

CRESCENT

HEALTH SOLUTIONS



ACCREDITED
Health Utilization
Management
Expires 06/01/2018



ACCREDITED
Provider Credentialing
Expires 05/01/2018

Healthcare Quality and Value

.. *within Reach of Employers*

SELF-FUNDED HEALTH PLANS

- Employer controls the Plan design
- Employer pays medical and Rx claims
- TPA* administers the Plan
- Reinsurance limits risk

*third party administrator



Employer Consultants

.. Providing Clients with:

- **Day-to-day support with communications**
- **Analysis of Plan performance**
- **Research and advice on regulatory issues**
- **Vendor performance reviews**
- **Review of Contract language and terms**
- **Plan options**



Re-insurance

..More Options *within Reach*

- WNC fully-insured options - three (3)
- Reinsurance options – many
 - Crescent current contracts - 5
 - Approved underwriters – 10
- Crescent shops reinsurance every year
- Crescent does not add commission

Reinsurance

..Understanding *within Reach*

Reinsurance also called Stop loss

Specific, Aggregate

Attachment point

Aggregate Factors, Aggregate Corridor

Contract Term

Accumulation period for Incurred and Paid

Lasers

Individuals with different deductibles

Re-insurance

..Controlling Risk

- Specific deductible

- Covers the Plan, not the members
- Protects the Plan from large dollar cases
- Sets the maximum liability for any member
 - ***Jackson County Specific Deductible = \$100,000***
- Employer selects level of coverage
- Employer selects contract term



Re-insurance

..Controlling Risk

An Example:

- Specific Deductible of \$100,000
 - Plan is only responsible for a member's claims up to the member's \$100,000 deductible
 - If one member has annual claims of \$180,000, reinsurer will reimburse Plan \$80,000



Re-insurance

..Controlling Risk

Aggregate Stop Loss

- Limits the Plan's total claims liability
- Deductible level set by the carrier
 - *Attachment Point = Maximum Claims Exposure*
 - *Actuarial projection of expected claims plus 25%*
- Employer selects contract term



Accumulation Period

..Contract term

The time period for the contract and during which eligible claims accumulate toward both the specific and aggregate deductible and reimbursement.

Example:

18/12

Claims incurred during these 18 months

Claims paid within these 12 months

Insurance vs Reinsurance

EMPLOYEE BENEFIT PLAN

- \$1250 DEDUCTIBLE
- \$4250 MAX OUT OF POCKET
- Deductible = CALENDAR YEAR
- \$25/\$50 COPAYS FOR VISITS
- \$4/\$45/\$60 COPAYS FOR Rx

JACKSON COUNTY REINSURANCE CONTRACT

- \$100,000 SPECIFIC DEDUCTIBLE
- \$4,600,000 ATTACHMENT POINT
- 18/12 CONTRACT
- Incurred Nov 2014 – April 2016
- Paid May 2015- April 2016



Lasers

Individual members with abnormal health risks
Assigned a higher *Specific Deductible*

Example:

Member A is currently being treated for cancer

If Reinsurer assigns a \$200,000 deductible

Employer is responsible for first \$200,000 for this member's medical and Rx expenses



Re-insurance

..Controlling Risk

Transplant “Carve-out”

- Limits the Plan’s exposure
- \$5000 Deductible
- Proprietary network
 - Best outcomes for patients
 - Best value for patients and County



Why Self-funding?

..Keeping Benefits *within Reach*

- Retaining “Profits” in-House
- Plan Design Management and Flexibility
- Improved Reporting and Management
- Reaping Rewards for Wellness Programs
- Complete Financial Transparency
- Ownership of All Data
- Reduced Administrative Costs
- No Premium Tax (2%)
- Subrogation



Member Satisfaction

.. within Reach

Less Work for Administrators

Better Communications

Personal Attention to Members

Improved Customer Service



Why Crescent?

Partnering with Jackson County

- No increase in Admin costs since 2011 inception
- Reduced Admin Costs (now <2.5% of total)
- Admin costs guaranteed through April, 2018
- Shopped reinsurance every year
 - Fixed costs for 2015 almost \$200,000 below 2011
- Provided ad hoc reports and support no charge
- Providing ACA compliance reports at cost



Why Crescent?

Continuous Improvement

- Upgraded claims processing system
- Integrated system with Electronic claims filing
- Moved all Health Management to Conifer for
 - Data Storage and Analytics (5 years stored)
 - Clinical monitoring quality standards and protocols
- Achieved URAC accreditation
- Completed SAE 16-SOC 70 Type 1 audits
- Found new network discounts



Integrated Services

Third Party Administration

Claims Administration
Reinsurance
Regulatory Compliance
COBRA HIPAA Administration
Plan Design/Modeling
Data Support to HM
ACA Support

Network Services

4000 Providers
Provider Relations
Contracting
Credentialing
Messenger Model
Client Services to all Stakeholders

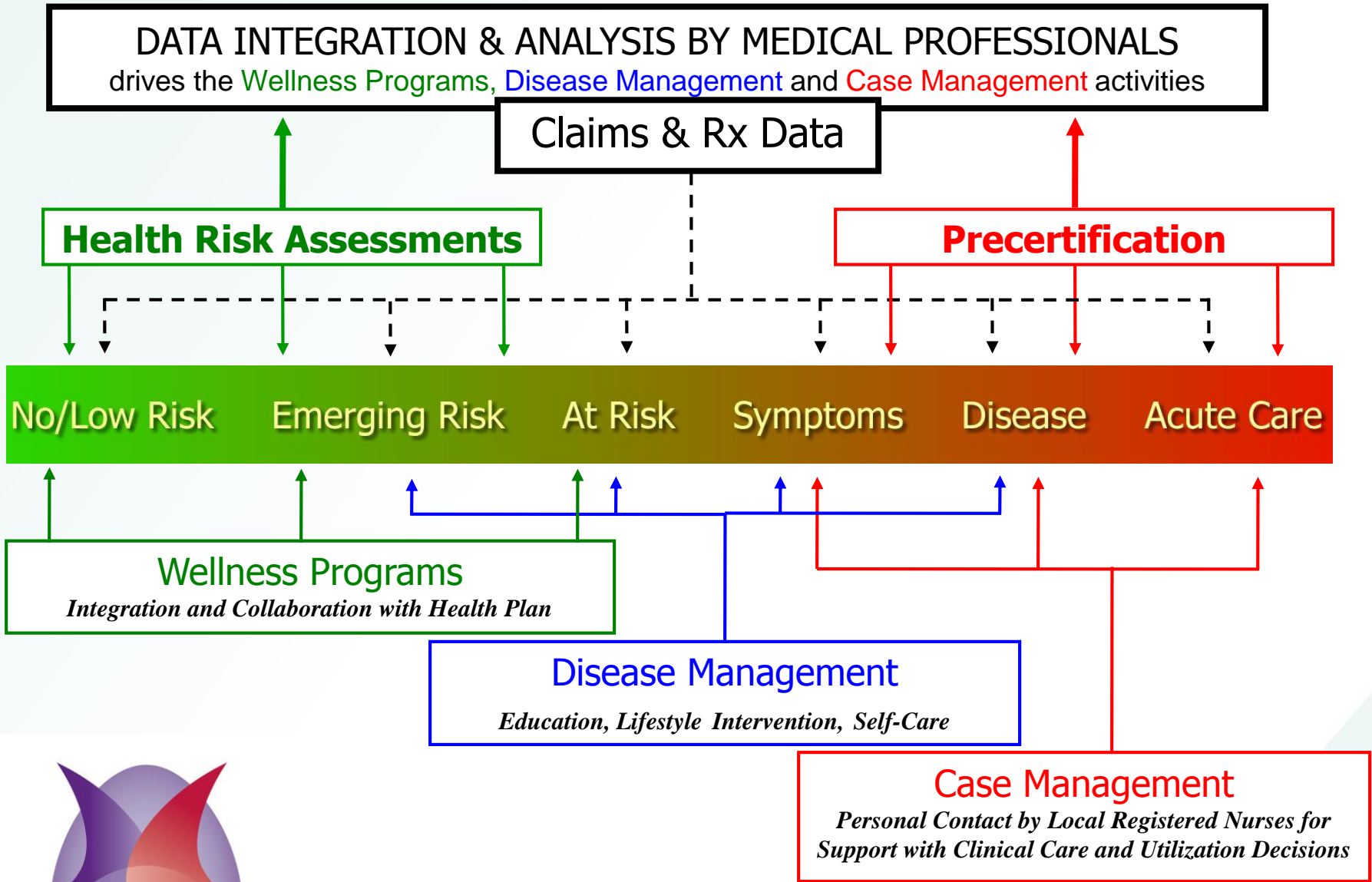
Health Management

Data Mining/Analysis
Precertification
Concurrent Review
Case Management
Disease Management
Health Risk Assessments

CONIFER
Data Warehouse
Analytical Software

Pharmacy Benefits

Data to Support HM
Plan Design/Modeling
Reporting/Analysis
Cost Management
Prior Authorizations
Step Therapies
Medicare Part D Support



Health Risk Assessments

..Prevention *within Reach*

- Know Your Number provides knowledge and metrics to
 - Employees
 - Reports of individual, disease-specific risk
 - Modifiable risk quantification and guidelines for risk reduction
 - Employer
 - Population risk profile
 - Prediction of future disease and cost burden
- Crescent provides action and prevention through
 - Disease management nurses for diagnosed patients
 - Integration with Jackson County's Health department and Wellness programs



KnowYourNumberTM
The Key To Proactive Good Health

Why Crescent?

Planning for the future

During the past three years Crescent's leadership and board have worked constantly to ensure that Crescent remains a viable, valuable entity. Our recent partnership with Duke Life Point (owners of Harris Regional, Swain, Haywood, and Rutherford Hospitals), is designed to assist in development and support of a Clinically Integrated Network. Through this association Crescent will be able to provide Jackson County (and other employers who self-fund group health plans) with Value-Based contracting opportunities previously unavailable in Western North Carolina.

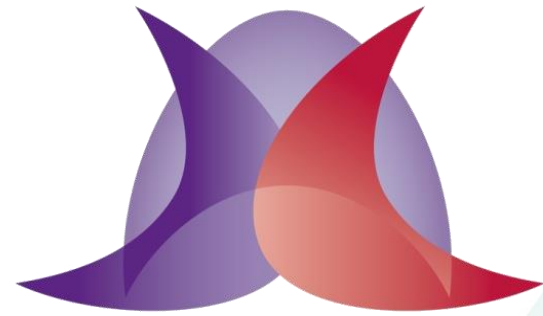


Crescent offers

...Health Solutions

- Helping Jackson County become a better
 - Steward of Employee Health
 - Protector of County Finances
 - Investor in Healthcare





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