

In 2012, Scott Benefit Services formed a group health captive, the Heritage Group Health Plan, with several independently-owned Senior Living community employers representing approximately 2,500 total employees.

Senior Living industry employees have some of the highest rates of health benefit program utilization and overall some of the highest human capital costs as compared to other private sector industries. High-risk employees in Senior Living communities drive higher benefit costs and may negatively impact productivity, performance and overall resident care.

### Clinical Interventions

Understanding the impact of high-risk employees in the Senior Living industry, the Heritage Group Health Plan implemented clinical interventions through KnovaSolutions Clinical Prevention Services beginning in 2015. These interventions specifically targeted high-cost, high-risk employees - the 5% of the population driving 52% of spending - and their covered dependents through a family-centered approach that considers multiple dimensions that influence risk (health issues, social, family, community and workplace).

### Comparison Study

To evaluate the effectiveness of the Heritage Group Health Plan's clinical interventions, Workpartners conducted a study comparing annual claims cost data from Heritage Group Health Plan members to a cohort of similar Senior Living employers.

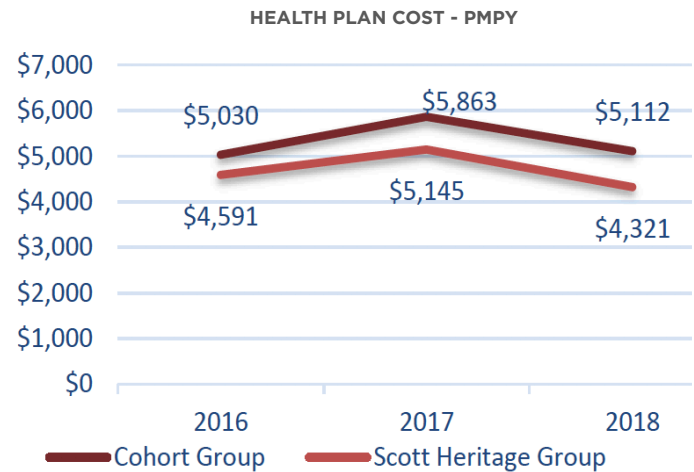
### Key Findings



### Detailed Study Results

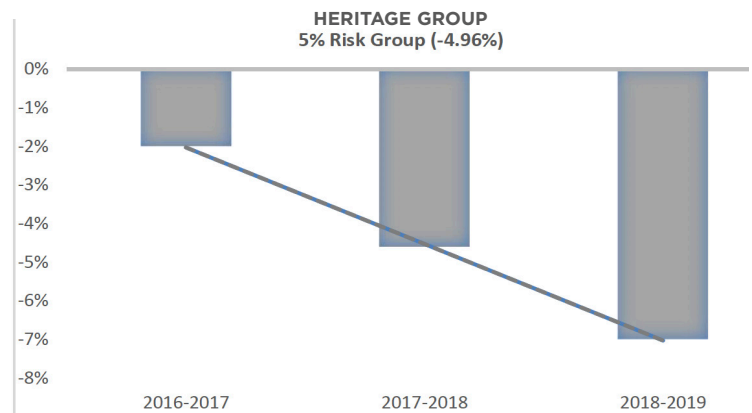
#### PMPY COST SAVINGS

Heritage Group Health Plan members experienced significant savings on a per-member, per-year (PMPY) basis as compared to the cohort group. Heritage Group members' PMPY costs were 8.7% less than the cohort group in 2016, 12% less in 2017 and 15% less in 2018 - an average of 12% over the three year period. These reductions resulted in an estimated savings for the group of \$6.8 million.



#### HIGH-COST CLAIMANT TREND

The assessment of healthcare cost trend for identified high-cost claimants in the Heritage Group Health Plan revealed that those members experienced a significantly lower healthcare cost trend than that of the cohort group. The healthcare cost trend for Heritage Group's highest risk employees (5% Risk Group), where KnovaSolutions member enrollment and engagement is most focused, experienced a negative -4.96% trend over the three-year period while the cohort group experienced an increasing trend of 5.21% during that same period.



#### EFFECTIVE ENGAGEMENT

Enrollment and participation levels in the high-cost claimant population were significantly higher for Heritage members as compared to traditional disease management programs. Heritage had a 70% enrollment rate and an average participation period of 18 months.

