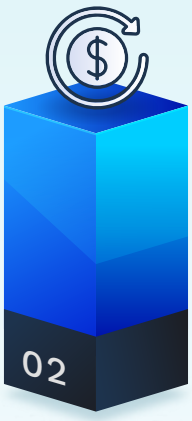
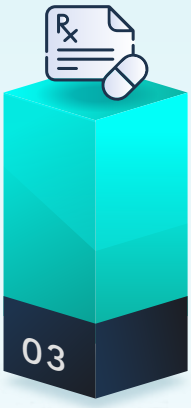
The Four Benefits Pillars

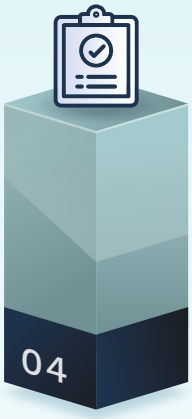
Utilization Management



Alternative Reimbursement

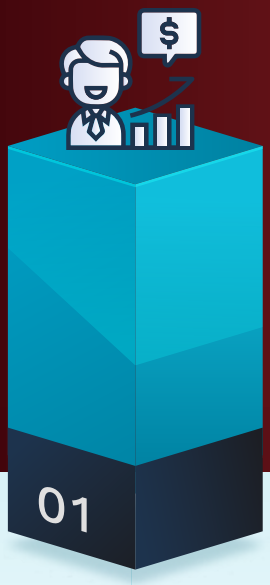


Rx Optimization



Enhanced Access To Care

ARCWOOD CONSULTING



PILLAR ONE:

Utilization Management

Pay less **Increase quality of care**

Utilization management brings the tools together that allow employers to pay less while receiving the highest quality of care for all employees within an organization.

Healthcare is usually among the three highest individual expenses for most companies on the balance sheet. Brands like Starbucks spend more money providing care for their employees than on coffee beans. Similarly, General Motors spends more on healthcare annually than on steel for manufacturing.

Remember: You can't impact healthcare, which has already happened. Using data to compare the quality and cost of providers beforehand allows employees and employers to make smarter decisions.

When executives and HR professionals consider their organization a healthcare company, they get forced to examine their overall benefits spending significantly.

Being intentional about your health plan will not only save you money but also allow you to facilitate better care for your workforce. You wouldn't accept a 5-10% increase in cost on most other budget items; your employer benefits plan should be no different.

Medical Management

You can't make intelligent decisions on a healthcare plan without acquiring the necessary data and management to inform these changes.

Better cost solutions cannot impact the cost of care for members once the care is received. We'll help you gather and utilize data to ensure you provide proper healthcare to employees in a suitable facility at the right time and cost.

Care Navigation

Traditional healthcare plans dictate exactly where your employees receive care and the type of care they're eligible to receive. However, these PPOs never consider the specific needs of the organization itself. Are the majority of employees over the age of 40? Are any of their family members currently fighting rare or chronic illnesses?

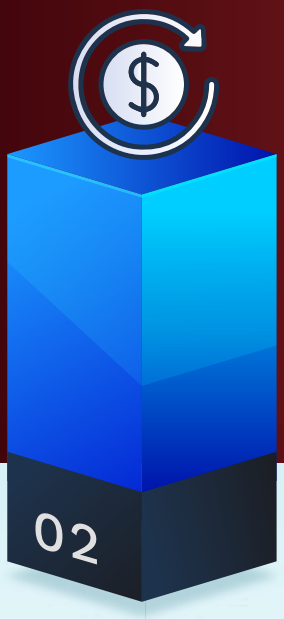
These are the types of questions that our team asks to develop a budget-friendly health plan that takes care of all beneficiaries. We also provide employers with the tools and resources to ensure the cost savings realized in the first year are sustainable throughout the life of your plan.

Advocacy

In 1999, a self-funded healthcare plan insured only 44% of workers. This number has increased to 83% as of 2023.

Despite this significant spike, there is much confusion and misinformation.

Our program education program guides employers to mitigate mistakes and unnecessary expenses throughout the process by providing knowledgeable advocates to optimize employee outcomes.



PILLAR TWO:

Alternative Reimbursements

As trivial as it sounds, you cannot pay less for healthcare without paying less for healthcare. Health insurance premiums only increase, while deductibles have doubled in the last decade. Think about it—insurance companies have zero incentive to lower costs. They are responsible for deciding how much to charge and what to reimburse healthcare providers.

The expense that organizations then pay as a 'premium' is what insurance companies call 'revenue.' In business, you'd never want to reduce your revenue, would you?

While this may seem like bad news, it presents an incredible opportunity for organizations to save significantly on healthcare services while providing employees with an increased care.

Providers are incentivized, as they can finally escape insurance companies and reimbursement models and receive payments directly from employers.

If you keep using the same strategies and carriers you're used to, you'll continue to get the same results. Alternative reimbursements present a "win-win-win" for everybody - employees receive healthcare at a lower cost, employers save money and offer better benefits. In contrast, healthcare facilities receive fair and faster payment for their services.

Reference Based Pricing (RBP)

Establish a concrete and transparent pricing model between organizations and healthcare providers. With RBP, employers know what they're paying for each service, and providers understand what they'll receive. Reference-based pricing is the perfect way to avoid opaque bill charge discounts in traditional health plans.

Direct Contracting

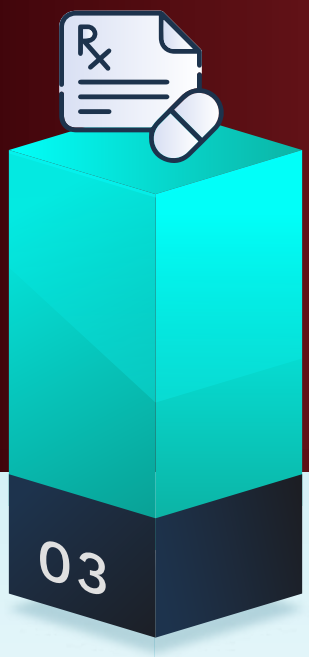
Creating a direct relationship between employers and their chosen healthcare provider benefits the organization and is often highly beneficial for the provider. At THB, we call it the "win, win, win."

Providers get paid faster, employers dramatically reduce their second-largest expenditure, and employees get access to higher-quality healthcare at a lower cost. With direct contracting, employees can also select the exact provider they'd like for treatment instead of being stuck with the insurance company's in-network list.

Bundled Payments

Bundled payments are as straightforward as they sound. Under this model, employers can pay a single fee for all surgeries or other specialized treatment services. Episodes of care commonly involved in bundled payments include stroke, congestive heart failure, sepsis, and UTI.

These payments align incentives amongst all providers, including physicians, hospitals, and post-acute providers, encouraging them to work together to provide employees with exceptional care.



PILLAR THREE:

Rx Drug Optimization

Have you looked at what healthcare spending gets allocated to exactly? If you have, you'll likely notice that prescription drugs account for 20-25% of total expenditures on health benefits. It is mainly because pharmacy benefits managers charge inflated prices on medications that could save the lives of employees and their families.

Furthermore, many company health plans show that 1-3% of members are responsible for 40-60% of your Rx spend.

With the right strategies and knowledge, pharmacy spending is the most impactable part of employer expenditure on healthcare while providing the least disruption to existing strategy.

Transparent PBM's

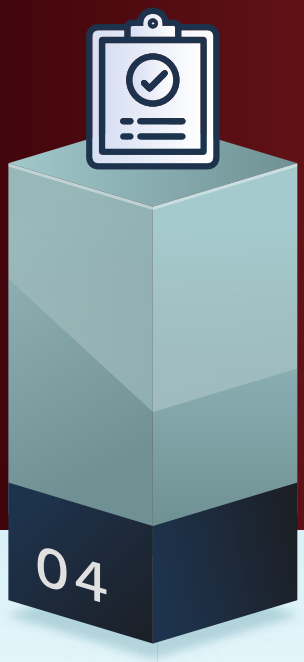
Pharmacy Benefit Managers are solely responsible for deciding prescription drug prices. These prices are not manufacturer-based, acquisition cost-based, or any other measurable number. These arbitrary pricing strategies are how employers spend more than they need to on Rx drugs. With a transparent PBM, they will sell prescription drugs at cost and be happy to pass on the cost savings they receive to the employer.

Sourcing Strategies

Did you know that many drugs are significantly cheaper overseas? Even sourcing prescription medication from nearby countries such as Canada and Mexico can help employers realize significant savings on Rx spending. Many nations have similar (or better) safety standards or protocols than US ones. The best part is that employers could cut their pharmacy expenses in half.

Specialty Drugs

Employees and their families often have particular needs when it comes to their healthcare. Specialty drugs are usually the only solution to cope with and eventually heal certain rare and chronic illnesses. While these medications can cost thousands of dollars for employees and employers, patient assistance programs can often reduce these expenses to zero.



PILLAR FOUR:

Enhanced Access to Care

What good is care if employees don't have the access they need? THB has helped companies expand and enhance access to care for their workforce for years. One of our most successful methods has been establishing an on-site clinic or partnering with a nearby provider facility.

Employers who have on-site clinics see significant cost savings and healthier employees. A company culture rooted in strong health practices can also benefit a workforce.

On-site clinics are just one of several ways employers are furthering their mission to enhance access to care for their employees.

Finding the best providers and maintaining cost transparency is simple and effective with the right expertise.

Quality of Care

Did you know you can improve employees' quality of care while lowering the overall budget cost? Surprisingly, it's not as complicated as you may expect. THB has multiple methods for employers of all sizes to help save money and establish a healthy culture amongst any workforce.

Care Advocates

Navigating care alone can be overwhelming for employers, especially for the first time. At THB, each plan member has access to dedicated care advocates. These individuals maintain transparency while recommending top providers to keep employers from overspending on care.

Type of Care

With traditional insurance plans, employees are very restricted regarding providers. Employers and employees can access alternative care methods such as telehealth, direct primary care, and on-site clinics with a self-funded plan. Enhancing access to care allows patients to manage their health better and witness better outcomes while saving money.