Agenda

Understand the Data Culture

Focus on critical needs – Don’t boil the ocean

Create Trust and Transparency though a clear roadmap

Deliver Results
**Culture Matters: What is your data driven culture?**

*Key Question: How do we data or analytics is strategic to business outcomes?*

<table>
<thead>
<tr>
<th>KPI Driven</th>
<th>Forward Looking</th>
<th>Data Driven</th>
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</thead>
<tbody>
<tr>
<td>Drivers focused organization (After bad news)</td>
<td>Risk Tolerant</td>
<td>Proactive decisions</td>
</tr>
<tr>
<td>Risk Averse</td>
<td>Passive Analytics and Prospective Insights</td>
<td>Infused Analytics in operations and workflows</td>
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<tr>
<td>Stale Insights</td>
<td>Retrospective Focused</td>
<td>Consistent tools, definitions and applications</td>
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<td>Fragmented Analytics</td>
<td>Data Fragmentation</td>
<td>Sharing findings and collaboration</td>
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<td>Keep the lights on focus</td>
<td>Minimal actionable insights</td>
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Vision Matters: Investment in Analytics today will be a key competitive differentiator for the future

**Key Question:** How do we position Analytics to become a strategic differentiator?

### Competitive Advantages of Continued Analytics Investment

- **Market share growth due to penetration of new market segments and benefits design**
- **Revenue growth as product design is optimized and diversified revenue streams are explored**
- **Improved health and wellness of members through enhancing the quality of clinical outcomes**
- **Total cost of care reduction through reduced fraud, waste, and abuse and improved administrative efficiency**

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**Integrative**

Empower strategic decisions across the enterprise by integrating quantitative support

**Consultative**

Advise customers based on insights derived from data interpretation

**Visionary**

Improve member outcomes and be positioned as an industry leader through predictive and prescriptive modeling
Value Matters: Investment in Analytics can bring margin impact from revenue increase, medical cost savings and admin cost savings

Other areas that could provide immediate impacts from investing in advanced analytics include Quality, Product and Pricing, Sales/Marketing Growth, Member Services, and Enrollment/Billing

<table>
<thead>
<tr>
<th>Domain</th>
<th>Sample Use-Cases</th>
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<tbody>
<tr>
<td><strong>Claims / Payment</strong></td>
<td>• In-depth analysis of claims payments to ensure payment integrity</td>
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<td></td>
<td>• Advanced capabilities to detect FWA</td>
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<td></td>
<td>• Leverage claims data to identify employers likely to attrit with reasons why and ways to limit attrition to support account executives</td>
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<tr>
<td><strong>Provider / Network</strong></td>
<td>• Optimize discharge selection to minimize costs and maximize patient outcomes</td>
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<td></td>
<td>• Optimize future network configurations by strengthening network adequacy</td>
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<td></td>
<td>• Optimize performance of alternate payment models to reduce administrative and medical payout costs</td>
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<tr>
<td><strong>Care Management</strong></td>
<td>• Enhance member targeting for outreach of medical intervention</td>
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<td></td>
<td>• Bolster behavioral health offerings by uncovering unreported mental health conditions and other SDOH factors</td>
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<td></td>
<td>• Better understand members through insights on behaviors and spending</td>
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<tr>
<td><strong>Medical and Clinical</strong></td>
<td>• Identify members admitted for BH treatment and at risk for rehospitalization within 30 days.</td>
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<td>• Identify members at risk of postpartum depression or anxiety</td>
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<td>• Identify members who have had their first episode of psychosis.</td>
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<td></td>
<td>• Gap closure on Rx STARS; identify opportunities for Rx via medical events</td>
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</table>
Strategy Matters - In order to deliver business value, we need to build a strong foundation of data and analytics layers

Data and Analytics Layers

<table>
<thead>
<tr>
<th>Systems of Delivery</th>
<th>Systems of Intelligence</th>
<th>Systems of Data</th>
<th>Data Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AI Center of Excellence</td>
<td></td>
<td>All corporate and external data sources in their raw form and structure, including different data types (structured and unstructured, etc.), frequency (e.g., real-time) and sources</td>
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<tr>
<td></td>
<td>Semantic Layer</td>
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<td>Data Repository</td>
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### Business Use Cases

Business problems / use cases that "power" / enable our strategic initiatives aligned to our 4 strategic pillars and day-to-day operations
## What Matters: What do we mean by advanced analytics leveraging AI?

### Advanced Analytics is ...

- The use of techniques which are impossible to replicate in scale, accuracy, or scope with traditional methods
  - Advanced techniques beyond simple regression models (e.g., neural networks, non-linear statistical modeling tools)
  - Predictive views with increased accuracy due to larger sample sizes
  - “New analytics”, e.g., application of analysis to social media chatter and data-mining

### The main applications of Advanced Analytics

<table>
<thead>
<tr>
<th>Describe</th>
<th>Predict</th>
<th>Prescribe</th>
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<tr>
<td><strong>Describe</strong></td>
<td><strong>Predict</strong></td>
<td><strong>Prescribe</strong></td>
</tr>
<tr>
<td>What happened in the past and why</td>
<td>What would happen in the future?</td>
<td>What should be done to influence the future?</td>
</tr>
<tr>
<td>Gain <em>insight</em> from historical data</td>
<td>Make <em>predictions</em> about future events</td>
<td>Support <em>decisions</em> to take advantage</td>
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### Business problem: How to reduce Opioid overuse among patients?

### Analytics use case spectrum to address the business problem

- Identify members who are at risk for substance-abuse addiction based on historic claims data
- Predict members with potential for opioid addiction based on claims, lifestyle and socio-economic data
- Influence drug prescription patterns based on member’s opioid addiction risk scores
Core Capabilities Matter: The Analytics team will invest in core capabilities to achieve scale for various consumers

People, process, and technology investments with the consumer in mind will generate optimal business impact.

**People**
- Specialized talent, including data scientists and analytics translators
- Functional integration and dissolution of silos

**Process**
- Integration of real-time data from health trends and third-party data
- Open feedback loop to understand consumer requests

**Technology**
- AI and machine-learning
- AI-ready data infrastructure
- Predictive models
- Medical algorithms
- Consumable vehicles for delivery

**STRATEGIC PARTNERS**

- Drive service excellence and brand loyalty
- Improve patient satisfaction and member experience
- Reduce total medical expense and advance clinical quality
- Align incentives between payer / providers / groups
Accomplishments Matter: Advancement in analytics has delivered internal value

Analytics has driven external value via enablement of initiatives, development of new products such as advocacy solutions, and expansion of adjacent business. Notable results include:

- $47M in shared savings in over 2 years.
- $25M in gross savings over 3 years, assuming a 15% reduction in total cost of care, and $7.5M in net savings, based on Social Determinants of Health (SDoH) factors.
- Enhanced Trend and utilization Analytics for 19 key Client Advisory Board customers.

Data Analysis Enables Internal Decision-Making

Analytics enables internal organizational domains through financial and clinical analytics platforms. Analytics has created a centralized “source of truth” to support various ad-hoc efforts. Internal decision-making results include:

- $300M MCAP results in 2019.
- 85% accuracy for CAHPS predictive model.
- Analytics and Advisory services for 100 large Self-Insured clients.

Insights Platform Empowers Strategy

Analytics built an Insights Platform with predictive models for select use cases such as SDoH, pharmacy, and CAHPS.

However, there is significant opportunity for Analytics to serve their markets and distance them from competitors. As the department refreshes modeling capabilities and AI-strategy, four key elements will drive advancement in Analytics:

- Structure: Leveraging the best internal thinking with key external partnerships.
- Culture: Infusing data-driven mindset into all parts of the business.
- Talent: Enhancing talent to not only to produce analytics, but to consume and act on it.
- Technology: Rapidly making available data to support analytics while retaining data integrity.
Simplicity Matters: Don’t Boil the Ocean. Start with the critical needs and establish a data culture.
Key Takeaways

• Big Data and AI should be a critical component of your enterprise data framework. Requires a BOLD offensive strategy. Organizations need to embrace it as a core strategy for growth and innovation. A solid data foundation is key.

• Enterprise Data Strategy is a set of processes and technologies that can be leveraged as building blocks. It is rarely plug and play. Think about culture, trust, and transparency.

• Lack of strategy maturity in most organizations as well as with partners who focus on point solutions. Most of the work is still in an incubator model or not integrated.