

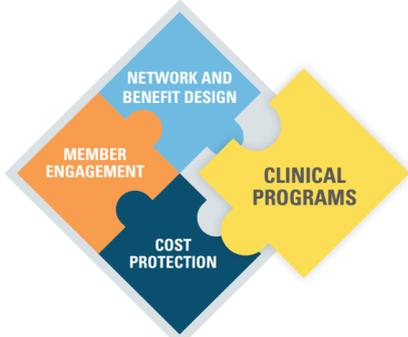
TOTAL COST OF CARE: DRIVE SAVINGS THROUGH CLINICAL PROGRAMS

Employers are always looking for ways to control costs and improve the quality of healthcare for their employees. Let's explore how smarter, better management of clinical programs can result in significant savings within a Total Cost of Care approach.



HOW DOES TCOC COME TOGETHER?

Total Cost of Care (TCOC) encompasses your organization's total spending on healthcare and health benefits for your employees and their dependents.



WHY CHOOSING THE RIGHT CLINICAL PROGRAMS IS JUST WHAT THE DOCTOR ORDERED

Effective clinical programs ensure that employees, especially those with chronic or high-cost conditions, are getting the right care from the right provider, in the right place at the right time. This approach can lead to fewer ER visits, lower hospitalization rates, adherence to preventive screenings and savings for employers.

90% of annual healthcare costs are for people with chronic and mental health conditions.¹

POPULATION HEALTH MANAGEMENT

Move the needle with data-driven clinical decision making, better engagement and holistic health integration.

37% reduction in hospitalizations can be achieved through proper care coordination.²

CARE MANAGEMENT FOR AT-RISK MEMBERS

Better manage at-risk members with a team-based partnership approach to achieve early and targeted intervention.

\$147B in annual productivity losses due to chronic conditions like heart disease and stroke³

INTEGRATED MEDICAL AND PHARMACY BENEFITS

Using real-time prescribing data to improve care management for your employees drives better outcomes, which means healthier, more productive employees.

4% ↓ lower annual medical costs, with an associated average medical cost savings of \$148 per member per year, specifically \$3,601 with carve-in versus \$3,749 with carve-out or a separate pharmacy benefit.⁴

INTEGRATED PHYSICAL AND BEHAVIORAL HEALTHCARE

Integrating physical and behavioral healthcare can lead to better outcomes and cost savings.

57% of commercial healthcare spending is spurred by behavioral health patients.⁵

CLINICAL PROGRAMS CAN PAVE THE WAY TO HEALTHIER EMPLOYEES + ORGANIZATIONS

When effective clinical programs that are supported with member engagement are put in place, they can work for your workforce and your organization's bottom line. Here's an idea of how the right pieces come together:

Meet Sara. She is overweight—and has diabetes and COPD.



ON TIME — Using data, we are able to identify care gaps and health risks for Sara in order for her providers to deliver more timely service.

APPROPRIATE PLACE — Sara is not feeling well and needs to determine where she should go to get the care she needs. Through member education tools, Sara is directed to the right clinical setting.

RIGHT PROVIDERS — Once Sara determines that she can be seen as an outpatient, she contacts her insurance company to assist in finding the right providers.

COMPREHENSIVE CARE — By integrating Sara's care and having real-time access to data, her care team has a fuller picture of her health to ensure that her unique needs are met.



By integrating a strong clinical program into your benefits strategy, you are sending Sara on her way to better health that is lower cost.

ASK YOUR HEALTH PLAN PARTNER

Are pharmacy benefits integrated so that clinical teams have a full picture of my employees' health?

What programs do you offer to encourage collaboration across pharmacy and clinical programs?

How are you using data to drive better outcomes?

What new solutions are being offered to help me better integrate and manage the care of my employees?



TAKE A TOTAL COST OF CARE APPROACH TO CONTROL SPENDING

THIS IS HOW

Together with your health plan partner, you can use a Total Cost of Care (TCOC) Approach to deliver better results for your employees and your organization's bottom line. Visit smarterbetterhealthcare.com for more information and insights on TCOC to help you make the right decisions.

1 Centers for Disease Control and Prevention, Health and Economic Costs of Chronic Care
2 Grail Dorling, Tim Fountaine, Sorcha McKenna, Brindan Suresh, "The Evidence for Integrated Care," McKinsey & Co., 2015
3 Benjamin EJ, Virani SS, Callaway CW, et al. Heart disease and stroke statistics—2018 update: A report from the American Heart Association. *Circulation*. 2018;137:e67–e492.
4 Regence Health Plans, prime therapeutics study shows significant improvements when integrating pharmacy and medical benefits, 2020
5 Modern Healthcare, "Behavioral health patients spur 57% of commercial healthcare spending," 2020