



Strategy leadership, best-in-class technology & go-to-market support.

Positioning health systems and affiliated
physicians as the preferred providers of
population health management initiatives in
the communities they serve.



ABOUT APPLIED HEALTH ANALYTICS

Founded in 2009 as a Joint Venture partner with Vanderbilt University Medical Center in Nashville, Tennessee, Applied Health Analytics is recognized by health system executives across the United States as the trusted leader in the execution of employer-centric, population health management strategies.

Through the combination of its strategy leadership, best-in-class technology and go-to-market sales support, Applied Health Analytics links the workforce health interests of over 3,700 employers nationwide with the commercial market share and payer mix objectives of health system leadership.

Growing employer demand for health cost management solutions has birthed an increasing number of vendors whose business models seek to disintermediate local healthcare providers from the provision of preventative and primary care services in the commercial marketplace. Ceding these important relationships to third party competitors negatively impacts health system growth, financial performance, and longterm viability. Applied Health Analytics has proven that, armed with the right strategy, technology and execution, community-based hospitals and health systems can leverage their trusted brand to successfully partner with employers and positively impact this growing concern.



STRATEGY LEADERSHIP

Constructing an effective commercial market strategy begins with understanding the needs of the “demand side.” Employers engage partners skilled in demonstrating effective member engagement techniques, and who provide actionable analytics, understand legal implications, recommend optimal incentive structures, administer impactful care coordination and report outcomes.

Applied Health Analytics understands the interests of employers and works with health system leadership to align existing services, resources and personnel within a commercial market “Service Line” that will effectively compete and win the trust of local employers.

“Our commercial strategy is front-and-center to achieving our payor mix objectives. Last year, we touched over 41,445 employees through our HRA, on-site screening events and seminars. Primary care physician referrals were up considerably and represented annual recurring revenue of \$9.8 million.”

- **Dan Birach**, President,
HealthWORKS, Atrium Health,
Charlotte, North Carolina



BEST-IN-CLASS TECHNOLOGY

At the core of Applied Health Analytics' capabilities is a proprietary suite of software applications that provide robust data analytics, member engagement, program management, care coordination, outcome reporting and data interoperability within a single platform. Developed in conjunction with health systems across the United States, Applied Health Analytics' technology offers an evidence-based, risk stratification tool designed to identify, manage and mitigate individual health risks utilizing the services and resources of the local health system and its partners.

The applications within the platform work seamlessly to provide health systems with powerful population health management technology that uniquely positions client providers as the leader in workforce health enhancement solutions.

"Applied Health Analytics' software platform completely supports our employer initiative. Our sales people, health coaches, client services personnel and system leadership all benefit from its intuitive design, analysis and functionality. It sets us apart and keeps us ahead."

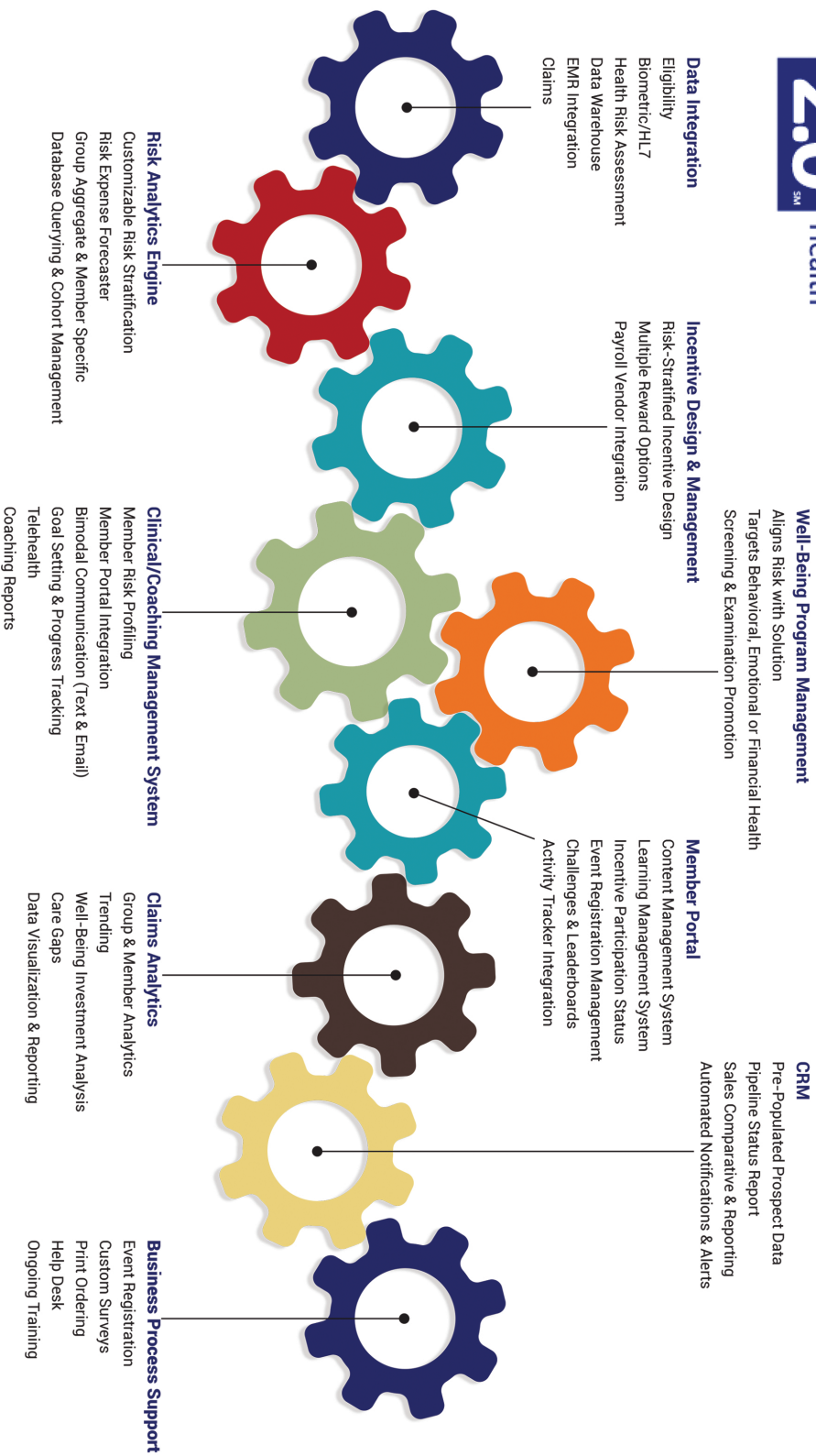
- Christine McMillin,

*Director of Managed Care & Optimum Health Solutions
Unity Point Health*



Technology
Transforming
Health

Applied Health Analytics' interoperable suite of applications drives optimal results to population health initiatives, all within a single software platform.





GO-TO-MARKET SALES AND MARKETING SUPPORT

Selling to the commercial market can be a challenge. Health systems must know which employers represent the best prospects, whether the employer's health plan is fully funded or self-funded, which benefit consultants are the best partners, when purchasing decisions are being made and by whom.

The health system's "go-to-market" strategy must be properly oriented and executed in an efficient, manageable and trackable manner. Sales personnel must be skilled in the mission, message and demonstration of Applied Health Analytics' technology and capabilities. In support of this important aspect of any commercial strategy, Applied Health Analytics' team of senior personnel work closely with health system representatives to provide on-site software and sales training, as well as, in-person sales presentations with employers and associated benefit consultants.

The combination of Applied Health Analytics' strategy leadership, best-in-class technology and go-to-market sales and marketing support has proven to be a powerful, competitive advantage for partnering health systems. As the employer market continues to demand more from its healthcare partners, Applied Health Analytics positions health systems and affiliated physicians as the preferred providers of population health enhancement initiatives in the communities they serve.

"Our employer strategy has helped develop relationships and laid the foundation for our Centers of Excellence and risk-based contracting strategy. We've earned a trusted seat at the table with employers. They trust our input and seek our advice."

- **Tim Cappel**, Vice President
The Christ Hospital, Cincinnati, Ohio



CHARLOTTE
PIPE AND FOUNDRY COMPANY™



Carolinas HealthCare System

CASE STUDY

CHARLOTTE PIPE AND FOUNDRY

Charlotte Pipe and Foundry (CP&F) is a North Carolina-based, manufacturer of cast iron and PVC pipes and fittings employing 1,200 at its Charlotte location. This generations-old, self-funded manufacturer had reached the tipping point and realized it could no longer afford double-digit increases in its health benefit expense.

After years of crippling health expense, CP&F engaged Carolinas Healthcare System (CHS) to provide total population health management services managed by the health system's personnel. Using risk stratification, patient engagement and incentive management technology provided by Applied Health Analytics, the professionals at CHS sought to use biometric and HRA data to identify CP&F employees exhibiting elevated risk of heart disease and diabetes; two of CP&F's greatest drivers of utilization.

Applied Health Analytics technology was engaged to identify risk and pair employees exhibiting abnormal levels of blood pressure, HgA1c and Cholesterol with a financial incentive provided by the company and awarded on the attainment of normalized values. To assist employees in their year long journey to achieve a healthier outcome, the health system utilized the technology to empower health coaches to engage, advise and track employee participation.

At the end of the program year, CP&F employees participating in the initiative realized a 4.1% decrease in blood pressure, a 13.8% decrease in total cholesterol and a 7.9% decrease in HgA1c. The average monthly cost per participating CP&F employee decreased from \$464 dollars to \$324, representing a 30% decrease in utilization and a savings to CP&F of \$1.6 million over the previous year.

This combination of targeted data analytics, financial incentive, CHS' health coaching and cohort tracking validates the impact of the payer/provider partnership as a means to enhance health and minimize health benefit expense. Building on its success, CP&F has expanded its internal initiative to include spouses also on the health plan.

"We had to draw the line in the sand. We were at the snapping point. To continue as we were was not viable."

- **Brett Henderson**, Vice President, Human Resources
Charlotte Pipe & Foundry

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THOUGHT LEADERSHIP: SKATE TO WHERE THE PUCK IS GOING

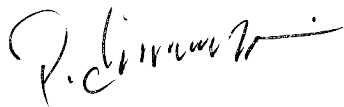
Over the past six months, changes in the commercial market represent an impressive opportunity for shrewd health system leadership. Whole Foods, for example, bypassed intermediaries and entered into a direct contracting relationship with Adventist Health in Southern California. Cupertino-based Apple is hiring physicians and nurses to staff on-site clinics and manage the health of their employees. HEB Foods in Austin, Texas established a population health initiative headed by its newly recruited Chief Medical Officer, and Orlando, Florida's Disney Corporation created a narrow network incenting employees to use Advent Health and Orlando Health physicians and facilities.

The “disruption” heralded in the media reflects employer frustration as business owner self-start and backward integrate into healthcare to control related expense. The successful adoption of today's bundled payment initiatives will quickly evolve to include risk-based arrangements wherein health systems contract for the management of the entire workforce. Much like a Medicare Advantage ACO, education, early detection, prevention, wellbeing and appropriate chronic care management will all be necessary components in the deployment of a successful “eACO.”

Pushing further, employers seek value-based business relationships. They are scrutinizing and marginalizing contributions made by carriers, ASOs, TPAs, PBMs, brokers and benefit consultants. Simultaneously, 83% of businesses offer wellbeing and disease management programs to employees. The opportunity for health systems to increase their value grows exponentially in this environment as new partnerships are formed to provide a uniform, data centric and comprehensive population health solution. System resources should be realigned and deployed to provide a total health initiative that addresses the needs of the “demand side” while increasing commercial market share for the sponsoring provider.

Community health systems stand at the threshold of a new reimbursement world. Movement within the industry signals the bifurcation of payors into two segments: government and self-funded commercial. While preparing for the efficiencies and quality thresholds demanded by CMS continue to be a daunting challenge, the commercial market continues to undergo dramatic change, and remains eager to embrace partners proven to deliver solutions that manage costs without compromising quality.

Health systems are positioned to fill the void. Leadership will be well served to lay the foundation for this reality and construct an employer-centric Service Line that addresses the total population health interests of the commercial market.



For a discussion on how Applied Health Analytics can advance your commercial market interests, contact **Mr. Robert Chamberlain** at 615-665-8825 or r.chamberlain@appliedhealth.net.



414 Union Street, Suite 910
Nashville, Tennessee 37219
615-665-8825

www.appliedhealth.net