

Oklahoma Higher Education Employees Insurance Group  
a/k/a OKHEEI Group  
Minutes  
655 Research Parkway  
Oklahoma City, Oklahoma

March 6, 2015  
10:00 a.m.

**1. Announcement of Filing Meeting Notice and Posting of the Agenda in Accordance with the Open Meeting Act.**

The OKHEEI Group Board of Trustees met in regular session at 10:00 a.m., March 6, 2015, at Oklahoma State Regents for Higher Education, 655 Research Parkway, Oklahoma City, Oklahoma. Notice of the meeting had been properly filed with the Secretary of State by December 15, 2014 and a copy of the Agenda posted by 10:00 a.m., March 5, 2015 in compliance with the Open Meeting Act.

**a. Call meeting to order**

Chairman Anita Simpson called the meeting to order at 11:05 a.m.

**b. Attendance**

**The following OKHEEI Board of Trustees were present:**

Dennis Westman, Murray State College  
David Koehn, Northeastern State University  
Anita Simpson, Northern Oklahoma College  
David Pecha, Northwestern Oklahoma State University  
Jena Marr, Redlands Community College  
Kent Lashley, Rose State College by Krista Norton  
Sheridan McCaffree, RUSO Administrative Offices by Charlie Babb  
Katherine Benton, Seminole State College  
Ross Walkup, Southeastern Oklahoma State University  
Don Chrusciel, University of Central Oklahoma  
Tricia Latham, Western State College

**The following Trustees were absent:**

Jessica Boles, East Central University  
Tom Fagan, Southwestern Oklahoma State University

**The following guests were present:**

Amanda Mueller, Blue Cross Blue Shield of Texas  
Beth Lott, OKHEEI  
Christy Landsaw, Northeastern State University

Diane Feinberg, University of Central Oklahoma  
Jeanette Patton, University of Central Oklahoma  
Kerrie Cook, Blue Cross Blue Shield of Oklahoma  
Kim Andrade, Redlands Community College  
Lisa Harper, University of Central Oklahoma  
Marvin Bontrager, Blue Cross Blue Shield of Oklahoma  
Misty Treas, Murray State College  
Patty Rizzatto, Blue Cross Blue Shield of Oklahoma  
Paul Albrecht, Prime Therapeutics  
Shannon Cranford, Northern Oklahoma College  
Sheila Rice, Blue Cross Blue Shield of Oklahoma  
Sue Catron, Northeastern State University

**c. Minutes of 2.05.15 OKHEEI Board Meeting.**

**Charlie Babb (RUSO) made the motion, seconded by David Pecha (NWOSU), to approve the minutes of the February 5, 2015.**

**Voting for the motion:**

Dennis Westman, Murray State College  
David Koehn, Northeastern State University  
Anita Simpson, Northern Oklahoma College  
David Pecha, Northwestern Oklahoma State University  
Jena Marr, Redlands Community College  
Krista Norton, Rose State College  
Charlie Babb, RUSO Administrative Offices  
Katherine Benton, Seminole State College  
Ross Walkup, Southeastern Oklahoma State University  
Don Chrusciel, University of Central Oklahoma  
Tricia Latham, Western State College

**Voting against the motion:** None

**Abstaining:** None

**2. Presentations of 2014 Claims data by Blue Cross Blue Shield of Oklahoma.**  
(attachment A pages 5 - 58)

Marvin Bontrager presented information related to the Anthem data breach prior to discussing the claims data from 2014. The Health Care Service Corporation (HCSC) systems were not breached. During the presentation Marvin confirmed OKHEEI had 124 active members impacted but only 1 former employee had the social security number impacted. Beth Lott will send a copy of the statement presented and letters that will be mailed to the participants.

Amanda Mueller presented the 2014 claims data. To comparisons were provided one was to the Texas book of national business due to size of the OKHEEI group. The comparison to other universities compares OKHEEI to other universities that are the state of Oklahoma.

**3. Discussion and possible action on Well on Target renewal..**

Blue Cross Blue Shield of Oklahoma rolled over \$3,495.90 from 2014 into the wellness dollars for 2015. OKHEEI received a renewal grandfathered in at \$8,500 for the Well on Target Consultant services. These funds will come directly from the \$40,000 wellness dollars already built into the group's premium. Cheryl Pollard will continue to help the schools in setting up wellness committees and providing additional support as needed to the human resource departments.

**David Pecha (NWOSU) made the motion to renew the Well on Target consulting services; Dennis Westman (MSC) seconded the motion.**

**Voting for the motion:**

Dennis Westman, Murray State College  
David Koehn, Northeastern State University  
Anita Simpson, Northern Oklahoma College  
David Pecha, Northwestern Oklahoma State University  
Jena Marr, Redlands Community College  
Krista Norton, Rose State College  
Charlie Babb, RUSO Administrative Offices  
Katherine Benton, Seminole State College  
Ross Walkup, Southeastern Oklahoma State University  
Don Chrusciel, University of Central Oklahoma  
Tricia Latham, Western State College

**Voting against the motion:** None

**Abstaining:** None

**4. Benefit Coordinator's report**

Beth Lott will provide copies of letters that will be mailed to the impacted OKHEEI members from BCBSOK. She will also provide the statement Marvin provided at the beginning of the meeting. Beth has been working with the consultant to obtain the information necessary for the RFP. The Human Resource/Benefits teams will meet April 8 at the RUSO administration building for some training related to FMLA and Health Care Reform.

**5. Chair's Report**

The Chair appreciated the consultant visiting each campus to hear the needs each school.

**6. Trustee's Comments and Announcements**

The trustee's expressed frustration with the lack of follow up from Blue Cross Blue Shield in the wake of the Anthem data breach.

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**7. New Business**

No new business to discuss

**8. Adjournment**

**Charlie Babb (RUSO) made a motion, seconded by Tricia Latham (WOSC) to adjourn the meeting.**

**Voting for the motion:**

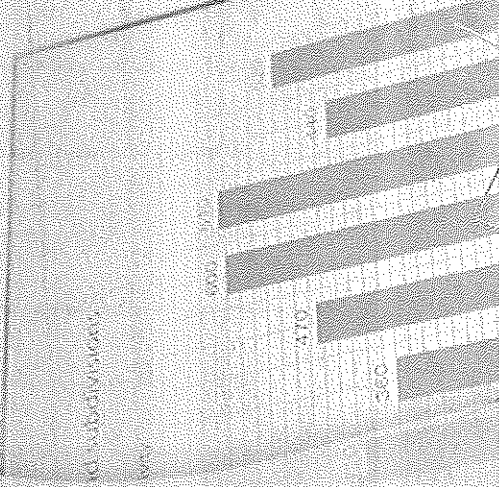
Dennis Westman, Murray State College  
David Koehn, Northeastern State University  
Anita Simpson, Northern Oklahoma College  
David Pecha, Northwestern Oklahoma State University  
Jena Marr, Redlands Community College  
Krista Norton, Rose State College  
Charlie Babb, RUSO Administrative Offices  
Katherine Benton, Seminole State College  
Ross Walkup, Southeastern Oklahoma State University  
Don Chrusciel, University of Central Oklahoma  
Tricia Latham, Western State College

**Voting against the motion:** None

**Abstaining:** None

**Chairman Anita Simpson (NOC) adjourned the meeting at 12:00 p.m.**





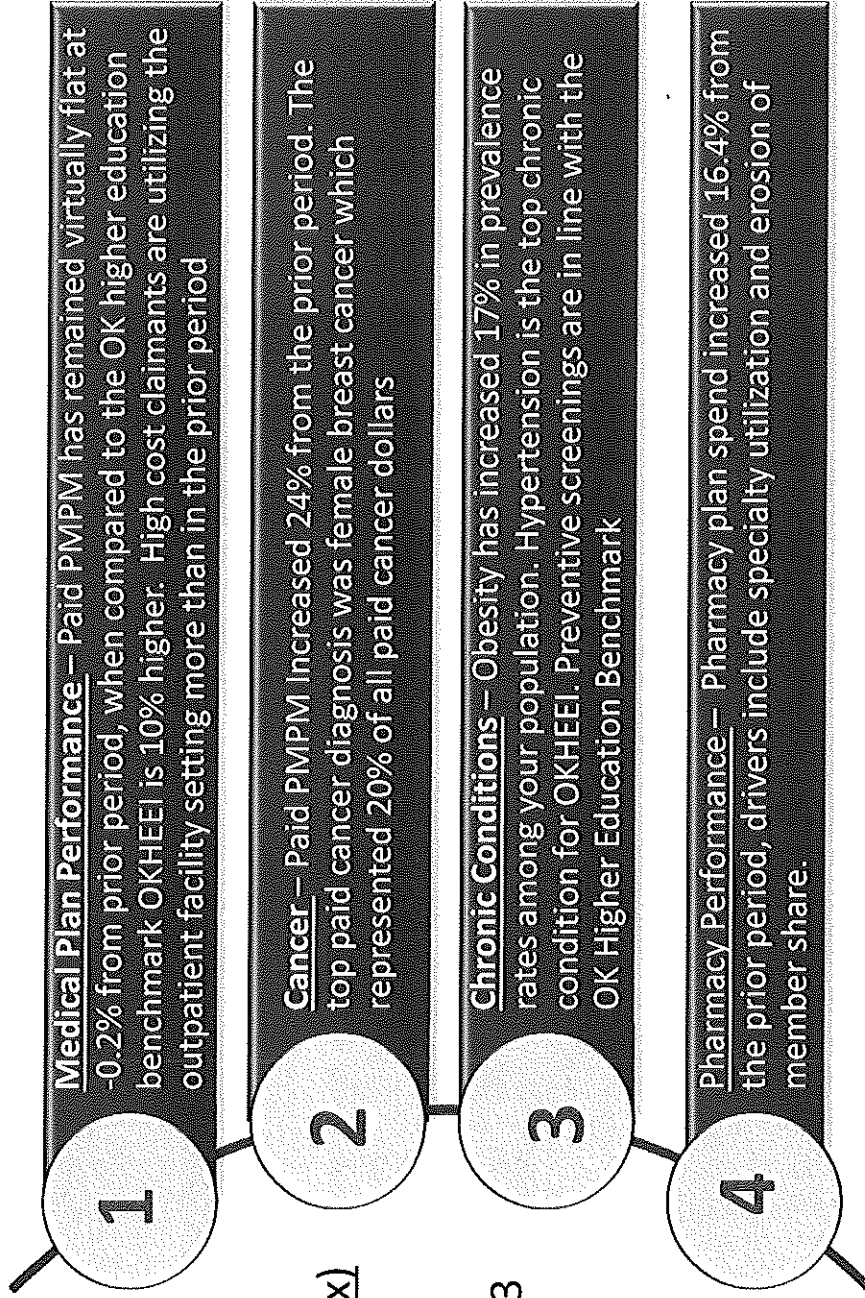
# 2014 Plan Review

March 6<sup>th</sup>, 2015



# The OKHEE Story

What happened this past year?



**Overall Spend (Includes Rx)**  
 Current: PMPM \$401.89  
 Prior: PMPM \$388.76  
 Increase of 3.3% or \$13.13

## DATA PARAMETERS

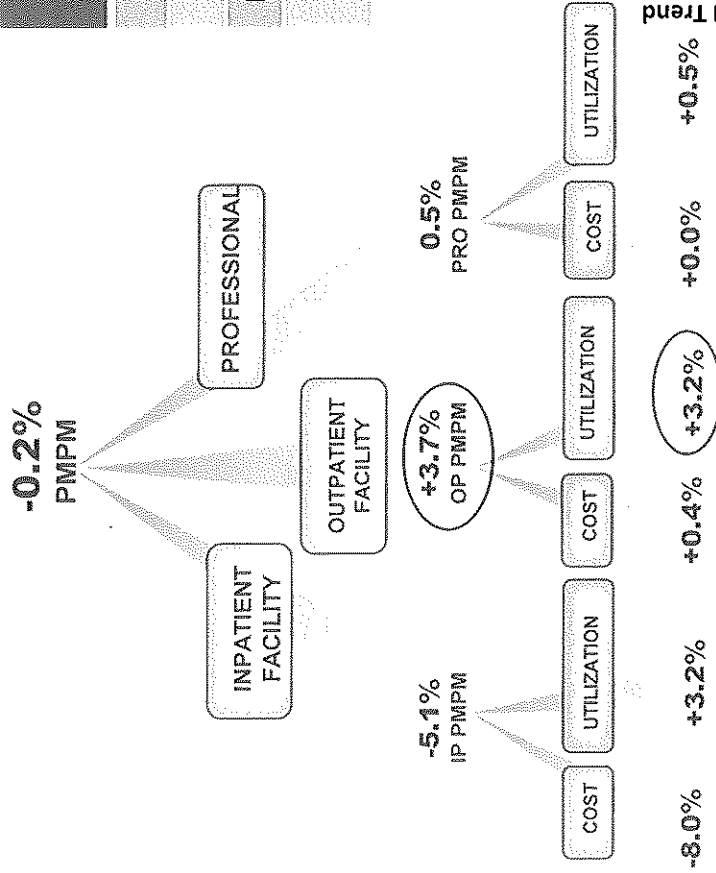
**Utilization:** The current reporting period was ran on a rolling 12 month time period representing claims incurred from Dec 1, 2013 through Nov 30, 2014 paid through Jan 31, 2015

**Benchmark:** Includes a custom Blue Cross Blue Shield Oklahoma Higher Education Benchmark representing 40,000 members and a sampling of the Texas Book of Business benchmark which is age gender adjusted for OKHEE's population



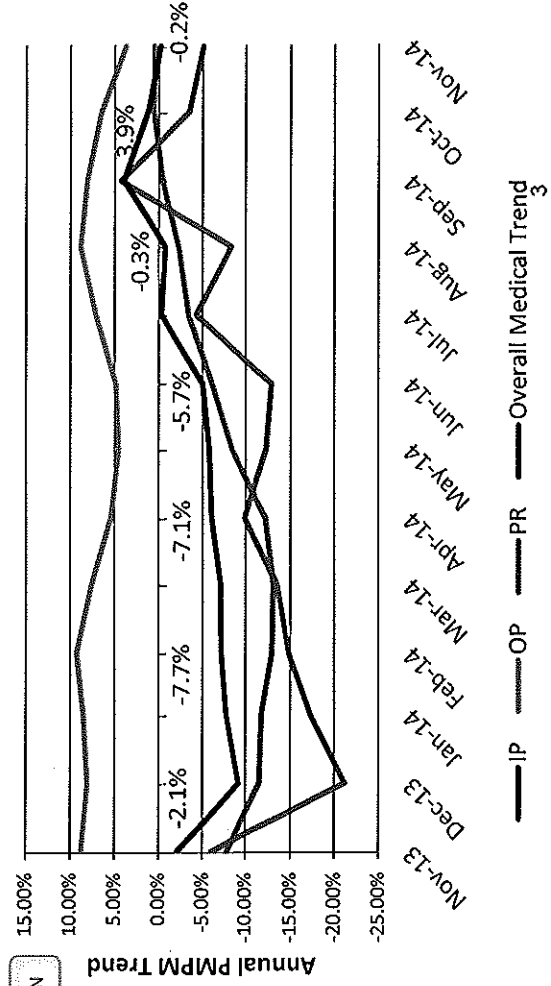
# 1. Medical Plan Performance

What's the Overall Trend in your Medical Plan?



Medical Spend	Current PMPM	Prior PMPM	% Change	OK Higher Education Benchmark	% Variance
Inpatient	\$83.79	\$88.29	-5.1%	\$67.92	23.4%
Outpatient	\$97.43	\$93.96	3.7%	\$81.43	19.6%
Professional	\$94.38	93.92	0.5%	\$99.60	-5.2%
Total Medical	\$275.59	\$276.17	-0.2%	\$248.95	10.7%

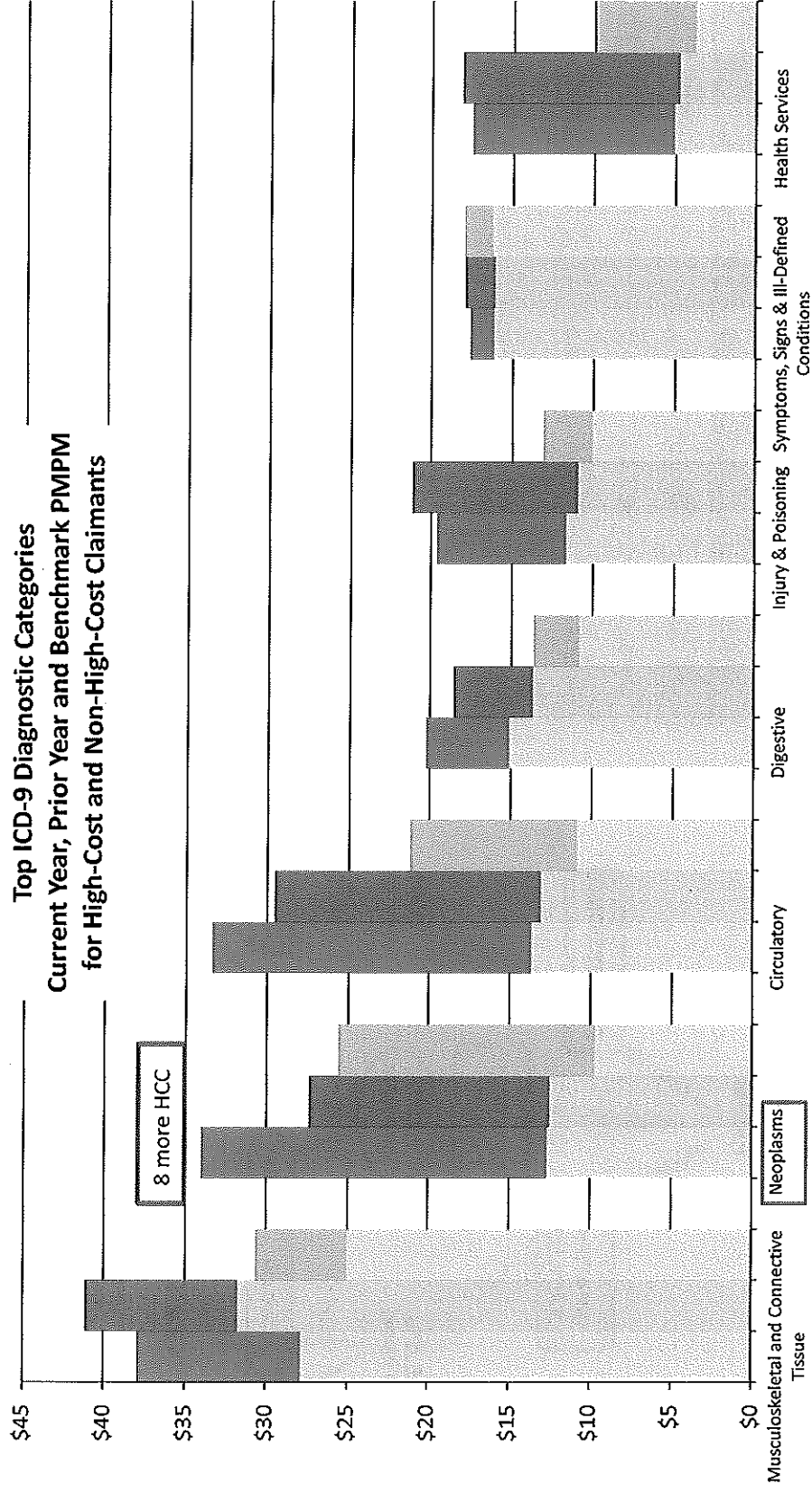
Annual PMPM Trend  
(By Service Category)



- Outpatient Facility paid PMPM increased 3.7% largely due to increased utilization which increased 3.2% from the prior period
- Benchmark: 10% higher than the OK higher Education Benchmark and 13.7% below the TX BOB Benchmark
- Outpatient is at a two year high, where inpatient and professional settings have decreased over the last 2 years.

# 1. Diagnostic Categories

Neoplasm and Circulatory have increased and above benchmark



CY PMPM NON HCC CY HCC PMPM PY PMPM NON HCC PY HCC PMPM OK Higher ED Benchmark PMPM NON HCC OK Higher ED Benchmark HCC PMPM

Musculoskeletal decreased from the prior period yet is 18.6% above the OK higher education benchmark. Neoplasm is your second highest diagnostic category and has increased 24.2% and is above the OK higher education benchmark



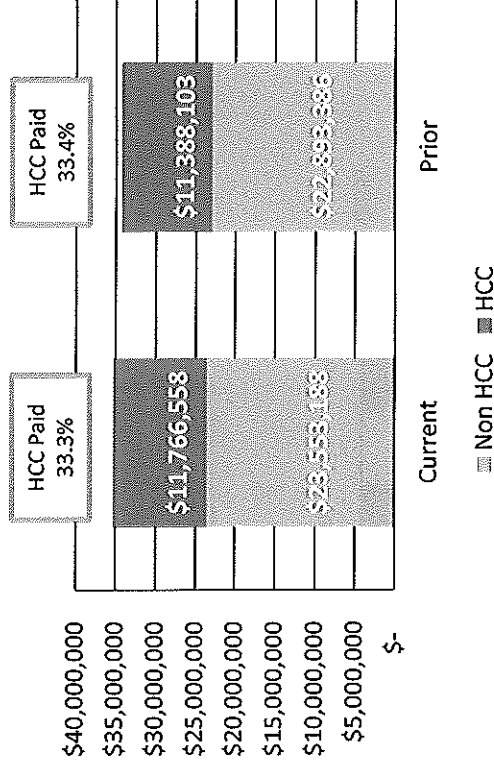


# 1. High Cost Claimant >\$50K Does Include Rx

HCC dollars have shifted into the Outpatient Facility setting

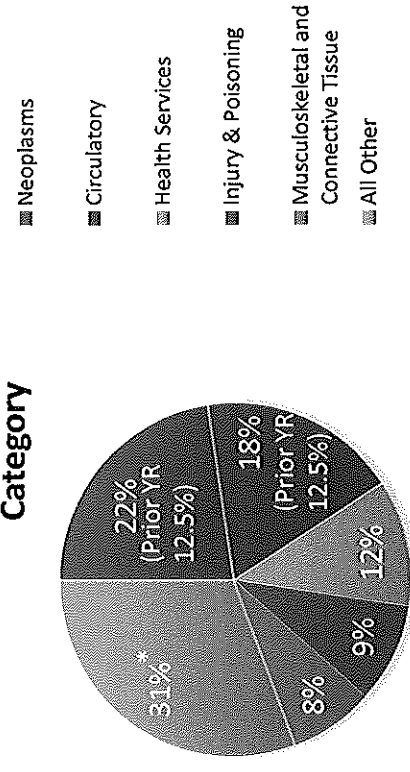


HCC vs. Non HCC



HCC by Service Category			
Service Category	Current	Prior	% Change
Inpatient Paid	\$4,974,344	\$5,293,852	-6.0%
Outpatient Paid	\$2,938,145	\$2,710,049	8.4%
Professional Paid	\$1,976,676	\$1,794,011	10.2%
Pharmacy Paid	\$1,877,393	\$1,590,191	18.1%
Total	\$11,766,558	\$11,388,103	3.3%

High Cost Claimant Paid % by Diagnostic Category



Paid Range	Current % Paid	Prior % Paid
\$50,000 - \$100,000	45.2%	36.9%
\$100,000 - \$200,000	25.2%	32.9%
\$200,000 - \$300,000	7.3%	18.8%
\$300,000 and greater	22.3%	11.4%



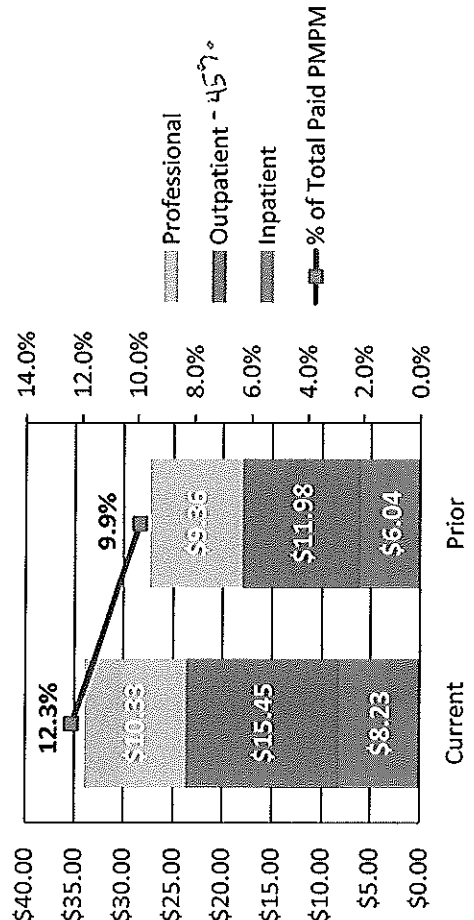
\* All others includes such things as Genitourinary, Complications of Pregnancy, Without Reported Diagnosis, Respiratory, Endocrine, Nutritional and Metabolic Diseases, Nervous System and many more

## 2. Cancer (Neoplasm)

Cancer costs are on the rise for your population



Cancer PMPM



Cancer Demographics	
Demographic	% of Claimants
Employee	85.5%
Spouse	10.3%
Dependent	4.2%
GENDER	
Female	59.0%
Male	41.0%
AGE	
Age 50-64	59.1%

### BCC New Oncology Program

### 2015 Case Management Program

- Member Outreach – Case Management
- Transition of Care
- Behavioral Health
- Benefit Guidance

- Pharmacy – Specialty Drug Review (Avastin\* expanded for 2015)
- Palliative Care Resources
- End of Life Resources / Advanced Life Planning
- Community Resources / Caregiver Resources

- Benefit Flexing – Palliative Care, End of Life, Hospice, Respite and Bereavement

### Existing Features

### Expanded / Improved Features for 2015

### New Features for 2015

Top 5 Principal Diagnosis by Paid	Current Paid	Prior Paid	Current Paid PMPM	Prior Paid PMPM	% Change of PMPM
NEOPLASM OF FEMALE BREAST	\$650,657	\$470,669	\$5.03	\$3.64	38.3%
NEOPLASMS OF LYMPHOID AND HISTIOCYTIC TISSUE	\$435,199	\$219,563	\$3.36	\$1.70	98.3%
NEOPLASM OF OTHER PARTS OF DIGESTIVE SYSTEM	\$184,933	\$79,922	\$1.43	\$0.62	131.5%
MELANOMA OF SKIN	\$175,388	\$12,413	\$1.36	\$0.10	>100%
NEOPLASM OF COLON	\$144,297	\$173,684	\$1.12	\$1.34	-16.9%



# Mary's Journey through Case Management: Cancer

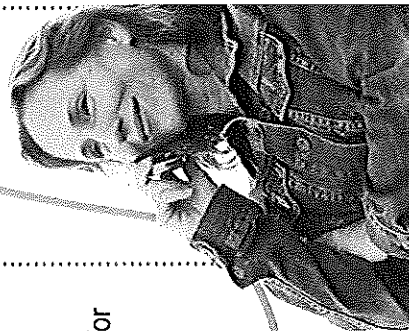


Meet 42 year-old Mary Smith, diagnosed with ovarian cancer, hospitalized for chemotherapy treatments, in a debilitated state, with a history of depression, diabetes, and poor nutrition related to chemotherapy.

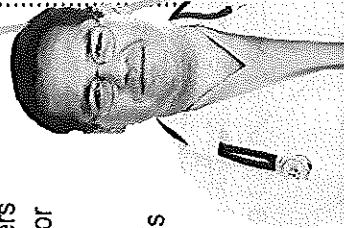
CM contacted hospital discharge planner and learned Mary was a single parent with two small children. Discharge plan would transition Mary to skilled nursing facility for conditioning.

**Pivotal Touchpoint:** CM called Mary to introduce herself as the member's case manager (CM), discuss the role of the CM and conduct initial assessment. Mary has support from sisters but they work. Mary gave permission for CM to contact her family to help with arrangements for her return home.

## Physician Collaboration



CM called the MD, who stated that if there were caregivers to assist Mary, he would order HHC for SNV and therapies, a hospital bed, bedside commode, a wheelchair and wheeled walker. CM discussed Mary's current nutritional state. Physician also ordered dietary supplements and medications to increase appetite, and requested a dietitian.



**Other Ongoing Care Concerns.**  
The children in the home raise risk of infection. CM discussed the importance of proper hand washing, and assisted with transportation needs to therapies, providing a list of available transportation resources.

**Discharge planning with caregivers.**  
Mary's sister, Martha, planned to stay with Mary most of the day, her younger sister and many friends would assist as needed. CM offered contact information for American Cancer Society's volunteer respite program if needed, information on nutrition and healing, mentioned the dietitian.

**Complex Discharge Planning** BCBS Case Manager (CM) received referral from UIM nurse.

**Event** Mary accepted Case Management but refuses skilled nursing. She just wants to go home.

## Complex Care Intervention

CM will assist with discharge planning and work with the hospital discharge planner, physician and family.

**Continued Support**  
Identifies other opportunities to improve health via Chronic Condition Management →



# Mary's Journey through Case Management (cont.)



Coordination with other services.

Mary voiced concerns regarding her children, who only know that she has

been ill. Mary is afraid for herself and for her children to face the truth. CM offered a warm transfer to EAP services through her behavioral health provider. Mary accepts the warm transfer.



## Follow-up Care Coordination

CM coordinated EAP services, nursing and therapy visits to aid in her recovery process.

## Pivotal Touchpoint: Continuing CM Outreach.

Over the next two months, CM ensured that the plan of care continued to be appropriate as the patient's health improved.

She provided listings of support groups to Mary related to her diagnosis, her diabetes, and being a single parent.

Follow up care back at home. CM reviewed cases for the member and confirms that network HHC agency had pre-certified nursing and therapy visits.

The case manager contacted the agency and provided her name and number.



## Case Management Throughout Treatment

CM remained in contact with Mary Smith and her family, the physician and the providers of other home health care services.

## Continuing Case Management

### On the Road to Recovery!

Mary is able to care for herself and her children. She was gaining weight and had a good support system around her. Mary stated that the assistance of the case manager was significant to her success. She agreed that at this time, she had no new problems or needs and agreed that she no longer required active case management services. The case manager assured the member that she would always be available to her for any future questions.

Prior to closing her case, CM contacted the physician and also the providers of services to advise she was closing active CM case. All agreed that there were no further needs to be addressed.

Referral to DM program for ongoing support. The case manager made a referral to DM related to Mary's diabetes diagnosis for continued support and education as needed.



## Back on Track!

After two months time, Mary Smith is now tolerating her chemotherapy treatments.

## Case closed for CM, now in DM.

Mary's cancer is in remission, her diabetes is under control.







### 3. Chronic Conditions

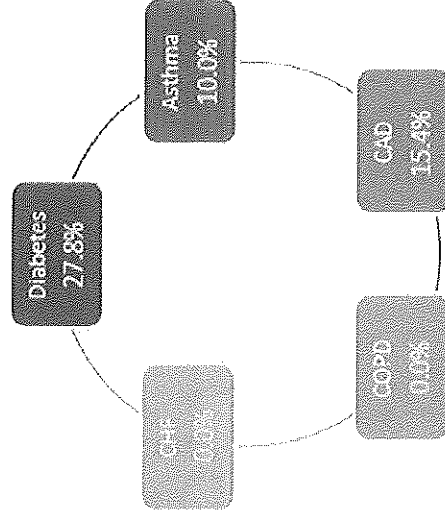
Obesity has Increased in Prevalence From the Prior Period



CHRONIC DISEASE	CURRENT		PRIOR		% CHANGE	
	PAID PCPM	PREVALENCE %	PAID PCPM	PREVALENCE %	PAID PCPM	PREVALENCE %
Hypertension	\$37.21	25.3%	\$40.58	25.2%	-8.31%	0.1%
Diabetes	\$209.46	9.0%	\$181.25	8.8%	15.57%	1.9%
Asthma	\$55.40	6.6%	\$67.78	6.3%	-18.27%	4.4%
Obesity	\$22.76	4.1%	\$28.10	3.5%	-19.01%	17.8%
Isch hrt dis	\$436.37	3.2%	\$712.18	3.0%	-38.73%	3.8%
COPD	\$137.02	1.3%	\$142.28	1.3%	-3.70%	0.0%
CHF	\$1,188.23	0.7%	\$167.40	0.7%	609.83%	0.0%
Total	\$164.93	34.5%	\$164.42	34.2%	0.31%	1.0%

Core Gaps in Care Compliance Rates of Engaged Population:

Core Gaps in Care Compliance Rates of Engaged Population:				
Diabetes	Current	Prior	Book of Business	
HbA1C in the past 12 months	58.2%	66.7%	60.5%	
Physician office visit in past 6 months	96.2%	93.8%	91.0%	
LDL level in past 12 months	59.5%	62.5%	64.7%	
Microalbuminuria test in past 12 month &/or (for diabetics with hypertension)	94.9%	100.0%	95.3%	
ACE/ARB medication in past 6 months				
Asthma				
On controller medication	100.0%	100.0%	96.7%	
Cardiovascular Cluster (CAD)				
LDL level in the past 12 months	69.2%	54.5%	55.9%	
Chronic Obstructive Pulmonary Disorder (COPD)				
Bronchodilator Adherence	100.0%	100.0%	93.8%	
Coronary Heart Failure (CHF)				
Physician office visit in past 6 months	100.0%	100.0%	95.2%	

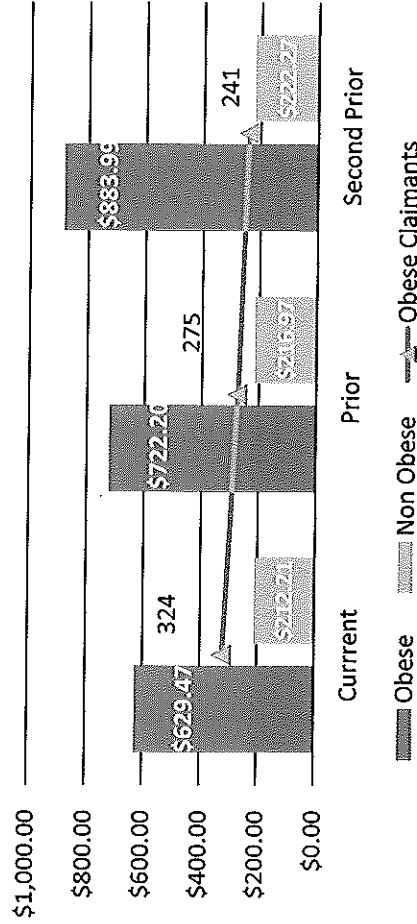


### 3. The Cost of Obesity

The Most Preventable Illness of all the Chronic Conditions



#### Obese Members Vs. Non Obese Members by PMPM



For OKHEEI we identified 324 unique members within the Obesity ETG category. These members attributed \$2.3M to the overall cost of the plan.

Obesity Demographics	
Demographic	% of Claimants
Employee	88.3%
Spouse	9.6%
Dependent	2.2%
GENDER	
Female	63.6%
Male	36.4%
AGE	
Age 50-64	60.5%

#### What are other clients doing to promote wellness?

- Raising self-awareness: Requiring annual biometric screenings or physicals for employees
- Communication: Sending targeted communications to promote services like the Fitness Program and Blue365 discounts
- Require or encourage Weight Management program thru Blue Care Connections

#### Other Conditions Impacting Your Obese Population

Diagnostic Category	Paid	Paid PMPM	Claimants
Circulatory	\$391,973	\$104.89	163
Musculoskeletal and Connective Tissue	\$340,971	\$91.24	165
Neoplasm	\$259,148	\$69.35	58
Health Services (Closely related to Neoplasm)	\$194,222	\$51.97	61
Endocrine, Nutritional and Metabolic Diseases	\$178,210	\$47.69	223



### 3. Blue Care Connections

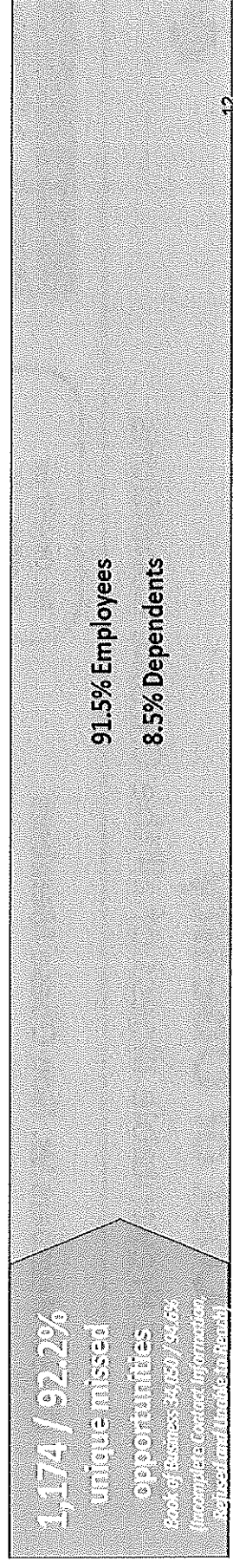
#### Lifestyle Management



Participant counts by engagement status:

Engagement	Newly Engaged	Account	Total	Tobacco Cessation	Weight Management	Metabolic Syndrome
		BOB				
Program Status	Managed (Newly Engaged + Carryover)	Account	57	0	45	12
	Graduated	BOB	660	124	428	110
		Account	69	0	52	17
		BOB	1,078	194	642	251
Program Status	Opted Out	Account	7 / 10.1%	0 / 0.0%	4 / 7.7%	3 / 17.6%
		BOB	161 / 14.9%	27 / 13.9%	73 / 11.4%	63 / 25.1%
	Still Active	Account	7 / 10.1%	0 / 0.0%	6 / 11.5%	1 / 5.9%
		BOB	110 / 10.2%	31 / 16.0%	62 / 9.7%	17 / 6.8%
Program Status	Still Active	Account	7 / 10.1%	0 / 0.0%	6 / 11.5%	1 / 5.9%
		BOB	180 / 16.7%	41 / 21.1%	115 / 17.9%	24 / 9.6%

Missed Opportunities:



### 3. Preventive Screenings

Continue to promote wellness visits



Preventive Screenings						
CATEGORY	CRITERIA	RECOMMENDED FREQUENCY OF TESTING	CURRENT	PRIOR	OK Higher ED Benchmark	BOB BENCHMARK
Cervical Cancer Screening	Female, Age 21-64	Age 21-64: Every 3 years Age 30-64: Every 5 years with HPV co-testing	36.3%	33.8%	36.5%	39.1%
Cholesterol Screening Rates	Male Age 35+ Female Age 45+	Frequency of Screening based on risk factor, Every 5 years with repeated normal results	46.5%	49.0%	43.7%	49.6% ↑
Colon Cancer Screening	Age 50-75	1) Annual fecal occult blood test - OR - 2) A flexible Sigmoidoscopy every 5 yrs - OR - 3) A colonoscopy every 10 yrs	16.3%	19.6%	17.7%	20.1%
Mammogram Screening	Female, Age 50-74	Every 2 years	52.8%	52.7%	47.9% ↑	44.9% ↑
Visits Per 1000 Preventive Adult	Age 18+	Annual Visit	248	260	271	271





# Medical Appendix

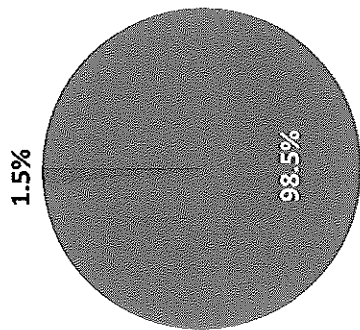
Benchmark Utilized for the Appendix: Includes a sampling of Blue Cross Blue Shield of TX BOB Benchmark and is age/gender adjusted for OKHEE's Population



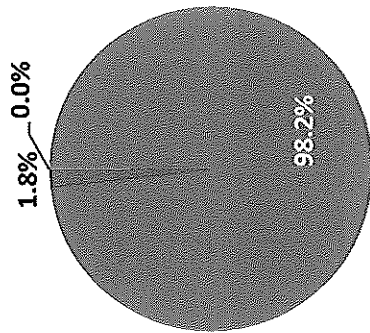
# Network



## Claims by Payment Status



## Claims by Contracting Status



☒ In-Network %  
 ☒ Out-of-Network %  
 ☒ Network Provider Paid  
 ☒ Non-Participating Provider Paid  
 ☒ Participating Provider Paid

PROVIDER SAVINGS ANALYSIS					
SERVICE CATEGORY	NON-MEDICARE ELIGIBLE AMOUNT	PROVIDER SAVINGS	SAVINGS PMPM	DISCOUNT %	
NETWORK PROVIDER	Inpatient Facility	\$19,187,308	\$10,694,311	\$82.10	55.7%
	Outpatient Facility	\$30,908,577	\$18,709,689	\$143.63	60.5%
	Professional	\$25,322,776	\$12,607,730	\$96.78	49.8%
	Summary	\$75,418,660	\$42,011,730	\$322.51	55.7%
PARTICIPATING PROVIDER	Inpatient Facility				
	Outpatient Facility	\$3,400	\$340	\$0.00	10.0%
	Professional	\$29,009	\$17,929	\$0.14	61.8%
	Summary	\$32,409	\$18,269	\$0.14	56.4%
NON-CONTRACTED PROVIDER	Inpatient Facility	\$194,084	\$107,119	\$0.82	55.2%
	Outpatient Facility	\$622,885	\$314,433	\$2.41	50.5%
	Professional	\$1,213,620	\$769,620	\$5.91	63.4%
	Summary	\$2,030,589	\$1,191,173	\$9.14	58.7%
TOTAL	\$75,451,069	\$42,029,999	\$322.65		55.7%

**\$42 M**

NEGOTIATED BCBS CLAIM DISCOUNTS

**55.7%**  
DISCOUNT %

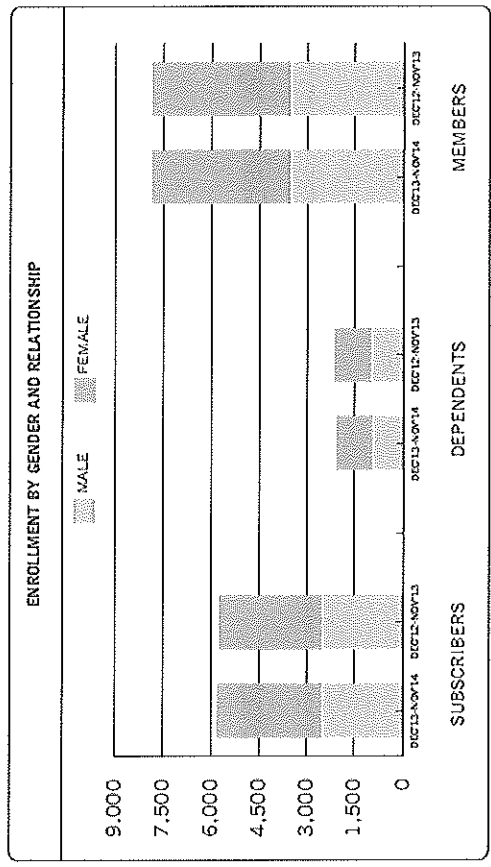




# Membership Demographics

	OKHEE: ALL			
	DEC'13-NOV'14	DEC'12-NOV'13	% CHANGE	BENCHMARK
AVERAGE SUBSCRIBERS	5,809	5,732	1.3%	
AVERAGE DEPENDENTS	2,064	2,141	-3.6%	
AVERAGE MEMBERS	7,873	7,872	0.0%	
AVERAGE CONTRACT SIZE	1.36	1.37	-1.3%	2.13
AVERAGE AGE (YEARS)	40.8	40.6	0.7%	-36.5%

OKHEE: ALL					
	DEC'13-NOV'14		DEC'12-NOV'13		% CHANGE
	AVG MEMBERS	% MEMBERS	AVG MEMBERS	% MEMBERS	
COVERAGE TIER					
EMPLOYEE ONLY	4,581	58.2%	4,479	56.9%	2.3%
EMPLOYEE+ONE	587	7.5%	598	7.6%	-1.8%
EMPLOYEE+DEPENDENT(S)	1,977	25.1%	2,015	25.6%	-1.9%
FAMILY	728	9.2%	782	9.9%	-6.9%
SUMMARY	7,873	100.0%	7,872	100.0%	0.0%



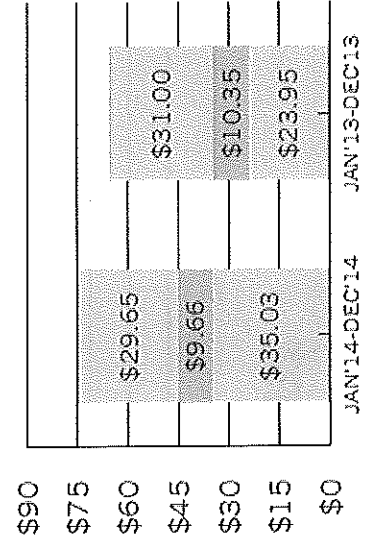


# Financials



OKHEEI- ALL			
MEDICAL EXPENSES	JAN'14-DEC'14	JAN'13-DEC'13	% CHANGE
BILLED	\$89,810,260	\$86,644,611	3.7%
NOT COVERED	\$10,362,053	\$10,426,792	-0.6%
COVERED	\$79,448,208	\$76,217,819	4.2%
DISCOUNT	\$44,389,906	\$41,517,155	6.9%
ALLOWED	\$35,058,301	\$34,700,665	1.0%
OUT OF POCKET	\$7,026,101	\$6,170,486	13.9%
COB	\$172,499	\$181,624	-5.0%
COB MEDICARE	\$773,009	\$966,576	-20.0%
OTHER REDUCTIONS	\$4,587	\$1,577	390.9%
OTHER ADJUSTMENTS	\$-71,131	\$-66,814	-6.5%
PAID - PROVIDER	\$27,153,237	\$27,450,370	-1.1%
OTHER PAYMENTS	\$24,269	\$35,463	-31.6%
PAID	\$27,177,506	\$27,485,834	-1.1%

PATIENT SHARE PMPM DISTRIBUTION



PATIENT SHARE DISTRIBUTION			
	JAN'14-DEC'14	JAN'13-DEC'13	% CHANGE
COINSURANCE	\$2,802,157	\$2,929,294	4.3%
COPAYMENT	\$913,104	\$977,621	-6.6%
DEDUCTIBLE	\$3,310,840	\$2,263,570	46.3%
TOTAL OUT OF POCKET	\$7,026,101	\$6,170,486	13.9%

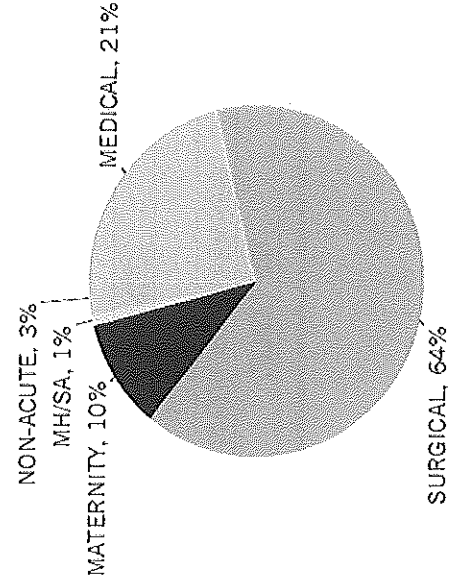


# Inpatient

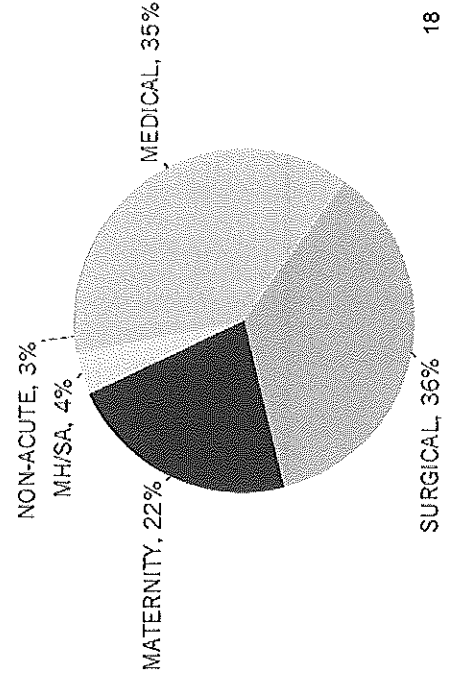


PAID PMPM	OKHEE: ALL			
	DEC'13-NOV'14	DEC'12-NOV'13	% CHANGE	BENCHMARK
CIRCULATORY	\$15.56	\$11.04	41.0%	\$9.02
MUSCULOSKELETAL AND CONNECTIVE TISSUE	\$13.42	\$15.71	-14.6%	\$11.62
NEOPLASMS	\$7.92	\$5.18	52.7%	\$5.74
INJURY & POISONING	\$7.11	\$8.92	-20.3%	\$7.35
DIGESTIVE	\$5.55	\$4.80	15.6%	\$5.26
ENDOCRINE, NUTRITIONAL AND METABOLIC DISEASES	\$1.19	\$1.39	-14.3%	\$2.59
NERVOUS SYSTEM	\$0.85			\$0.82
CONGENITAL ANOMALIES	\$0.74	\$1.28	-42.1%	\$2.22
SKIN AND SUBCUTANEOUS TISSUE	\$0.57	\$2.54	-77.5%	\$0.34
RESPIRATORY	\$0.42	\$1.01	-58.0%	\$1.46
ALL OTHER	\$0.65	\$6.33	-89.7%	\$4.62
SUMMARY	\$53.98	\$58.21	-7.3%	\$51.04

PAID PMPM



ADMISSIONS/1000

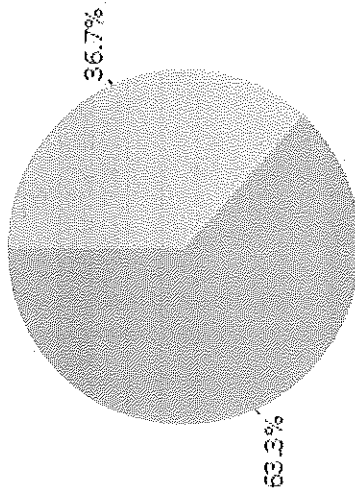


# Maternity

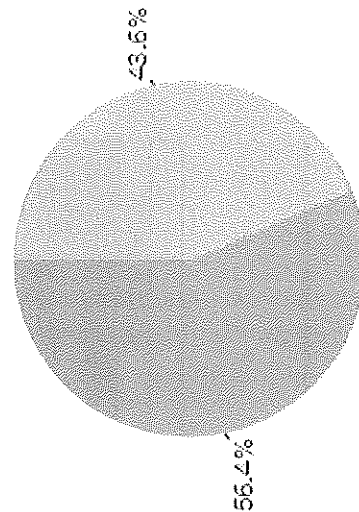


DETAILED SERVICE TYPE		OKH EEL: ALL			
C-SECTION DELIVERY		DEC'13-NOV'14	DEC'12-NOV'13	% CHANGE	BENCHMARK
Paid	PMPM	\$446,389	\$372,784	19.7%	
Paid PMPM		\$4.73	\$3.95	19.7%	\$3.96
ADMISSIONS		33	41	-19.5%	
ADMISSIONS/1000		4.2	5.2	-19.5%	5.7
DAYS		112	221	-49.3%	
DAYS/1000		14.2	28.1	-49.3%	18.6
AVERAGE LENGTH OF STAY		3.4	5.4	-37.0%	3.3
Paid/ADMISSION		\$13,527	\$9,092	48.8%	\$8,374
Paid/Day		\$3,986	\$1,687	136.3%	\$2,558
VAGINAL DELIVERY					
Paid	PMPM	\$330,529	\$265,059	24.7%	
Paid PMPM		\$3.50	\$2.81	24.7%	\$3.86
ADMISSIONS		57	53	7.5%	
ADMISSIONS/1000		7.2	6.7	7.5%	9.5
DAYS		129	111	16.2%	
DAYS/1000		16.4	14.1	16.2%	19.7
AVERAGE LENGTH OF STAY		2.3	2.1	8.1%	2.1
Paid/ADMISSION		\$5,799	\$5,001	15.9%	\$4,859
Paid/Day		\$2,552	\$2,388	7.3%	\$2,344
TOTAL DELIVERIES					
Paid	PMPM	\$776,918	\$637,843	21.8%	
Paid PMPM		\$8.22	\$6.75	21.8%	\$7.82
ADMISSIONS		90	94	-4.3%	
ADMISSIONS/1000		11.4	11.9	-4.3%	15.2
DAYS		241	392	-27.4%	
DAYS/1000		30.6	42.2	-27.4%	38.3
AVERAGE LENGTH OF STAY		2.7	3.5	-24.2%	2.5
Paid/ADMISSION		\$8,632	\$6,786	27.2%	\$6,170
Paid/Day		\$3,224	\$1,921	67.8%	\$2,448

OKH EEL: ALL  
DEC'13-NOV'14



OKH EEL: ALL  
DEC'12-NOV'13



C-SECTION  
VAGINAL

19

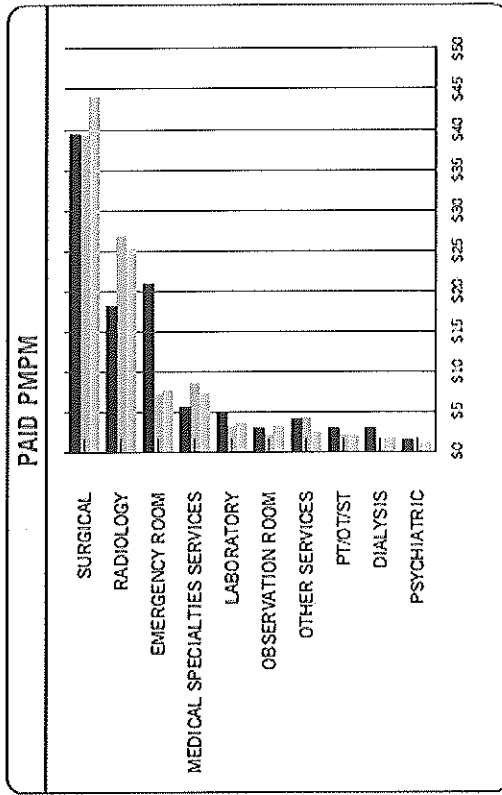




# Outpatient



PAID PMPM	OKHEE: ALL			
	DEC'13-NOV'14	DEC'12-NOV'13	% CHANGE	% VARIANCE
SURGICAL	\$43.96	\$39.10	12.4%	11.7%
RADIOLOGY	\$25.14	\$26.76	-6.1%	38.5%
EMERGENCY ROOM	\$7.51	\$7.19	4.4%	-64.1%
MEDICAL SPECIALTIES SERVICES	\$7.24	\$8.51	-15.0%	30.7%
LABORATORY	\$3.53	\$3.15	12.1%	-25.0%
OBSERVATION ROOM	\$3.15	\$1.93	63.5%	11.1%
OTHER SERVICES	\$2.39	\$4.27	-44.0%	-39.6%
PT/OT/ST	\$1.92	\$2.04	-6.0%	-34.4%
DIALYSIS	\$1.53	\$0.10	1485.6%	-48.0%
PSYCHIATRIC	\$1.06	\$0.91	17.0%	-26.2%
SUMMARY	\$97.43	\$93.96	3.7%	-5.1%



## TOP 10 AMBULATORY SURGICAL PROCEDURES BY ICD-9 DIAGNOSTIC CATEGORIES

PAID PMPM	OKHEE: ALL			
	DEC'13-NOV'14	DEC'12-NOV'13	% CHANGE	% VARIANCE
NEOPLASMS	\$6.15	\$4.25	44.7%	75.2%
CIRCULATORY	\$5.98	\$4.37	37.0%	19.0%
DIGESTIVE	\$5.74	\$5.90	-2.8%	16.5%
MUSCULOSKELETAL AND CONNECTIVE TISSUE	\$5.39	\$5.43	-0.8%	12.5%
GENITOURINARY	\$4.41	\$4.29	2.7%	11.2%
INJURY & POISONING	\$3.34	\$3.53	-5.4%	16.1%
HEALTH SERVICES	\$2.46	\$0.58	325.9%	184.3%
WITHOUT REPORTED DIAGNOSIS	\$2.19	\$1.97	11.3%	21.9%
EYES	\$2.17	\$1.40	54.6%	97.4%
SYMPTOMS, SIGNS & ILL-DEFINED CONDITIONS	\$1.48	\$1.24	18.7%	-9.9%
ALL OTHER	\$4.65	\$6.13	-24.2%	27.0%
SUMMARY	\$43.96	\$39.10	12.4%	11.7%



# Emergency Room



	OKHEEI: ALL			
	DEC'13-NOV'14	DEC'12-NOV'13	% CHANGE	BENCHMARK
PAID				
	\$709,147	\$679,201	4.4%	
PAID PMPM	\$7.51	\$7.19	4.4%	\$20.88
VISITS	1,274	1,176	8.3%	
VISITS/1000	161.8	149.4	8.3%	260.3
PAID/VISIT	\$557	\$578	-3.6%	\$963
				-42.2%

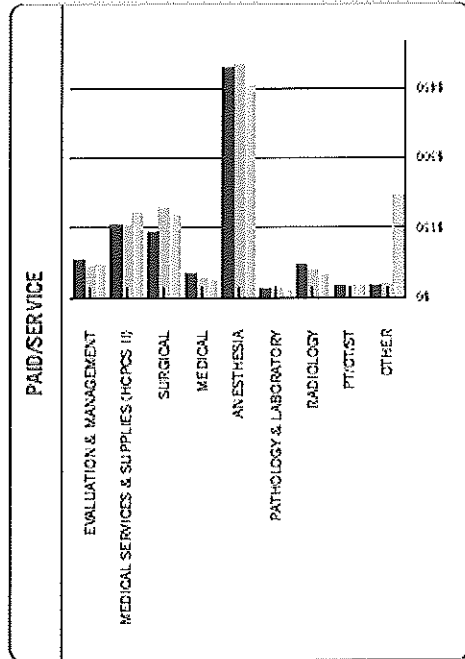
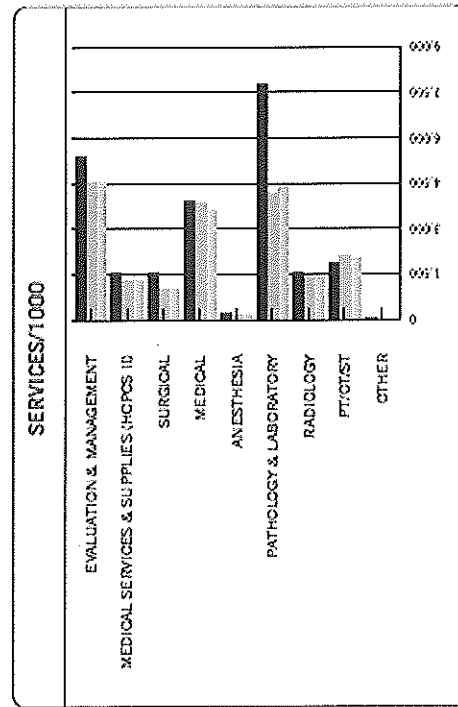
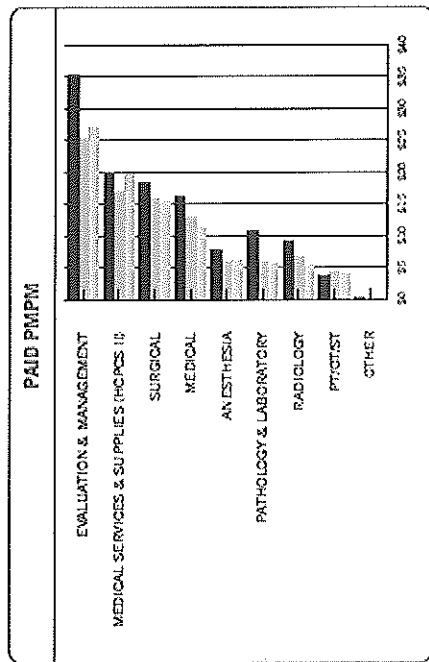
ER VISITS	% CLAIMANTS		% ER VISITS		% ER PAID	
	DEC'13-NOV'14	DEC'12-NOV'13	DEC'13-NOV'14	DEC'12-NOV'13	DEC'13-NOV'14	DEC'12-NOV'13
0	88.2%	88.5%				
1	9.3%	9.3%	58.8%	61.7%	54.7%	61.2%
2	1.7%	1.6%	21.0%	21.4%	24.8%	19.8%
3	0.4%	0.3%	8.0%	6.4%	6.6%	7.6%
4	0.2%	0.1%	5.0%	2.7%	5.2%	2.7%
5	0.1%	0.1%	3.1%	2.6%	2.5%	2.5%
6	0.0%	0.1%	0.9%	2.0%	0.8%	2.8%
7		0.0%		1.2%		0.9%
8	0.0%	0.0%	0.6%	0.7%	1.3%	0.6%
9						
10+	0.0%	0.0%	2.4%	1.3%	4.1%	1.7%
SUMMARY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



# Professional



PAID PMPM	OKHEEI: ALL			
	DEC'13-NOV'14	DEC'12-NOV'13	% CHANGE	BENCHMARK
EVALUATION & MANAGEMENT	\$27.02	\$25.39	6.4%	\$35.36
MEDICAL SERVICES & SUPPLIES (HCPCS II)	\$19.69	\$17.00	15.8%	\$19.79
SURGICAL	\$15.35	\$15.96	-3.8%	\$18.29
MEDICAL	\$11.22	\$12.75	-12.0%	\$16.11
ANESTHESIA	\$6.03	\$6.87	-2.7%	\$7.79
PATHOLOGY & LABORATORY	\$5.59	\$5.91	-5.4%	\$10.61
RADIOLOGY	\$5.42	\$6.75	-19.7%	\$9.14
PT/OT/ST	\$4.01	\$4.29	-6.5%	\$3.74
OTHER	\$0.05	\$0.00	\$055.0%	\$0.12
SUMMARY	\$94.38	\$93.92	0.5%	\$120.95
				-22.0%



DEC'13-NOV'14 DEC'12-NOV'13 BENCHMARK







# GLOSSARY: Service Type Definitions

## Inpatient Service Types

- Medical – Procedures conducted in an inpatient facility that are not of surgical nature.
- Surgical – Procedures completed in the inpatient facility that require medical operations.
- Maternity – Procedures involving the perinatal, delivery and post natal medical operations required for delivery.
- Non Acute – Procedures involving rehabilitative procedures and non acute injury/illness treatments
- Mental Health/Substance Abuse – Procedures involving inpatient facility which treatment is received for mental health and/or substance abuse medical conditions.

## Outpatient Service Types

- Surgical – Some examples in this category include the following: Musculoskeletal: Arthroscopy; Cardiovascular: Cardiac Catheterization; Digestive: Colonoscopy, Hemia Repair; Female Genital: Hysterectomy; Integumentary: Subtotal Mastectomy, etc.
- Radiology – Examples include: CT scan, MRI, Diagnostic Radiology, etc.
- Emergency Room – This includes Other Emergency Room and/or Urgent Care only.
- Laboratory – This includes Laboratory and/or Pathology only.
- Dialysis – This includes Hemodialysis, Continuous Cycling Peritoneal Dialysis (CCPD) and/or Continuous Ambulatory Peritoneal Dialysis (CAPD).
- Medical Specialties Services – Examples include: EEG, EKG/ECG, Cardiac Rehabilitation, Holter Monitor, etc.
- Observation Room – This is defined as the use of a bed and periodic monitoring and/or short-term treatment by a hospital's staff. It is used to evaluate a patient's condition to determine if there may be a need for inpatient admission.
- PT/OT/ST – This includes Physical Therapy, Occupational Therapy or Speech Therapy.
- Psychiatric – This includes Individual/Group/Family treatment, Drug Rehabilitation, etc.

## Professional Service Types

- Surgical – Some examples include the following: Musculoskeletal System; Cardiovascular System; Digestive System; Female Genital System; Maternity Care and Delivery; etc.
- Radiology – Examples include: Radiology: CT scan; Radiology: MRI; Ultrasound; Radiation Oncology; Radiology: Mammogram; etc.
- Evaluation & Management – This can include the following: Office Visits & Outpatient Visits; Consultations; Preventive Services; Emergency Dept Services; Hospital Inpatient Services; Newborn Care; Nursing Facility Services; etc.
- Medical – Examples include: Cardiovascular; Chiropractic Manipulation; Neurology; Chemotherapy Administration; Immunization Administration; Nursing Facility Services; Dialysis; Home Health Procedures & Services; etc.
- Medical Services & Supplies (HCPCS II) – This can include the following: Chemotherapy Drugs; Ambulance; Durable Medical Equipment; Medical & Surgical Supplies; Prosthetic Procedures; etc.
- Pathology and Laboratory – Examples include: Surgical Pathology; Urinalysis; Immunology; Reproductive Medicine Procedures; Consultations; etc.
- Anesthesia – This can include the following: Head; Spine & Spinal Cord; Upper Arm & Elbow; etc.
- PT/ST/OT – Examples can include: Therapeutic Procedures; Physical Medicine and Rehabilitation; Speech Evaluation/Prosthesis/Therapy; Tests and Measurements; etc.





# ICD-9 Diagnostic Categories



- (Complications of) Pregnancy, Childbirth and the Puerperium: Includes vaginal and cesarean deliveries and complications of pregnancy, such as ectopic and molar pregnancies. Puerperium refers to 42 days following childbirth and expulsion of the placenta. Refers to the mother only.
- Conditions Influencing Health Status: This includes post-surgical states, organ / tissue transplants, artificial limbs and replacements. Examples include knee replacements and kidney transplant status.
- Conditions in the Perinatal Period: Perinatal refers to the period beginning after the 28th week of gestation and ending 28 days after birth. Problems can include hemorrhage, digestive disorders, respiratory distress syndrome and disorders relating to short gestation and unspecified low birth weight.
- Congenital Anomalies: Includes the treatment of any condition present at birth. This includes Spina Bifida, cleft palate, Down's Syndrome, heart disease, kidney displacement & polycystic kidney disease.
- Diseases of the Blood and Blood Forming Organs: Includes any problems associated with white or red blood cells, platelets or plasma. An example includes Anemia, a deficiency in red blood cells.
- Diseases of the Circulatory System: Includes problems with the heart, blood vessels and circulation. Some common diagnoses include Coronary Artery Disease, cardiovascular disease, and stroke.
- Diseases of the Digestive System: Includes the treatment of any organ or area of the body pertaining to digestion. These areas include the mouth/teeth, esophagus, stomach, intestines, gall bladder, liver and pancreas. Diagnoses include: Esophageal Reflux, Gastroenteritis, Appendicitis and hernias.
- Diseases of the Genitourinary System: Includes problems related to the kidneys, bladder and male and female genitalia. Common diagnoses include Hematuria, Urinary Tract Infection, Acute or Chronic Renal Failure and Calculus of Kidney (stones).
- Diseases of the Nervous System: Includes treatment for disorders of the Central and Peripheral Nervous systems. Diagnoses include: Carpal Tunnel Syndrome, Obstructive Sleep Apnea, Epilepsy, Multiple Sclerosis, Alzheimer's Disease and Migraine headaches.
- Diseases of the Respiratory System: Includes treatment for diagnoses such as Asthma, Pneumonia, Emphysema, Pharyngitis, Sinusitis, Bronchitis and COPD. These can be acute or chronic in nature.
- Diseases of the Skin and Subcutaneous Tissue: This involves any condition relating to the skin or beneath the skin, including hair and nails. Some conditions include Acne, Corns, Cellulitis, Psoriasis, Dermatitis and fungal infections.
- Ears and Mastoid: Includes any condition pertaining to the ear or the mastoid process. The mastoid process is the portion of the temporal bone extending down behind the ear. Diagnoses include Otitis Media, Tinnitus, Meniere's Disease, Hearing Loss and Labyrinthitis.
- Endocrine, Nutritional and Metabolic Diseases: Endocrine disorders include those of the endocrine glands and includes the thyroid, pituitary, pancreas, ovaries and testes. Disorders include Diabetes, thyroid disease, Obesity, Hyperlipidemia, Cystic Fibrosis and any disease affecting the immune system.
- Health Services: This includes elective surgeries, other procedures & aftercare, rehabilitation and dialysis. Specific examples include: long-term medication use, Physical Therapy and chemotherapy.
- Health Services: Reproduction and Development: Include services pertaining to the child only. For example, normal pregnancy, post-partum care and exam or health supervision of an infant or child.
- Infectious and Parasitic Diseases: Includes diseases caused by microbes outside of the body that infect and cause damage within the body. These diseases are recognized as communicable or transmissible. Diagnoses include HIV, Hepatitis, Colitis & intestinal disruptions such as food poisoning.
- Injury and Poisoning: Includes treatment for injuries to the body or for any poison ingested. Diagnoses include sprains & strains, fractures, burns and lead poisoning. Patients are most commonly seen in the emergency room for acute conditions.

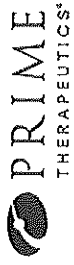


# ICD-9 Diagnostic Categories



- **Mental Health:** Refers to a group of disorders causing severe disturbances in thinking, feeling or relating. Includes treatment of any condition that affects mood or behavior. The most common diagnoses include anxiety disorders, depressive disorders and schizophrenia.
- **Musculoskeletal and Connective Tissue Disease:** Includes orthopedic treatment, which would involve anything related to the bones, muscles, joints and soft tissue. Diagnoses: Arthritis, Tendonitis, back disorders, disc disorders, rheumatism, and scoliosis. These diagnoses are more chronic in nature.
- **Neoplasms:** Includes any abnormal growth of cells, either benign or malignant (cancer). Though these can be found at any spot of the body, some of the most common forms include neoplasms of the breast, prostate, stomach and brain. Other examples include Leukemia and Hodgkin's Disease.
- **Other Circumstances:** This includes convalescent care and follow-ups to surgeries and examinations.
- **Potential Health Hazards:** Personal or family history of diseases or disorders; e.g., breast cancer.
- **Procreative and Contraceptive Management:** This includes artificial insemination, fertility testing, genetic counseling, family planning, sterilizations and contraceptive management.
- **Signs, Symptoms and Ill-Defined Conditions:** Includes signs, symptoms, abnormal lab results and ill-defined conditions for which no known cause can be found. For example, a patient may experience chest pain, but no known cause is found.
- **Substance Abuse:** Includes behavior marked by the use of chemically active agents, such as prescription or illicit drugs, alcohol or tobacco. Cognitive, behavioral and physiological symptoms indicate that the person continues use of the substance.
- **Without Reported Diagnosis:** This includes general medical examinations, gynecological exams, mammogram screenings, preventive services, physicals and special screenings for neoplasms.



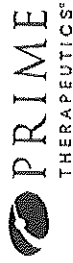


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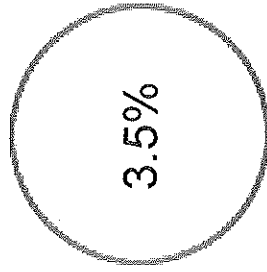
## **2014 Pharmacy Review**

**March 6, 2015**

Helping people get the medicine they need to feel better and live well  
through smart pharmacy benefit management

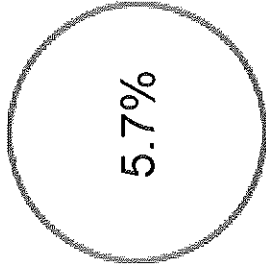


## Key Metrics



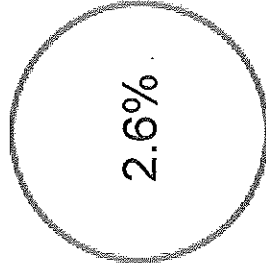
**utilization**

change in number  
of drugs used



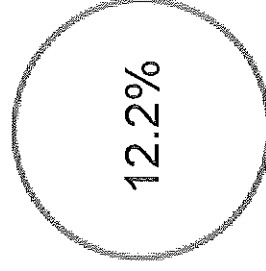
**inflation**

change in unit  
cost of drugs



**mix**

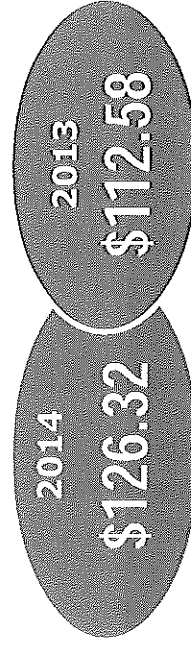
change in high cost  
verses low cost drugs



**drug trend**

change in total cost  
per member, per month

### Total Cost PMPM



Prime BOB Range  
\$60.07 - \$86.61

### Member Share

19.5%

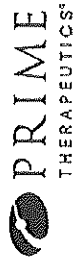
22.5% in 2013  
↓ 3%

### GUR

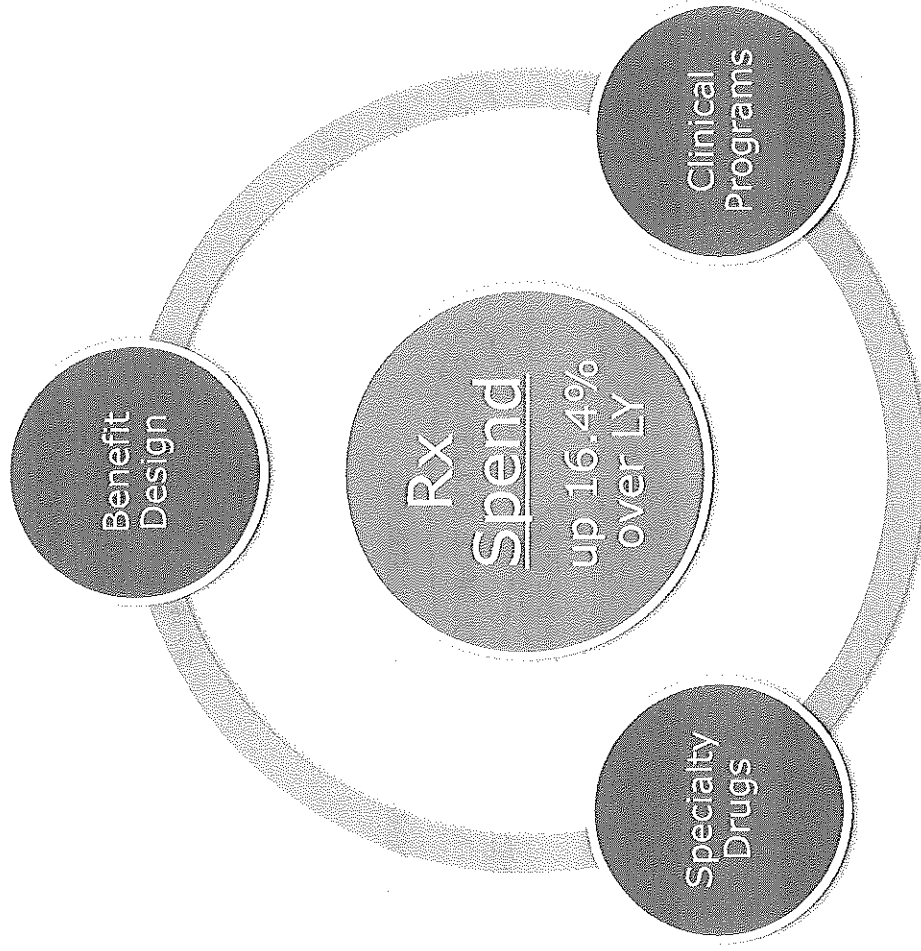
Generic Utilization Rate

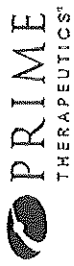
79.7%

BCBSOK 82.0%



## How Can Prescription Cost Be Managed?

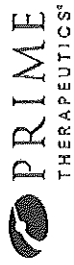




# Top Therapeutic Classes by Cost

Rank	Therapeutic Class Descr	Disease Category Descr*	# Claims	\$ Plan Paid	\$ Avg Plan Paid	% Plan Paid**
1	ANTIDIABETICS	DIABETES	5,357	1,217,875	227.34	12.7%
2	PSYCHOTHERAPEUTIC AND NEUROLOGICAL AGENTS - MISC.	MULTIPLE SCLEROSIS	188	838,505	4,460.13	8.7%
3	ANALGESICS - ANTI-INFLAMMATORY	AUTOIMMUNE	340	816,934	2,402.75	8.5%
4	ANTIHYPERLIPIDEMICS	ANTIHYPERLIPIDEMIC	6,021	497,762	82.67	5.2%
5	ASTHMATIC AND BRONCHODILATOR AGENTS	ASTHMA/COPD	4,241	365,152	86.10	3.8%
6	ULCER DRUGS	PPIs	2,930	309,594	105.66	3.2%
7	ANTICONSULSANTS	ANTICONSULSANT	2,997	267,213	89.16	2.8%
8	DERMATOLOGICALS	DERMATOLOGICALS	2,325	245,114	105.43	2.5%
9	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	LUNG DISORDERS	10	242,826	24,282.64	2.5%
10	ANTIHYPERTENSIVES	ANTIHYPERTENSIVE	7,306	242,655	33.21	2.5%

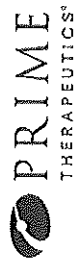




## Top Brand Name Drugs by Cost

Rank	Brand Name	Disease Category Descr*	# Claims	\$ Plan Paid	\$ Avg Plan Paid	% Plan Paid**
1	HUMIRA PEN	AUTOIMMUNE	148	374,132	2,527.92	3.9%
2	COPAXONE	MULTIPLE SCLEROSIS	70	331,464	4,735.21	3.4%
3	ENBREL SURECLICK	AUTOIMMUNE	112	295,486	2,638.27	3.1%
4	NEXIUM	PPIs	469	262,520	559.74	2.7%
5	ACTIMMUNE	LUNG DISORDERS	10	242,826	24,282.64	2.5%
6	CRESTOR	ANTHYPERLIPIDEMIC	630	211,612	335.89	2.2%
7	AVONEX	MULTIPLE SCLEROSIS	45	202,913	4,509.18	2.1%
8	VICTOZA	DIABETES	256	178,323	696.57	1.9%
9	JUXTAPID	HIGH COST OTHERS	6	167,148	27,857.99	1.7%
10	ATRIPLA	ANTIVIRAL	53	161,300	3,043.40	1.7%

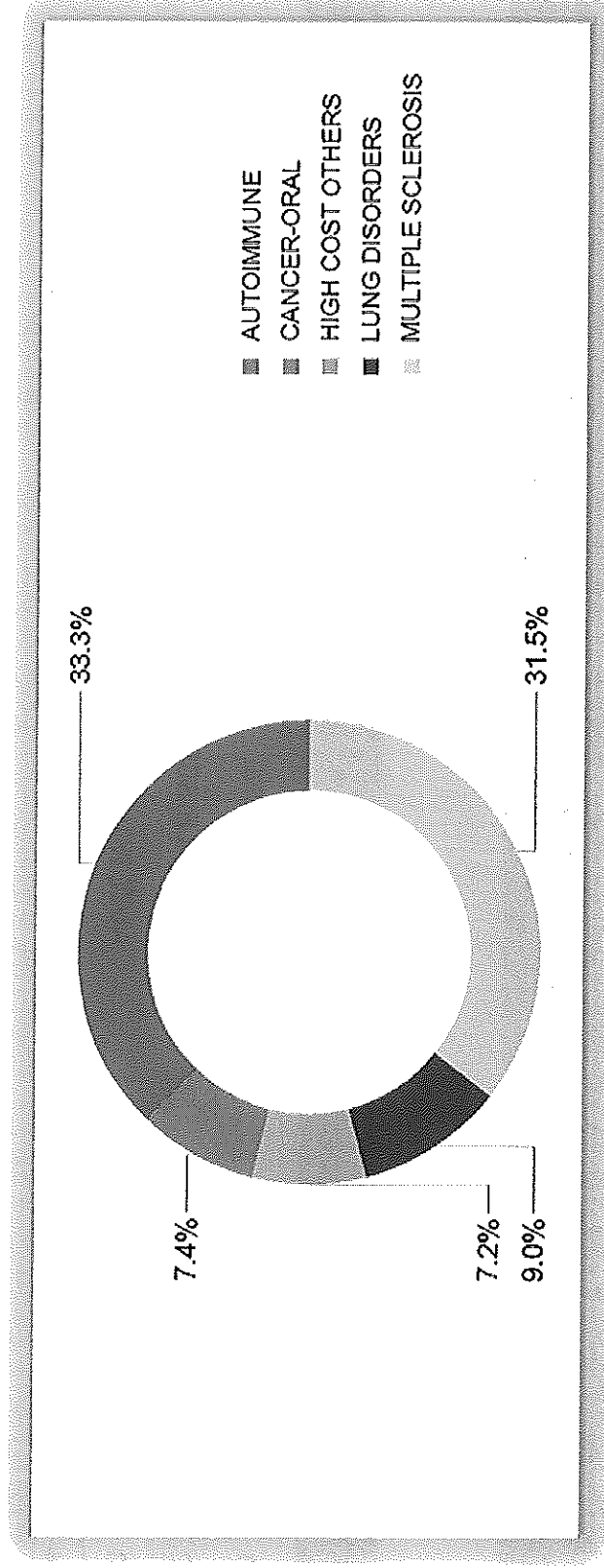
Denotes Specialty Drug



## Specialty Drugs

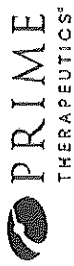
### • What are Specialty Drugs?

Specialty drugs are high cost, high touch medications often used to treat complex or rare conditions.



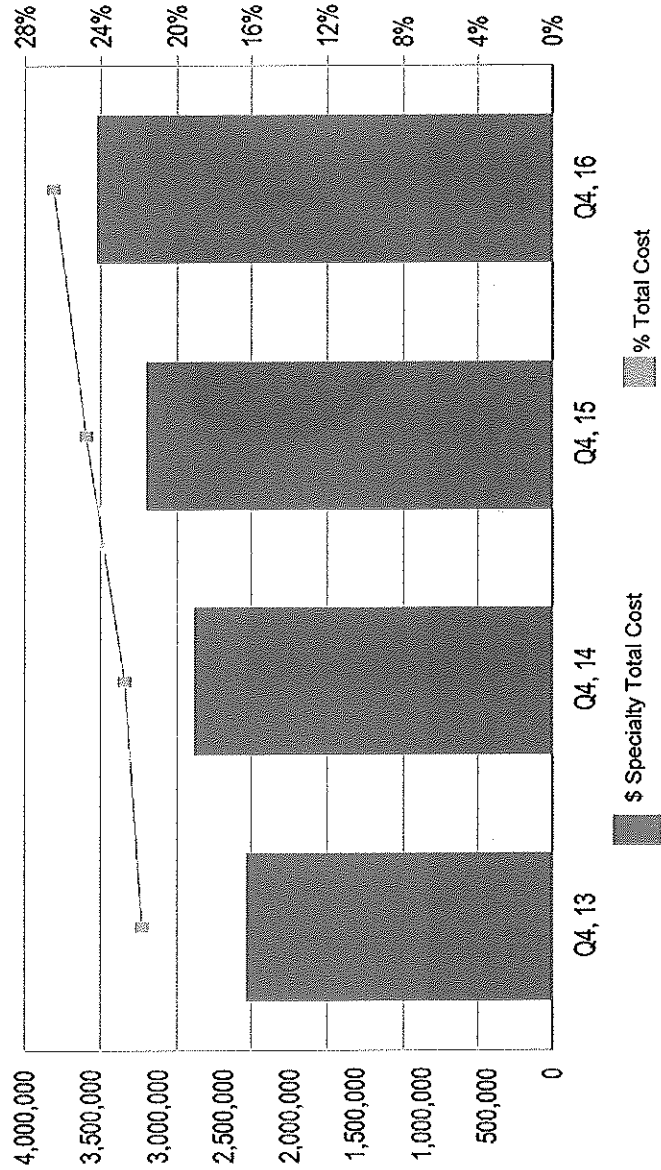
- To enhance spend management, the administrative move of self-injectable specialty drugs from the medical to pharmacy benefit is reflected in this reporting period.



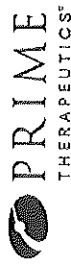


## Specialty Drugs

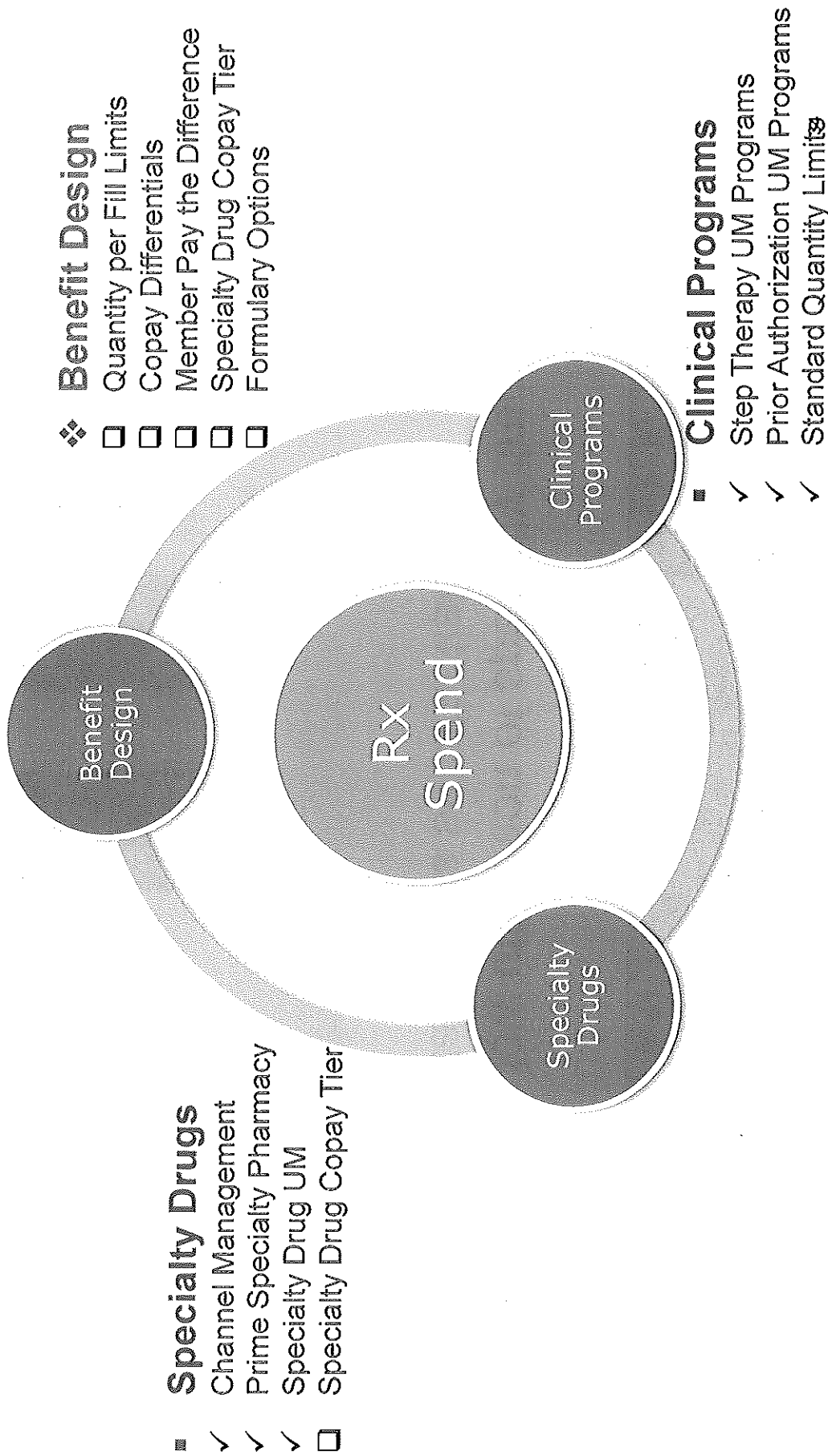
- Despite the low utilization of specialty drugs, the overall impact on total cost is substantial.

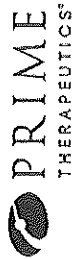


Specialty drugs represent  
0.6% of all your prescriptions,  
but account for 22.8% of total  
drug cost.



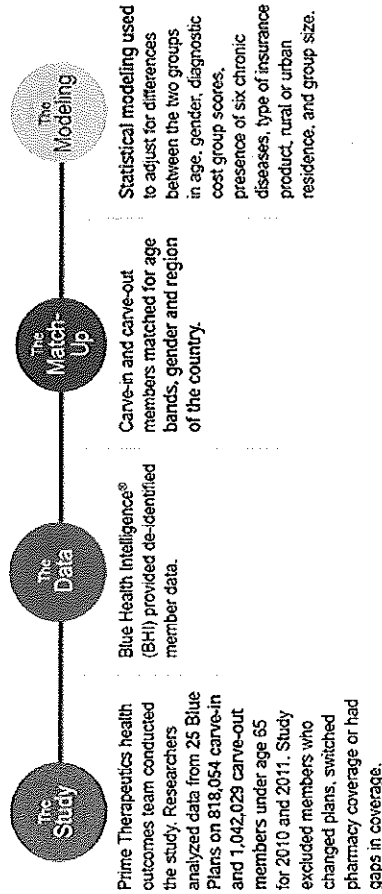
## How Can Prescription Cost Be Managed?





# The Value of Integration: Pharmacy & Medical

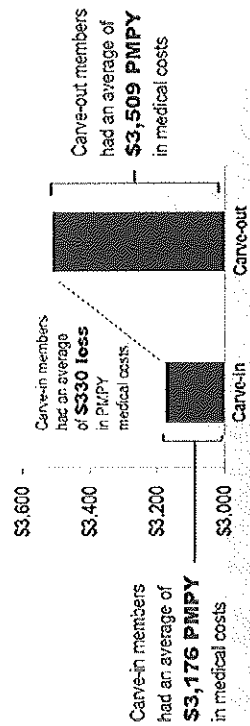
The Blue Cross Blue Shield Association commissioned a study comparing overall medical costs for members in administrative services only (ASO) plans with carve-in and carve-out pharmacy benefits.



## Study Results: Carve-in members had lower medical costs



Members in the carve-in group had statistically significant **11% lower per member per year total medical costs.**



## Carve-in members also had fewer hospitalizations and emergency department visits

MEMBERS IN CARVE-IN GROUP





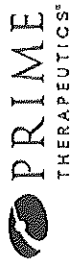
## Contact Information

Paul Albrecht

Employer Sales Director

972-630-1033

[PALbrecht@primetherapeutics.com](mailto:PALbrecht@primetherapeutics.com)



## Appendix

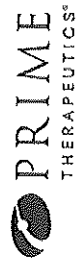
At Prime Therapeutics LLC (Prime), people are at the center of everything we do. We help keep medicine more affordable. We deliver superior experiences. And we leverage our unique connections to drive better outcomes and lower costs for everyone.

### Key Performance Indicators

	YTD Q4, 13	YTD Q4, 14	Change	Prime BoB Range**	Prime BoB Range % Change
Average Members Per Month	7,886	7,889	0.0%	N/A	N/A
Average Age	40	40	0.7%	33-38	-0.2% - 15.8%
Female Pct	54.8%	55.0%	0.3 pts	48.3% - 53.2%	0.00 - 0.01 pts
Total Cost	\$10,653,739	\$11,958,269	12.2%	N/A	N/A
Plan Paid	\$8,261,186	\$9,622,411	16.5%	N/A	N/A
Member Paid	\$2,392,553	\$2,335,859	-2.4%	N/A	N/A
Total Cost PMPM	\$112.58	\$126.32	12.2%	\$60.07 - \$86.61	10.9% - 26.0%
Plan Paid PMPM	\$87.30	\$101.65	16.4%	\$47.44 - \$71.92	16.1% - 37.2%
Member Paid PMPM	\$25.28	\$24.67	-2.4%	\$12.63 - \$18.14	-8.5% - 3.7%
Member Contribution	22.5%	19.5%	-2.9 pts	16.6% - 27.0%	-6.4 pts - -2.2 pts
Specialty Total Cost*	\$2,326,993	\$2,721,054	16.9%	N/A	N/A
Specialty Total Cost PMPM*	\$24.59	\$28.74	16.9%	\$16.10 - \$22.45	26.6% - 77.3%
Avg Ing Cost/Rx †	\$68.64	\$74.43	8.4%	\$63.35 - \$81.05	3.4% - 17.6%
PMPY - Rx †	19.41	20.09	3.5%	11.06 - 16.05	-1.2% - 7.6%
Generic Utilization †	77.9%	79.7%	1.8 pts	80.1% - 85.5%	1.2 - 2.7 pts
90 Day Rx Utilization (Mail)	0.9%	0.9%	0.0 pts	0.3% - 4.8%	-1.0 - 0.1 pts
90 Day Rx Utilization (ESN)	0.0%	0.0%	0.0 pts	0.3% - 23.3%	0.0 - 5.2 pts

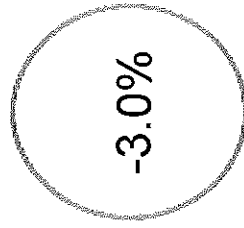
\*Specialty metrics are derived from Prime's standard specialty drug management list \*\*Prime BoB Range represents Prime Therapeutic's commercial book of business

† Calculations are based on weighted metrics

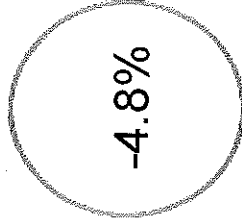


# Appendix

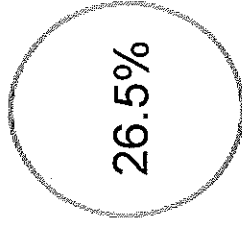
Specialty



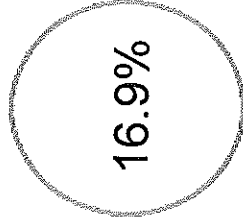
utilization  
change in number  
of drugs used



inflation  
change in unit  
cost of drugs



mix  
change in high cost  
verses low cost drugs

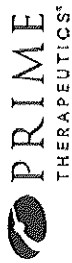


drug trend  
change in total cost  
per member, per month

## Key Performance Indicators

# Rxs	YTDQ4, 13	YTDQ4, 14	Change	Prime BoB Range
PMPY - Rxs †	0.09	0.08	-3.0%	0.04 - 0.06
% Rxs	0.65%	0.62%	-0.03 pts	0.3% - 0.5%
Specialty Total Cost *	\$2,326,993	\$2,721,054	16.9%	N/A
Specialty Total Cost PMPM *	\$24.59	\$28.74	16.9%	\$15.52 - \$22.03
% Total Cost	21.8%	22.8%	0.9 pts	21.0% - 36.1%
Avg Ing Cost/Rx †	\$3,416.99	\$4,115.03	20.4%	\$3,860.88 - \$5,301.33





Specialty

## Appendix

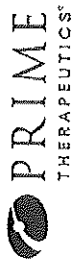
As costly new drugs continue to emerge, we can help keep medicine affordable — for you and your members. Our national scale, experience and big-picture view will work for you to deliver superior service and lower costs.

### Specialty Drug Utilization by Cost\*

Q4, 14 Rank	Q4, 13 Rank	Drug Name	Therapeutic Class	Utilizing Members	# Rxs †	YTD Q4, 14	YTD Q4, 13
1	1	HUMIRA PEN	AUTOIMMUNE	21	148	\$2,625	\$2,314
2	2	COPAXONE	MULTIPLE SCLEROSIS	8	70	\$4,835	\$4,577
3	4	ENBREL SURECLICK	AUTOIMMUNE	14	112	\$2,736	\$2,860
4	3	ACTIMMUNE	LUNG DISORDERS	1	10	\$24,383	\$19,805
5	5	AVONEX	MULTIPLE SCLEROSIS	4	45	\$4,609	\$4,096
6	--	JUXTAPIID	HIGH COST OTHERS	1	6	\$27,958	--
7	6	REBIF	MULTIPLE SCLEROSIS	2	25	\$4,935	\$4,337
8	16	AVONEX PEN	MULTIPLE SCLEROSIS	2	19	\$4,635	\$4,235
9	9	HUMIRA	AUTOIMMUNE	4	33	\$2,639	\$2,280
10	7	TOBI	CYSTIC FIBROSIS	1	11	\$7,253	\$6,810
11	8	PULMOZYME	CYSTIC FIBROSIS	2	20	\$3,983	\$4,781
12	20	TECFIDERA	MULTIPLE SCLEROSIS	2	12	\$5,132	\$4,725
13	13	OMNITROPE	GROWTH HORMONES	2	19	\$2,951	\$1,874
14	21	MEKINIST	CANCER-ORAL	2	6	\$9,288	\$8,848
15	--	REVLIMID	CANCER-ORAL	1	5	\$9,644	--

\*Specialty metrics are derived from Prime's standard specialty drug management list. Ranking is based on total cost of the drug.

† Calculations are based on weighted metrics.



Non-Specialty

# Appendix

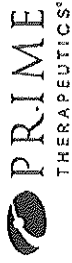
Top 15 Drugs (Non-Specialty) by Plan Paid\*

Q4, 14 Rank	Q4, 13 Rank	Drug Name	Therapeutic Class	Plan Paid PMPM	Avg Ing Cost/Rx †	Member Paid PMPM	# Rxs †
1	1	NEXIUM	PPIs	\$2.77	\$274.45	\$0.24	1,038
2	2	CRESTOR	ANTIHYPERLIPIDEMIC	\$2.22	\$185.92	\$0.31	1,291
3	9	VICTOZA	DIABETES	\$1.88	\$507.14	\$0.13	376
4	5	CELEBREX	PAIN	\$1.63	\$256.61	\$0.20	676
5	3	ANDROGEL PUMP	NOT IN CORE AREAS	\$1.47	\$485.43	\$0.13	313
6	4	ADVAIR DISKUS	ASTHMA/COPD	\$1.38	\$271.47	\$0.22	560
7	11	LYRICA	ANTICONVULSANT	\$1.27	\$326.71	\$0.13	408
8	10	LANTUS SOLOSTAR	DIABETES	\$1.27	\$302.96	\$0.11	432
9	6	ABILIFY	OTHER - ANTIPSYCHOTIC	\$1.22	\$824.11	\$0.11	154
10	223	DULOXETINE HCL	DEPRESSION	\$1.07	\$152.93	\$0.20	786
11	8	JANUVIA	DIABETES	\$1.05	\$286.61	\$0.13	392
12	12	OXYCONTIN	PAIN	\$0.85	\$577.19	\$0.06	151
13	14	NOVOLOG FLEXPEN	DIABETES	\$0.83	\$445.82	\$0.06	192
14	15	HUMALOG	DIABETES	\$0.77	\$394.66	\$0.05	199
15	45	ENOXAPARIN SODIUM	ANTICOAGULANTS	\$0.74	\$1,088.68	\$0.02	67

## Generic Trend

	YTD Q4, 13			YTD Q4, 14			Change	
	# Rxs	% Rxs	Avg Ing Cost/Rx †	# Rxs	% Rxs	Avg Ing Cost/Rx †	Pts	Avg Ing Cost/Rx
Generic Utilization	80,476	77.9%	\$18.41	83,658	79.7%	\$20.52	1.8	11.5%

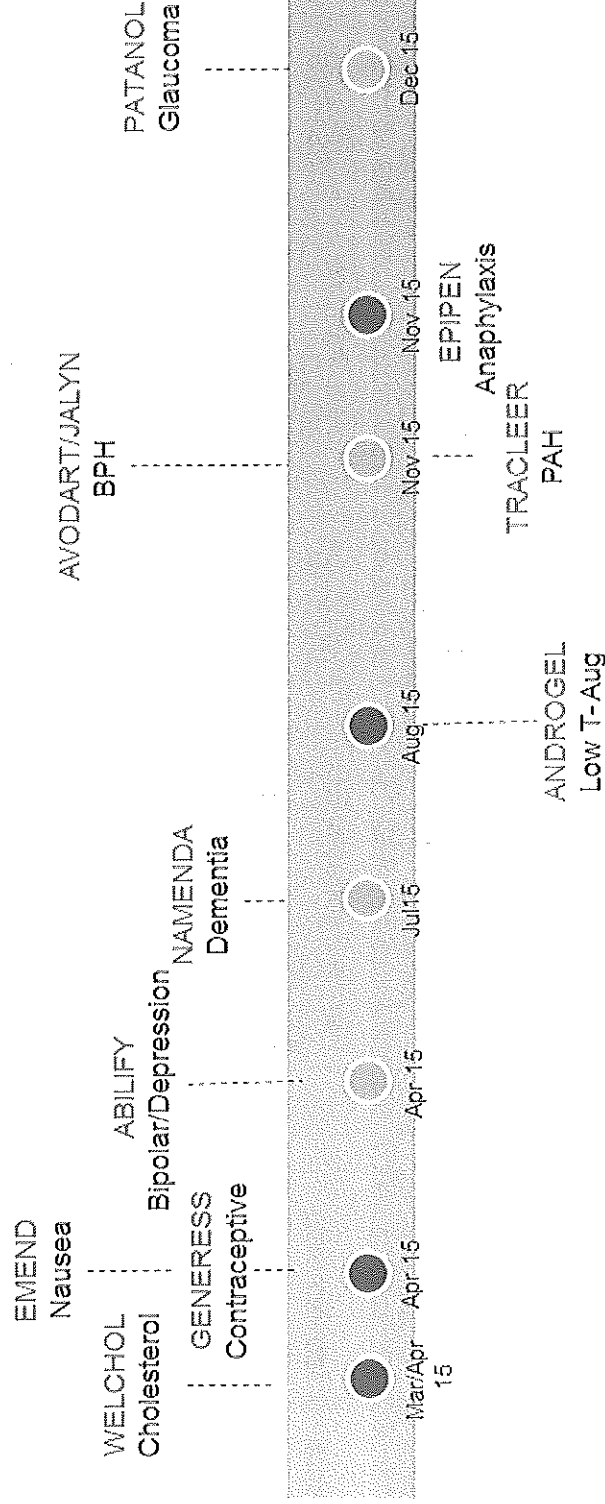
† Calculations are based on weighted metrics



Non-Specialty

## Appendix

### ➔ Generic Drug Pipeline

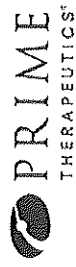


This is not an all-inclusive list of possible generic launches. Information given is based on current patent litigation information and is subject to change

● Generic Exclusivity Expected  
Expect 10-20% price reduction

◐ Multiple Generic Manufacturers  
Expect 50-80% price reduction

○ Expected Launch  
Possible Launch  
Launched



# Appendix

Specialty

## ⇒ Specialty Drug Pipeline

Brand (generic)/ MFG	Proposed Indication/ ROA	Anticipated Approval (PDUFA date)	Similar Products (by indication)	Spend*	Net new impact to PMPM*
secukinumab /Novartis	Plaque Psoriasis/ SC injection	1/1/2015	Auto-immune class	\$ - \$\$\$	Rx: \$ Med: None
Opdivo™ (nivolumab)/BMS/Squibb	Advanced melanoma (IV)	3/30/2015	Keytruda™	\$	Rx: None Med: \$
palbociclib /Pfizer	Breast Cancer (ER+, HER-)/ oral	Apr-15	Afinitor®	\$	Rx: \$-\$\$\$ Med: none
lumacafor and ivacafor /Vertex	Cystic Fibrosis	7/5/2015	Kalyedco	\$\$\$	Rx: \$\$\$-\$\$\$ Med: none
evolocumab /Amgen	High cholesterol (statin intolerant)/ subcutaneous	8/27/2015	N/A	\$	Rx: \$\$\$ Med: none



# MCM Summary

Medical Care Management



BlueCross BlueShield  
of Oklahoma



**OKHEEI**

Account #600600

Reporting Period: 01/01/2014 - 12/31/2014

## REPORT PARAMETERS

<b>Membership</b> 8,694	<b>Contracts</b> 6,323
----------------------------	---------------------------

- All metrics represent the reporting period denoted on the cover and page footers of the report.
- Any associated claims information will be representative of incurred within the reporting period.
  - Any prior period comparisons will reflect the same reporting period time frame from the prior year if applicable.
- All members with at least 1 month of eligibility will be included in this report.
  - Members must be PPO/Fully insured to be included in this report.
  - Medicare primary members are excluded.
- High cost claimants are not excluded from any pages. Additional information on just the High Cost Claimant population (\$50,000 single claim/\$100,000 total claims) is provided within the report.
- PBM data is integrated into the identification and predictive modeling processes when applicable.
- Book of Business comparisons are based on accounts with similar robust medical care management products
  - Book of business will represent the plan state associated with the account.

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Reporting Period: 01/01/2014 - 12/31/2014



## Executive Summary

### Membership

	Account		Healthy	Low	Moderate	High	Complex/ Catastrophic
	Members	Book of Business					
Paid	Account	Book of Business	33.5%	37.4%	14.7%	12.9%	1.6%
			43.4%	36.9%	10.4%	8.2%	1.0%
	Account	Book of Business	4.6%	19.5%	23.5%	29.3%	23.1%
			7.2%	25.8%	21.0%	26.7%	19.3%

**29.2%**  
of membership\* is consuming  
**75.9%**  
of total dollars

\* Moderate, high/multiple conditions and complex/catastrophic risk categories.

### Clinical Program Overview

**89.9%**  
targeted for outreach (of identified)  
84.0%  
Book of Business

**91.7%**  
contacted engagement rate  
91.8%  
Book of Business

OKHEEII

Reporting Period: 01/01/2014 - 12/31/2014

## ENGAGEMENT & OPPORTUNITIES Summary

Participant counts by engagement status:

		Account DOB	Total	Case		Condition		LifeStyle		Special
				Management	Management	Management	Management	Management	Management	
Engagement	Newly Engaged	Account DOB	347	94	208			57		5
	Managed (Newly Engaged + Carryover)	Account DOB	15,764	9,764	5,634			660		238
Program Status			388	110	220			69		8
			17,466	10,664	6,083			1,078		305
	Graduated	Account DOB	258 / 66.5%	48 / 43.6%	204 / 92.7%			7 / 10.1%		2 / 25.0%
			10,454 / 59.9%	5,580 / 52.3%	4,778 / 78.5%			161 / 14.9%		91 / 29.8%
	Opted Out	Account DOB	22 / 5.7%	9 / 8.2%	5 / 2.3%			7 / 10.1%		1 / 12.5%
	Still Active	Account DOB	1,635 / 9.4%	1,069 / 10.0%	368 / 6.0%			110 / 10.2%		90 / 29.5%
			26 / 6.7%	12 / 10.9%	4 / 1.8%			7 / 10.1%		3 / 37.5%
			1,824 / 10.4%	1,166 / 10.9%	417 / 6.9%			180 / 16.7%		95 / 31.1%

### Missed Opportunities:

2,820 / 87.9%

unique missed opportunities

Booked Business 94,478 / 54.4%  
(Incomplete Contact Information,  
Refused and Unable to Reach)

90.8% Employees

9.2% Dependents

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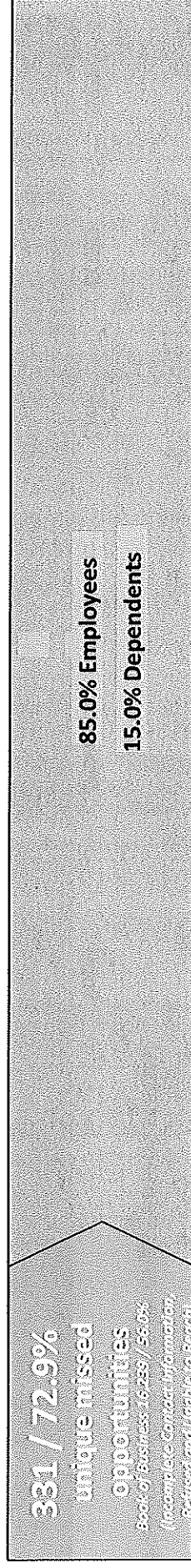
Reporting Period: 01/01/2014 - 12/31/2014

# ENGAGEMENT & OPPORTUNITIES Case Management

## Participant counts by engagement status:

Engagement	Newly Engaged	Account BOB	Total	Case	
				Management	CCEI
Program Status	Managed (Newly Engaged + Carryover)	Account	94	35	62
		BOB	9,764	4,027	6,592
	Graduated	Account	110	44	70
		BOB	10,664	4,723	6,886
	Opted Out	Account	48 / 43.6%	29 / 0.0%	20 / 28.6%
		BOB	5,580 / 52.3%	2,927 / 0.0%	3,084 / 44.8%
	Still Active	Account	9 / 8.2%	4 / 0.0%	5 / 7.1%
		BOB	1,069 / 10.0%	597 / 0.0%	475 / 6.9%
		Account	12 / 10.9%	8 / 0.0%	4 / 5.7%
		BOB	1,166 / 10.9%	872 / 0.0%	303 / 4.4%

## Missed Opportunities:



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Reporting Period: 01/01/2014 - 12/31/2014



# ENGAGEMENT & OPPORTUNITIES Condition Management

Participant counts by engagement status:

Engagement	Newly Engaged	Account	208	Total	Diabetes	Asthma	CHF	COPD	CAD
		BOB	5,634						
Program Status	Managed (Newly Engaged + Carryover)	Account	220	1,205	12	1	0	0	3
		BOB	6,083		934	180	40	64	253
	Graduated	Account	204 / 92.7%	14 / 60.9%	1 / 100.0%	0 / 0.0%	0 / 0.0%	2 / 66.7%	
		BOB	4,778 / 78.5%	509 / 42.2%	133 / 58.8%	19 / 44.2%	36 / 43.9%	128 / 42.4%	
	Opted Out	Account	5 / 2.3%	3 / 13.0%	0 / 0.0%	0 / 0.0%	0 / 0.0%	0 / 0.0%	
		BOB	368 / 6.0%	183 / 15.2%	37 / 16.4%	3 / 7.0%	10 / 12.2%	52 / 17.2%	
Still Active	Account	4 / 1.8%	4 / 17.4%	0 / 0.0%	0 / 0.0%	0 / 0.0%	0 / 0.0%		
	BOB	417 / 6.9%	227 / 18.8%	16 / 7.1%	13 / 30.2%	22 / 26.8%	46 / 15.2%		

Missed Opportunities:

1,294 / 86.6%  
unique missed opportunities  
Base of Business: 45,300 / 86.0%  
(Incomplete Contact Information, Refused and Unable to Reach)

91.6% Employees  
8.4% Dependents

## ENGAGEMENT & OPPORTUNITIES

### Lifestyle Management

Participant counts by engagement status:

Engagement	Newly Engaged	Account BOB	Total	Tobacco Cessation	Weight Management	Metabolic Syndrome
Program Status	Managed (Newly Engaged + Carryover)	Account BOB	69	0	52	17
	Graduated	Account BOB	1,078	194	642	251
	Opted Out	Account BOB	7 / 10.1%	0 / 0.0%	4 / 7.7%	3 / 17.6%
	Still Active	Account BOB	161 / 14.9%	27 / 13.9%	73 / 11.4%	63 / 25.1%
			7 / 10.1%	0 / 0.0%	6 / 11.5%	1 / 5.9%
			110 / 10.2%	31 / 16.0%	62 / 9.7%	17 / 6.8%
			7 / 10.1%	0 / 0.0%	6 / 11.5%	1 / 5.9%
			180 / 16.7%	41 / 21.1%	115 / 17.9%	24 / 9.6%

Missed Opportunities:

1,174 / 92.2%

unique missed  
opportunities

Book of Business 34,050 / 34.6%  
(Incomplete Contact Information  
Refused and Unable to Reach)

91.5% Employees

8.5% Dependents

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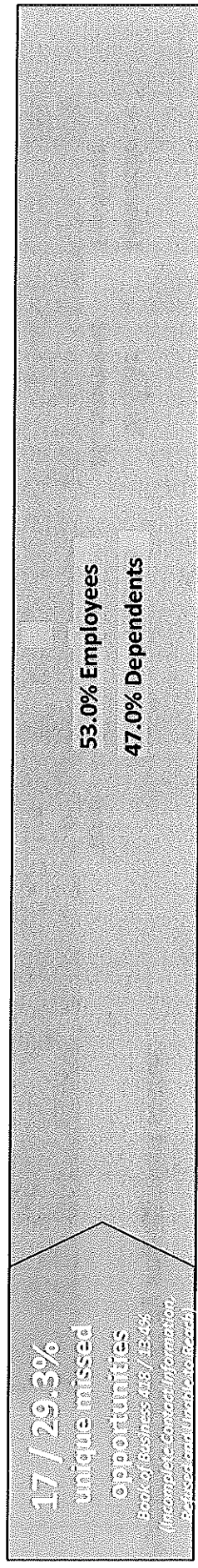
Reporting Period: 01/01/2014 - 12/31/2014

# ENGAGEMENT & OPPORTUNITIES Special Beginnings

Participant counts by engagement status:

Engagement	Newly Engaged	Account	Total
		BOB	
Program Status	Managed (Newly Engaged + Carryover)	Account	238
		BOB	8
	Graduated	Account	305
		BOB	2 / 25.0%
	Opted Out	Account	91 / 29.8%
		BOB	1 / 12.5%
	Still Active	Account	90 / 29.5%
		BOB	3 / 37.5%
	Account	95 / 31.1%	
	BOB		

Missed Opportunities:





## ENGAGEMENT & OPPORTUNITIES

### Behavioral Health

#### Participant counts by engagement status:

Engagement	Newly Engaged	Account BOB	Total	Mental Health	Substance Abuse
Program Status	Managed (Newly Engaged + Carryover)	3	3	3	0
		BOB	780	662	118
	Graduated	4	4	4	0
		BOB	878	744	134
	Opted Out	4 / 100.0%	4 / 100.0%	4 / 100.0%	0 / 0.0%
		BOB	630 / 71.8%	541 / 72.7%	89 / 66.4%
	Still Active	0 / 0.0%	0 / 0.0%	0 / 0.0%	0 / 0.0%
		BOB	71 / 8.1%	47 / 6.3%	24 / 17.9%
		0 / 0.0%	0 / 0.0%	0 / 0.0%	0 / 0.0%
		BOB	144 / 16.4%	131 / 17.6%	13 / 9.7%

#### Missed Opportunities:

4 / 40.0%  
unique missed  
opportunities

*(Book of Business 466 / 45.2%  
Incomplete Contact Information,  
Refused and Unable to Reach)*

50.0% Employees

50.0% Dependents

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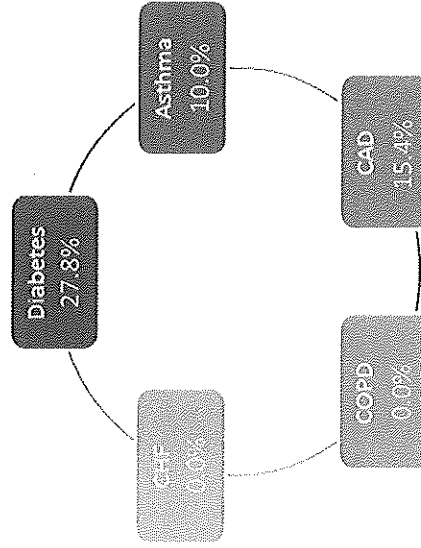
Reporting Period: 01/01/2014 - 12/31/2014

## CHRONIC CONDITIONS

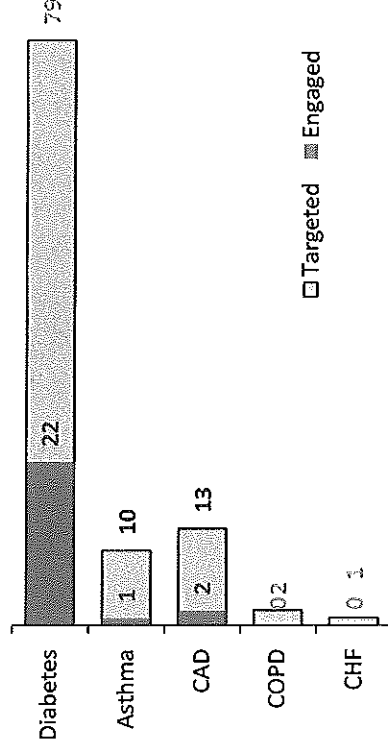
### Core Gaps in Care Compliance Rates of Engaged Population:

Diabetes	Current	Prior	Book of Business
HbA1C in the past 12 months	58.2%	66.7%	60.5%
Physician office visit in past 6 months	96.2%	93.8%	91.0%
LDL Level in past 12 months	59.5%	62.5%	64.7%
Microalbuminuria test in past 12 month &/or (for diabetics with hypertension)	94.9%	100.0%	95.3%
ACE/ARB medication in past 6 months			
<b>Asthma</b>			
On controller medication	100.0%	100.0%	96.7%
<b>Cardiovascular Cluster (CAD)</b>			
LDL level in the past 12 months	69.2%	54.5%	55.9%
<b>Chronic Obstructive Pulmonary Disorder (COPD)</b>			
Bronchodilator Adherence	100.0%	100.0%	93.8%
<b>Congestive Heart Failure (CHF)</b>			
Physician office visit in past 6 months	100.0%	100.0%	95.2%

### Contacted Engagement Rates:



### Targeted and Engaged members for the 5 core conditions:



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Reporting Period: 01/01/2014 - 12/31/2014

## GLOSSARY

- **Targeted** – the identified population remaining after ineligible members are removed. These members will receive outreach via telephonic contacts and mailings to participate and benefit from associated programs
- **Contacted Engagement Rate** = Engaged/Contacted
- **Engaged** – members who verbally consented to a BCA-managed program during the reporting period (i.e. John Smith newly engaged in the Diabetes program in January of the current reporting period). BCA-to-provider collaboration on behalf of a member is also included
- **Managed** – members who verbally consented to a BCA-managed program during the reporting period (i.e. John Smith newly engaged in the Diabetes program in January of the current reporting period). BCA-to-provider collaboration on behalf of a member is also included
- **Graduated** – members who successfully complete the program by closing all core gaps and all goals are met
- **Opted Out** – members who have verbally declined to participate in an outreach program. Possible refusal reasons include: member wishes not to be contacted by the health plan, a member does not have time to participate, members would prefer to work with their physician, etc
- **Still Active** – Unique members who verbally consented to a BCA-managed program during the reporting period OR entered the reporting period as previously engaged but still active AND are still engaged at the end of the reporting period (i.e. John Smith was managed during calendar year 2013 but engaged in the Diabetes program 12/1/2012 and is still active as of 12/31/2013). BCA-to-provider collaboration on behalf of a member is also included
- **Incomplete Contact Information (ICI)** – members who have a missing or invalid phone number that prevents telephonic outreach
- **Refused** – members who have verbally declined to participate in an outreach program. Possible refusal reasons include: member wishes not to be contacted by the health plan, a member does not have time to participate, member would prefer to work with their physician, etc
- **Unable to Reach (UTR)** - subset of targeted members who have received multiple contact attempts and mailings and do not speak to a BCA or Health Coach
- **Compliant** – a member with a core condition who has no associated core gaps open
- **Core Conditions (Members with Condition)** - Refers to the core condition management programs of: Diabetes, Cardiovascular Condition Cluster(CAD), Congestive Heart Failure(CHF), Chronic Obstructive Pulmonary Disorder (COPD) and Asthma.

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