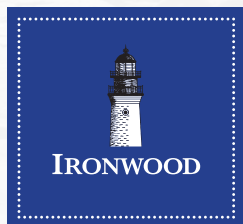


# ABC Company **SUMMARY OF COSTS**

January 31, 2018

Reporting period: Current/Plan Year  
(Claims incurred between July 2016 – June 2017, paid through September 2017)



**IRONWOOD**  
INSURANCE SERVICES, LLC

3715 Northside Parkway NW | Suite 1-500 | Atlanta, GA 30327 | [ironwoodins.com](http://ironwoodins.com)



## Ironwood Benefits

### Employee Benefits Consultant:

Overall responsibility is to help plan, facilitate and maintain the employee benefits package

#### Julie Stannard, Benefits Consultant

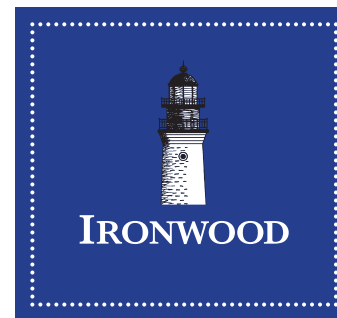
- Relationship management
- Strategic leadership

#### Susan Prout, Senior Account Executive

- Day to day contact for questions, comments and concerns
- Liaison between insurance carriers and you
- Strategic analysis and planning

#### Simon Wan, Account Manager

- Assist with implementation projects
- Susan's backup for day to day tasks



## IRONWOOD INSURANCE SERVICES, LLC

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ironwoodins.com  
info@ironwoodins.com

## Your Benefits Service Team

### Julie Stannard

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### Susan Prout

*Senior Account Executive*

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*Account Associate*

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*Director of Wellness Consulting*

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*Claims Consultant*

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*Director of HR Consulting*

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Medical & Rx Spend 



■ Employer Paid - Medical ■ Member Paid - Medical ■ Employer Paid - Pharmacy ■ Member Paid - Pharmacy

Medical & Rx Trend 

	Current PMPM	Trend	Variance from Norm
Total Plan Spend	\$385.40	6.0%	-24.8%
Total Employer Paid	\$326.14	4.3%	-25.4%
Total Member Paid	\$59.27	16.8%	-21.4%
Medical Spend PMPM	\$310.23	11.3%	-23.7%
Employer Paid - Medical	\$262.86	9.4%	-23.7%
Pharmacy Spend PMPM	\$75.17	-11.3%	-29.3%
Employer Paid - Pharmacy	\$63.27	-12.8%	-31.8%

Demographics & Financial

	Base	Current	Trend	Norm
<b>Members</b>				
Average Number of Employees	357	413	15.7%	
Average Number of Members	746	854	14.5%	
Average Employee Age	44.2	43.2	-2.3%	
Demographic Factor	0.86	0.85	-1.2%	0.96
<b>Cost Trend</b>				
Plan Spend - Medical	\$2,496,121	\$3,180,146	27.4%	
Plan Spend - Pharmacy	\$758,861	\$770,602	1.5%	
Total Plan Spend	\$3,254,981	\$3,950,748	21.4%	
Medical Plan Spend PMPM	\$278.80	\$310.23	11.3%	\$406.35
Pharmacy Plan Spend PMPM	\$84.77	\$75.17	-11.3%	\$106.32
Total Plan Spend PMPM	\$363.57	\$385.40	6.0%	\$512.68
<b>Performance Indicators</b>				
Cat Claimants in Excess Per K	25.5	32.8	28.7%	34.4
Cat Plan Spend PMPM(Med+Rx)	\$178.13	\$166.03	-6.8%	\$249.54
Non-Cat Plan Spend PMPM(Med + Rx)	\$185.42	\$219.38	18.3%	\$263.14
Network Penetration	96.9%	94.8%	-2.1%	91.6%
Medical Discounts	53.3%	53.0%	-0.3%	52.8%

Population Health & Pharmacy

	Base	Current	Trend	Norm
<b>Population Health Measures</b>				
Chronic Percent of Population	29.8%	29.1%	-0.7%	39.4%
Chronic Percent of Cost	62.2%	64.1%	1.9%	73.9%
Total Health Engagement - % of Pop	31.4%	28.5%	-2.9%	30.3%
Preventive Care Utilization	45.6%	45.4%	-0.2%	51.2%
Well Visit Completions	36.6%	38.5%	1.9%	43.7%
Health Assessment Completions	3.2%	0.6%	-2.6%	8.8%
Gaps in Care Rule Compliance	71.1%	69.8%	-1.3%	70.4%
<b>Pharmacy Indicators</b>				
Generic Dispensing Rate	85.7%	88.6%	2.9%	87.1%
Generic Substitution Rate	97.5%	97.4%	-0.1%	96.9%
Specialty Plan Spend PMPM (Rx Only)	\$27.54	\$22.42	-18.6%	\$40.34
Specialty Plan Spend PMPM (Med Only)	\$15.00	\$38.33	155.6%	\$23.68
Non-Specialty Plan Spend PMPM (Rx only)	\$57.23	\$52.75	-7.8%	\$65.98
Prescriptions PMPY(Retail adjusted)	9.03	8.63	-4.4%	12.39

### Demos and Trend Analysis

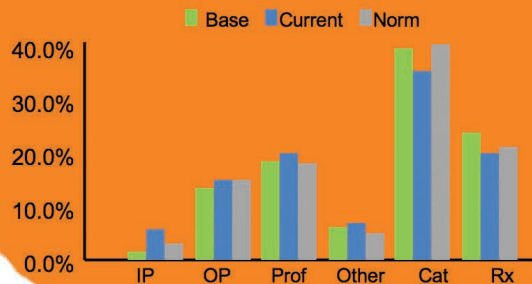
#### Employees & Dependents

	Base	Current	Trend	Norm
Avg. Employees	357	413	15.7%	
Avg. Members	746	854	14.5%	
% of Pop over 40	41.0%	41.4%	0.3%	43.5%
Avg. Member Age	34.6	34.0	-1.6%	34.8
Avg. Emp Age	44.2	43.2	-2.3%	45.0
% Female	41.1%	39.6%	-1.5%	49.8%
Turnover	25.3%	34.3%	9.1%	

#### Trend Analysis PMPM

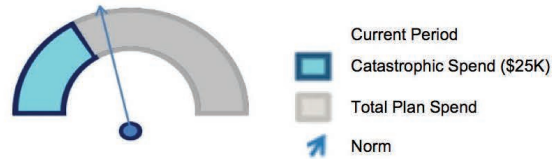
	Base	Current	Trend	Norm
Med Spend	\$279	\$310	11.3%	\$406
Rx Spend	\$85	\$75	-11.3%	\$106
Total	\$364	\$385	6.0%	\$513

#### Plan Spend Distribution



### Medical Highlights

#### Catastrophic Summary

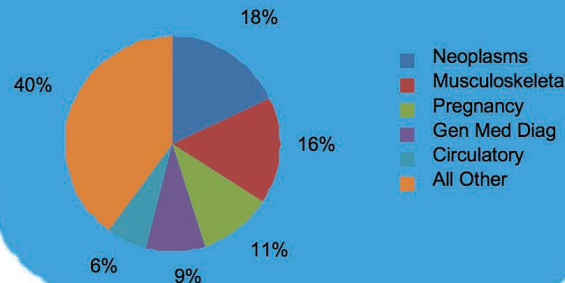


	Base	Current	Trend	Norm
Cat Claimants per K	25.5	32.8	28.7%	34.4
Cat as % of Total \$	38.2%	34.1%	-4.1%	42.9%
Avg. Cat Spend	\$74.8k	\$57.6k	-23.0%	\$79.5k

#### Medical Key Metrics

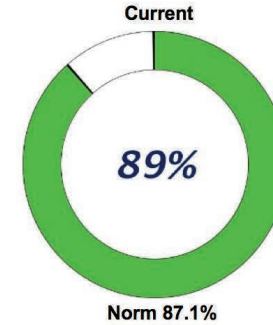
	Base	Current	Trend	Norm
Total Med Spend	\$2.4m	\$3.1m	27.4%	
Med Cost Share	13.8%	15.3%	1.5%	15.2%
In Network Util	96.9%	94.8%	-2.1%	91.6%
Preferred Lab Util	50.0%	50.1%	0.1%	42.9%
SP/Total OV	39.5%	40.0%	0.5%	41.9%
Total Spend by Relationship Type				
Employee	\$275	\$362	31.6%	\$516
Spouse	\$755	\$725	-4.0%	\$690
Dependent	\$251	\$208	-17.0%	\$272

#### Medical Plan Spend Distribution by Condition

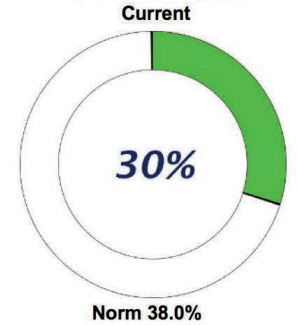


### Pharmacy Highlights

#### Generic Dispensing



#### Speciality Rx Spend as % of Total Rx Spend



#### Pharmacy Key Metrics

	Base	Current	Trend	Norm
Total Rx Spend	\$758.8k	\$770.6k	1.5%	
Rx Cost Share	14.5%	15.8%	1.4%	12.7%
Avg. \$ per Script	\$126	\$115	-9.1%	\$129
Scripts PMPY	8.0	7.9	-2.4%	9.9
Generic Dispensing	85.7%	88.6%	2.9%	87.1%
Generic Substitution	97.5%	97.4%	-0.1%	96.9%
SRx as % of Total	32.5%	29.8%	-2.7%	38.0%

#### Top 5 Therapeutic Classes by Total Cost

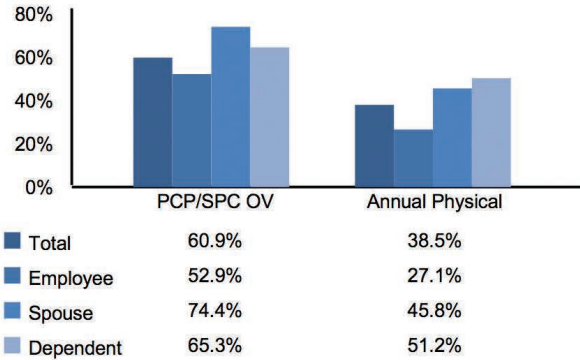
Anti-Inflam Disease Modifiers	\$75,821
Multiple/Lateral Sclerosis Insulins	\$75,282
Hypoglycemics	\$45,219
Lipid Lowering	\$38,800
	\$35,058

## Member Population

### Employees & Dependents

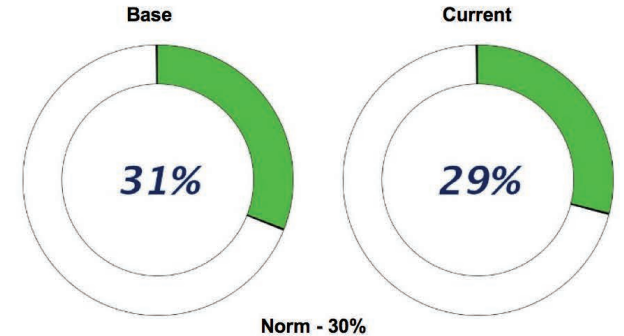
	Base	Current	Trend	Norm
Avg. Employees	357	413	15.7%	
Avg. Members	746	854	14.5%	
% of Pop Over 40	41.0%	41.4%	0.4%	43.5%
Avg. Member Age	34.6	34.0	-1.6%	34.8
Avg. Emp Age	44.2	43.2	-2.3%	45.0
% Female	41.1%	39.6%	-1.5%	49.8%
Turnover	25.3%	34.3%	9.1%	

## Preventive & ER/UC Utilization

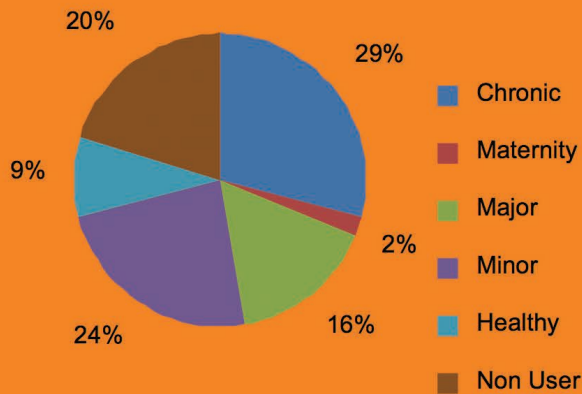


## Health Engagement

### Total Health Engagement as a % of Population



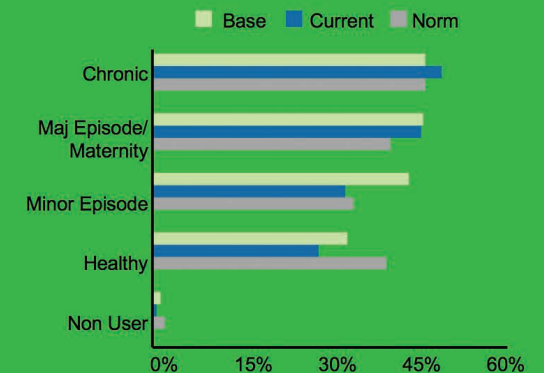
## Health Status - Population Profile



## ER/UC Utilization

	Base	Current	Trend	Norm
<b>Emergency Room</b>				
Visits per K	159.5	152.2	-4.6%	226.9
Avg Cost per Visit	\$1,639	\$2,076	26.7%	\$1,618
Most Prevalent Day	Mon	Mon		
Steerable ER as % of Total	16.8%	16.2%	-3.9%	13.7%
<b>Urgent Care</b>				
Visits per K	123.3	185.0	50.0%	169.4
Avg Cost per Visit	\$193	\$217	12.3%	\$230
Most Prevalent Day	Wed	Fri		
<b>Convenience Care</b>				
Visits per K	93.8	58.5	-37.6%	31.3
Avg Cost per Visit	\$71	\$63	-11.1%	\$59

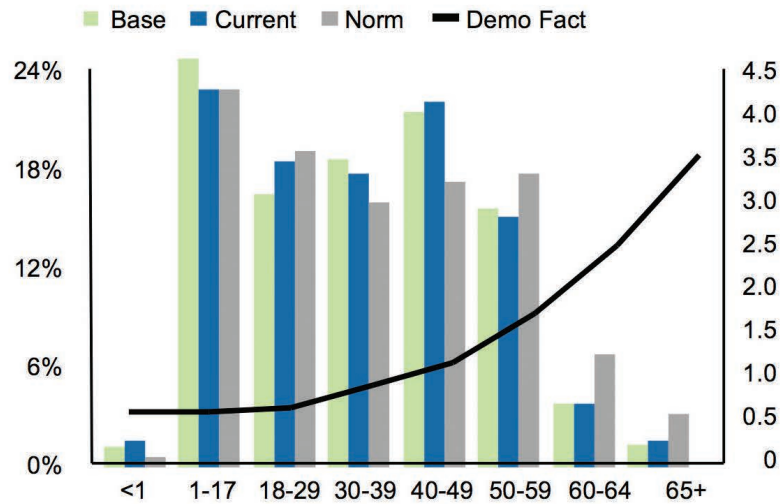
## Engagement by Population Segment



## Top Engagement Opportunities

- |                           |                           |
|---------------------------|---------------------------|
| <b>Health Maintenance</b> | <b>Health Improvement</b> |
| Health Assessment         | Telephonic - Goal Set     |
| Preventive Care           | Healthy Pregnancies       |
| Dental Cleaning           | Healthy Babies            |
|                           | Child Care Support        |

## Percent of membership by age band



## Key metrics overview

	Base	Current	Trend	Norm
Percent of Pop. Age 40+	41.0%	41.4%	0.4%	43.5%
Average Member Age	34.6	34.0	-1.6%	34.8
Average Employee Age	44.2	43.2	-2.3%	45.0
Percent of Population Male	58.9%	60.4%	1.5%	50.2%
Percent of Population Female	41.1%	39.6%	-1.5%	49.8%

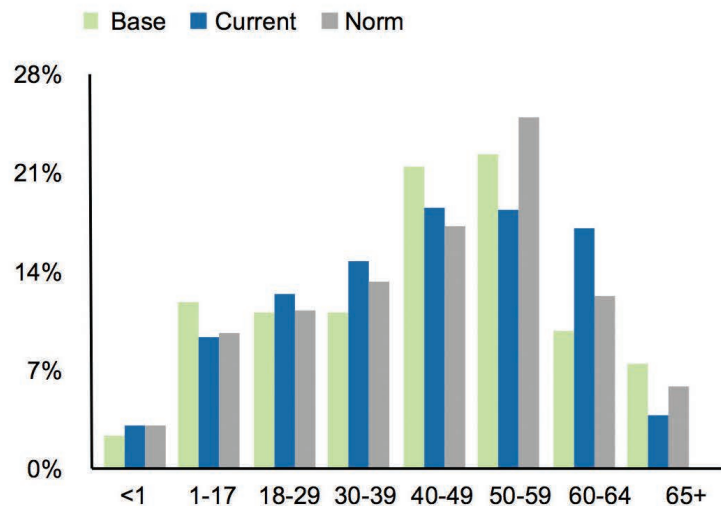
## Average spend by age band

	Base	Current	Trend	Norm
<b>All Members</b>				
40-49	\$386	\$343	-11.1%	\$493
50-59	\$553	\$496	-10.3%	\$696
60-64	\$957	\$1,758	83.8%	\$890
65+	\$1,990	\$954	-52.1%	\$875
<b>Excluding Catastrophic</b>				
40-49	\$172	\$206	19.8%	\$265
50-59	\$297	\$235	-20.9%	\$325
60-64	\$487	\$406	-16.7%	\$369
65+	\$589	\$257	-56.5%	\$355

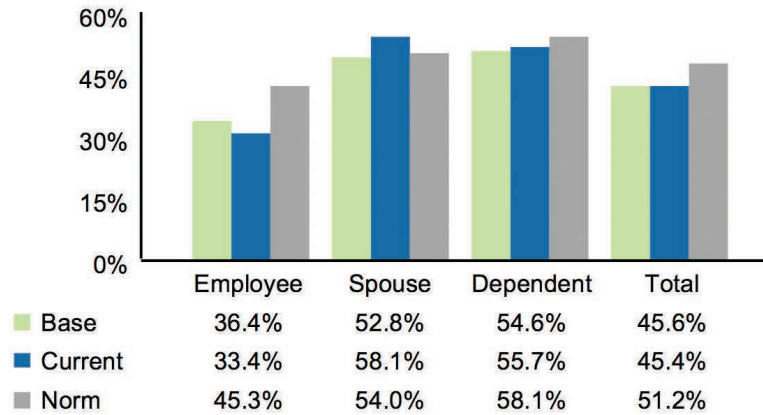
## Comments

- Average member age decreased from 34.6 years to 34.0 years, a decrease of 1.6%
- The percentage of members in the 40+ age range increased from 41.0% to 41.4%, and compares to a norm of 43.5%

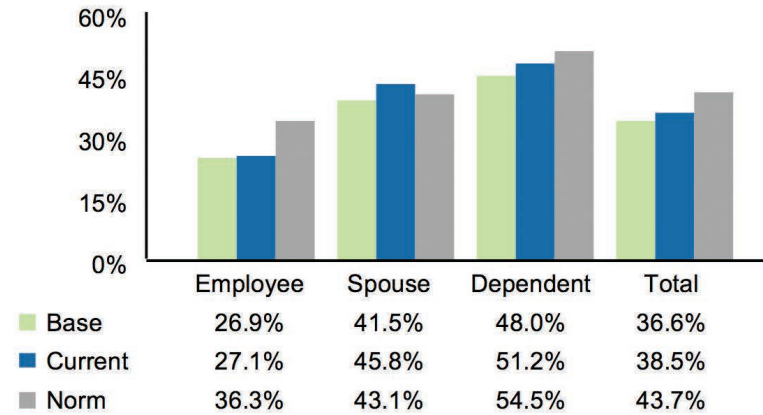
## Percent of plan spend by age band



Preventive care utilization (all services)



Well visit completion rates



Comments

- The largest category of preventive care utilization is spouses. The utilization rate increased from 52.8% to 58.1%, and compares to a norm of 54.0%
- The next largest category of preventive care utilization is dependents. The utilization rate increased from 54.6% to 55.7%, and compares to a norm of 58.1%
- The largest category of well visit utilization is dependents. The utilization rate increased from 48.0% to 51.2%, and compares to a norm of 54.5%
- The next largest category of well visit utilization is spouses. The utilization rate increased from 41.5% to 45.8%, and compares to a norm of 43.1%



# CATASTROPHIC DETAIL (INTEGRATED MEDICAL AND PHARMACY)

M/F	Age	Relshp	ICD Major	ICD Minor	Medical	Pharmacy	Med Srx	Pharm Srx	Total (\$)	Out of Net %	Last Date of Eligibility	Cat in Base?	Clinical Programs	
1	F	60-64	SP	Neoplasms	Care/Neoplas	\$35,602	\$855	\$126,882	\$0	\$163,339	0%	12/17	N	WI
2	M	60-64	SP	Neoplasms	Male Genital	\$7,157	\$0	\$129,234	\$0	\$136,391	0%	05/17	N	WI
3	M	50-59	EE	Skin	Other Skin	\$8,426	\$1,567	\$109,430	\$838	\$120,262	0%	05/17	Y	WI
4	M	60-64	EE	Circulatory	Atherosclerosis	\$85,763	\$7,051	\$0	\$0	\$92,814	0%	12/17	N	WI
5	F	65+	SP	Neurological	Neuro CNS	\$8,048	\$6,264	\$0	\$75,282	\$89,594	0%	12/17	Y	WI
6	M	50-59	EE	Neoplasms	Digestive	\$63,906	\$426	\$16,721	\$2,203	\$83,256	1%	04/17	N	ONC
7	M	40-49	EE	Musculoskeletal	Back	\$79,257	\$166	\$0	\$0	\$79,423	3%	08/17	N	
8	M	40-49	EE	Neoplasms	Other Neopla	\$54,272	\$9,586	\$0	\$0	\$63,858	0%	12/17	N	WI
9	M	50-59	EE	Musculoskeletal	Joint	\$54,628	\$787	\$0	\$0	\$55,415	2%	12/17	N	WI
10	M	65+	EE	Musculoskeletal	Back	\$53,156	\$1,252	\$0	\$0	\$54,409	0%	05/17	N	COM,WI
11	F	50-59	SP	Musculoskeletal	Back	\$9,762	\$17,467	\$0	\$26,239	\$53,469	13%	12/17	Y	WI
12	F	18-29	EE	Pregnancy	Preg/Labor	\$52,579	\$80	\$0	\$0	\$52,658	0%	12/17	N	WI
13	F	40-49	SP	Circulatory	Cardiovascular	\$50,274	\$502	\$0	\$0	\$50,776	0%	12/17	N	INP,WI
14	M	60-64	EE	Mental Disorder	Depr Neuroses	\$21,900	\$23,701	\$0	\$0	\$45,601	10%	12/17	N	COM,WI
15	F	18-29	EE	Ear,Nose,Throat	Upper Resp	\$1,117	\$362	\$0	\$39,607	\$41,086	0%	12/17	N	
16	F	18-29	SP	Pregnancy	Norm Deliver	\$39,794	\$42	\$0	\$0	\$39,836	0%	12/17	N	
17	F	40-49	SP	Musculoskeletal	Muscle/Conne	\$35,758	\$1,465	\$0	\$0	\$37,223	0%	09/17	N	WI
18	F	65+	SP	Skin	NonMalign Breast	\$30,497	\$6,203	\$62	\$0	\$36,762	0%	12/17	Y	ONC,WI
19	F	40-49	SP	Gastrointestinal	Stom/Int/Pan	\$33,619	\$1,948	\$0	\$0	\$35,567	3%	12/17	Y	WI
20	F	50-59	SP	Musculoskeletal	Joint	\$29,425	\$5,977	\$0	\$0	\$35,402	1%	12/17	N	WI
21	M	30-39	EE	Neoplasms	Digestive	\$6,985	\$0	\$179	\$27,889	\$35,053	100%	12/17	N	
22	M	60-64	EE	Neoplasms	Care/Neoplas	\$30,376	\$4,399	\$0	\$0	\$34,775	1%	12/17	N	WI
23	M	30-39	SP	Musculoskeletal	Fracture	\$31,978	\$275	\$0	\$0	\$32,253	2%	12/17	N	COM,WI
24	M	40-49	EE	Gastrointestinal	Stom/Int/Pan	\$30,527	\$85	\$0	\$0	\$30,613	0%	12/17	N	WI
25	M	1-17	DEP	End/Nutr/Metab	Diabetes	\$6,095	\$22,829	\$0	\$0	\$28,924	0%	12/17	N	WI

### Acronym Key

#### CM/SPCM Programs (Case Mgmt)

CAT-Catastrophic  
COM-Complex  
INP-Inpatient  
NIC-Neonatal Intensive Care  
ONC-Oncology  
REH-Rehabilitation  
TRN-Transplant

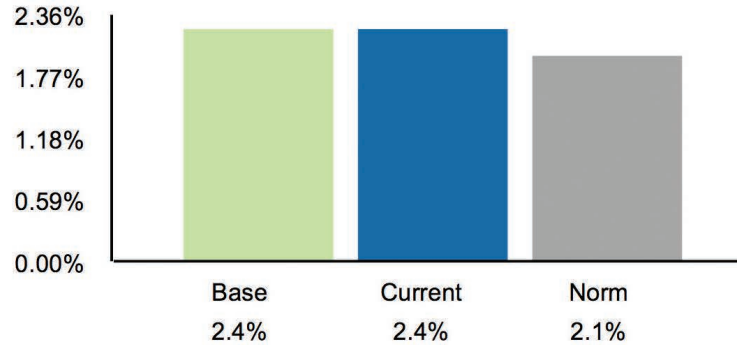
#### Chronic Coaching Programs

AST-Asthma  
CAD-Coronary Heart Disease  
CHF-Chronic Heart Failure  
CPD-Chronic Obstructive Pulmonary Disorder  
DEP-Depression  
DIA-Diabetes Mellitus  
LBP-Low Back Pain  
OST-Osteoarthritis  
PAD-Peripheral Artery Disease  
WGT-Weight Complications

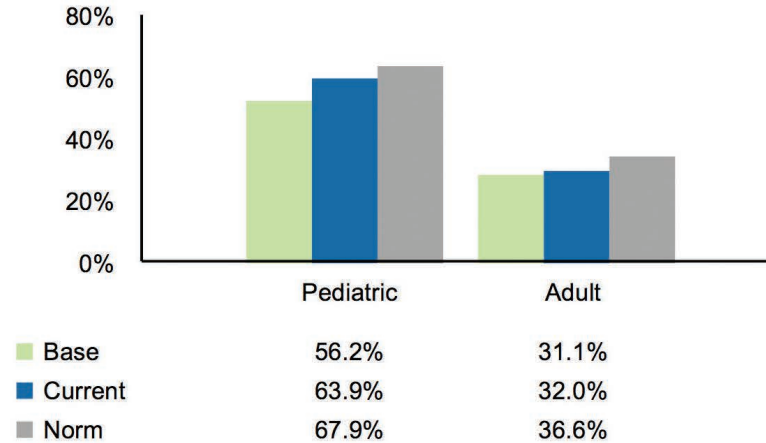
#### Additional Programs

CCS-Cancer Care Support Program  
EAP-Employee Assistance Program  
HPHB-Healthy Pregnancies Healthy Babies  
LMP-Lifestyle Management Programs  
OL-Online Programs  
TDS-Treatment Decision Support  
WC-Wellness Coaching  
WI-Well Informed (Gaps In Care)

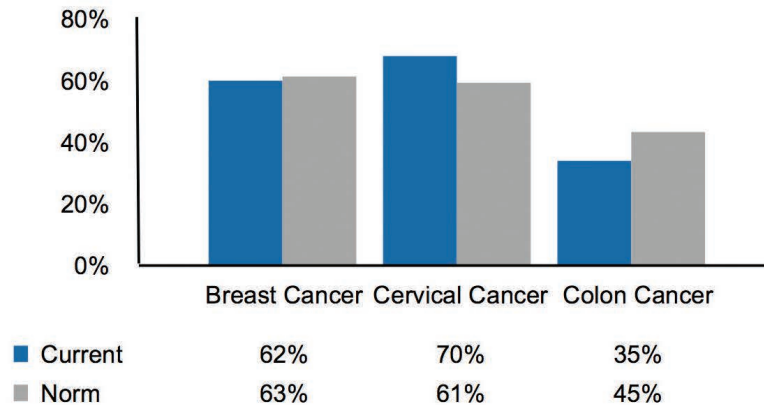
Preventive care as % of total spend



Well visit completion rates



Cancer screening rates

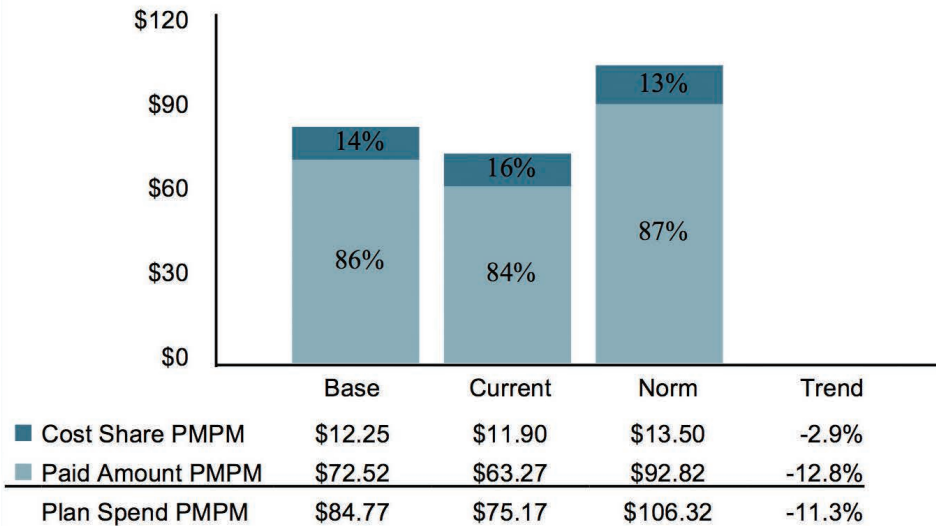


Comments

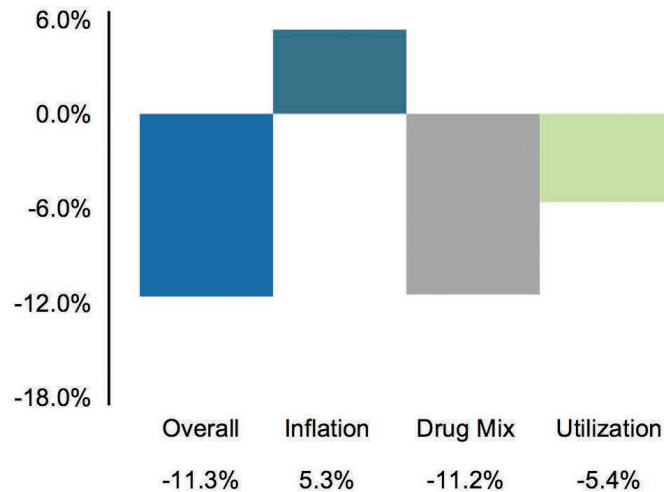
- Preventive care as a percent of total spend remained at 2.4%, and compares to a norm of 2.1%
- Well visit completion rate for adults increased from 31.1% to 32.0%, and compares to a norm of 36.6%
- Breast cancer screening rate was 62%, 1% less than the norm of 63%
- Cervical cancer screening rate was 70%, 9% greater than the norm of 61%
- Colon cancer screening rate was 35%, 10% less than the norm of 45%

\*Results are based on HEDIS® technical specifications, but some variance will exist due to differences in claims data availability compared with specification criteria  
 -Breast Cancer Age Criteria: 42-69 24 Month Eligibility  
 -Cervical Cancer Age Criteria: 24-64 24 Month Eligibility  
 -Colon Cancer Age Criteria: 51-75 24 Month Eligibility

## Plan cost & trend



## Trend impact



## Pharmacy performance

	Base	Current	Trend	Norm
<b>Members</b>				
Average Number of Employees	357	413	15.7%	
Average Number of Members	746	854	14.5%	
Average Utilizers	71.4%	73.3%	1.8%	
Average Member Age	34.6	34.0	-1.6%	34.8
<b>Cost Trend</b>				
Plan Spend	\$758,861	\$770,602	1.5%	
Employer Paid	\$649,192	\$648,599	-0.1%	
Member Cost Share	\$109,668	\$122,003	11.2%	
<b>Drug Mix</b>				
Generic Dispensing Rate	85.7%	88.6%	2.9%	87.1%
Preferred Brand	11.2%	8.4%	-2.8%	9.4%
Non-Preferred Brand	3.1%	3.0%	-0.1%	3.5%
Generic Substitution Rate	97.5%	97.4%	-0.1%	96.9%
Formulary Brand Compliance Rate	79.3%	75.6%	-3.7%	74.5%
<b>Utilization</b>				
Total Prescriptions	6,002	6,706	11.7%	
% Mail Order	5.7%	5.0%	-0.8%	8.5%
% Retail	94.3%	95.0%	0.8%	91.5%
% Retail 90	6.3%	5.9%	-0.5%	
Days Supply PMPM	18.83	17.81	-5.4%	26.58
<b>Specialty Pharmacy</b>				
Pharmacy Plan Spend PMPM	\$27.54	\$22.42	-18.6%	\$40.34
Medical Plan Spend PMPM	\$15.00	\$38.33	155.6%	\$23.68
Pharmacy Plan Spend as % of Total	32.5%	29.8%	-2.7%	37.9%
Specialty Utilizers	21	32	52.4%	
Specialty Scripts PMPY	0.09	0.10	16.9%	0.12

High cost prescriptions ranking

Rank		Drug Name	Condition	Plan Spend PMPM				Cost per Script	Unique Members		Scripts	
Base	Current			Base	Current	Trend	Norm	Current	Base	Current	Base	Current
-	1	Epclusa (SRx)	Hepatitis	\$0.00	\$2.52	0.0%	\$0.36	\$25,868	0	1	0	1
-	2	Stelara (SRx)	Psoriasis	\$0.00	\$3.86	0.0%	\$1.30	\$19,804	0	1	0	2
2	3	Rebif (SRx)	Multiple Sclerosis	\$8.25	\$7.34	-11.0%	\$0.31	\$6,844	1	1	12	11
3	4	Humira Pen (SRx)	Arthritis	\$5.90	\$3.48	-41.0%	\$6.11	\$4,460	2	2	14	8
-	5	Complera (SRx)	HIV	\$0.00	\$2.72	0.0%	\$0.24	\$2,535	0	1	0	11
-	6	Xolair (SRx)	Asthma	\$0.00	\$0.21	0.0%	\$0.65	\$2,173	0	1	0	1
5	7	Renvela	Electrolyte Imbalance	\$1.40	\$1.80	28.8%	\$0.14	\$2,049	1	1	6	9
-	8	Taclonex	Psoriasis	\$0.00	\$0.17	0.0%	\$0.06	\$1,693	0	1	0	1
-	9	fluorouracil	Cancer	\$0.00	\$0.14	0.0%	\$0.05	\$1,422	0	1	0	1
39	10	Novolog Flexpen	Diabetes	\$0.10	\$0.81	681.6%	\$0.53	\$1,379	1	1	2	6
45	11	Humalog Kwikpen U-100	Diabetes	\$0.10	\$0.25	160.0%	\$0.58	\$1,295	1	1	2	2
-	12	Epipen Jr 2-Pak	Anaphylaxis	\$0.00	\$0.12	0.0%	\$0.17	\$1,228	0	1	0	1
-	13	Repatha Sureclick (SRx)	Cholesterol	\$0.00	\$0.45	0.0%	\$0.04	\$1,161	0	1	0	4
-	14	Varubi (SRx)	Nausea / Vomiting	\$0.00	\$0.21	0.0%	\$0.01	\$1,102	0	1	0	2
18	15	Androgel	Hormone Replacement	\$1.18	\$1.17	-1.0%	\$0.64	\$1,086	2	1	14	11
-	16	Latuda	Psychosis	\$0.00	\$0.72	0.0%	\$0.36	\$1,052	0	1	0	7
-	17	doxepin hcl	Itching	\$0.00	\$0.20	0.0%	\$0.06	\$1,002	0	2	0	2
-	18	Gleostine	Cancer	\$0.00	\$0.37	0.0%	\$0.00	\$937	0	1	0	4
11	19	Retin-A Micro Pump	Acne	\$0.10	\$0.09	-12.7%	\$0.09	\$920	1	1	1	1
-	20	Kenalog	Itching / Inflammation	\$0.00	\$0.08	0.0%	\$0.00	\$842	0	1	0	1

Comments

- The top 20 high cost drugs accounted for 1.2% ( 86 scripts) of the overall prescription volume, and 35.5% (\$26.71) of total plan spend PMPM in the current period

# NOTES

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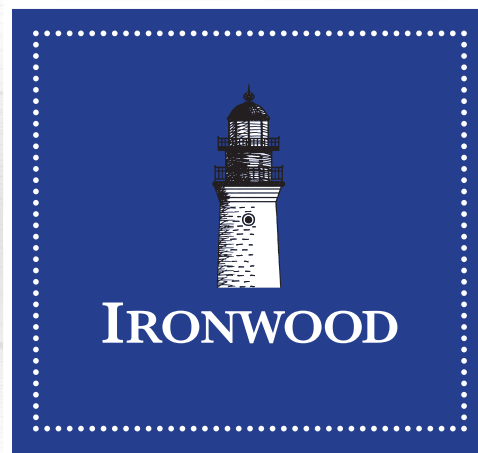
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