



20__ Best Practices Award Nomination Form

NOMINATOR

Please provide name and complete contact information.

NOMINATED COMPANY

ABC Company

ABC Company (NYSE: ABC) designs, manufactures and markets [x] and other highly engineered products and sub-systems used in the energy, aerospace and industrial markets. ABC is headquartered in [____], Massachusetts.

In addition to approximately 1,300 employees in the United States, ABC has manufacturing facilities located in Canada, Western Europe, Morocco, India, Brazil and the People's Republic of China. ABC's products are sold through over 950 distributors and they service over 7,000 customers in 100+ countries around the world.

NOMINATED COMPANY'S REPRESENTATIVE

The representative will deliver the presentation at NEEBC's Best Practices Conference should the nomination be selected as a winner.

_____, Corporate Benefits Manager
_____, VP of Human Resources

NOMINATION CATEGORY

Check all that apply.

- Health and Welfare
- Retirement
- Wellness
- Plan Design & Administration
- Total Rewards Strategy
- Other:

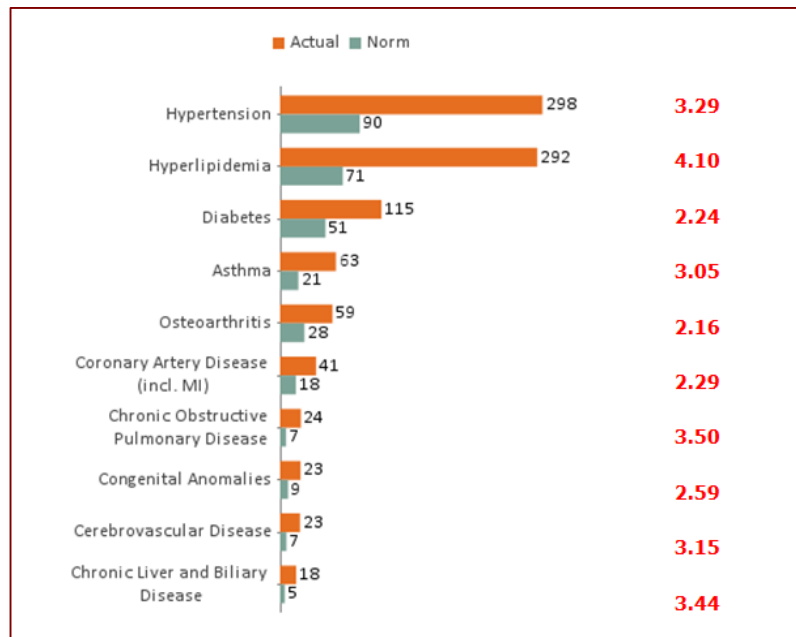
NOMINATED PROGRAM

Provide a description of the program, e.g., overview, goals, duration, and challenges. Attach supporting documents as necessary.

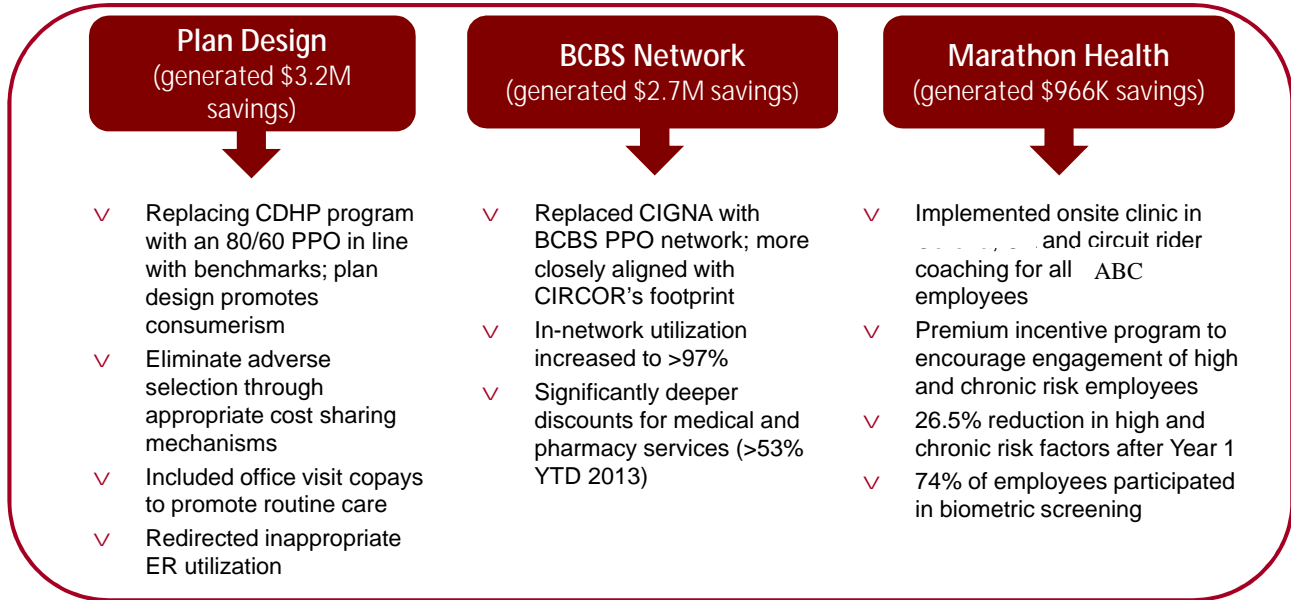
Comprehensive Approach to Health Risk Management

As of December 2011, ABC's annual Per Employee Per Month (PEPM) claim trend was +18% (more than double the national average) and data clearly indicated several key problem areas:

- ABC's per capita health plan costs were nearly 15% above benchmarks, despite a consumer directed health plan; 2012 renewal increase was projected at more than 30%
- Patterns of care were alarming:
 - Use of preventive care was 17% below norms
 - 68% of members did not utilize the plan at all over a 12-month period; the CDHP was confusing to employees and there were financial barriers to care
 - 87% in-network utilization
 - Members were not seeking care to manage chronic conditions as evidenced by lower than expected office visit utilization, poor medication adherence, extremely high ER utilization and more
- Prevalence of chronic conditions far exceeding normative levels (prevalence/1,000; as of 12/31/2011):



Beginning in January 2012, ABC launched three concurrent initiatives to health risk management:

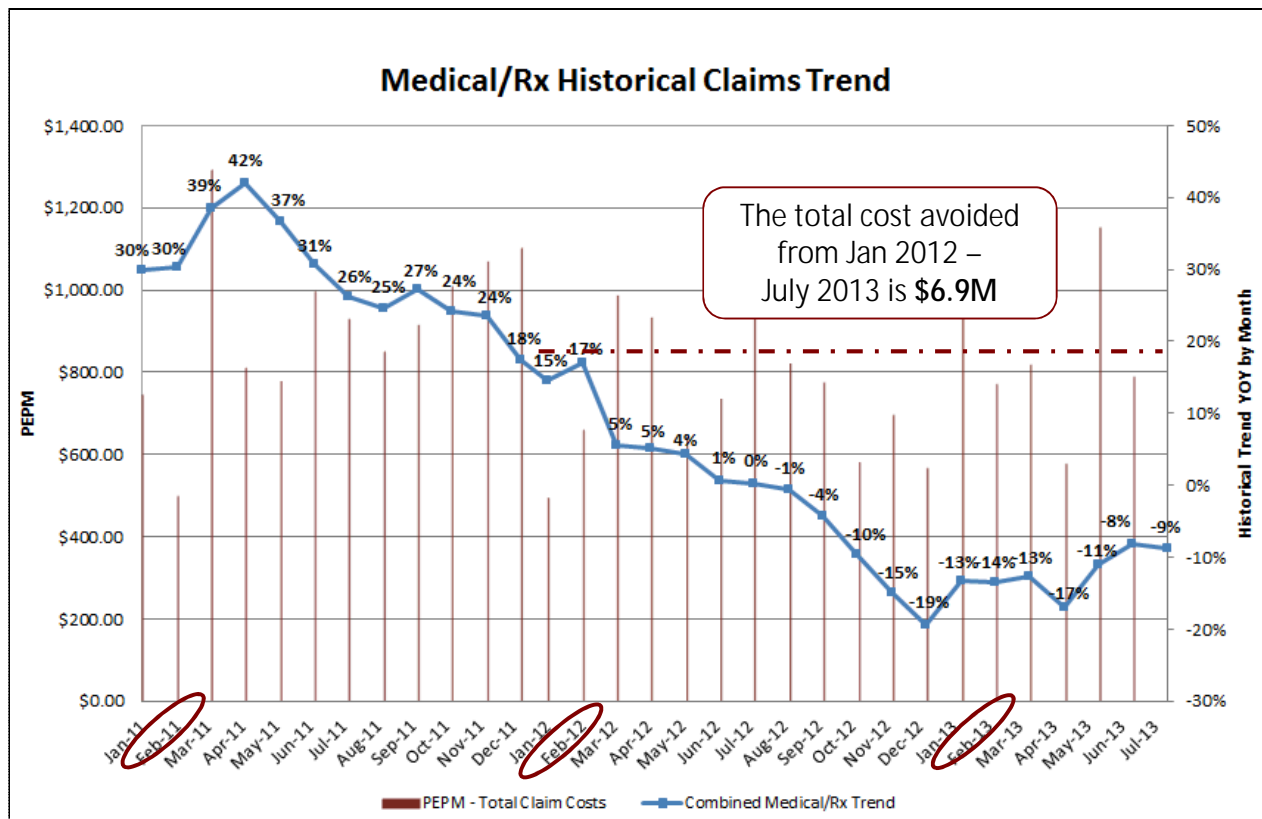


Health Risk Management is a priority within all levels of the ABC organization. Review of monthly KPIs (key performance indicators) with the CEO and other leadership includes documentation of ABC's medical cost trends and engagement in the Marathon Health program

PROGRAM DATA, ROI, AND RESULTS

Example: workforce demographics, number of eligible employees, participation ratio, ROI data, relevant metrics and quantifiable results.

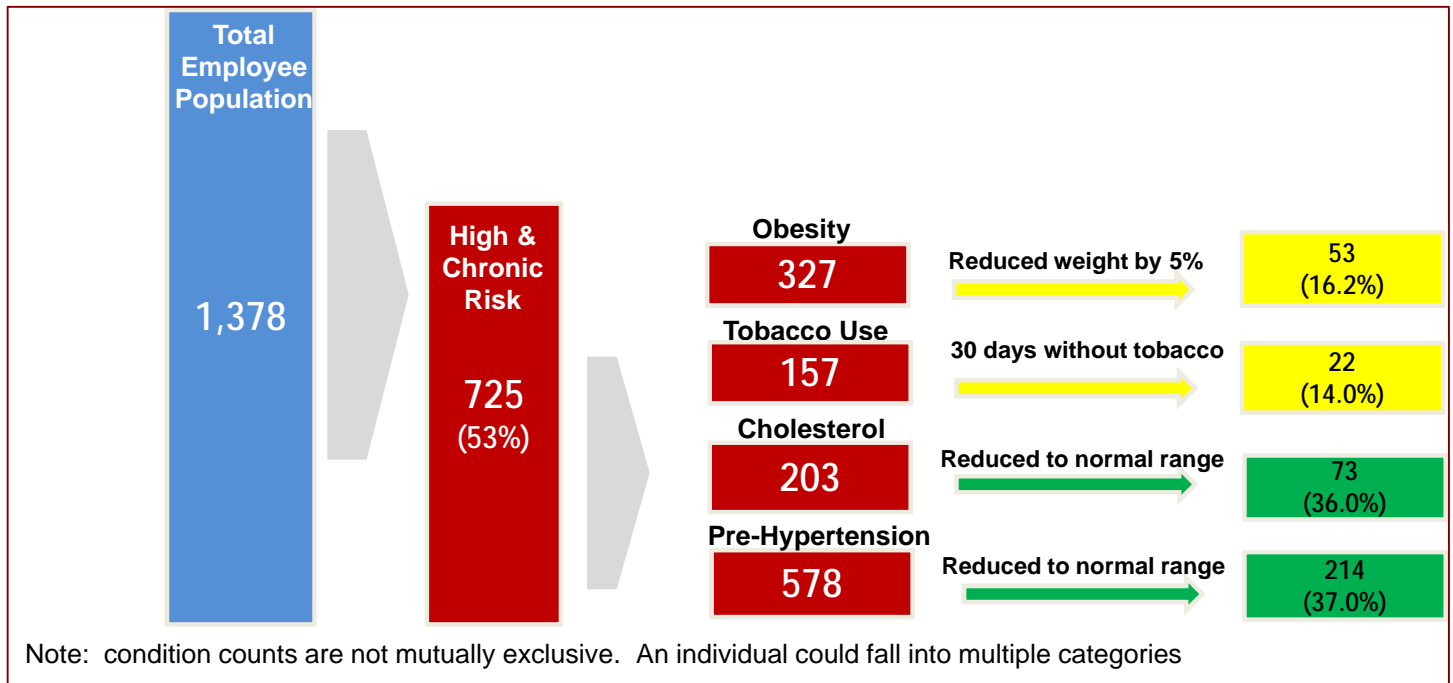
Based on claim and utilization data through July 2013, ABC has made substantial progress. As compared to trend at +18% as of December 2011, ABC's PEPM claim trend is now -9%. Engagement in the Marathon Health program has surpassed any other client in Marathon Health's history. Include below are several exhibits that provide additional detail on these results:



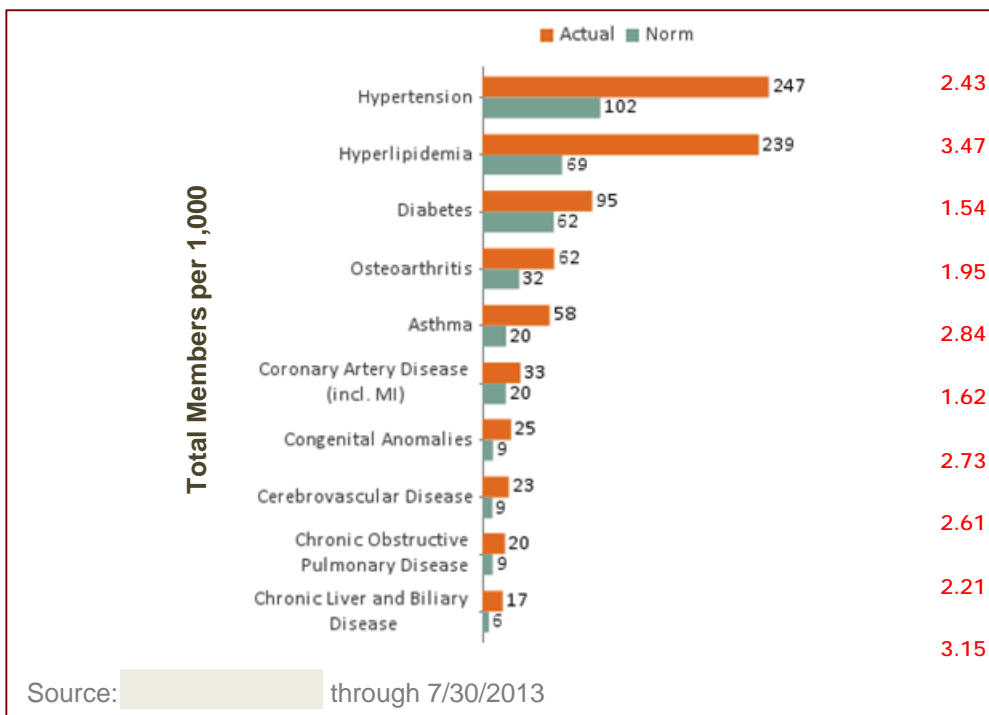
Note: each data point reflects a rolling 12-month PEPM claim trend calculation (i.e., July 2013 data point reflects 8/12-7/13 as compared to 8/11-7/12)

The Marathon Health program launched in March 2012 and consists of a clinic in [Location #1] and circuit rider health coaching at all ABC locations (i.e., the coach travels to all locations several times per year and is available also by email/phone). Engagement in the Marathon Health program is the highest in Marathon Health's history, a testament to the health coaches and ABC's commitment to communication of the activities and the premium incentive program that encourages engagement.

- Of the \$6.9M of cost avoidance (referenced on the previous page), \$966K is attributable to the Marathon Health program
- The program has also achieved approximately \$147K in savings from redirected care at the clinic in Location #1 and saved time away from work equates to an additional \$153K in savings
- The circuit rider coaching program has achieved a 28.6% reduction in high and chronic risk factors



While still above normative levels, ABC's prevalence (members/1,000) of chronic conditions has decreased:



In just over 1 year, the Marathon Health program has produced a financial return of more than 2.2 : 1

Marathon Health Summary

Program Fees (3/12 - 7/13)	\$476,000
<u>One-Time Implementation Charge</u>	<u>\$88,000</u>
Total ABC Investment Over 16 Months	\$564,000

Cost Savings

Medical Cost Avoidance	(\$963,500)
Redirected Care	(\$147,000)
<u>Reduced Time Away from Work</u>	<u>(\$153,300)</u>
Total Cost Savings	(\$1,263,800)

Net Cost	(\$699,800)
ROI	2.24

Marathon Health Program Fees:

- ~\$30K per month (\$355K/yr)
- \$298 PEPY
- 2.6% of medical spend

ABC realizes that there is a long way to go on this journey. Prevalence of chronic conditions still far surpass norms. Activities effective 1/1/2014 include (1) expanding the Marathon Health program to more than double the number of coaching hours and (2) implementing an outcome-based premium incentive program

Marathon Health Expansion

Current			
Coach Location	#	Service Area	Total Cost
	Hours/Wk		
Location 1	20	Location 1	
Location 2	30	All Other Locations	
Location 3	-		
Location 4	-		
Total	50		\$375,300

Proposed			
#	Service Area	Total Cost	
Hours/Wk			
40	Location 1		
30	Location 2		
20	Location 3		
20	Location 4		
110			\$566,300

2014 Premium Incentive Program

Discount 1 - all of the following must be met:	
Requirement	Verification Sources
1. Completed Biometric Screening and Online Health Risk Assessment	Marathon Health
2. Meet with the Marathon Health Coach in Q1-Q4 (if applicable)	Marathon Health

Discount 2 - all of the following must be met:	
Requirement	Verification Sources
1. Non-Tobacco User	Marathon Health during 2013 Biometric Screening Event or Physician Certification Form
2. Cholesterol Level: TC < 200	Marathon Health during 2013 Biometric Screening Event or Physician Certification Form
3. Blood Pressure: <140/90 mmHg	Marathon Health during 2013 Biometric Screening Event or Physician Certification Form
4. Blood Glucose: <126	Marathon Health during 2013 Biometric Screening Event or Physician Certification Form
5. BMI: <30	Marathon Health during 2013 Biometric Screening Event or Physician Certification Form

Please e-mail, fax or mail this form to:

New England Employee Benefits Council, 240 Bear Hill Rd., Suite 102, Waltham, MA 02451

Fax: 781-684-9200

Email: Patty@neebc.org

Thank you for your nomination!