



NORTH DAKOTA LEGISLATIVE MANAGEMENT HEALTH CARE REFORM REVIEW COMMITTEE

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

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

September 26, 2018

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

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

presentation and proposal for



A Time for Disruption



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'It Will Be Transformational.' Kentucky Becomes First State to Adopt New Medicaid Work Requirement

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A photograph of Kentucky Governor Matt Bevin speaking at a podium with an American flag to his left.

NEWS

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

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JED GRAHAM | 4/02/2018

Every Amazon (AMZN) flirtation toward the health care ind

Bloomberg f t e q

Cigna Near Deal to Buy Express Scripts, WSJ Says

By **K. Dan Ho**
March 5, 2018, 10:02 PM CDT
Updated on March 5, 2018, 2:51 AM CDT

The New York Times LONG

CVS to Buy Aetna for \$69 Billion in a Deal That May Reshape the Health Industry

By **MICHAEL J. G. & MERCEDES and REED ABELSON** | DEC. 3, 2017

[f](#) [t](#) [e](#) [e](#)

Amazon, Berkshire, JPMorgan partner to cut U.S. healthcare costs

Caroline Hume, David Henry

5 MIN READ [t](#) [f](#)

NEW YORK (Reuters) - Amazon.com Inc (AMZN.O), Berkshire Hathaway Inc (BRKS.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.

A photograph of a CVS Pharmacy store in Manhattan, showing the red heart logo and "CVS pharmacy" signage.

A CVS Pharmacy store in Manhattan. Illustration: Shutterstock/Reuters



Deal could be announced as soon as Thursday, paper says

Express Scripts under pressure amid rapid consolidation

...near Cigna Corp. is said to be nearing an agreement to buy Express Scripts Holding Co. as the latest of a flurry of deals among U.S. companies that manage health benefits.

...transaction could be announced as soon as Thursday, the Wall Street Journal noted, citing people familiar with the matter. In Express Scripts, Cigna would own a pharmacy benefits manager with a market value of about \$4.1 billion. Negotiations pitted the drugmakers for insurers and employees.

...with plans including insurers, drug benefit managers and pharmacy chains embroiled in a round of consolidation in an effort to gain control of the industry's massive spending. CVS Health Corp. unveiled a \$63.5 billion deal for the Aetna Inc. late last year that the companies said would save \$750 million in costs and bring consumers better, more efficient care.



Amazon/Berkshire Hathaway/J.P. Morgan Chase Announcement and MedEncentive

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.”

A Time for Disruption

Americans appear to be finally fed up with the high cost of healthcare and want real solutions...

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

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

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

The overlooked, undervalued remedy...

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.

Health Literacy Definition

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

<https://www.ncbi.nlm.nih.gov/pubmed/12144984>



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

This study helps substantiate MedEncentive’s effectiveness.

Med**e**ncentive

Study Associating Health Literacy and Emergency Room Visits/Hospitalizations

The Association of Health Literacy With
Preventable Emergency Department
Visits: A Cross-sectional Study

Balakrishnan MP et al, 2017

<http://onlinelibrary.wiley.com/doi/10.1111/acem.13244/epdf>



*“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.

Medencentive

Impact of Low Health Literacy on Medical Costs



Association between health literacy and medical care costs in an integrated healthcare system: a regional population based study

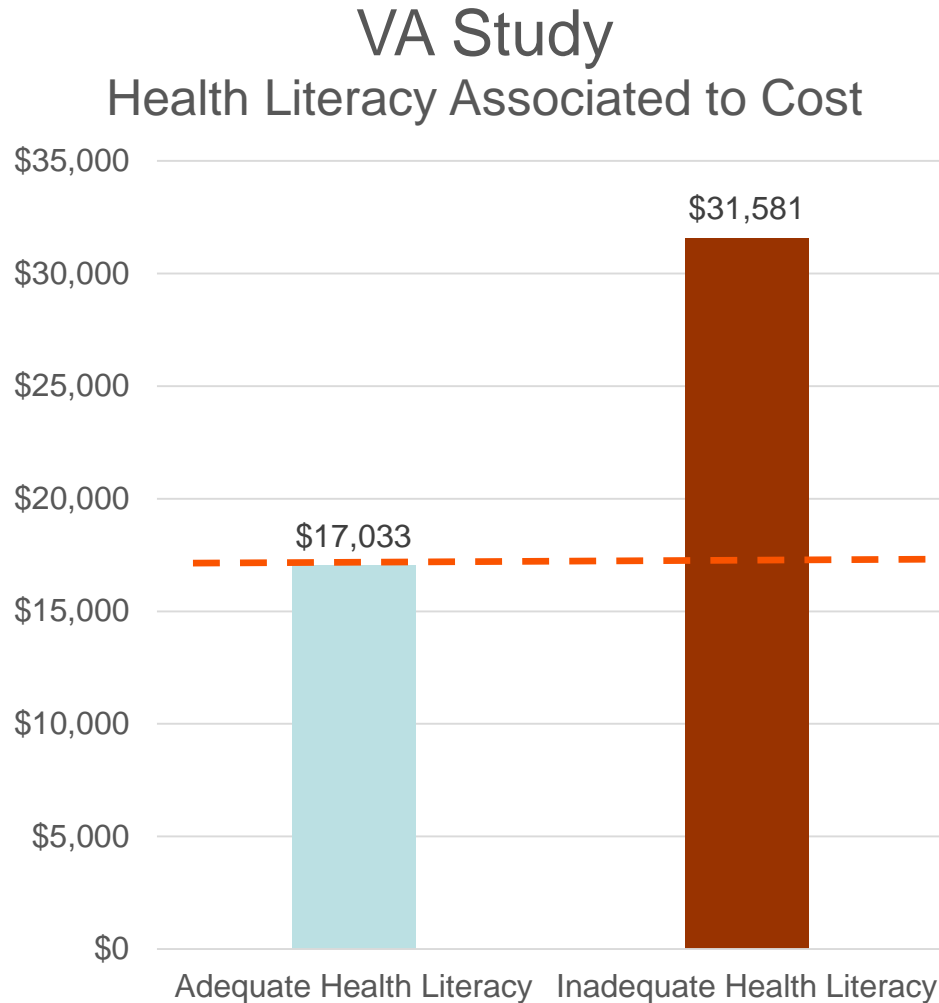
Jolie N. Haun^{1,2*}, Nitin R. Patel¹, Dustin D. French³, Robert R. Campbell¹, Douglas D. Bradham^{4,5} and William A. Lapoeciv¹

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



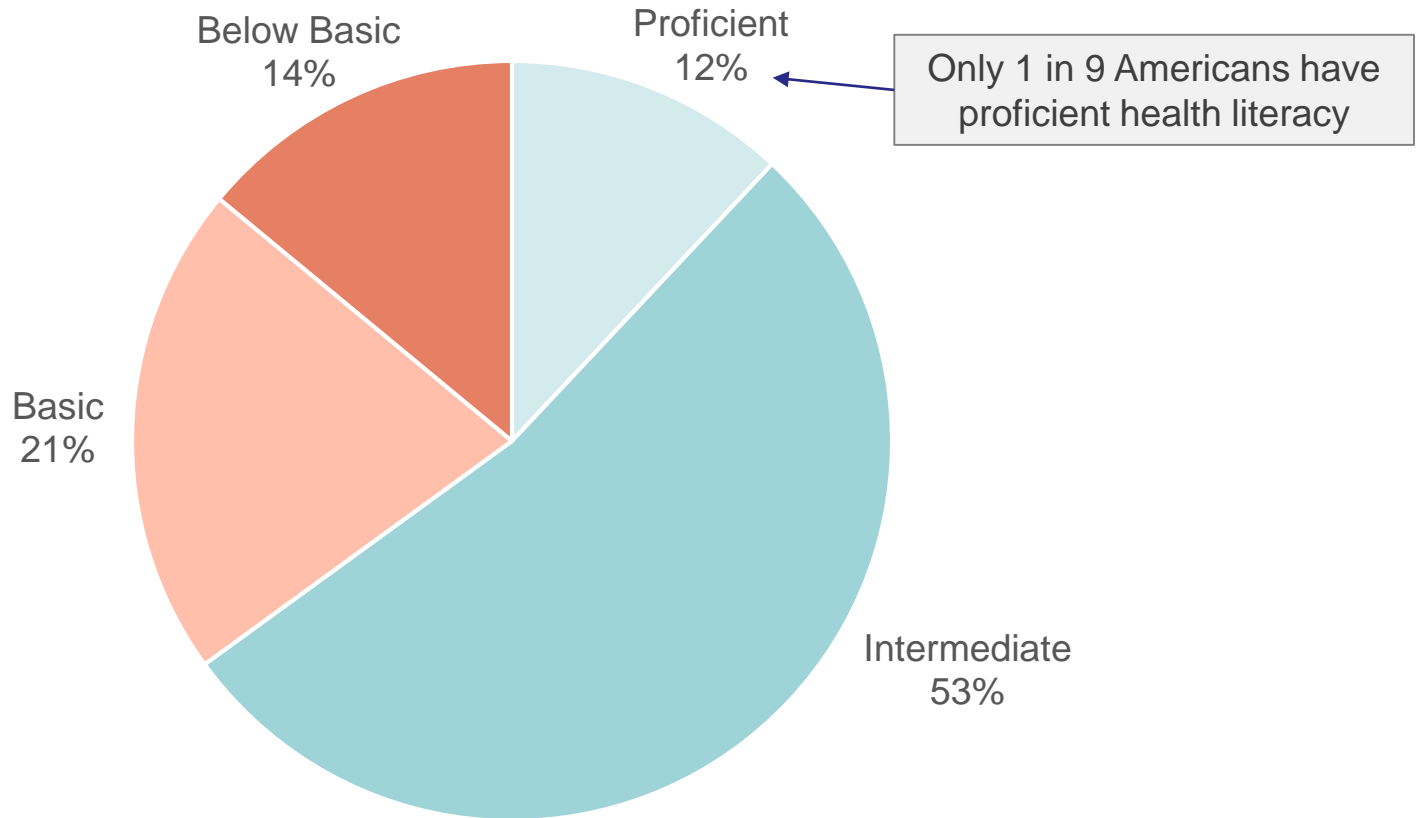
Nearly a 2x
difference!

Impact of Low Health Literacy on Medical Costs

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.



Source: U.S. Department of Education, Institute of Education Sciences, 2003 National Assessment of Adult Literacy.

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
2. It seems too simplistic
3. Viabile solutions to improve health literacy are non-existent

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

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A Proven Solution

Health literacy, the knowledge-empowerment-motivation-adherence response and information therapy

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

Health literacy, the knowledge-adherence response and information therapy

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 $I_x^{\text{®}}$

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:

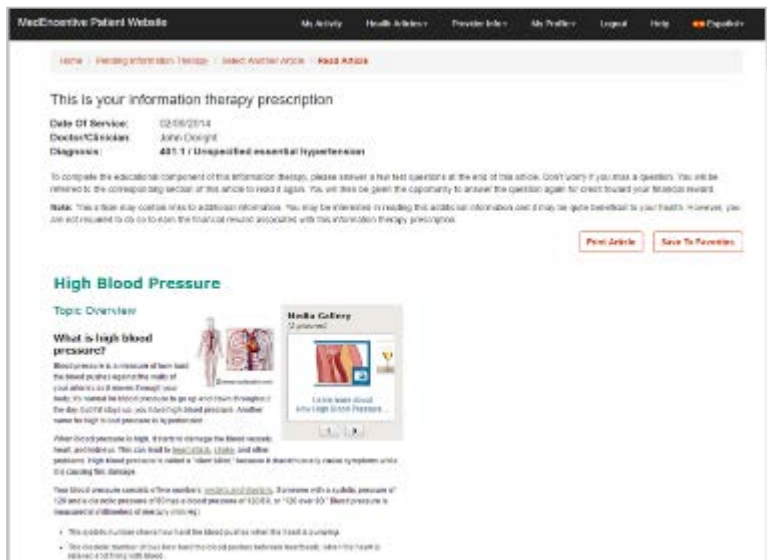
- Prescribe educational material to the patient as "homework" (information therapy - Ix[®])

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.



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

Physicians have the opportunity to earn additional compensation by accessing the program's website.

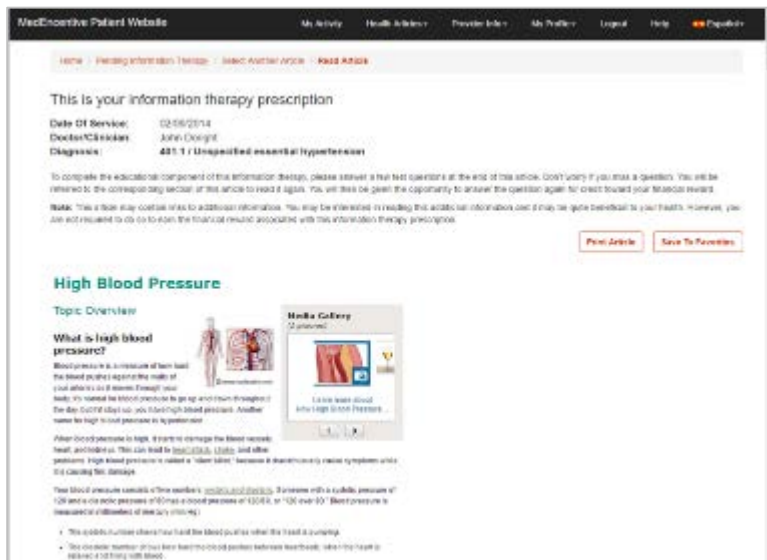
- Program creates checks and balances between doctors and patients, called "mutual accountability," that drives better outcomes

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;
2. Pass under "Learn to earn"
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.



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

Physicians have the opportunity to earn additional compensation by accessing the program's website.



- Program between accounts

Takes less than 10 minutes in the Program to complete a lucrative service.

The MedEncentive Program is often referred to as:

The Mutual Accountability and Information Therapy Program



by accessing the program's website; sent to the physician's account; article;

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.

Another important behavioral science component that is overlooked and undervalued

Promising-keeping, in the program, is the act of doctors and patients declaring their compliance to treatment guidelines, then agreeing to allow the other party to have access to their declarations. In effect, this process involves creating an obligation to oneself and to someone each party respects (doctor to patient, and patient to doctor).

As a result, both intrinsic and extrinsic motivators are summoned that locate promise-keeping behavior within the theory of **guilt aversion**, which is based on the desire to avoid taking actions that let down oneself or another person's expectations.

Another important behavioral science component that is overlooked and undervalued

The Hawthorne effect is a psychological phenomenon that 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.

Confirming the Hawthorne effect in the doctor-patient relationship



Doctor-Patient Relationship Influences Patient Engagement

Release Date: November 29, 2011 | By Valerie DeBenedette, Contributing Writer
Research Source: Center for Advancing Health

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...

MedEncentive Provider Website ix[®] Activity Patient Listing ▾ Profile Staff Delegation Logout Help

[Home](#) / [Start A New Ix](#) / [Patient Identification](#) / [Date of Patient Encounter](#) / [Patient's Ix Program Activity](#) / **Add Diagnosis**

Enter the Patient's Primary Diagnosis for this Encounter

Patient Name: Jim Dempster
Date of Service: 3/31/2017

To search by the diagnosis code or the diagnosis description, and then enter at least the first three digits of the code or the first three characters of the description.

Diagnosis Code (ICD10) (requires first 3 digits)	"or"	Diagnosis Description (Minimum of 3 characters)
<input type="text" value="L _ _ . _ _"/>		<input type="text"/>
<input type="button" value="Search for diagnosis code"/>		<input type="button" value="Search for keyword"/>

[Innovator of the Year Winner 2005, 2006, 2008, 2009, 2013, 2014, and 2016](#)

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.”

MedEncentive Provider Website Ix[®] Activity Patient Listing ▾ Profile Staff Delegation Logout Help

Home / Start A New Ix / Patient / Date of Encounter / Diagnosis(es) / **Prescribe Articles** / Summary

This is the information therapy prescription page

Patient Name: Kendra Holtzman
Date Of Service: 5/4/2015
Diagnosis: 401 | ESSENTIAL HYPERTENSION

Listed in the table below are patient educational articles in order of relevancy to the diagnosis patient, and then click "Prescribe the article(s) I selected, below." (Note: Be careful not to o

Prescribe the article(s) I selected, below ▶

Relevant Articles **My Favorite Articles** Patient's Previous Articles Wellness

(Note: Additional educational content can be found under the tabs labeled My Favorite Articles, Patient Previous Articles, and Wellness Articles.)

Check	Preview	Article Titles Listed in Relevancy Order	Article ID
<input type="checkbox"/>	Preview	Isolated Systolic High Blood Pressure	aa46579
<input checked="" type="checkbox"/>	Preview	High Blood Pressure	hw62787
<input type="checkbox"/>	Preview	Malignant High Blood Pressure	
<input type="checkbox"/>	Preview	Physical Exam for High Blood Pressure	
<input type="checkbox"/>	Preview	High Blood Pressure: Checking Your Blood Pressure at Home	zp2624
<input type="checkbox"/>	Preview	High Blood Pressure: Taking Medicines Properly	zp3267
<input type="checkbox"/>	Preview	High Blood Pressure: Using the DASH Diet	zp3284

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.

If reading medical information is hard for you, please ask a friend or family member to help you.



March 31, 2017

Dear Mary,

This letter is an information therapy prescription from Dr. Robert Bondurant relating to medical services you received on March 27, 2017.

The purpose of this prescription is to help you, in consultation with your doctor, better understand and manage your health. Completing this information therapy prescription is easy, and will earn you a payment of \$15.00.

To complete your information therapy prescription, you simply access the MedeCentive website on Internet. If you have Internet access at home, this is ideal. If not, we recommend contacting your health plan or employer about Internet access at your place of work. You may also consider accessing the Internet at your doctor's office or at the public library.

You will find your information therapy prescription by typing www.medicentive.com in the Internet address field. From the MedeCentive homepage, click the "Login" tab, and then select "Patients." To log in, you must enter your username and password. Your username is as follows:

Username: maryh1

If you are a first-time user, or have forgotten your password, first enter your username where indicated on the patient login page, and then click the link underneath the password box, and follow the instructions to create or reset your password.

Once logged in, you will find instructions to help you complete your prescription. If you have difficulty and understanding medical information, it is recommended that you have someone you trust, like a family member, go online and read this information therapy prescription to you.

Your participation in the MedeCentive Program is voluntary. However, people who participate find the information they read to be very valuable in teaching them about their treatment options and how to better manage their health. Participation in the Program has also been proven to control costs. This will help keep your healthcare coverage affordable.

Please note there is a two-week time limit from the date of this letter for you to go online to complete the questionnaires associated with this prescription to be eligible for the financial reward mentioned above.

Once you successfully complete your prescription, expect a check or money transfer from your health plan administrator in a couple of weeks.

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.

MedEncentive Provider Website Ix[®] Activity Patient Listing Profile Staff Delegation Logout Help

Home / Start A New Ix / Patient / Date of Encounter / Diagnosis(es) / **Prescribe Articles** / Summary

This is the information therapy prescription page

Patient Name: Kendra Holtzman
Date Of Service: 5/4/2015
Diagnosis: 401 | ESSENTIAL HYPERTENSION

Listed in the table below are patient educational articles in order of relevancy to the diagnosis, and then click "Prescribe the article(s) I selected, below." (Note: Be careful not to select articles that are not relevant to the patient's diagnosis.)

Prescribe the article(s) I selected, below ▶

Relevant Articles | My Favorite Articles | Patient's Previous Articles | Wellness Articles

(Note: Additional educational content can be found under the tabs labeled My Favorite Articles, Patient Previous Articles, and Wellness Articles.)

Check	Preview	Article Titles Listed in Relevancy Order	Article ID
<input type="checkbox"/>	Preview	Isolated Systolic High Blood Pressure	aa46579
<input checked="" type="checkbox"/>	Preview	High Blood Pressure	
<input type="checkbox"/>	Preview	Malignant High Blood Pressure	
<input type="checkbox"/>	Preview	Physical Exam for High Blood Pressure	
<input type="checkbox"/>	Preview	High Blood Pressure: Checking Your Blood Pressure at Home	
<input type="checkbox"/>	Preview	High Blood Pressure: Taking Medicines Properly	zp3267
<input type="checkbox"/>	Preview	High Blood Pressure: Using the DASH Diet	zp3284

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....

MedEncentive Patient Website My Activity Health Articles ▾ Provider Info ▾ My Profile ▾ Logout Help  Español ▾

[Print Article](#) [Save To Favorites](#) [Select Another Article](#)

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.



© www.nucleusins.com

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.¹

Media Gallery

(2 pictures)




[Learn more about How High Blood...](#)

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.

MedEncentive Patient Website My Activity Health Articles ▾ Provider Info ▾ My Profile ▾ Logout Help  Español ▾

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.

MedEncentive Patient Website My Activity Health Articles ▾ Provider Info ▾ My Profile ▾ Logout Help  Español ▾

Home / Pending Information Therapy

Questions that pertain to you and this article

Date Of Service: 06/02/2016
Doctor/Clinician: John Doright
Diagnosis: Z0000 / Encounter for general adult medical examination

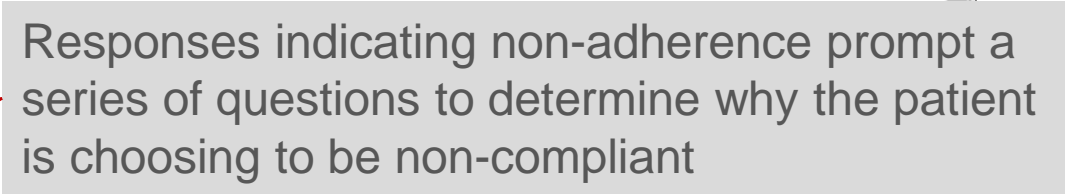
Article You Read:
To return to the article, click on the title link immediately above

Please share with your doctor how closely you are following the health recommendations contained in this article as you understand them.

- Closely following
- Mostly following
- Somewhat following
- Mostly not following
- Not following
- Other (please explain):

1. Based on your response, please select the reason that best describes your reluctance to being more compliant with the health recommendations:

- I do not understand or am confused about the treatment(s)
- I cannot afford the treatment(s)
- I am concerned my doctor may have misdiagnosed my condition
- I believe I am being over-treated for my condition or have been recommended services that are unnecessary. Please explain:



Step 4 – Patients must then agree to allow their doctors to have access to their knowledge assessment test and adherence declaration.

MedEncentive Patient Website My Activity Health Articles ▾ Provider Info ▾ My Profile ▾ Logout Help Español ▾

Home / Pending Information Therapy / **Other Treatments**

Sharing your responses with your doctor...

In order for you to earn the reward associated with this information therapy prescription, you must agree to make your questionnaire responses available to your physician.


I authorize the release of my questionnaire responses to my doctor.

Having patients agree to share their test scores and adherence declarations with their physician, adds another important motivator, i.e., the Hawthorne effect.

[Innovator of the Year Winner 2005, 2006, 2008, 2009, 2013, 2014, and 2016 | U.S. Patents 7,925,519 and 9,171,285 | Canadian Patent 2,729,553](#)

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Step 5 – Finally, patients are asked to rate their doctor's performance against what they have just learned.

MedEncentive Patient Website My Activity Health Articles ▾ Provider Info ▾ My Profile ▾ Logout Help  Español ▾

[Home](#) / [Pending Information Therapy](#) / **Provider Rating**

Article Questionnaire

Date Of Service: 06/02/2016
Doctor/Clinician: John Doright
Diagnosis: Z0000 / Encounter for general adult medical examination
Article(s) You Read: [High Blood Pressure](#)

Questions that pertain to your doctor and this article relative to this visit...

1. Based on the information you read in the article above and your understanding of recommended care for this visit, please indicate your doctor's level of consistency with the recommended care:

- Consistent with recommended care
- Mostly consistent with recommended care
- Somewhat consistent with recommended care
- Mostly inconsistent with recommended care
- Inconsistent with recommended care
- Other - Please explain:

2. Based on the information you have read and your understanding of recommended care for this visit, do you believe your doctor has (is):

- Over-treated(ing) you
- Treated(ing) you just right
- Under-treated(ing) you

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. Knowledge-adherence response, promise-keeping and the Hawthorne effect cause an improvement in medication adherence and other types of patient compliance
2. Hospitalizations and emergency room visits decline
3. Doctors don't want their patients to think they practice substandard care, which relieves some degree of defensive medicine
4. Costs are contained to the point that a return on investment is realized by the plan sponsor

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

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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.



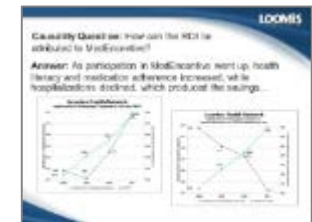
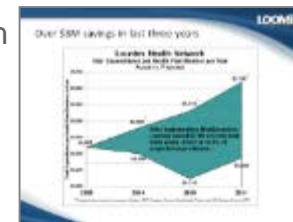
2. The Kansas Trial - In 2½ years at the Wichita Clinic:

- Office visits increased 13%
- Medication adherence reported at 94%
- Hospitalizations decreased 55%



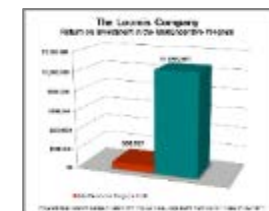
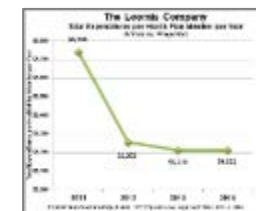
3. The Washington Trial - Over 3 years at Lourdes Health System:

- 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



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.

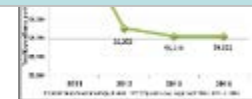


Though none of these relatively small, self-insured employer installations would be considered irrefutable evidence, the fact that they all produced similar results, i.e.,

- medication adherence improve;
- hospitalizations and ER visits declined;
- claims costs saving were realized; and
- a substantial ROI was achieved

built the case in favor of the Program's effectiveness...

- Medication consumption increased
- Hospitalizations decreased
- 15:1 ROI



Med*en***centive**

Rewarding better health



**Employees Group
Insurance Division**

*Office of Management and
Enterprise Services*

HealthChoice

**The independent studies led to the
State of Oklahoma Mutual
Accountability Program Pilot**

As a result of the previous successes:

- Learning of the Program's successes, Oklahoma legislators, interested in lowering healthcare cost, approached us about conducting a pilot.
- The pilot was mandated by legislative statute in 2011.
- The statute (HB1062) **passed by the Oklahoma Senate 46-0 and the House 86-9**
- The statute called for a **3-year pilot to test the cost containment capabilities of a "mutual accountability program"** in Oklahoma public employee health plan (HealthChoice)
- MedEncotive was awarded the contract, and 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...**

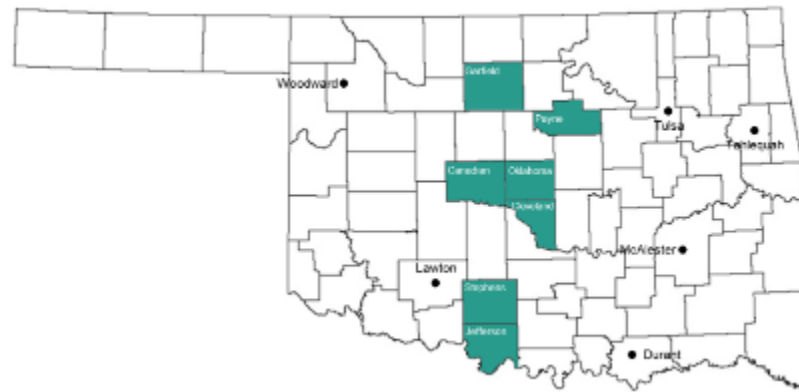
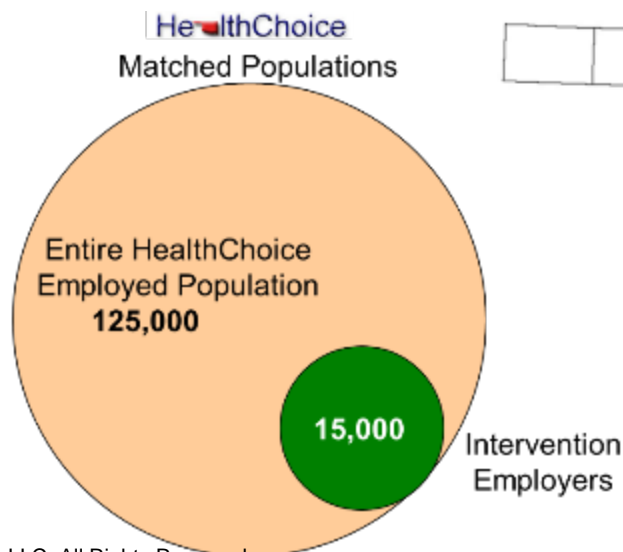


The State of Oklahoma and MedEncentive conducted one of the largest health improvement/cost containment (“triple/quadruple aim”) experiments ever attempted in the U.S.

The Oklahoma pilot experimental design...

A randomized control trial (RCT)

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



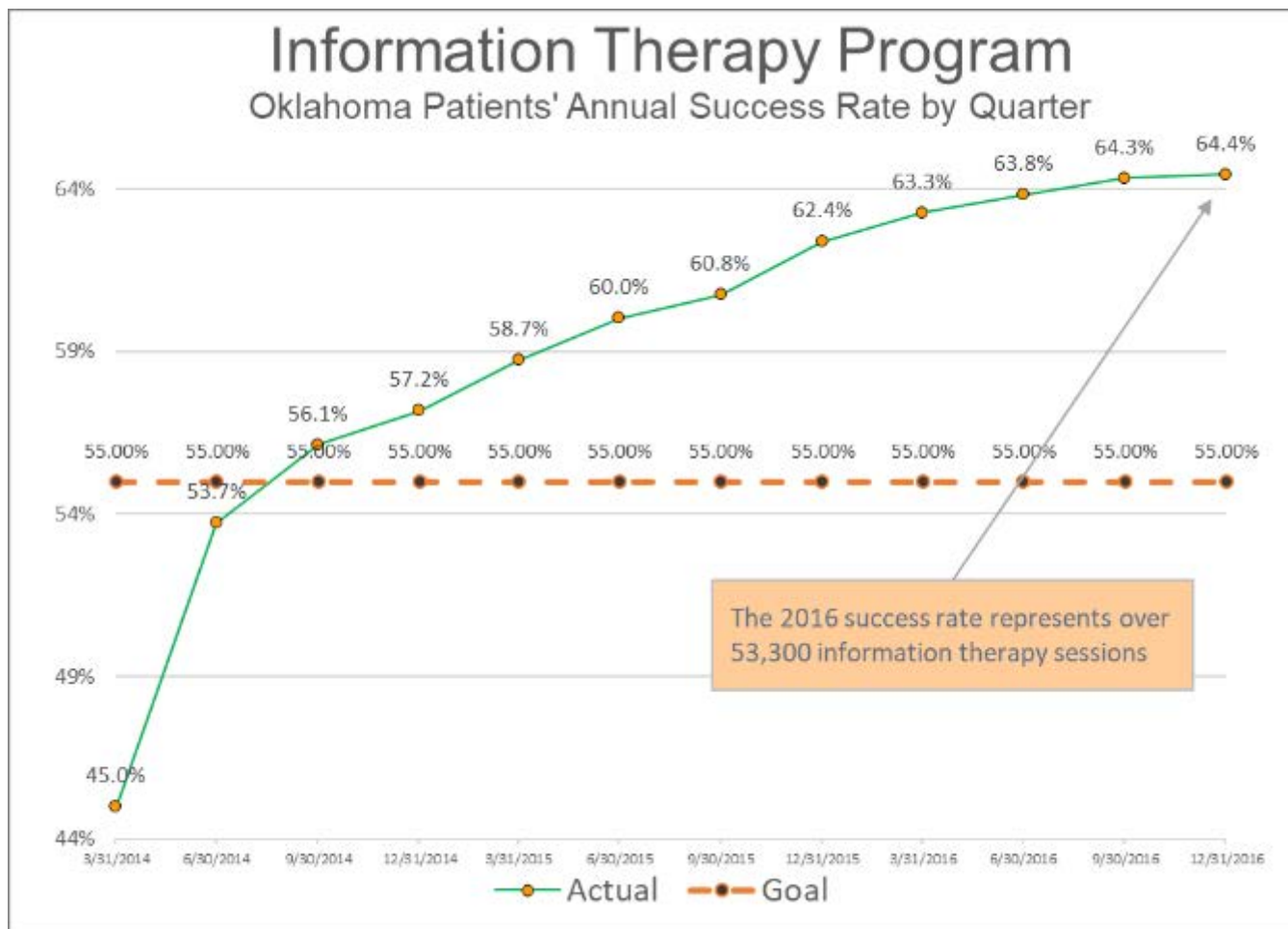
Metric that predicts success...

Patient Engagement

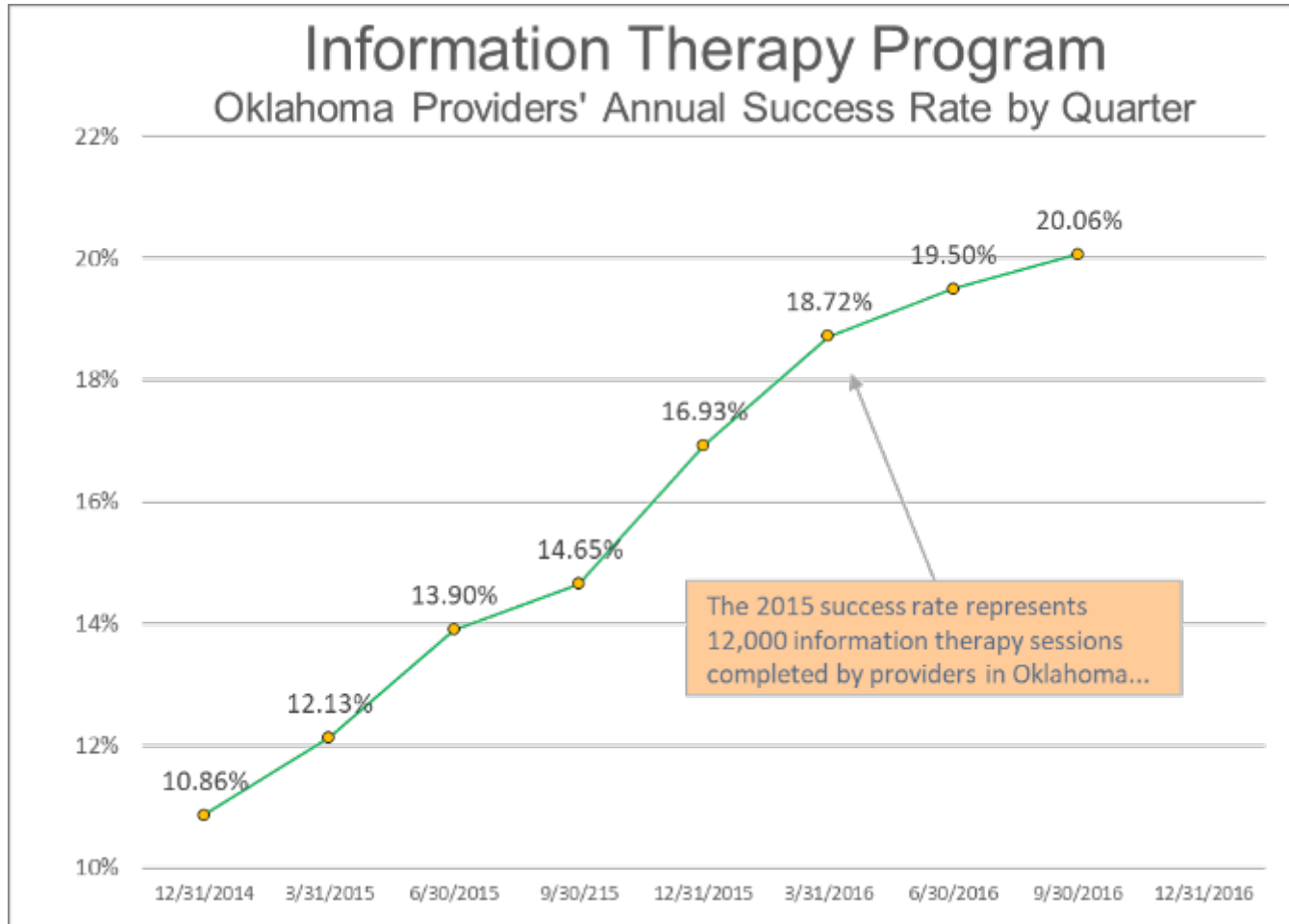
- The strongest determinant of a return on investment is the Patient Success Rate¹, which is a measure of patient engagement
- In previous trials, a Patient Success Rate of 55% or greater produced a ROI in each instance

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



Provider successes started at a level adequate to achieve the pilot's ROI goal, and then doubled...

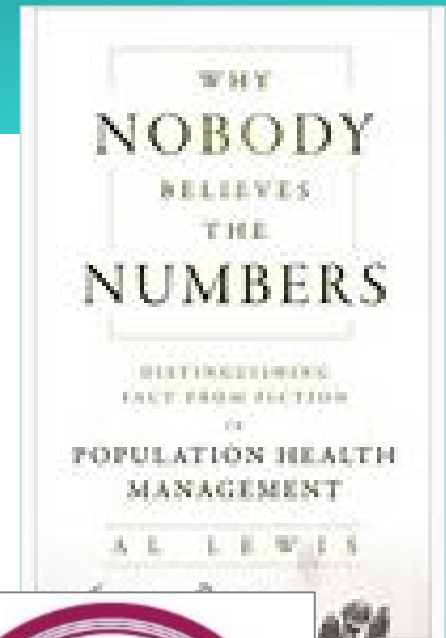
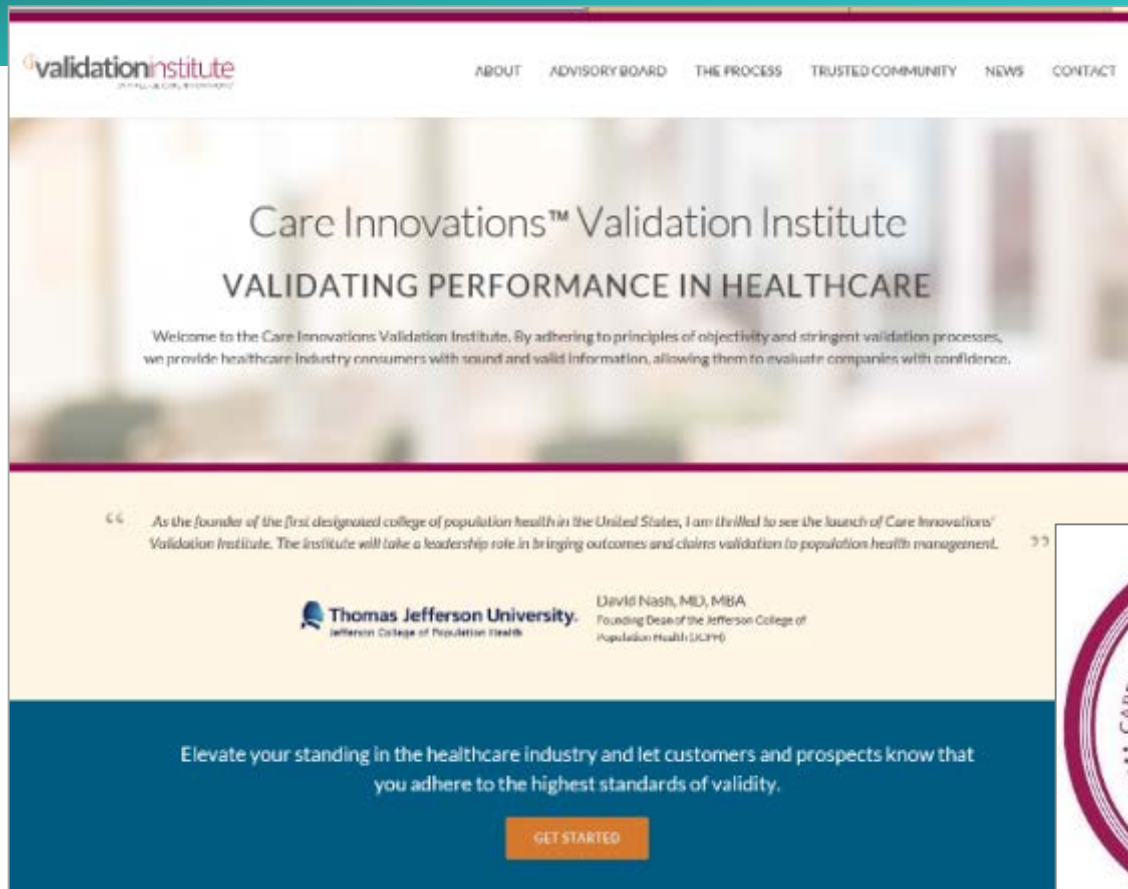


Awakening Health Literacy and Interactive Accountability to Solve the “Triple/Quadruple Aim”

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

Pilot Clinical and Economic Outcomes

MedEncentive retained the Validation Institute to confirm claims of healthcare cost containment efficacy

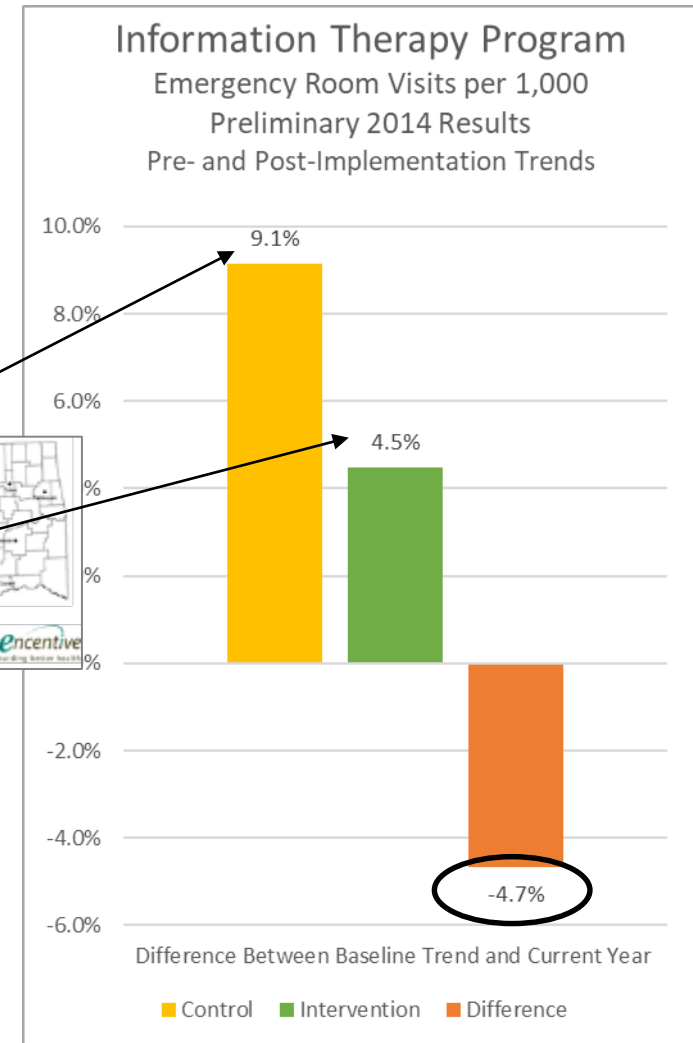
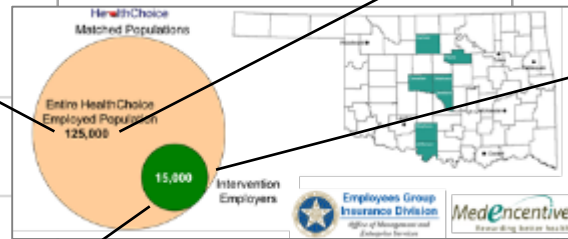
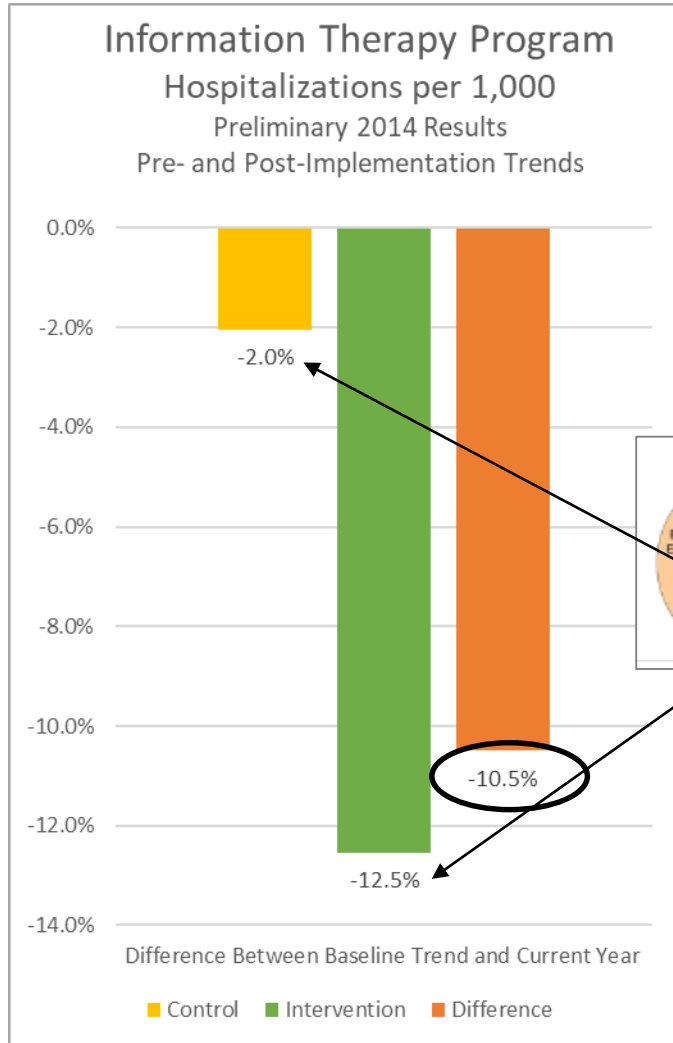


1. Not-for-profit joint venture of GE and Intel
2. Formed to establish truth in population health claims after Al Lewis, who wrote a book, entitled: “Why Nobody Believes the Numbers,” about vendors claiming false and misleading results in the field of healthcare cost containment
3. Board is comprised 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

Medencentive

State of Oklahoma Pilot Preliminary 2014 Results

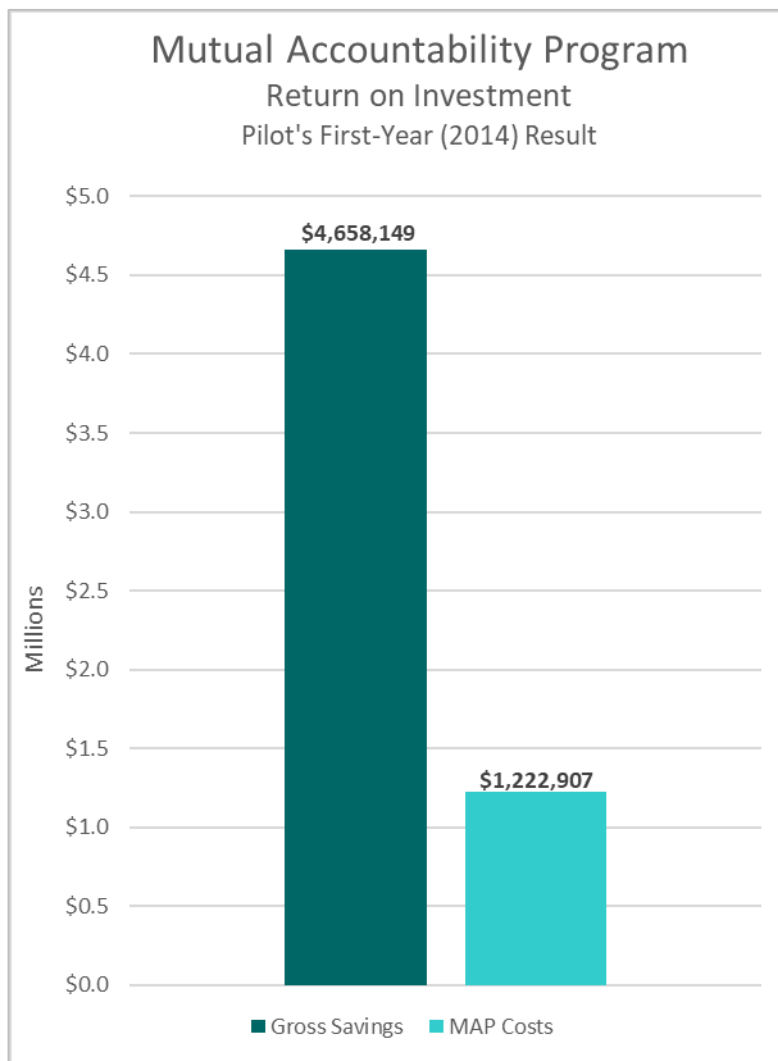
Group covered by the program demonstrated a 10.5% and 4.7% greater decline in hospitalizations and emergency room visits per 1,000 compared to the control group in the pilot's first year



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

Stillwater Medical Center

2015-16 Results

Corroborating and Projecting the State Pilot's Outcomes

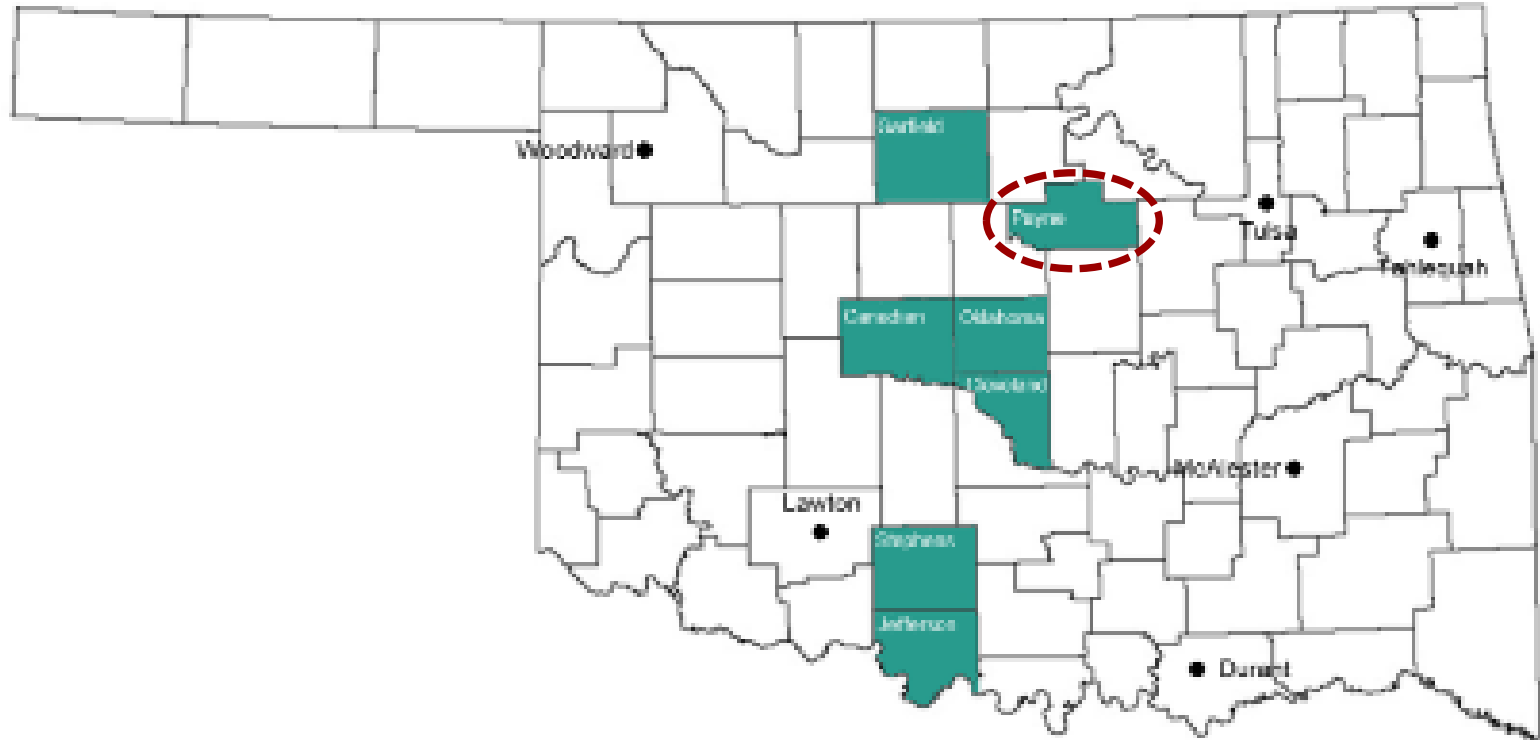


**Employees Group
Insurance Division**

*Office of Management and
Enterprise Services*

Mede^{nc}entive

Located in Payne County, the Stillwater Medical Center's installation ran concurrent with the State of Oklahoma pilot

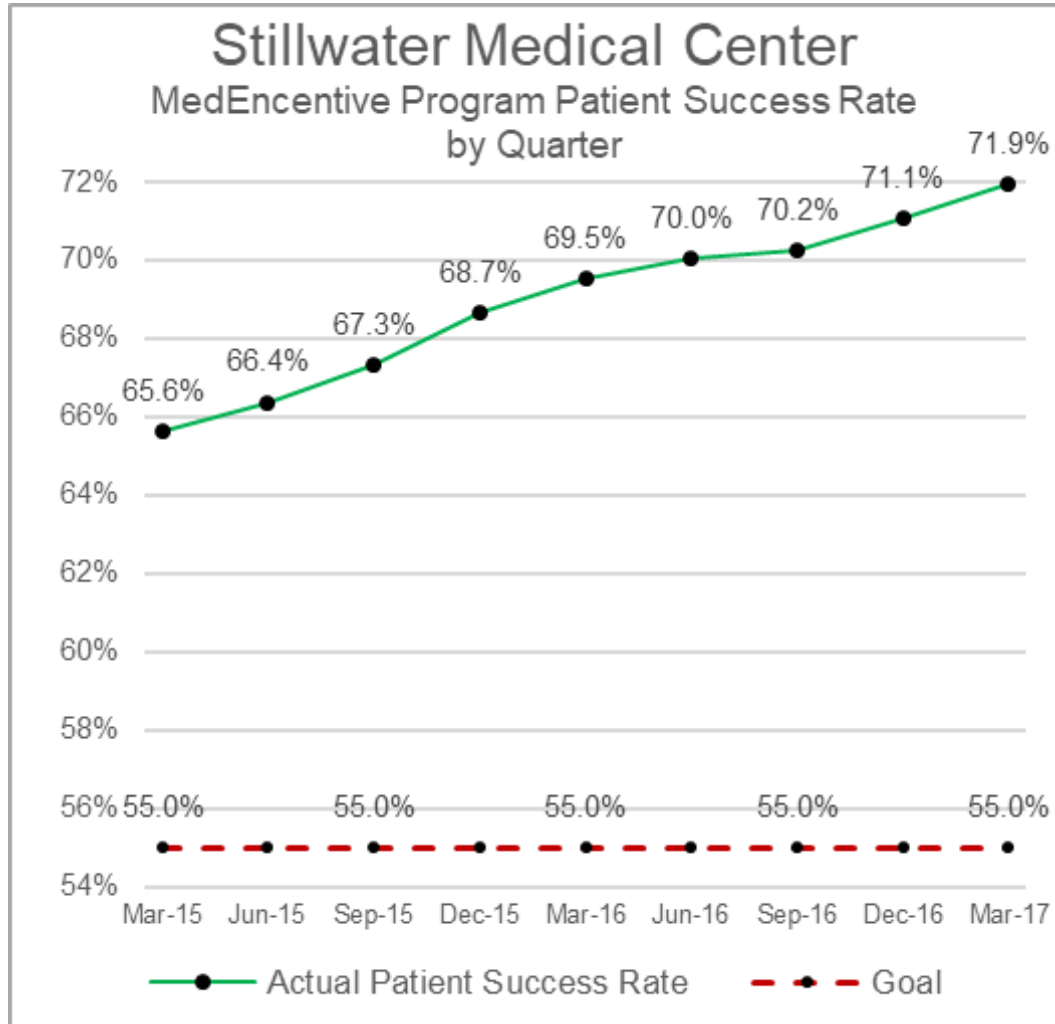


Employees Group
Insurance Division
*Office of Management and
Enterprise Services*

Stillwater
Medical Center

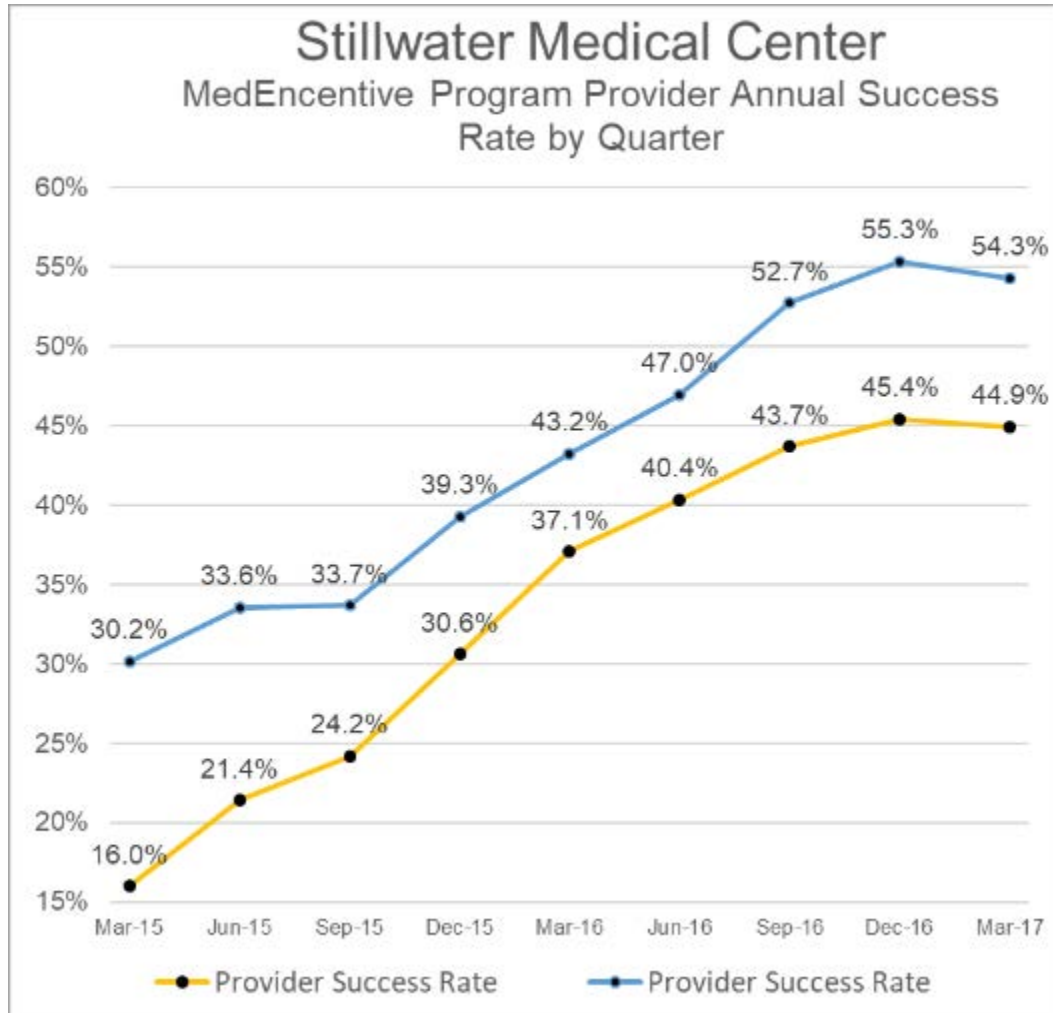
Stillwater Medical Center

Patient engagement started well above 55%, and rose...



Stillwater Medical Center

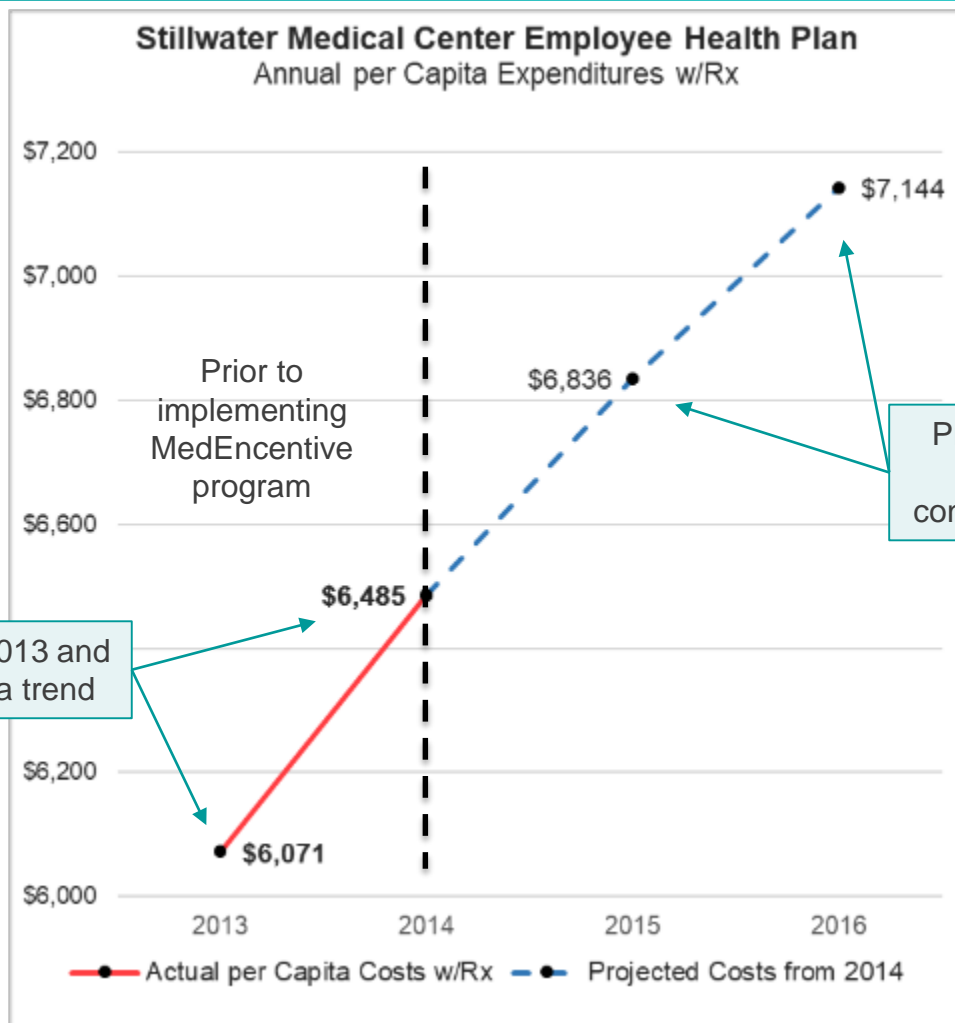
Provider engagement was excellent due to SMC's leadership



Stillwater Medical Center

(with 1,800+ lives)

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

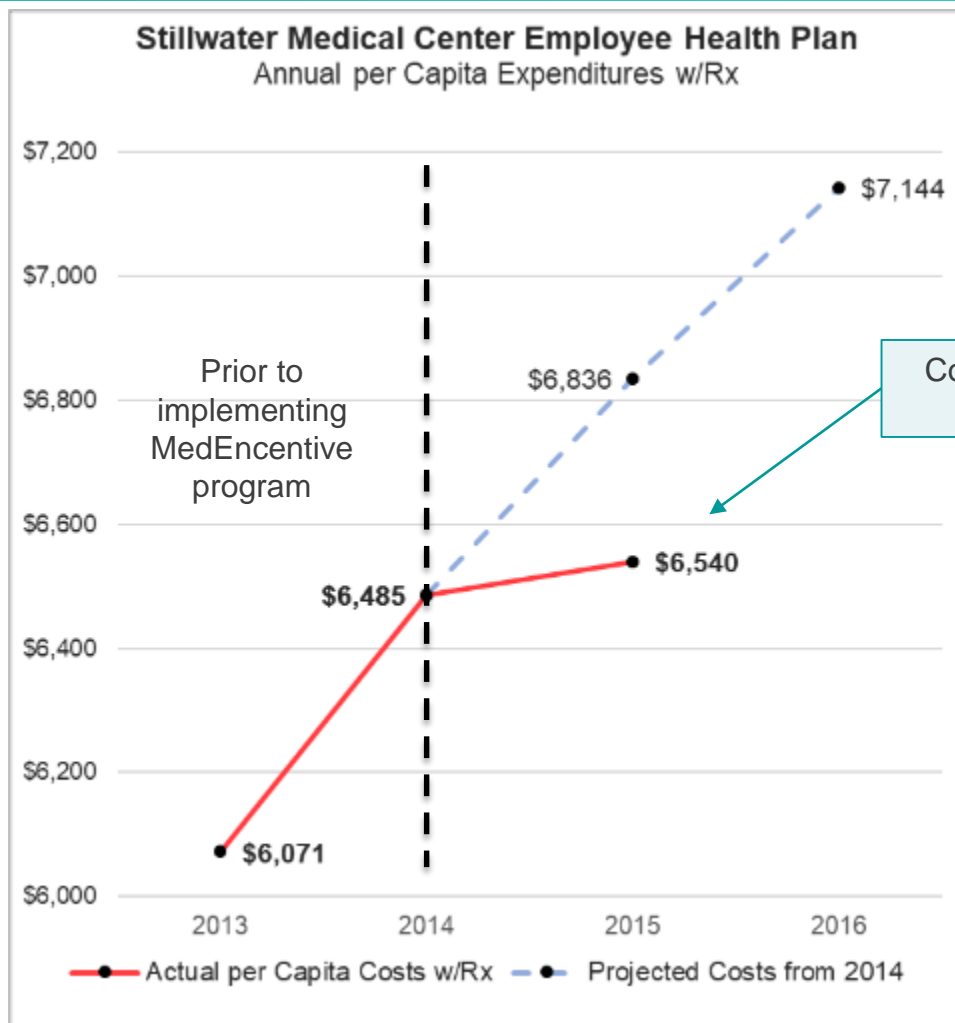


¹ Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices

Stillwater Medical Center

(with 1,800+ lives)

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

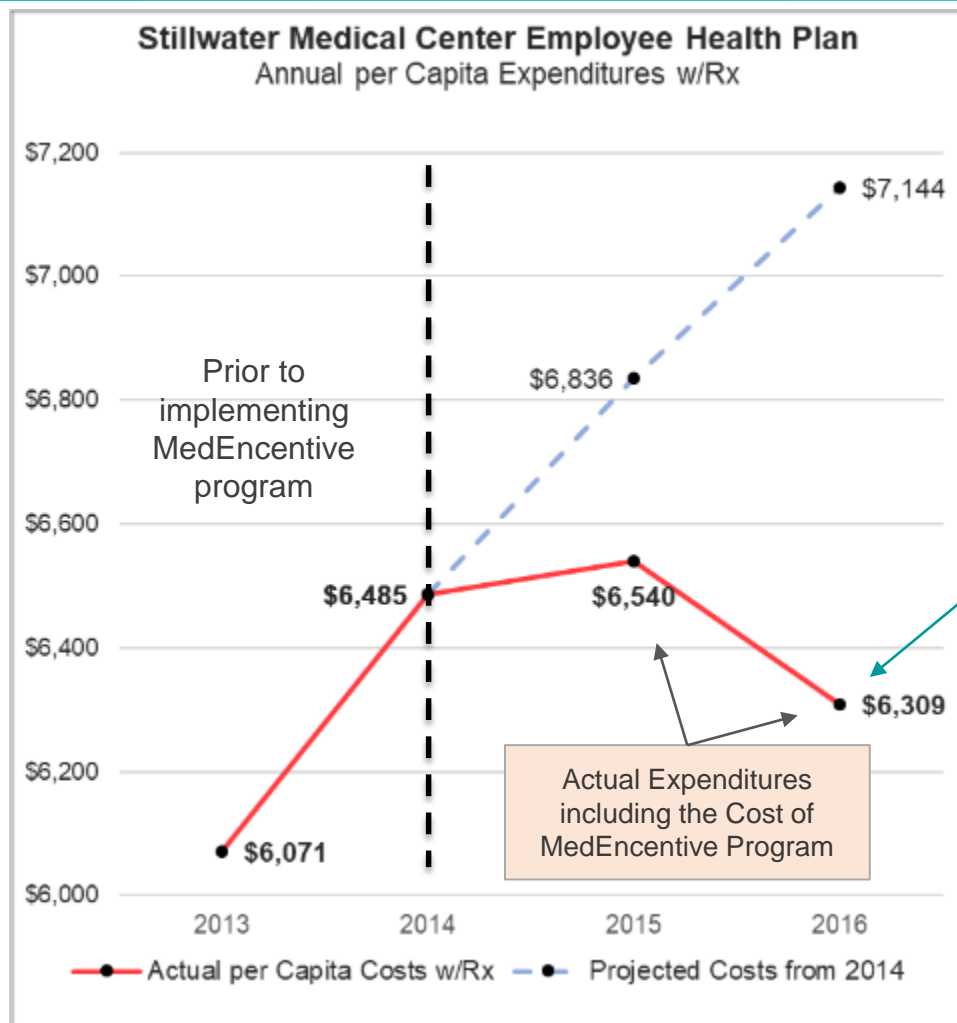


¹ Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices

Stillwater Medical Center

(with 1,800+ lives)

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

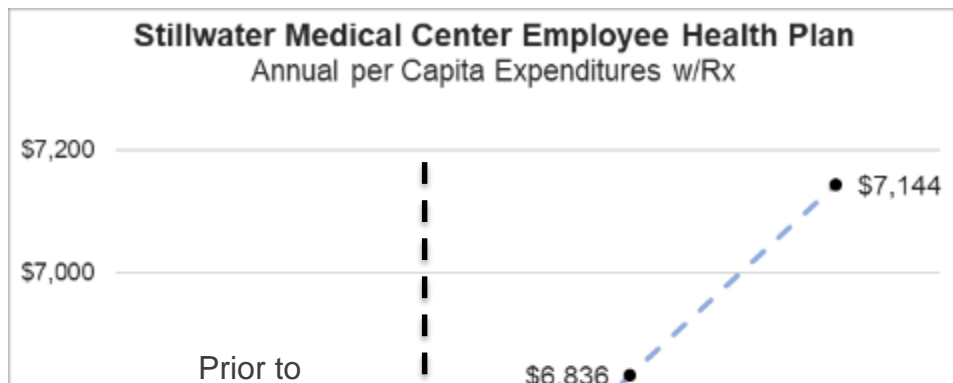


¹ Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices

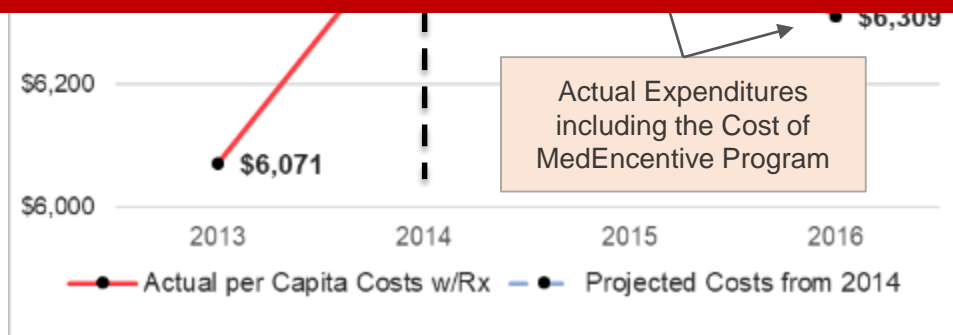
Stillwater Medical Center

(with 1,800+ lives)

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



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

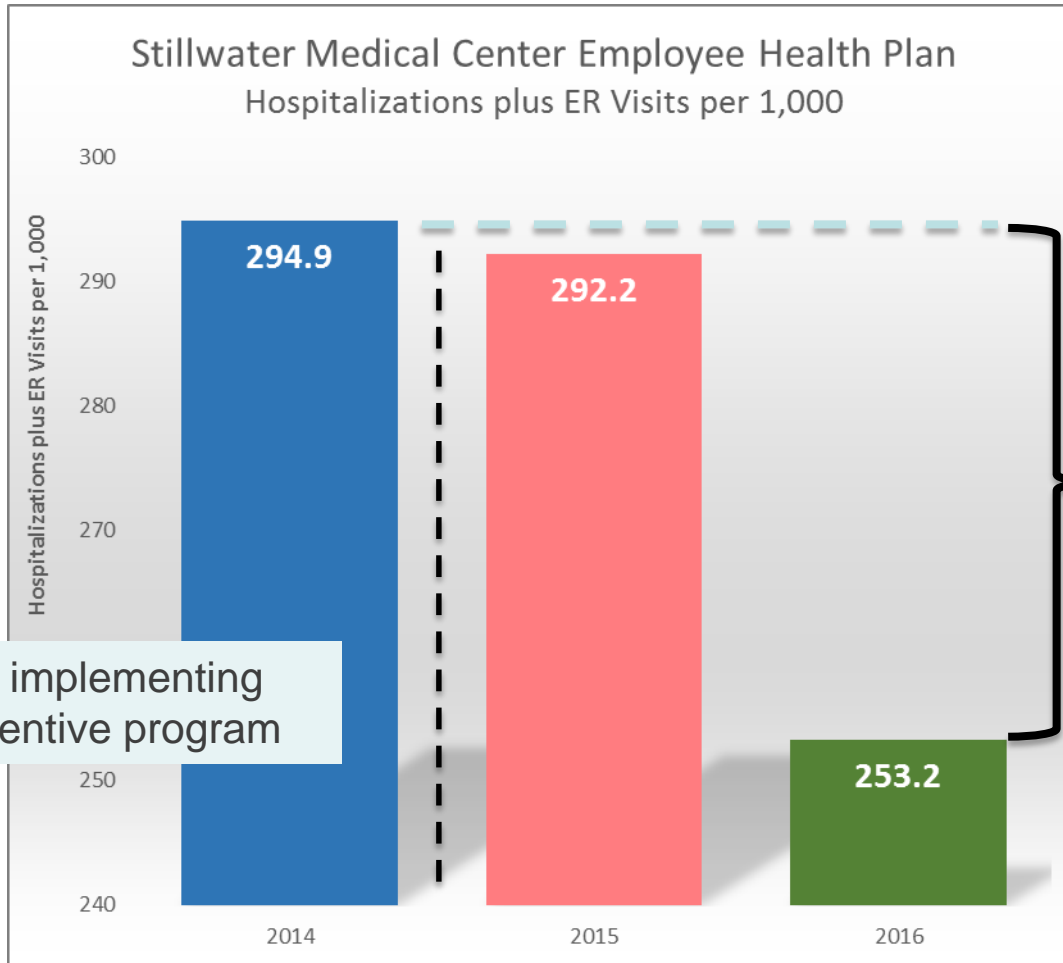


¹ Projected trend based on average of applicable Kaiser Family Foundation, Segal, and Nat'l Health Expenditure Accounts Indices

Stillwater Medical Center

(with 1,800+ lives)

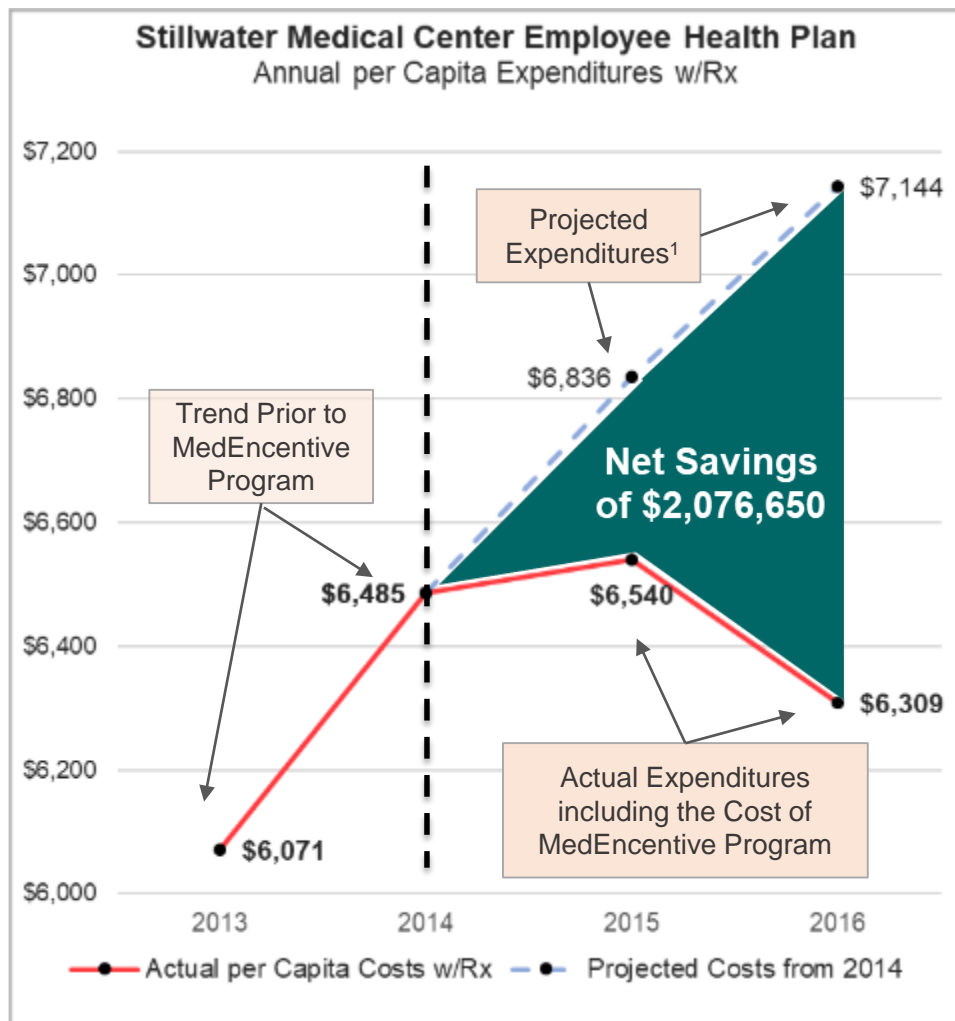
According to health literacy studies, if SMC's reduced costs can be attributed to MedEncentive, then hospitalizations and ER visits should decline against the baseline – and they did...



Stillwater Medical Center

(with 1,800+ lives)

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

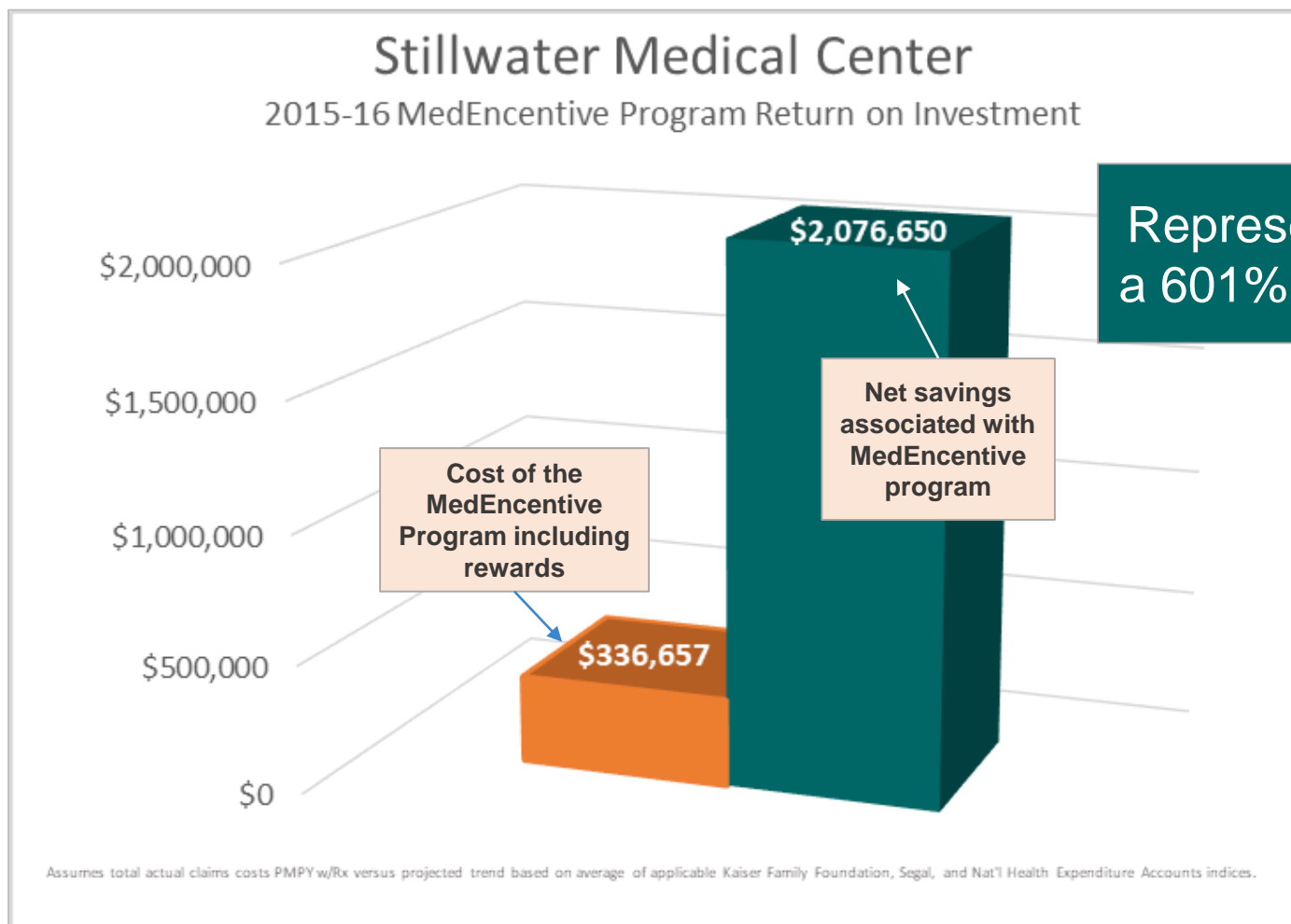


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Stillwater Medical Center

(with 1,800+ lives)

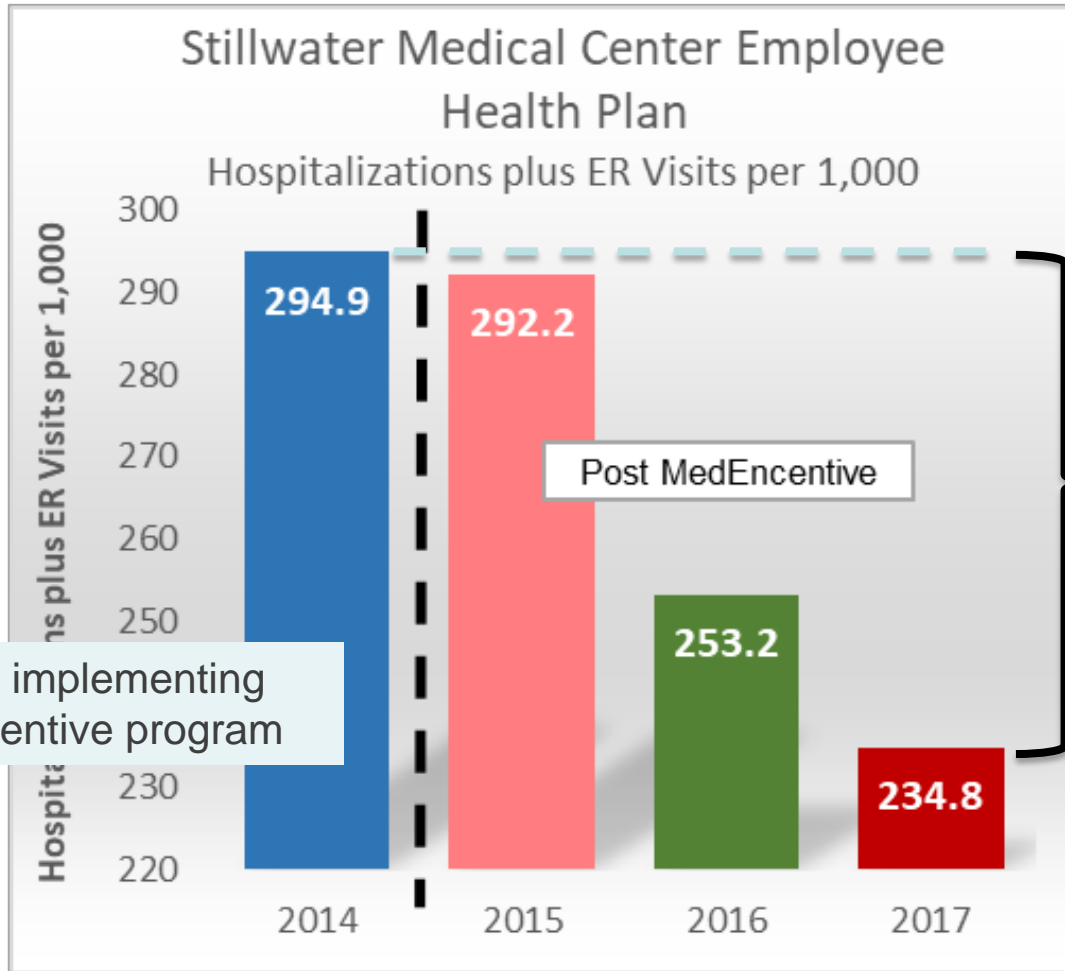
Two-Year ROI Results with MedEncentive Program Against Nat'l Trend



Stillwater Medical Center

(with 1,800+ lives)

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 continue to...



20.4% decrease in hospitalizations and emergency room visits after the program was implemented

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

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

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

“While 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

Thousands upon thousands of voluntary patient testimonials...

"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



What employers say...

“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

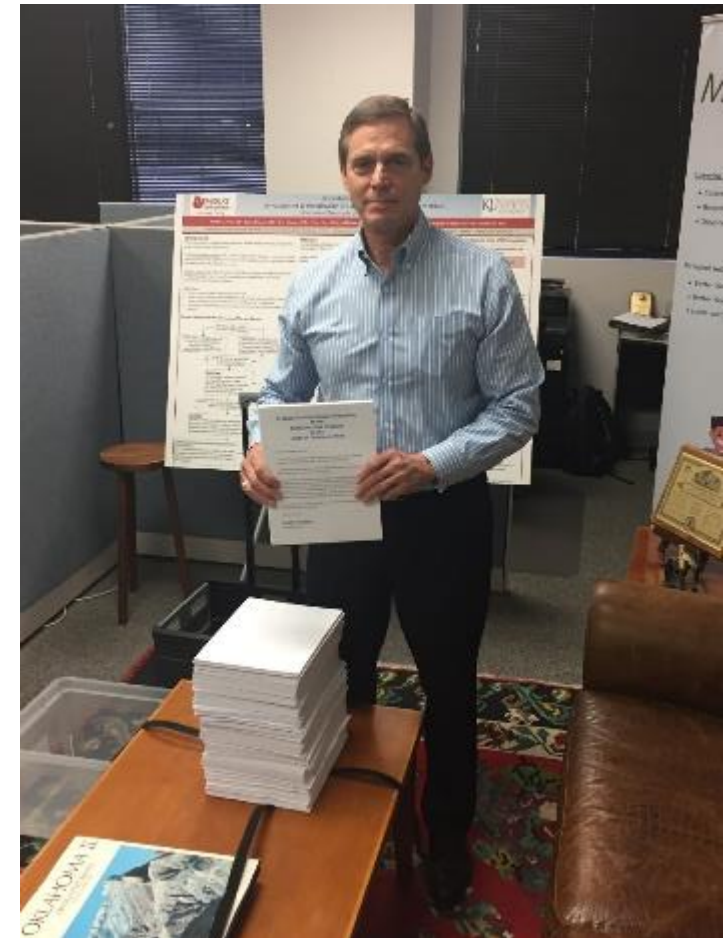
Compensation/Benefits Manager | Human Resources

Lourdes Health Network

Pasco, Washington



Program is extremely popular – thousands of petitions from state employees and teachers seeking a continuation of the pilot...



JAMA article by noted UPenn researchers endorses THAM concept

Zeke Emanuel, MD, PhD, Kevin Volpp, MD, PhD, and Amol Navathe, MD, PhD call for patient-physician aligned incentives



The screenshot shows the JAMA Network website interface. At the top, there is a navigation bar with the JAMA logo and a search bar. Below the navigation bar, the article is categorized as 'New Online' with statistics for Views (0), Citations (0), and Altmetric (1). The article is a 'Viewpoint' published on September 7, 2018, and is marked as 'ONLINE FIRST' and 'FREE'. The title of the article is 'Aligning Patient and Physician Incentives', authored by Amol S. Navathe, MD, PhD^{1,2}; Ezekiel J. Emanuel, MD, PhD²; and Kevin G. Volpp, MD, PhD^{1,2}. The article's DOI is 10.1001/jama.2018.11245. The main text begins with 'Since the passage of the Affordable Care Act, there has been an unprecedented pace of testing new payment models to increase health care value. These models have been directed across the continuum of health care professionals and organizations, including physicians, hospitals, and post-acute care facilities. Collectively, these models aim to combine financial incentives for efficient delivery of care, including elimination or substitution of low-value services, while incentivizing improvement on specific quality metrics, such as cancer screening and readmission rate. The use of these detailed payment models is rapidly increasing to cover a greater proportion of health care services.' The text continues with 'Simultaneously, consumerism in health care has increased. This has included proliferation of high-deductible health plans (HDHP), urgent and preventive care provided in retail stores, and value-based insurance design'.

Summary

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 others to join us in promoting information therapy and health literacy...



NORTH DAKOTA LEGISLATIVE MANAGEMENT HEALTH CARE REFORM REVIEW COMMITTEE

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

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

Q&A

Jeff Greene - jgreene@medencentive.com

