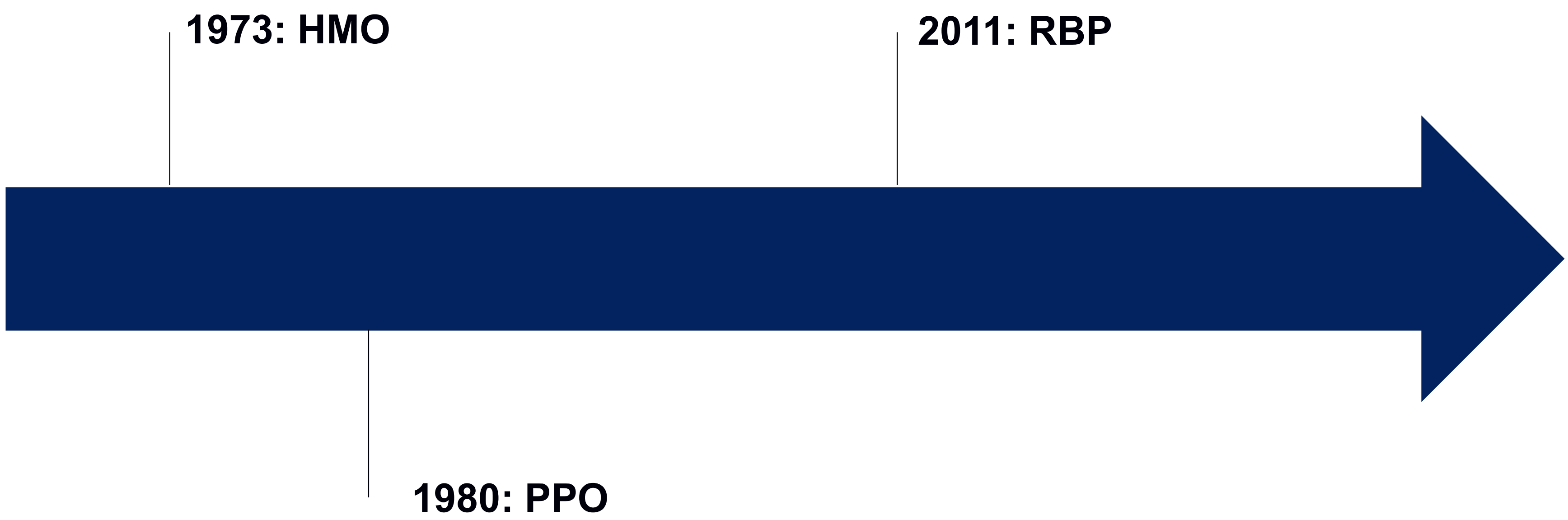
From Resistance to Results: The New Era of Reference-Based Pricing

Webinar | Thursday, September 25 | 11 am CST

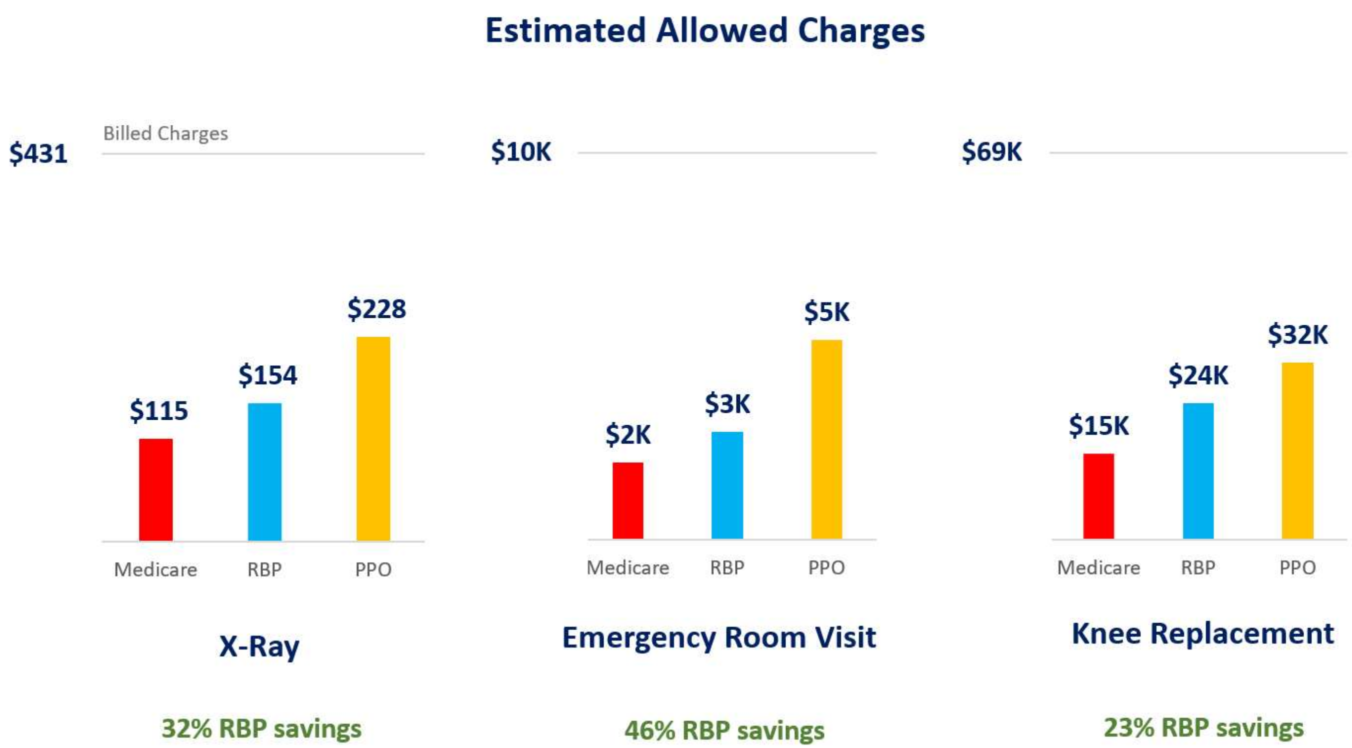
Presented by: Thomas Coffey | Executive Director, Strategic Partnerships

Trustmark

The Introduction of Reference Based Pricing



RBP - Provider Reimbursement and Savings



Why not RBP?

- “It doesn’t work”…
- Doctors won’t accept
- Balance billing
- Employers don’t understand

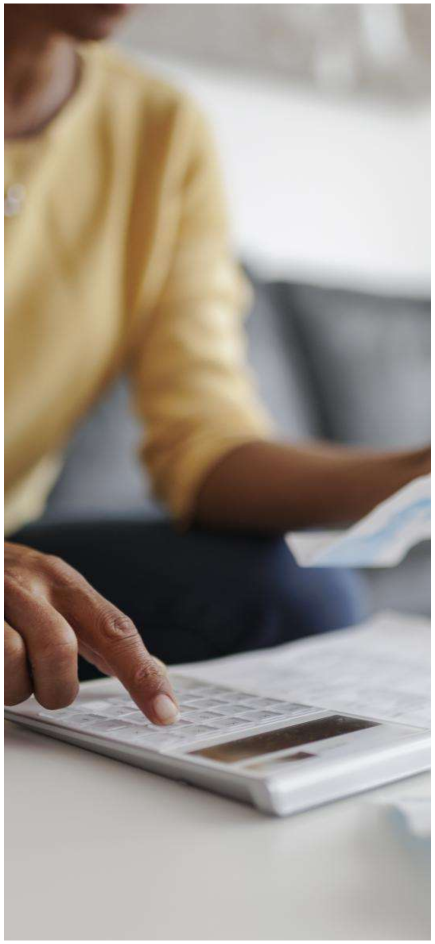
Trustmark's Approach to RBP

FAIR AND REASONABLE PROVIDER REIMBURSEMENT

NEARLY A DECADE OF EXPERIENCE WITH RBP

TRUSTED MEMBER CARE TEAM

BALANCE BILL PROTECTION



Most Providers Accept RBP Plans

On average, **only 2% of claims** are balance billed

Balance Bill Protection

What this Means

Balance bills payments are funded through employer prefund or stop-loss

No added member costs* **Except for CDHP plans, prior to deductible being met*

Stress-Free Resolution

Report the bill to us and we take care of the rest

90% resolved in 2 business days or less

Average turnaround: **3 business days or less**

Trusted Member Care

Our goal: help brokers offer Reference-Based Pricing plans that are easy to manage, easy to explain, and designed to succeed

Our dedicated and knowledgeable team of in-house specialists provide personalized support to help members navigate their benefits with confidence, including:

- **Help members understand RBP benefits**
- **How to find a provider that works with our plan**
- **Balance bill support:**
  - **How to submit a balance bills**
  - **Updates on balance bill resolution status**
- **Provider outreach and explanation of plan benefits**

Trustmark Healthy Choices℠

Trustmark Healthy Choices[SM]

With nearly a decade of RBP expertise, we know where and how RBP plans can succeed.

We help brokers determine the best-fit health plan for each client, whether that's a traditional PPO plan or a Healthy Choices RBP solution.

Leverage our insights to identify which of your groups are ideal candidates for RBP savings.

Market Data and Insights

Market : TX - Dallas **RBP Score: 9** *out of 10*

RBP Appeal Rate	RBP Discount	RBP Rate Advantage
1.1%	69.2%	-19.1%

RBP Appeal Count / Medical Claim Count	Total RBP Groups
71 / 6495	83

Market : PA - Lehigh Valley **RBP Score: 3** *out of 10*

RBP Appeal Rate	RBP Discount	RBP Rate Advantage
13.0%	58.5%	-9.8%

RBP Appeal Count / Medical Claim Count	Total RBP Groups
152 / 1166	17

RBP vs PPO Marketplace?

“With no deal announced, CommonSpirit Health system is now out-of-network for Anthem Colorado”

1 May 2024

17 May 2024

“Anthem, CommonSpirit reach new five-year deal”

Trustmark Healthy Choices℠

Trustmark's Integrated Solution offers seamless claims payment and best-in-class service

On average **15% more likely to renew** their plans with Trustmark, compared to network-based plans

On average **20% more likely to receive a refund or admin fee credit** at the end of the benefit period, compared to network-based plans

Paid claim experience shows more than **5% lower trend**, compared to network-based plans

Benefits

Premium Savings

Familiar Plan Designs

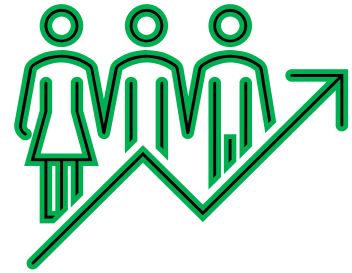
Claims Fund Preservation

Renewal Stability

Freedom of choice of doctors and hospitals

No OON deductible, OOP

Benefits to You



- Block stabilization
  - Higher retention (!!)
  - Improved claims fund performance
- Block diversification
- Solution for premium-challenged groups
- Differentiated approach to competitive marketplace

Profile of Success

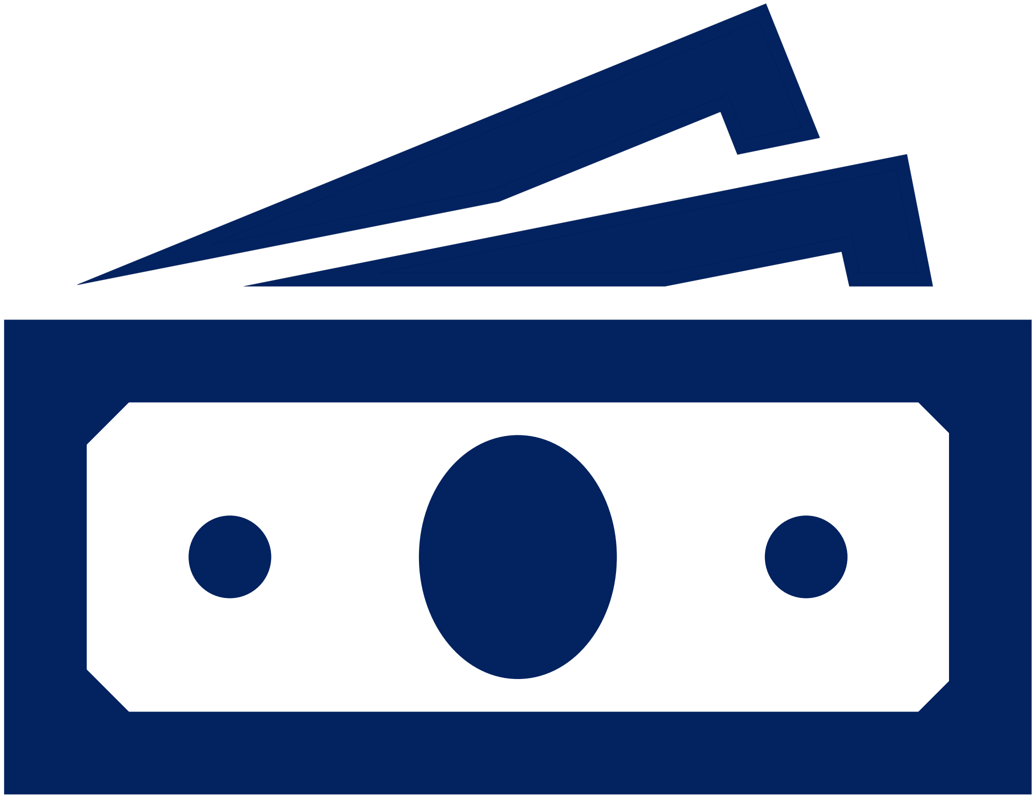
"Healthy" groups

Large urban EE concentration

Desire for claims fund refund

Strategies for Success

- Dual option w/o premium load
- Dual option w/ EE buy up
- Use premium savings to improve benefits
  - Deductible
  - Rx



What to look for in RBP solutions

- ☑ Savings potential
- ☑ Plan design flexibility
- ☑ Effective balance bill resolution process
- ☑ Member education and support
- ☑ TPA and Stoploss coordination
- ☑ RBP experience and data
- ☑ Transparency
- ☑ Proven track record

Questions to ask

- What level of balance billing should be anticipated for this population?
- Are key hospitals in this area receptive to RBP?
- What is your standard process for resolving balance bills?
- What is your average turnaround time for balance bill resolution?
- When does provider negotiation apply and when does it begin?
- What are members required to do to resolve balance bills?
- What education is provided to members enrolled in RBP plans?
- What types of member support is provided to members enrolled in RBP plans?
- What are your RBP Fees - % of savings, % of billed charges, or a set fee?

Industry: *Energy / Natural Resources*

45 members in **Nevada**

With Trustmark since 2013, moved to RBP in **2019**

Balance Bills: 31 / 2789 (1.1%)

Premium Savings: $183,605 (-14.6%)

Industry: *Finance / Investment*

60 members in **Ohio**

Trustmark RBP Since **2020**

Balance Bills: 50 / 10648 (0.5%)

Premium Savings: $1,084,157 (-22.3%)

Industry: *Hospitality / Food Services*

50 members in **Massachusetts**

Trustmark RBP Since **2021**

Balance Bills: 9 / 2246 (0.4%)

Premium Savings: $286,955 (-18.3%)

Industry: *Non-Profit / Animal Welfare*

10 members in **Arizona**

With Trustmark since 2014, moved to RBP in **2018**

Balance Bills: 5 / 1818 (0.3%)

Premium Savings: $106,737 (-17.5%)

Industry: *Technology / Services*

+100 Members, All over the country

Trustmark RBP Since **2018**

Balance Bills: 203 / 8949 (2.3%)

Premium Savings: $501,636 (-12.3%)

Industry: *Manufacturing / Distribution*

25 members in **North Carolina**

Trustmark RBP since **2018**

Balance Bills: 73 / 3675 (2.0%)

Premium Savings: $585,779 (-30.2%)

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The New Era of Reference-Based Pricing

Thank you for joining us!

To learn more or talk with a sales representative,
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