Awakening Health Literacy and Interactive Accountability to Solve the “Triple/Quadruple Aim”

Better Health | Better Healthcare | Lower Costs | Patient/Provider Satisfaction

May 2, 2018
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presentation and proposal for

April 24, 2018
A Time for Disruption

'It Will Be Transformational.' Kentucky Becomes First State to Adopt New Medicaid Work Requirement
CVS to Buy Aetna for $69 Billion in a Deal That May Reshape the Health Industry

By MICHAEL J. de la MERCE and REED ABELSON  DEC. 3, 2017
Amazon, Berkshire, JPMorgan partner to cut U.S. healthcare costs

Caroline Humer, David Henry

NEW YORK (Reuters) - Amazon.com Inc (AMZN.O), Berkshire Hathaway Inc (BRKa.N) and JPMorgan Chase & Co (JPM.N) said on Tuesday they will form a company to cut health costs for hundreds of thousands of their employees, setting up a major challenge to an inefficient U.S. healthcare system.
Of the Amazon/Berkshire Hathaway/J.P. Morgan Chase partnership to address the healthcare cost crisis in our country.

Warren Buffett said:

“The ballooning costs of healthcare act as a hungry tapeworm on the American economy.”
[Cigna and Express Scripts] have realized that America's current health provision system does not work in some very fundamental and important ways.

A transaction could be announced as soon as Thursday, the Wall Street Journal reported, citing people familiar with the matter. In Express Scripts, Cigna would acquire a pharmacy benefits manager with a market value of about $41 billion that negotiates prices with drugmakers for insurers and employers.

Health giants including insurers, drug benefit managers and pharmacy chains are embroiled in a round of consolidation in an effort to gain control of the industry’s massive spending. CVS Health Corp. unveiled a $67.5 billion deal for insurer Aetna Inc. late last year that the companies said would save $750 million in costs and bring consumers better, more efficient care.
NEWS

Walmart, Not Amazon, May Turn Out To Be The Real Health Care Disruptor

JED GRAHAM | 4/02/2018

Every Amazon (AMZN) flirtation toward the health care industry has sent hearts racing on Wall Street. Yet Amazon appears to be having commitment issues, and others have leapt while Jeff Bezos hesitated. Now comes a possible Walmart (WMT)-Humana (HUM) merger. A Walmart acquisition of the insurer could fundamentally
Americans are finally fed up with the high cost of healthcare and we want real solutions…
Definition: disruptive innovation
(noun)

• Solves a complex or unsolvable challenge with a seemingly simple solution

• Is typically created by outsiders and entrepreneurs, rather than existing market-leaders

• Uses off-the-shelf components in a new and different way

• Tends to be ahead of the market and often must wait until the market catches up
MedEncentive is a truly disruptive innovation…

…and is the time for disruption
Awakening Health Literacy and Interactive Accountability to Solve the “Triple/Quadruple Aim”
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The Triple/Quadruple Aim, the Trilateral Health Accountability Model, and the Studies that Support the MedEncentive Program’s Effectiveness
The Triple/Quadruple Aim

1. Better health
2. Better healthcare
3. Lower costs
4. Patient and provider satisfaction
The MedEncentive Program
Solving the Triple/Quadruple Aim

• Program is based on the Trilateral Health Accountability Model™, a patented process (three U.S. and Canadian patents) that combines:
  • Human factors and systems engineering
  • web-technology (cloud-based and mobile-enabled)
  • behavioral science

• Improves health and lowers overall medical costs by:
  • Tapping into the doctor-patient relationship
  • Promoting health literacy
  • Rewarding compliance
  • Dignifying all parties
Health literacy is the single strongest determinant of health status, well-being, life expectancy and how much health care a person will consume in a lifetime.
World Health Organization: “Health literacy…the cognitive and social skills which determine the motivation and ability of individuals to gain access to, understand and use information in ways which promote and maintain good health.

Health literacy means more than being able to read pamphlets and successfully make appointments. By improving people's access to health information and their capacity to use it effectively, health literacy is critical to empowerment.”
The overlooked, undervalued remedy…

**World Health Organization:** “*Health literacy is a stronger predictor of an individual’s health status than income, employment status, education level and racial or ethnic group.*”
Study Associating Health Literacy and Hospitalizations

Functional health literacy and the risk of hospital admission among Medicare managed care enrollees
Baker DW et al, 2002

“Inadequate literacy was an independent risk factor for hospital admission …”

This study helps substantiate MedEncentive’s effectiveness.
The Association of Health Literacy With Preventable Emergency Department Visits: A Cross-sectional Study
Balakrishnan MP et al, 2017

“Limited health literacy is a risk factor for potentially preventable ER visits, particularly those that result in hospital admission.”

This study helps substantiate MedEncentive’s effectiveness.
Impact of Low Health Literacy on Medical Costs

Involving over 92,000 vets, the largest health literacy to medical cost study, to date.

This study helps substantiate MedEncentive’s effectiveness.
Impact of Low Health Literacy on Medical Costs

VA Study
Health Literacy Associated to Cost

Nearly a 2x difference!
Why is the cost impact of health literacy so important?

Because the U.S. spends over $3,000,000,000,000 annually on healthcare!
Inadequate health literacy is prevalent in the U.S.

Health literacy has been largely ignored and underrated...

“If inadequate health literacy is harmful, expensive and prevalent, then why is it overlooked and undervalued?”
Two reasons health literacy is overlooked and undervalued...

1. The impacts of health literacy are not widely known and it seems too simplistic

2. Viable solutions to improve health literacy are non-existent
The importance of health literacy is only now beginning to be recognized…
The importance of health literacy is only now beginning to be recognized...

18 states with health literacy initiatives is better than none, but far from all 50…
The importance of health literacy is only now beginning to be recognized…

Ontario Ministry of Health Booth
HealthAchieve Conference - Toronto

Health Literacy: Canada’s largest province’s top health priority
Health literacy solutions lack viability…

The CMS, CDC, IOM and NIH recommended solutions to improve health literacy:

1. Doctors should talk more slowly and use smaller words
2. Doctors should practice the speak-back method (repeat after me)
3. Doctors should be taught (learn) how to be better communicators and educators
A battery of studies have determined:

- Doctors interrupt patients within the first 23 seconds
- 15% of patients fully understand their doctor
- 50% of patients comply with doctors’ orders
- Causes misdiagnosis, inferior clinical outcomes, malpractice, and higher costs
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A Proven Solution
When people know the “how” and “why,” and are “entrusted” to care for themselves, they are more empowered and motivated to comply with recommended treatments and adopt healthy behaviors.

Behavioral science describes this as the:

**Knowledge-Empowerment-Motivation-Adherence (KEMA) Response**
To achieve the knowledge-adherence response, the MedEncentive Program improves health literacy by delivering the right information at the right time, so patients can make an informed decision.

This is called:

**Information Therapy**

Symbolized by $I_x^®$
How does the program work?

MedEncentive customers are health plan sponsors, such as:

• governments
• self-insured employers
• commercial insurers
• health system

…that are seeking to control healthcare costs by means of improving health and healthcare (the “Triple Aim”)
How does the program work?

Through the Program, both doctors and patients are offered a financial incentive from the plan sponsor (i.e., government, self-insured employer, commercial insurer, or health system) with each office visit (or rewardable event) for accessing the Program’s website to hold each other accountable for incorporating information therapy (and other health promotions).
How does the program work?

1. The program bolts on to the health insurance plan as an additional benefit for the plan members (patients).
2. Member eligibility and replicate claims are electronically transmitted to program regularly by the plan’s administrator.
3. At program launch, plan members receive a program orientation letter notifying them of their enrollment in the benefit.
4. Each office visit or health event represents an opportunity for the patient to participate in the program and earn a financial reward.
5. Doctors are also invited to engage with the program and receive additional compensation, but, while their inclusion is essential, physician participation is unnecessary to achieve program effectiveness.
6. Participation by enrolled plan members and their doctors is completely voluntary with each office visit or health event.
Each time a covered plan member has an office visit…

**Physicians** have the opportunity to earn additional compensation by accessing the program’s website to:

- Prescribe educational material to the patient as “homework” (information therapy - **Ix®**)

Takes less than a minute, making participation in the Program one of the easiest and most lucrative services rendered in clinic.

**Patients** can earn financial reward by accessing the program’s website, in response to the information therapy prescription letter sent to their home after each office visit, to:

1. Read the prescribed educational article;
2. Pass a test to demonstrate their understanding (open-book);
3. Declare their adherence or provide a reason for non-adherence;
4. Agree to allow their physician to review;
5. Rate their physician’s performance.

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Each time a covered plan member has an office visit...

Physicians have the opportunity to earn additional compensation by accessing the program’s website to:

1. Program creates checks and balances between doctors and patients, called “mutual accountability,” that drives better outcomes

Takes less than a minute, making participation in the Program one of the easiest and most lucrative services rendered in clinic.

Patients can earn financial reward by accessing the program’s website, in response to the information therapy prescription letter sent to their home after each office visit, to:

1. Read the prescribed educational article;
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3. Declare their adherence or provide a reason for non-adherence;
4. Agree to allow their physician to review;
5. Rate their physician’s performance.

“Learn to earn” Program creates checks and balances between doctors and patients, called “mutual accountability,” that drives better outcomes.
Each time a covered plan member has an office visit...

Physicians have the opportunity to earn additional compensation by accessing the program’s website to:

1. Prescribe educational material to the patient as "homework" (Information Therapy - Ix®)
2. Rate their physician’s performance.

The MedEncentive Program is often referred to as:

The Mutual Accountability and Information Therapy Program

Patients can earn financial reward by accessing the program's website, in response to the information therapy prescription letter sent to their home after each office visit, to:

1. Read the prescribed educational article;
2. Pass a test to demonstrate their understanding (open-book);
3. Declare their adherence or provide a reason for non-adherence;
4. Agree to allow their physician to review;
Another important behavioral science component that is overlooked and undervalued is the Hawthorne effect. This psychological phenomenon produces an improvement in human behavior or performance as a result of increased attention from superiors or persons in positions of authority and trust. In all cases, observed individuals behave or perform better than unsupervised individuals for a limited time if they suspect or know about the observation.
Doctor-Patient Relationship Influences Patient Engagement

Researchers asked 8,140 people in the U.S. with chronic illnesses about their experiences with their physicians, as well as about their socioeconomic status, overall health and how they make use of health services.

*Patients who perceived their physicians were involved in their care were more likely to monitor their blood pressure, exercise five days a week and adhere to medication regimens, among other healthy behaviors.*
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Provider Webpages
Physicians are offered $15 per office visit, for one minute’s effort, to access website via Internet or EHR to enter patient’s diagnosis, and...

Doctor enters patient’s diagnosis code or description – system can also integrate with EHRs
...once online, they simply select an article for the patient as "homework." This is called "information therapy."

Doctor selects an article from a list of educational content compiled by the MedEncentive system, and presented in relevancy order to the patient’s diagnosis.

Educational articles listed by relevancy to patient’s diagnosis.
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The Patient’s Experience
Patients receive a letter or email at home after each office visit, offering them a refund of $15 or more for accessing the website to complete an information therapy prescription.

- Mentions the doctors name, date of service, and amount of the reward.
- Provides username to secure, HIPAA-compliant website.
- Participation is completely voluntary.
- Two-week time limit.
If the doctor does not participate, then, once online, the patient selects an article relevant to the diagnosis from the office visit claim submitted by the doctor.

If the doctor doesn’t participate, then the system takes the diagnosis from the office visit claim submitted by the doctor to create the list of articles in relevancy order, from which the patient makes a selection.

Educational articles listed in order of relevancy to patient’s diagnosis.
Step 1 – Patients read the article, and then....

High Blood Pressure

Topic Overview

What is high blood pressure?
Blood pressure is a measure of how hard the blood pushes against the walls of your arteries as it moves through your body. It’s normal for blood pressure to go up and down throughout the day, but if it stays up, you have high blood pressure. Another name for high blood pressure is hypertension.

When blood pressure is high, it starts to damage the blood vessels, heart, and kidneys. This can lead to heart attack, stroke, and other problems. High blood pressure is called a “silent killer,” because it doesn’t usually cause symptoms while it is causing this damage.

Your blood pressure consists of two numbers, systolic and diastolic. Someone with a systolic pressure of 120 and a diastolic pressure of 80 has a blood pressure of 120/80, or “120 over 80.” Blood pressure is measured in millimeters of mercury (mm Hg).

- The systolic number shows how hard the blood pushes when the heart is pumping.
- The diastolic number shows how hard the blood pushes between heartbeats, when the heart is relaxed and filling with blood.

An ideal blood pressure for an adult is less than 120/80. High blood pressure is 140/90 or higher. Many people fall into the category in between, called prehypertension. People with prehypertension need to make lifestyle changes to bring the blood pressure down and help prevent or delay high blood pressure.

About 1 out of 3 adults in the United States has high blood pressure.

Articles are supplied by top content suppliers, like Healthwise
Step 2 – …take an “open book” test to assess and document the patients’ understanding of how to self-manage their health or medical condition.

Questions that pertain to you and this article
Please answer the following questions pertaining to you and this article, and then click the “Continue” button at the bottom of the page.

1. If your doctor prescribed medication for treating your high blood pressure, and you do not have any symptoms, is it okay to stop taking your medicine?
   - Yes
   - No

2. High blood pressure is the same as:
   - Indigestion
   - Hypertension
   - Headache

3. According to the article, the path that leads to successful lifestyle change includes:
   - Having your own reason for making a change
   - Following the path of least resistance
   - Set long-term goals and short-term goals that you can measure easily
   - Measure improvements to your health
   - Set a path of no return
   - Thinking about what might get in your way, and prepare for slip-ups
   - Getting support from your family, your doctor, and your friends

4. Untreated high blood pressure:
   - Is not that serious
   - Can lead to back spasms

Questions are true-false and multiple choice, focused on actionable information.
Step 3 – Patients are then asked to declare their adherence to recommended treatments or provide a reason for non-adherence.

Responses indicating non-adherence prompt a series of questions to determine why the patient is choosing to be non-compliant.
Step 4 – Patients must then agree to allow their doctors to have access to their knowledge assessment test and adherence declaration.

Having patients agree to share their test scores and adherence declarations with their physician, adds another important motivator, i.e., the Hawthorne effect.
Step 5 – Finally, patients are asked to rate their doctor’s performance against what they have just learned.

Patients are asked, on a scale, to rate how consistent their doctor’s treatment was compared to what the patient just learned.
Based on documented evidence, the MedEncentive Program works because...

1. Health literacy empowers patients and motivates compliance

2. Patients are motivated to be more compliant because they don’t want their doctors to think they are health illiterate and non-compliant

3. Knowledge-adherence response and the Hawthorne effect cause an improvement in medication adherence and other types of patient compliance

4. Hospitalizations and emergency room visits decline

5. Doctors don’t want their patients to think they practice substandard care, which relieves some degree of defensive medicine

6. Costs are contained to the point that a return on investment is realized by the plan sponsor
The Trilateral Health Accountability Model™
Solving the Three-part Aim with a web-based system that combines three powerful motivators to align the interests of the three key stakeholders

Solving the Three-part Aim

Better Health  
Lower Cost

TRAThammer

Better Health Care

Combining Three Essential Motivators

Knowledge (Information Therapy)

Financial Rewards

Interpersonal Relationships (Mutual Accountability)

Triangulating the Interests

Patients

Clinicians

Insurers & Employers

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The Trilateral Health Accountability Model (THAM) Patents

- U.S. Patent 7,925,519 issued April 2011, expires June 30, 2027
- U.S. Patent 9,171,285 issued October 27, 2015, expires June 30, 2027
- Canadian Patent 2,729,553 issued April 26, 2017, expires June 30, 2028
- File U.S. Pat. Appl. No. 14/923,043 on October 26, 2015, **issued January 19, 2018**
- European Union Pat. Appl. No. 08772228.6 - was abandoned, but replacement is being filed
- Additional original and protective patent applications are anticipated
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Measuring How Well the Program Works

Trial results and independent analyses
Independent confirmation of program’s effectiveness

1. The Oklahoma Trial - Over 4 years, the City of Duncan:
   • Realized a savings of between $3.1 and $17.7 for each $1 invested in the MedEncentive Program.

2. The Kansas Trial - In 2½ years at the Wichita Clinic:
   • Office visits increased 13%
   • Medication adherence reported at 94%
   • Hospitalizations decreased 55%

3. The Washington Trial - Over 3 years at Lourdes Health System:
   • Medication consumption increased
   • Hospitalizations decreased
   • 12:1 ROI

4. The Pennsylvania Trial – Over 3 years at the Loomis Company:
   • Medication consumption increased
   • Hospitalizations decreased
   • 15:1 ROI
The State of Oklahoma Mutual Accountability Program Pilot
As a result of the previous successes:

- Oklahoma legislators, interested in lowering healthcare cost, approached us about conducting a pilot to test the program.
- The pilot was mandated by legislation in 2011.
- The statute (HB1062) passed by the Oklahoma Senate 46-0 and the House 86-9
- The law called for a 3-year pilot to test the cost containment capabilities of a “mutual accountability program” in Oklahoma public employee health plan (HealthChoice)
- The pilot launched on January 1, 2014, and concluded on December 31, 2016
- In spite of the lack of agency support, the program succeeded in every aspect…
The State of Oklahoma and MedEncentive conducted one of the largest health improvement/cost containment ("triple/quadruple aim") experiments ever attempted in the U.S.
1. Two matched groups, one covered by the program, one not covered

2. Covered group was comprised of 41 state agencies, school districts and local governments, concentrated in 7 counties

3. If, in an apples to apples comparison of the two groups by independent experts, the group covered by the program has lower per capita costs, inclusive of the program, then program would be judged effective
Does the MedEncentive Program work?

**The Hypothesis:** If the MedEncentive program is effective, then according to health literacy studies, the program’s effectiveness should be corroborated by a reduction in healthcare expenditures due to a decline in hospitalizations and emergency room visits.

If the program is effective, then health and healthcare should improve in a manner that lowers costs, while doctors and patient express fulfillment.
The strongest determinant of a return on investment is the **Patient Success Rate**\(^1\), which is a measure of patient engagement.

In previous trials, a Patient Success Rate of **55%** or greater produced a ROI in each instance.

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\(^1\) Patient Success Rate = the total number of information therapy sessions ÷ the total number of office visits incurred by the covered population.
Patient success rate far exceeded the 55% goal.

The 2016 success rate represents over 53,300 information therapy sessions.
Provider successes started at a level adequate to achieve the pilot’s ROI goal, and then doubled...
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Pilot Clinical and Economic Outcomes
MedEncentive retained the Validation Institute to confirm claims of healthcare cost containment efficacy

1. Not-for-profit joint venture of GE and Intel
2. Formed to establish truth in population health claims after Al Lewis, who wrote a book, entitled: “Why Nobody Believes the Numbers,” about vendors claiming false and misleading results in the field of healthcare cost containment
3. Board is comprised of the leading experts in the field of population health, who set forth rules to test the accuracy of claims by anyone in the field
State of Oklahoma Pilot Preliminary 2014 Results

Group covered by the program demonstrated a 10.5% and 4.7% greater decline in hospitalizations and emergency room visits per 1,000 compared to the control group in the pilot’s first year.
State of Oklahoma Pilot 2014 Preliminary Results
(pending data access to test for confidence interval and attribution)
Group covered by program experienced 4.3% decline in total PMPY costs compared to the control group, translating to a 280.9% return on investment in the first year of the pilot.

This equates to a 280.9% ROI
2015-16 Results
Corroborating and Projecting the State Pilot’s Outcomes
Located in Payne County, the Stillwater Medical Center’s installation ran concurrent with the State of Oklahoma pilot.
Stillwater Medical Center
Patient engagement started well above 55%, and rose...
Stillwater Medical Center
Provider engagement was excellent due to SMC’s leadership
Stillwater Medical Center  
(with 1,800+ lives) 
Two-Year Results with MedEncentive Program Against Nat’l Trend

**Stillwater Medical Center Employee Health Plan**
Annual per Capita Expenditures w/Rx

- **Prior to implementing MedEncentive program**
  - $6,071 in 2013
  - $6,485 in 2014
  - $6,836 in 2015
  - $7,144 projected in 2016

- **Projected trend based on national indices** was consistent with SMC’s trend

- Actual results for 2013 and 2014 established a trend

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1 Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices
Stillwater Medical Center
(with 1,800+ lives)
Two-Year Results with MedEncentive Program Against Nat’l Trend - Unadjusted

Prior to implementing MedEncentive program, cost trend was slowed in the first year.

Per capita costs w/Rx:
- 2013: $6,071
- 2014: $6,485
- 2015: $6,540
- 2016: $6,836
- Projected: $7,144

Cost trend was slowed in the first year.

1 Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices.
Stillwater Medical Center (with 1,800+ lives)

Two-Year Results with MedEncentive Program Against Nat'l Trend - Adjusted

Stillwater Medical Center Employee Health Plan
Annual per Capita Expenditures w/Rx

Prior to implementing MedEncentive program

Actual Expenditures including the Cost of MedEncentive Program

Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices

Cost trend declined in the second year

1 Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices
Stillwater Medical Center
(with 1,800+ lives)
Two-Year Results with MedEncentine Program Against Nat’l Trend - Adjusted

Stillwater Medical Center Employee Health Plan

After implementing the MedEncitive Program, annual per capita expenditures slowed in the first year, then declined to a level less than before the Program was implemented.

To test attribution, health literacy studies indicate hospitalizations and emergency room rates should corroborate the results.

1 Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat’l Health Expenditure Accounts Indices.
According to health literacy studies, if SMC’s reduced costs can be attributed to MedEncentive, then hospitalizations and ER visits should decline against the baseline – and they did…

Prior to implementing MedEncentive program

14.1% decrease in hospitalizations and emergency room visits after the program was implemented
Stillwater Medical Center  
(with 1,800+ lives)  
Two-Year Results with MedEncentive Program Against Nat’l Trend - Adjusted

Stillwater Medical Center Employee Health Plan  
Annual per Capita Expenditures w/Rx

Projected Expenditures
Net Savings of $2,076,650
Actual Expenditures including the Cost of MedEncentive Program
Trend Prior to MedEncentive Program

1 Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices
Stillwater Medical Center
(with 1,800+ lives)
Two-Year ROI Results with MedEncentive Program Against Nat’l Trend

Stillwater Medical Center
2015-16 MedEncentive Program Return on Investment

- Net savings associated with MedEncentive program
- Cost of the MedEncentive Program including rewards

Represents a 617% ROI

Assumes total actual claims costs PMPY w/Rx versus projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat’l Health Expenditure Accounts indices.
Stillwater Medical Center  
(with 1,800+ lives)  
Two-Year Results (less large claim cases) with MedEncentive Program Against Nat'l Trend  

![Graph showing savings and expenditures](image)

Analysis with cases > $100,000 removed

- **Net Savings of $2,696,225**

1 Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices
Stillwater Medical Center
(with 1,800+ lives)
Two-Year ROI Results *(less large claim cases)* with MedEncentive Program Against Nat’l Trend

Analysis with cases > $100,000 removed

Cost of MedEncentive program including rewards

Net savings associated with MedEncentive program (less large claim cases)

$2,696,225

$336,657

$2,000,000

$1,500,000

$1,000,000

$500,000

$0

Assumes total actual claims costs PMPY w/Rx less large claim cases versus projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat’l Health Expenditure Accounts indices.

Represents a 906% ROI
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Better Health
Better Healthcare
Lower Cost

What about patient and provider satisfaction?
Patients, doctors, insurers, employers love the program

“After analyzing the results from MedEncentive’s trials, we are impressed with the firm’s approach to mitigating healthcare costs by promoting health. Because of our confidence in the MedEncentive Program, we will provide a discount on Sun Life Stop-Loss premium to customers who participate in the program.”

Scott Beliveau, Sun Life Financial Stop-Loss Vice President

“We’ve saved millions of dollars over the years with our wellness program and MedEncentive, the most important attributes about MedEncentive are how much our employees appreciate the program, how simple it is to maintain and how very little administrative support is required. It has been a win for our organization, our employees and our physicians.”

Shannon Douglas, Compensation/Benefits Manager | Human Resources Lourdes Health Network

“We are very pleased with how easy the MedEncentive Program was to implement and how very little time is needed in support of this program. Our employees like the program and participation has reached over 65% within 6 months with very little effort on our part.”

Erica Pridy, Benefits Director Heyco Products, Inc. Toms River, New Jersey

“This is great! I like the information and getting paid to take better care of myself is the BEST idea ever!” - Elayne (Patient)

“This program is easy to use! I have found the information relevant to my health care needs. The articles are easy to read and the questionnaire is quick to fill out. I appreciate this opportunity to earn some cash!” - Rhett (Patient)

“This is a wonderful program. One of very few targeted to personalize my healthcare & physician relationship. I will continue to take advantage of this program as long as it is offered.” - Rita (Patient)

“...I see it (MedEncentive) as a tool that’s been a blessing for me and my patients.”

Jenny Vickrey, M.D., Washington state obstetrician-gynecologist and MedEncentive practitioner

“MedEncentive is easy and quick to use... I think it serves as a good second opinion for me and provides valuable information to my patients. And to top it off, the program increases my reimbursement and my patients are very motivated to get their co-pays back.”

Todd Clapp, M.D., Oklahoma Internal Medicine and Pediatrics, INTEGRIS Health
“This is great! I like the information and getting paid to take better care of myself is the BEST idea ever!”

Elayne
April 24, 2014

"I love the program. It is very beneficial for patients."

Janice
May 2, 2015

"5 stars!"

Paul
October 2016

"I really enjoyed reading the information about medications to help me stop smoking. I plan on talking to my doctor after reading this [article]."

Rita
March 2, 2017
What physician leaders say...

“This is a unique tool to improve a critical component of health care - patient compliance”

Steve Connery, M.D.
Family Physician
President of the Norman Physician Hospital Organization
Norman, Oklahoma

“I have found the program useful in increasing patient engagement, and think ultimately will lead to better health outcomes. It is user friendly and minimally disruptive to my normal workflow.”

Jesse R. Campbell, M.D.
Internal Medicine, Pediatrics
Medical Director, Mercy Physician Group
Edmond, Oklahoma
“While we’ve saved millions of dollars over the years …, the most important attributes [of the program] are how much our employees appreciate [it], how simple it is to maintain and how very little administrative support is required.

It has been a win for our organization, our employees and our physicians.”

Shannon Douglas
Compensation/Benefits Manager | Human Resources
Lourdes Health Network
Pasco, Washington
Program is extremely popular – thousands of petitions from state employees and teachers seeking a continuation of the pilot…
Information Therapy Session Successfully Completed

You have successfully completed this information therapy session for your patient. Go "Home" to exit.

We need your help...

Medical professionals, like you, can have a great deal of influence in convincing key stakeholders to accelerate the adoption of the program, including the following:

- health insurers and employers;
- patients;
- fellow providers; and
- our elected officials

If you would like to join a growing number of your colleagues who value the program’s purpose and principles and would like to be listed as a program advocate to help recruit the stakeholders, above, then please check the following box.

- Yes, I would like to be listed as a provider advocate for the program’s purpose and principles.

If you have a moment, please share with us what you like about the program and what we could do to make it better. There is also a box below to check if you would like to have your comments shared as a program endorsement to help recruit insurers, employees, patients, and other providers.

Thank you.

Max 500 characters

- I would like my comments, above, to be used to help recruit insurers, employees, patients, and other providers.
MedEncentive has lots of provider advocates…

<table>
<thead>
<tr>
<th>Provider Full Name</th>
<th>Specialty</th>
<th>City</th>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jennifer Acuna, PA</td>
<td>Physician Assistant</td>
<td>Oklahoma City</td>
<td>OK</td>
</tr>
<tr>
<td>Jerome L. Anderson, MD</td>
<td>Cardiovascular Diseases</td>
<td>Oklahoma City</td>
<td>OK</td>
</tr>
<tr>
<td>Randal Scott Baker, MD</td>
<td>General Surgery</td>
<td>Stillwater</td>
<td>OK</td>
</tr>
<tr>
<td>William F. Barnes, MD</td>
<td>Urology</td>
<td>Oklahoma City</td>
<td>OK</td>
</tr>
<tr>
<td>Douglas Wayne Brant, MD</td>
<td>Family Medicine</td>
<td>Bethany</td>
<td>OK</td>
</tr>
<tr>
<td>Jesse Ray Campbell, MD</td>
<td>Internal Medicine, Pediatrics</td>
<td>Edmond</td>
<td>OK</td>
</tr>
<tr>
<td>Craig Carson, MD</td>
<td>Rheumatology</td>
<td>Edmond</td>
<td>OK</td>
</tr>
<tr>
<td>Max G. Cates, MD</td>
<td>Family Medicine</td>
<td>Oklahoma City</td>
<td>OK</td>
</tr>
<tr>
<td>Mary Chambers, MD</td>
<td>Obstetrics &amp; Gynecology</td>
<td>Norman</td>
<td>OK</td>
</tr>
<tr>
<td>Susan Chambers, MD</td>
<td>Obstetrics &amp; Gynecology</td>
<td>Oklahoma City</td>
<td>OK</td>
</tr>
<tr>
<td>Stephen Connery, MD</td>
<td>Family Medicine</td>
<td>Norman</td>
<td>OK</td>
</tr>
<tr>
<td>Brian Ellis, MD</td>
<td>Pediatrics</td>
<td>Norman</td>
<td>OK</td>
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<tr>
<td>Glynda Fox, NP</td>
<td>Nurse Practitioner</td>
<td>Stillwater</td>
<td>OK</td>
</tr>
<tr>
<td>Emily Friedman, MD</td>
<td>Neurosurgery</td>
<td>Oklahoma City</td>
<td>OK</td>
</tr>
<tr>
<td>Susan Grandle, NP</td>
<td>Nurse Practitioner</td>
<td>Oklahoma City</td>
<td>OK</td>
</tr>
<tr>
<td>Alecia A. Hanes, MD</td>
<td>Pediatrics</td>
<td>Yukon</td>
<td>OK</td>
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<tr>
<td>Michael Hartwig, MD</td>
<td>Family Medicine</td>
<td>Perry</td>
<td>OK</td>
</tr>
<tr>
<td>Christopher Michael Herndon, MD</td>
<td>Family Medicine</td>
<td>Duncan</td>
<td>OK</td>
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<tr>
<td>Colin Hill, PA</td>
<td>Physician Assistant</td>
<td>Woodward</td>
<td>OK</td>
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<tr>
<td>Deborah Huff, MD</td>
<td>Obstetrics &amp; Gynecology</td>
<td>Oklahoma City</td>
<td>OK</td>
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<tr>
<td>Russell Ingram, MD</td>
<td>Family Medicine</td>
<td>Bethany</td>
<td>OK</td>
</tr>
<tr>
<td>Mark Kowalski, MD</td>
<td>Orthopedic Surgery, Sports Medicine</td>
<td>Oklahoma City</td>
<td>OK</td>
</tr>
</tbody>
</table>
The Hypothesis: If the MedEncentive program is effective, then according to health literacy studies, the program’s effectiveness should be corroborated by a reduction in healthcare expenditures due to reductions in hospitalizations and emergency room visits and among other indicators.

Confirmed…

If the program is effective, then health and healthcare should improve in a manner that lowers costs, while doctors and patient express fulfillment.
The Key to Health Care Cost Containment

No health care cost containment solution can be sustained without balancing the interests of the essential stakeholders; like a three-legged stool

---

**Consumers/Patients**

**Physicians**

**Employers/Insurers**

(plan sponsor/risk-bearing entity)

Alignment-of-interests to create a win-win-win proposition
The employer and insurer-sponsored patient accountability approach

Examples of this approach include: 1) wellness and prevention; 2) high-deductible consumer-driven health care; 3) disease/care management

Consumers/Patients

$ - Incentives offered to consumers independent of provider involvement

Employers/Insurers

( plan sponsor/risk-bearing entity)

Physicians
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Consumers/Patients
- $ - Incentives offered to consumers independent of provider involvement

Employers/Insurers
- (plan sponsor/risk-bearing entity)

Result: requires large financial incentives, which impedes/prevents ROI
The government and insurer-sponsored provider accountability approach

Examples of this approach include: 1) capitated HMO; 2) Accountable Care Organization (ACO); 3) Episodic care payments; 4) patient-centered medical home (PCMH); 5) P4P

Consumers/Patients

Employers/Insurers (plan sponsor/risk-bearing entity)

Physicians

$ - Incentives offered to providers independent of patient involvement

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The government and insurer-sponsored provider accountability approach

Examples of this approach include: 1) capitated HMO; 2) Accountable Care Organization (ACO); 3) Episodic care payments; 4) patient-centered medical home (PCMH); 5) P4P

Result: limited to no proof that this approach produces a ROI

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The government and insurer-sponsored provider accountability approach

Examples of this approach include: 1) capitated HMO; 2) Accountable Care Organization (ACO); 3) Episodic care payments; 4) patient-centered medical home (PCMH); 5) P4P

Result: limited to no proof that this approach produces a ROI
Famed author and Harvard professor, Clayton Christensen, says:

“In other words, ACOs hold caregivers accountable without requiring patient accountability. How can this work?”
Concept is like balancing a three-legged stool

By rewarding both doctors and patients for holding each other “mutually accountable” for complying with best clinical practices and healthy behaviors, healthcare costs are controlled.

Result: This model has been found to solve the Triple/Quadruple Aim and produce a large ROI
Awakening Health Literacy and Interactive Accountability to Solve the “Triple/Quadruple Aim”
Better Health | Better Healthcare | Lower Costs | Patient/Provider Satisfaction

The MedEncentive Program: How difficult is it to implement, what is included in the service, and how much does it cost?
1. All our customers confirm that the MedEncentive Program is easy to implement and maintain.

“We are very pleased with how easy the MedEncentive Program was to implement and how very little time is needed in support of this program. Our employees like the program and participation has reached over 65% within 6 months with very little effort on our part.”

Erica Pridy
Benefits Director
Heyco Products, Inc.
Toms River, New Jersey

- Reporting, analysis, population health expertise, and on-going program upgrades
Out of the clear blue, Matthew Holt, one of the most respected healthcare strategists in the country, and founder of Health 2.0, posted the following on Twitter, on January 30, at: https://twitter.com/boltyboy

“Even the extremely simple @MedEncentive system which aligns doc & patient using basic education & check-ins shown to reduce costs. More sophisticated versions like @GrandRoundsInc also look promising. So could the Amazon/Buffett/Chase alliance take those & scale them?”
Another unsolicited endorsement

In describing patient literacy and the MedEncentive program, Stan Hupfeld, former Board Member, American Hospital Association says:

“Another unsolicited endorsement

In describing patient literacy and the MedEncentive program, Stan Hupfeld, former Board Member, American Hospital Association says: "We should not overlook the elegance of simplicity."
1. Health literacy is a sleeping giant

2. MedEncentive Program achieves significant patient and provider engagement in elevating health literacy and compliance

3. Studies, to date, indicate the Program solves the Triple/Quadruple Aim by improving compliance with health literacy and personal accountability

4. MedEncentive is one of the few vendors willing to subject its program to the scrutiny of public demonstrations

5. MedEncentive is one of the few vendors who has agreed to the Validation Institute’s authentication rules and the “Do No Harm” pledge

6. MedEncentive is easy to implement and maintain, plus it’s inexpensive

7. We encourage Colorado businesses join us in promoting information therapy and health literacy…
Awakening Health Literacy and Interactive Accountability to Solve the “Triple/Quadruple Aim”

Better Health | Better Healthcare | Lower Costs | Patient/Provider Satisfaction

Q&A

May 2, 2018