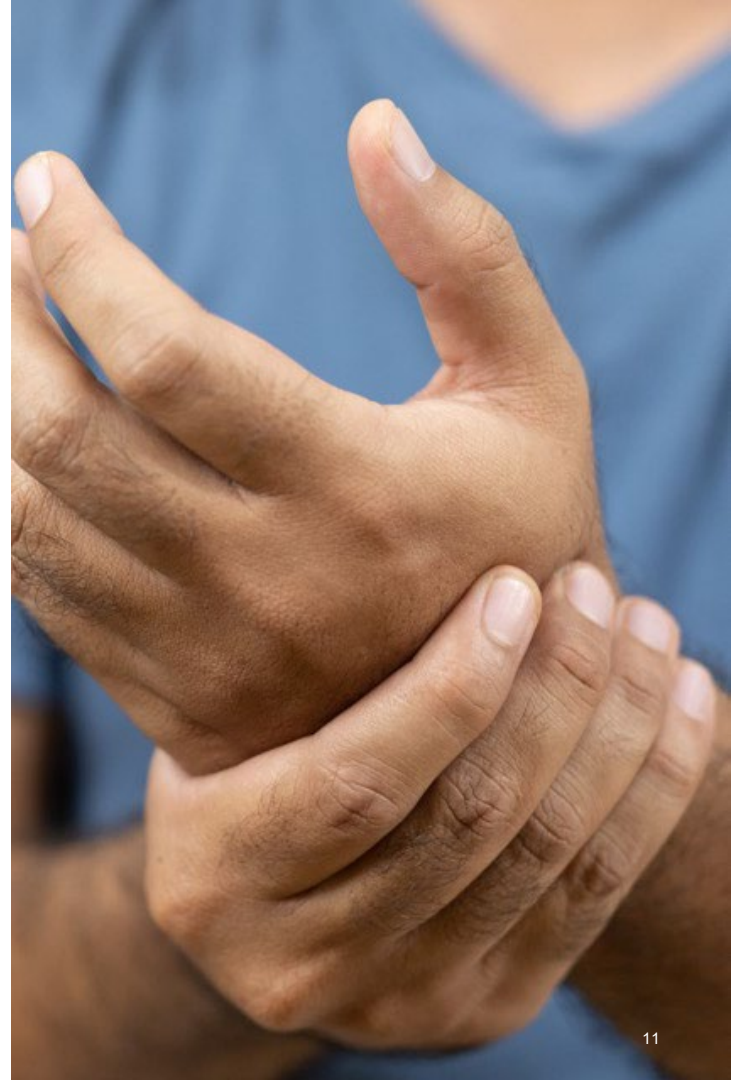
Employers are refocusing on cost management strategies to slow increases over the long term, while minimizing cost shifting to employees. The use of targeted programs aimed at specific health conditions (e.g., diabetes, musculoskeletal, COPD) has gained traction in recent years as a way to achieve better outcomes and lower costs.^{4,7}

49%

of all large employers and 58% of those with 20,000 or more employees offer these types of programs or are seriously considering it.

12%

of all employers have adopted enhanced clinical management models beyond the standard health plan model.⁷



PATH – Planning & Analytics for Total Health



Your Virginia PATH Team



**Dr. Monte Masten, MD,
MBA, MPH, FACOG**

Chief Medical Officer

Over 25 years of leadership experience in patient care, consulting, managed care, population health management, and pharmacy management with diverse teams at national health plans, large employers, and health systems.

Serves as the Chief Medical Officer and provides oversight of clinical & data analysis teams.



Kate Valette, RN, BSN

Clinical Consultant

Over 30 years of experience in various healthcare settings including patient care, case management, corporate Total Rewards, and consulting. Corporate program leadership included in-house disability management, leave administration, workers compensation, and wellness platform development. Supports clients' strategic initiatives with data-driven clinical recommendations that lead to healthier outcomes and reduced costs.



Laura M. Moore, CWPC

Health Management Consultant

Over 15 years of experience in the employee health and benefits industry. Evaluates available data to identify behaviors that influence or compromise employee's health; pinpoints factors that inspire learning or those that hinder or foster the client's total member population through the process of health education. Creates comprehensive well-being program strategies as well as evaluation of third party vendor solutions for middle market clients.



Jenna Austin, MPH

Sr. Data Analyst

Healthcare analytics reporting, analytics consulting, and development of cohort analysis.

Graduate of the University of Massachusetts with a (MPH) Masters of Public Health Epidemiology and (BS) Bachelors of Science in Biology

Reporting parameters



Reporting period

Paid during the following periods:

Previous:
May 2021 – April 2022

Current:
May 2022 – April 2023



Settings

Inpatient facility, Outpatient facility and Professional.

Stop loss reimbursements and pharmacy rebates are not included in this data.

High Cost Claimants are defined as those greater than \$100K.



Milliman MedInsight

Benchmarking

Annual medical databases include private-sector health data from approximately 75M member lives, 2.5B medical, pharmacy and eligibility records.

Normative database has also been categorized based on specific metrics on the proportions of your population's geography and industry; age and gender; benefit design; group size (individual, small and large groups); and other proprietary Milliman adjustment factors



Milliman Advanced Risk Adjusters

Risk score

MARA Risk Score is the measure of risk associated with an individual's age, gender, and conditions, relative to an average person.

A relative risk score of 1.00 is average and an individual with an RRS of 1.50 is predicted to spend 50% more in resources compared to the average person.

Executive Summary

Your future is limitless.™

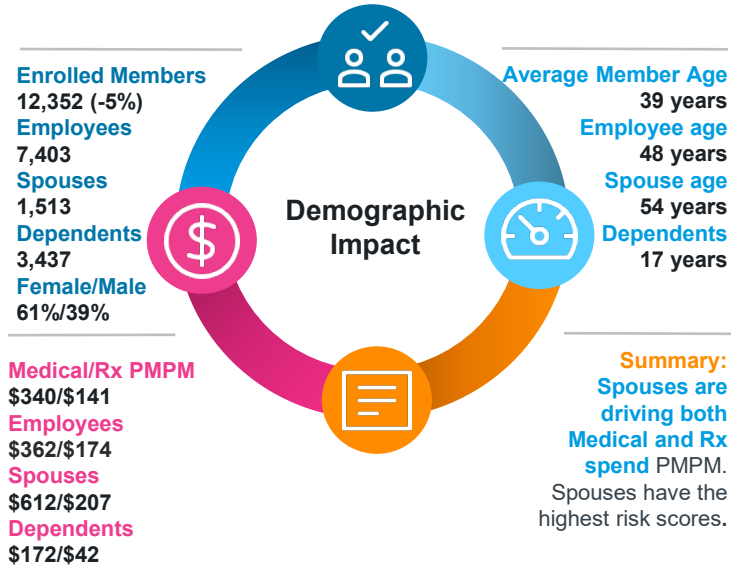
Marsh & McLennan Agency LLC



 **MMA PATH**™
Planning & Analytics for Total Health

Executive Summary

Previous: May 2021 – April 2022
Current: May 2022 – April 2023

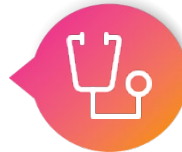


144 members are 70 years or older: continue to promote Anthem's Medicare training opportunities.



Clinical Insights: Cost Trends

- Total Plan Paid \$71.3M, -5%
- Medical Plan Paid \$50M, -10%
- Pharmacy Plan Paid \$21M, +9%
- Total PMPM \$481 (\$532), -0.6%
- Med PMPM \$340 (\$419), -6%
- Rx PMPM \$141 (\$112), +15%



Clinical Insights: Utilization Trends

- PCP visits 2,036 per 1k (1,651); +2%
- Specialists visits 1,342 per 1k (1,299); -3%
- Telemedicine visits 767 per 1k; -6%
- ER visits 150 per 1k (170); +5% / Avoidable ER visits per 1k +9%
- Urgent Care visits 293 per 1k (222); -20%
- Outpatient surgery 98 per 1k (102); +5%
- Admissions 40 per 1k (58); +5% / Average Length of Stay 5.5 days (4 days)
 - \$15M Total Employer Paid (Med); -10%
- 88% Members using medical benefits
- (113) High-cost claimants (>\$100k), \$24M Total Employer Paid Amt; -10%



Clinical Insights: Pharmacy

- Prescription utilization per 1k 9,796 (13,403), -1%
 - Average Employer Paid per Script \$159, +15%
- Generic script utilization 85%
- Specialty drugs are 1% of Rx with % Paid 48% (52% in Yr.1)
- Top 5 Drug Classifications by # of scripts written: Antidepressants, Statins, Contraceptives, Vaccines, and Penicillins.
- Top 5 Drug Classifications by Paid Amount: Coagulation Factors, Cystic Fibrosis Agents, Hereditary Angioedema Agents, Vasopressins, and CNS Agents.

Executive Summary

Previous: May 2021 – April 2022
 Current: May 2022 – April 2023



Top 3 Chronic Conditions:

Hypertension (1418)

Lipoprotein Disorders(1089)

Anxiety (920)



Population Health

Behavioral Health

- 2085 members with BH condition
 - Acute and Chronic
 - 59% employees
- Top diagnoses
 - Anxiety and Mood Disorders
- 65% of all virtual visits were BH
- PCP office visits and Admits increased in prevalence
- Alcohol related disorders 2nd top Inpatient Admit diagnosis

Risk Bands

Current Risk / Predicted Risk
 1.27 / 1.27

Employees	Spouses
1.46 / 1.50	1.72 / 1.78

<u>Very Low</u>	6517 members (\$334)
<u>Low</u>	3423 members (744)
<u>Moderate</u>	885 members (\$1358)
<u>Mod High</u>	3591 members (\$5549)
<u>High</u>	331 members (\$38,165)
<u>Very High</u>	90 members (\$114,783)

CHRONIC CONDITION OVERVIEW

- **7012 members** (2.5% decrease YoY)
 - 68% Employees, 16% Spouses, 16% Dependents.
- **Hypertension:** 1452 members; 79% Employees.
- **Hyperlipidemia:** 524 members; 80% Employees.
- **Diabetes:** 749 members; 75% Employees
 - 88% Type 2 Diabetics.

May lead to Metabolic Syndrome*

- **Musculoskeletal (MSK):** 3451 members; 27% of member population: 68% Employees
 - Chronic: 1629 members; 47% of member population: 73% employees
 - 2nd highest spend over 3 years by diagnostic category

Preventive Care

- 47% had a preventive visit
 - 46% in prior year
- 12% of members had no medical claims in current reporting period
 - Same as prior year

Well-being Programs

Comprehensive well-being & condition management programs with optimal engagement to support behavior change can help shift members to lower risk bands and reduce cost. Shifting just 5 high risk members to moderately high risk could result in potentially significant annual savings.

* Metabolic Syndrome may occur when members have a cluster of chronic conditions that lead to progressive vascular conditions such as Diabetes, Coronary Artery Disease, Chronic Kidney Disease, End Stage Renal Disease, and Stroke.

A photograph of a man and a woman in a meeting. The man, on the left, has dark hair, a beard, and glasses, and is wearing a dark green jacket. He is looking towards the woman. The woman, on the right, has long blonde hair and is wearing a dark blue jacket. She is looking back at the man. They are sitting at a table in a brightly lit room with large windows in the background. A pink rectangular overlay covers the bottom left portion of the image, containing the text.

Population health strategies

Data-driven action plan – population health

Focus areas	Current programs	Strategic opportunities
-------------	------------------	-------------------------

Well-being Strategy

- 47% of members had a chronic condition; increase in prevalence
- 46% Preventive Care utilization; increase in prevalence
- 12% of members had zero medical claims in the current reporting period

Risk of Metabolic Syndrome

- Increase in Hypertension, Hyperlipidemia, and Diabetes claimants
- Hypertension top PCP visit diagnosis
- Increase in Diabetes Rx Employer Paid Amount: \$4M
- Decrease in Diabetes Medical Employer Paid Amount: \$290k

Anthem
LiveHealth Online virtual medical services

- 2022 utilization: 558 engaged: 442 Medical: 8 Dermatology: 4 Sleep: 105 BH

Condition Care Management:
Asthma, CAD, Heart Failure, COPD and Diabetes

- 2022 utilization: 1,739 identified
 - Asthma – 784: CAD:173: Heart Failure: 23: COPD: 62: Diabetes: 697
 - Contact Rate: 28%: Enrolled of Contacted: 85%: Engaged of Enrolled: 84%

Well-being

- Cancer Support**
 - Develop communication campaign to promote available resources for those undergoing cancer treatment.
- Metabolic Syndrome Preventive Strategy**
 - Consider weight management point solution to help manage top chronic conditions: WW, Noom
 - Hypertension Condition Management: Hello Heart, Anthem's Healthy Impact Program: Blood Pressure and Weight Management: LiveHealth Online
 - Lifestyle Accounts
 - Promote American Heart's Life Simple 7: the 7 risk factors that people can improve through lifestyle changes to help achieve ideal cardiovascular health: Complete Heart Assessment

<https://www.heart.org/en/healthy-living/healthy-lifestyle/my-life-check--lifes-simple-7>

Mental and Behavioral Health

- Increase in trend
- Prevalent age bins 20-29
- Anxiety and Mood Disorders top two diagnoses
- Alcohol-related disorders 2nd top Inpatient Admit diagnosis
- Increase in PCP visits and Admits
- Increase in Medical Employer Paid Amount = \$2M

Anthem
Live Health Online virtual services

- 2022 utilization: 105 BH

EAP

- 2022 utilization: 286 total requests: 577 total contacts: 62.5% emotional:17% marital/child: 7% Family/Child issues

DE&I: Establish an Employee Resource Group – individual bank level

- Strengthens employee connections and builds internal support framework
- Allows forum for advocacy for internal resources

www.usgs.gov/office-of-diversity-and-equal-opportunity/employee-resource-groups

Musculoskeletal (MSK)

- 27% members with MSK condition (includes acute and chronic)
 - 47% of this group have chronic MSK condition
 - Dorsopathies and Osteoarthritis top Chronic diagnoses
- Employer Medical Paid Amount: \$4.7M (-1% YoY)

Hinge Health:

- 2022 utilization: 9,952 total eligible: 484 (5%) engaged:428 chronic: 56 acute
- 2023 utilization: January – May: 9,940 total eligible: 105 engaged: 1 prevention: 97% chronic: 7% acute

Anthem
MSK Toolkit – Time Well Spent <https://timewellspent.anthem.com>

Musculoskeletal

- Continue to leverage Hinge Health's educational resources on available virtual services to help increase awareness of the program and engagement

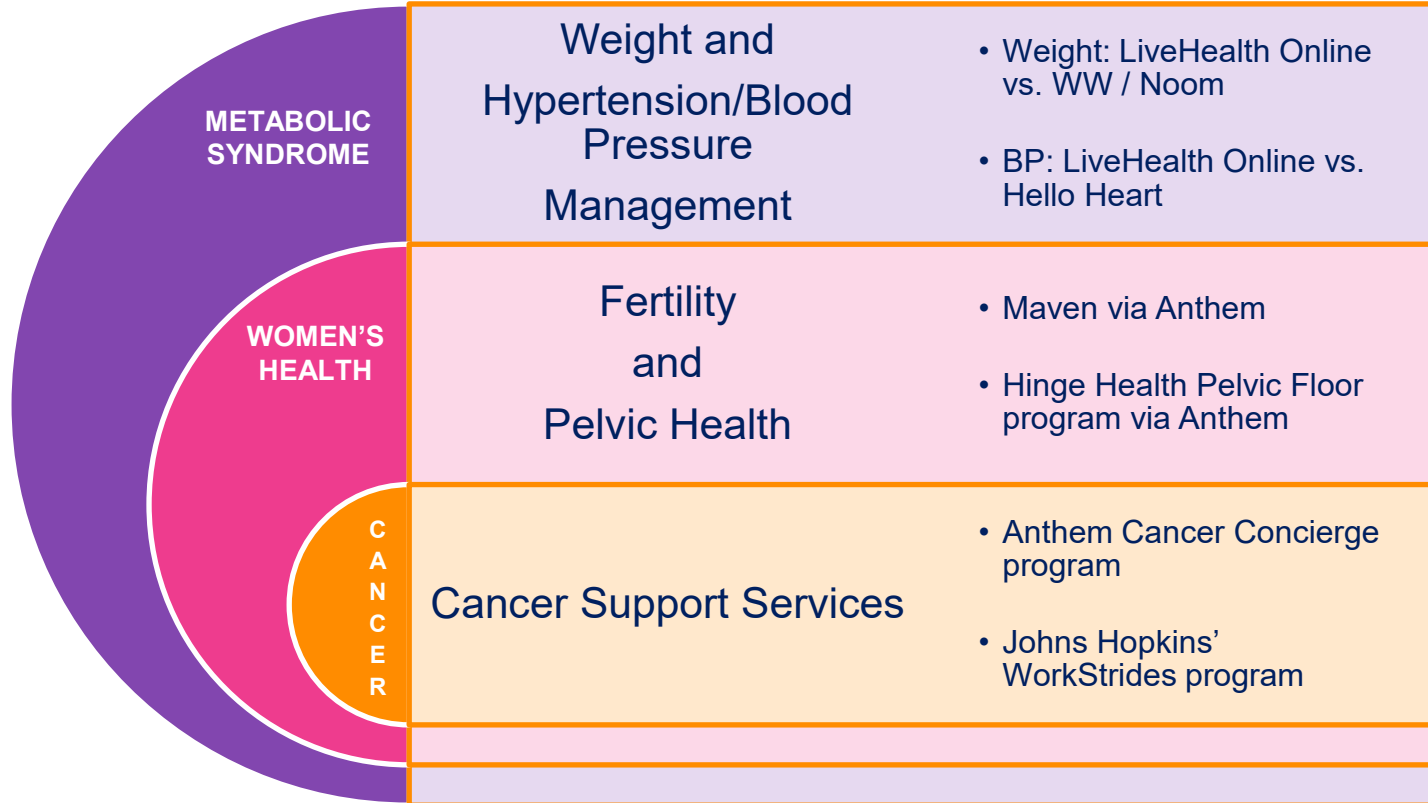
Data-driven action plan: *cancer support*

Cancer	Recommended Next Steps	Measurable Outcomes
<p>Data points:</p> <ul style="list-style-type: none"> • 831 members with cancer claim (6% of population and MMA BoB is 4%). <ul style="list-style-type: none"> • 21% employer paid medical on cancer claims (MMA BoB is 12%); 9% decrease YoY. • Top cancers are: blood cancers, melanoma/malignancies and breast cancer. • Total Employer Paid (Medical) for Cancer Claims is \$10.7M. 	<ul style="list-style-type: none"> • Add to communication campaign to encourage members with cancer to engage with provider and/or carrier case managers to assist in treatment through centers of excellence, navigation with healthcare support, local/national cancer resources, as well as research for possible clinical trials related to the members' type of cancer. • Anthem's Cancer Concierge program – <i>planned to implement January 2023</i>. 	<ul style="list-style-type: none"> • Reduced gaps in care; increased engagement with CM.
<p>Education and Resources</p> <ul style="list-style-type: none"> • Utilize community resources when partnering with Anthem to develop robust campaigns for cancer prevention and support. 	<ul style="list-style-type: none"> • “Time to Screen” is a collaboration between CancerCare and Community Oncology Alliance. <ul style="list-style-type: none"> • Website: https://timetoscreen.org/ • Toll-free hotline (1-855-53-2733) - speak with a support specialist for local cancer screening options and importance of timely screening. • The Job Accommodation Network (JAN) has an extensive 36 page document devoted specifically to cancer issues and resources, called “Accommodation and Compliance Series: Employers with Cancer”, updated November 2021. https://askjan.org/publications/index.cfm. • Manager resource: https://www.workplacetransitions.org/, - provides support to managers on how to approach employees touched by cancer, planning leave and return to work, etc. • Promote the Centers for Disease Control and Prevention (CDC) resources for cancer patients, survivors, and caregivers. https://www.cdc.gov/cancer/ <ul style="list-style-type: none"> • Support tips for managing overall health during and after cancer treatment. • Caregiver support. 	<ul style="list-style-type: none"> • Increased compliance with age-appropriate preventive exams and reduced late stage cancer diagnoses. • Employee satisfaction surveys.

Recommendations under consideration

May '21-Apr '22 PAID May '22-Apr '23 PAID

2024



VBA offers the option to add Lifestyle Spending Accounts through FBA to support wellness or other concierge services (Bank Choice).

2024 RFP Update



Pharmacy

Current program with ESI/RX Benefits on a carveout arrangement since 2020.

RFP in process for 1/1/24 effective date:

- Request quotes on a carveout basis from ESI, Optum & Caremark
- Also requested a quote from Anthem on an integrated basis
- Reviewed financial contract offerings, customer service metrics, and ability to slow pharmacy trends, especially around specialty drugs.
- Asking for alternatives to RX Assurance Captive as only available for RX Benefits customers.

Recommendation to Board to move to Anthem (Carelon RX):

- Integrated Platform with 24/7 customer service
- Sydney integration and Prior Authorization efficiencies
- Most Competitive contract of all bidders

Voluntary Benefits

- Marketed Voluntary Accident, Critical Illness, and Hospital Indemnity benefits
 - Intend to replace current Group Aflac offerings; participants with individual voluntary Aflac policies will not be impacted
- Anthem and Securian are finalists – presented to VBA Benefits team week of April 24
- Both offer reduced rates for employees
- Enrollment will be mapped from Aflac on Bswift

Anthem

- Use same billing and file feed structure already in place
- Discount on medical plan fees
- \$5,000 implementation credit
- Tech subsidies

Securian

- Performance guarantees
- Integration with bSwift
 - Includes implementation credits
 - Tech subsidies

Dental

- Request for Information (RFI) was conducted in Spring of 2023 to evaluate dental plan networks
- RFI was sent to Anthem, Ameritas, Cigna, Delta Dental, Dominion National, MetLife, SunLife and United Concordia
- Conclusion: Delta Dental has the broadest network in Commonwealth
 - Consideration of increasing the out of network allowance on the plan

Weighted by total number of overall claims: 23,962

	Delta Dental Premier	Delta Dental PPO	Anthem Complete	Ameritas	Cigna Total DPPO	Dominion National	MetLife	SunLife	United Concordia
Number of claims	20,762	9,084	18,577	14,459	15,126	11,596	13,608	14,449	13,945
Percentage of Claims	86.65%	37.91%	77.53%	60.34%	63.12%	48.39%	56.79%	60.30%	58.20%

Appendix

- Population Health Insights
- Clinical Insights and Strategies



Population health insights

Your future is limitless.™

Marsh & McLennan Agency LLC

 **MMA PATH**™
Planning & Analytics for Total Health

Top conditions & diagnosis group

ICD-10 Diagnosis Category (CMS) (Primary Diagnosis)	Count Distinct Members with Medical Claims	PMPM Employer Paid Amount (Med)
Hypertensive diseases	1,452	\$2.78
Metabolic disorders	1,151	\$3.13
Anxiety, dissociative, stress-related, somatoform and ot...	991	\$2.30
Episodic and paroxysmal disorders	770	\$2.96
Other dorsopathies	763	\$3.53
Diabetes mellitus	749	\$1.94
Noninflammatory disorders of female genital tract	683	\$3.50
Disorders of thyroid gland	645	\$0.86
Other diseases of upper respiratory tract	584	\$1.62
Mood [affective] disorders	483	\$2.10

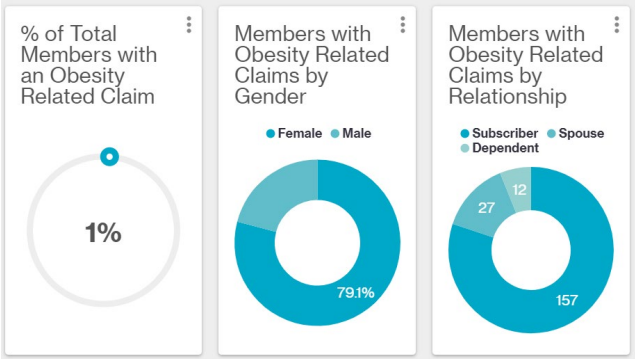
The impact of weight-related issues

Overview of Members with Obesity Related Claims

Measure	Prior	Current	Trend
Count Distinct Members with Medical Claims	156	196	25.6% ↑
Per 1k Members with Medical Claims	12.1	15.9	31.5% ↑
Avg by Member Member Age	44.1	45.7	3.6% ↗
Avg by Member Concurrent Risk - Unscaled (MARA)	2.36	2.13	-9.9% ↓

Overview of Cost for Obesity Related Claims

Measure	Prior	Current	Trend
Sum Employer Paid Amount (Med)	\$10,174	\$17,786	74.8% ↑
PMPM Employer Paid Amount (Med)	\$0.07	\$0.12	83.0% ↑
Avg by Member Employer Paid Amount (Med)	\$65.22	\$90.74	39.1% ↑





Clinical insights and strategies

Your future is limitless.™

Marsh & McLennan Agency LLC

 **MMA PATH**™
Planning & Analytics for Total Health

Employer Paid Amount

Comparing HCC-only population vs. population without any HCC's

Employer Paid Amount without High Cost Claimants				Employer Paid Amount High Cost Claimants Only			
Measure	Prior	Current	Trend	Measure	Prior	Current	Trend
Average Enrolled Members	12,846	12,254	-4.6% ↓	Count Distinct Members with Medical Claims	96	113	17.7% ↑
PMPM Employer Paid Amount (Med)	\$224	\$220	-1.8% ↓	PMPM Employer Paid Amount (Med)	\$20,920	\$15,215	-27.3% ↓
PMPM Employer Paid Amount (Rx)	\$90.22	\$102	12.8% ↑	PMPM Employer Paid Amount (Rx)	\$5,138	\$5,083	-1.1% ↓
PMPM Employer Paid Amount (Med+Rx)	\$314	\$322	2.4% ↑	PMPM Employer Paid Amount (Med+Rx)	\$26,058	\$20,299	-22.1% ↓
Sum Employer Paid Amount (Med)	\$34,573,610	\$32,389,221	-6.3% ↓	Sum Employer Paid Amount (Med)	\$21,317,951	\$17,938,688	-15.9% ↓
Sum Employer Paid Amount (Rx)	\$13,907,965	\$14,959,602	7.6% ↑	Sum Employer Paid Amount (Rx)	\$5,235,196	\$5,993,395	14.5% ↑
Sum Employer Paid Amount (Med+Rx)	\$48,481,575	\$47,348,823	-2.3% ↓	Sum Employer Paid Amount (Med+Rx)	\$26,553,147	\$23,932,083	-9.9% ↓

3-year trend by diagnostic category

ICD-10 Diagnosis Chapter (CMS) (Primary Diagnosis)	CY 2020	CY 2021	CY 2022	Total
Neoplasms (Cancer)	\$7,943,699.10	\$6,157,928.11	\$6,078,774.05	\$20,180,401.26
Diseases of the musculoskeletal system and connective tissue	\$4,870,176.82	\$3,512,415.47	\$2,907,911.70	\$11,290,503.99
Diseases of the circulatory system	\$3,332,706.77	\$3,573,074.74	\$3,034,630.92	\$9,940,412.43
Diseases of the nervous system	\$2,124,572.53	\$1,651,192.16	\$1,425,946.68	\$5,201,711.37
Mental, Behavioral and Neurodevelopmental disorders	\$1,268,588.56	\$1,378,237.17	\$1,644,150.37	\$4,290,976.10
Diseases of the digestive system	\$1,187,544.07	\$1,295,715.57	\$1,587,695.08	\$4,070,954.72
Diseases of the genitourinary system	\$918,143.99	\$1,156,577.51	\$1,401,616.85	\$3,476,338.35
Endocrine, nutritional and metabolic diseases	\$898,001.72	\$777,009.53	\$1,005,833.36	\$2,680,844.61
Diseases of the blood and blood-forming organs and certain disorders involving the immune mechanism	\$801,405.62	\$913,750.53	\$857,154.76	\$2,572,310.91
Diseases of the respiratory system	\$377,932.02	\$709,407.33	\$351,891.74	\$1,439,231.09
Diseases of the eye and adnexa	\$331,560.55	\$460,320.73	\$375,157.89	\$1,167,039.17
Congenital malformations, deformations and chromosomal abnormalities	\$365,269.99	\$182,863.15	\$263,165.34	\$811,298.48
Injury, poisoning and certain other consequences of external causes	\$43,828.50	\$248,423.01	\$189,031.55	\$481,283.06
Pregnancy, childbirth and the puerperium	\$66,044.30	\$125,824.42	\$138,945.27	\$330,813.99
Diseases of the skin and subcutaneous tissue	\$59,735.82	\$112,838.04	\$71,538.38	\$244,112.24
Diseases of the ear and mastoid process	\$83,180.28	\$32,212.32	\$30,905.79	\$146,298.39
Certain infectious and parasitic diseases	\$6,051.00	\$11,998.11	\$7,450.74	\$25,499.85

Top high cost medical & Rx claimants

May '21>Apr '22 PAID May '22>Apr '23 PAID

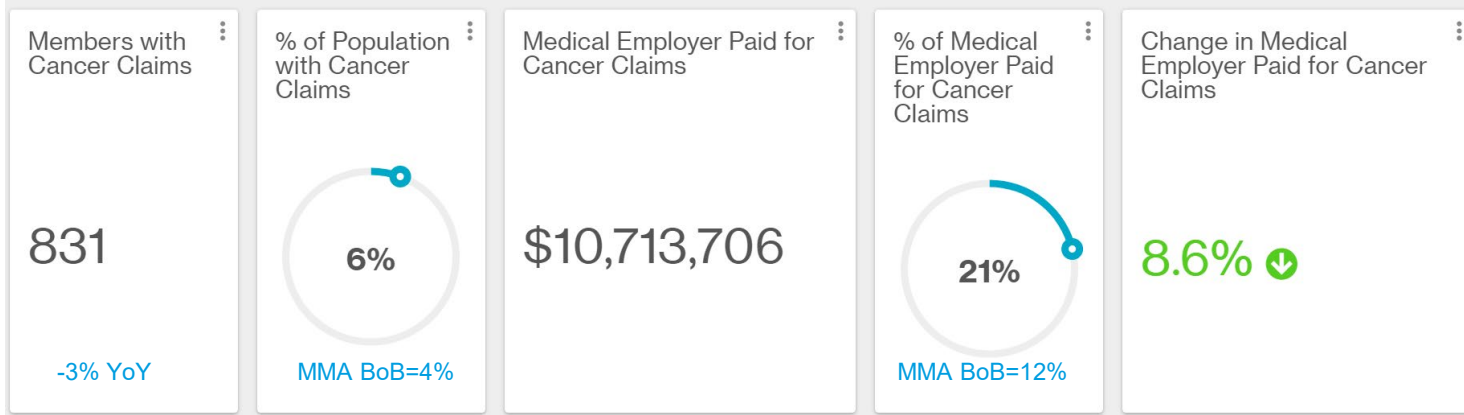
Gender	Type	Age	Still Enrolled	HC Med	HC Rx	HC Prior	Prior Paid	Med Paid	Rx Paid	Total Paid Med + Rx	Predicted Cost
Male	Spouse	66	✗	●●	○○	●	\$201,542	\$857,388	N/A	\$857,388	No value
Male	Spouse	53	✗	○●	○○	○	\$36,094	\$705,690	N/A	\$705,690	No value
Male	Subscriber	62	✓	○●	○○	○	\$0	\$607,600	\$6,016	\$613,616	\$50k - \$75k
Male	Dependent	17	✗	●●	●○	●	\$816,091	\$587,206	N/A	\$587,206	No value
Male	Spouse	63	✗	●●	○○	●	\$335,519	\$574,278	\$3,740	\$578,019	\$50k - \$75k
Male	Subscriber	60	✓	○●	●●	●	\$370,345	\$182,233	\$288,860	\$471,093	\$250k +
Male	Spouse	66	✓	●●	○○	●	\$259,524	\$453,547	\$592	\$454,139	\$50k - \$75k
Female	Subscriber	33	✓	○○	●●	●	\$370,083	\$1,239	\$447,431	\$448,670	\$250k +
Female	Subscriber	56	✓	●●	○○	○	\$60,709	\$401,461	\$112	\$401,574	\$75k - \$100k
Male	Spouse	45	✗	●●	○○	●	\$163,847	\$392,151	N/A	\$392,151	No value

- 1 Esophageal cancer with malignancy; has since termed.
- 2 Small intestine malabsorption with surgical intervention; has since termed.
- 3 Lymphoma: CAR-T cell procedure – if fails may need transplant but no indication thru mid-Apr.
- 4 Leukemia and termed back in Aug 2022.
- 5 B-cell Lymphoma; no claims after Dec2022.
- 6 Multiple Myeloma in relapse early 2023 on chemo and antineoplastics on several SpecRx.
- 7 Has MS; suffered a subarachnoid hemorrhage with surgery done; continues care but may trend down.
- 8 Cystic Fibrosis on Trikafta: no ER or Inpatient Admissions.
- 9 Breast Cancer: Radiation and Mastectomy completed 2022; currently on anti-neoplastics.
- 10 Leukemia on chemo and has since termed the plan.

Clinical Consultant Observations

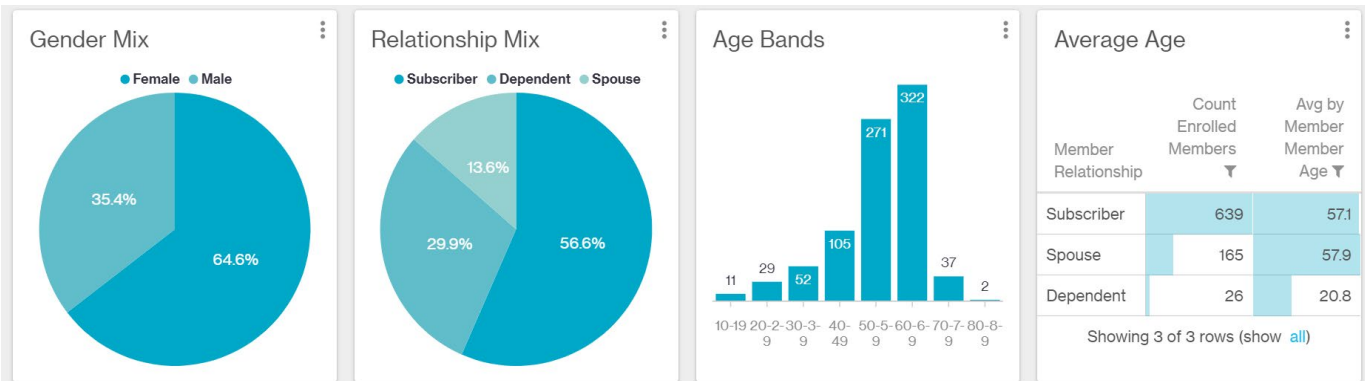
- Cancer is the highest Employer Paid for HCC's at \$4.9M for the most recent period.
- MMA Clinical Consultant and Anthem's RN continue to meet to review HCC several times annually to ensure minimal gaps in care exist.

Cancer Overview: VBA



Top 3 Most Prevalent Cancers

- Polycythemia and other blood-related cancer
- Melanoma and other malignancies
- Breast Cancer



Fertility overview

Virginia Bankers Association

May '21 > Apr '22 PAID May '22 > Apr '23 PAID

Medical - Key metrics - Male and Female Infertility Diagnosis

Measure	Prior	Current	Trend
Count Distinct Members with Medical Claims	20	13	-35.0%
Per 1k Members with Medical Claims	1.55	1.05	-32.0%
Count Distinct Medical Claims	29	27	-6.9%
Per 1k Medical Claims	2.24	2.19	-2.5%
Sum Employer Paid Amount (Med)	\$5,477	\$754	-86.2%
Avg by Med Claim Employer Paid Amount (Med)	\$189	\$27.94	-85.2%
Avg by Member Employer Paid Amount (Med)	\$274	\$58.03	-78.8%

Pharmacy - Key metrics - Fertility Agents

Measure	Prior	Current	Trend
Count Distinct Members with Rx Claims	0	1	No value
Per 1k Members with Rx Claims	0	0.08	No value
Count Distinct Rx Claims	0	1	No value
Per 1k Rx Claims	0	0.08	No value
Sum Employer Paid Amount (Rx)	No value	\$0.00	No value
Avg by Rx Claim Employer Paid Amount (Rx)	No value	\$0.00	No value
Avg by Member Employer Paid Amount (Rx)	No value	\$0.00	No value

Your future is limitless.SM

MarshMMA.com

The underwriting projections presented within this analysis should not be used or relied upon by any other party or for any other purpose than for which they were issued.

Projections are based on the information and data available up to this specific point in time and are not to be taken as a guarantee of results which might be achieved. The projections are subject to unforeseen and random events and so must be interpreted as having a potentially wide range of variability from the estimates. In the event that final renewal information is available after this analysis has been performed and it differs from that within this analysis, results should be considered within that new context.



A business of Marsh McLennan

This document is not intended to be taken as advice regarding any individual situation and should not be relied upon as such. Marsh & McLennan Agency LLC shall have no obligation to update this publication and shall have no liability to you or any other party arising out of this publication or any matter contained herein. Any statements concerning actuarial, tax, accounting or legal matters are based solely on our experience as consultants and are not to be relied upon as actuarial, accounting, tax or legal advice, for which you should consult your own professional advisors. Any modeling analytics or projections are subject to inherent uncertainty and the analysis could be materially affected if any underlying assumptions, conditions, information or factors are inaccurate or incomplete or should change. d/b/a in California as Marsh & McLennan Insurance Agency LLC; CA Insurance Lic: 0H18131. Copyright © 2021 Marsh & McLennan Agency LLC. All rights reserved. MarshMMA.com