



NC Health*Smart* **Disease Management** **Return on Investment**

February 17, 2009



Chronic Disease Prevalence/Cost

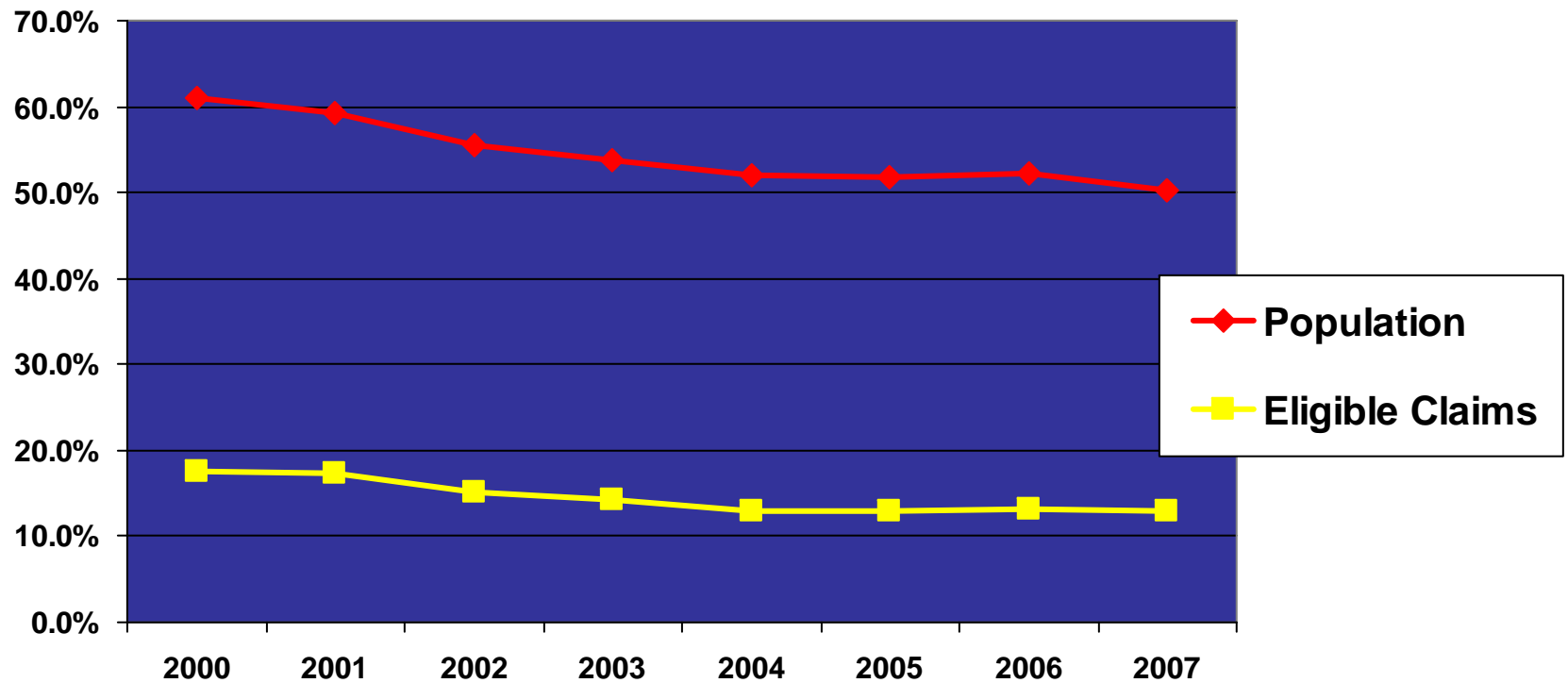
- Chronic Disease Trend Report (2004)
 - Showed a decline in % of “healthy” members (non-Medicare primary) from 64% in 2000 to 58% in 2003 and a projected 51% in 2008
 - Costs expected to increase 59% pm/py over the next 5 years
- NC Health*Smart* Program Implemented (2005)

So how are we doing??

Part I. Analysis of claims data through CY 2007 in “The State of Member Health 2008” report (*3M Chronic Risk Grouper - Aon*)

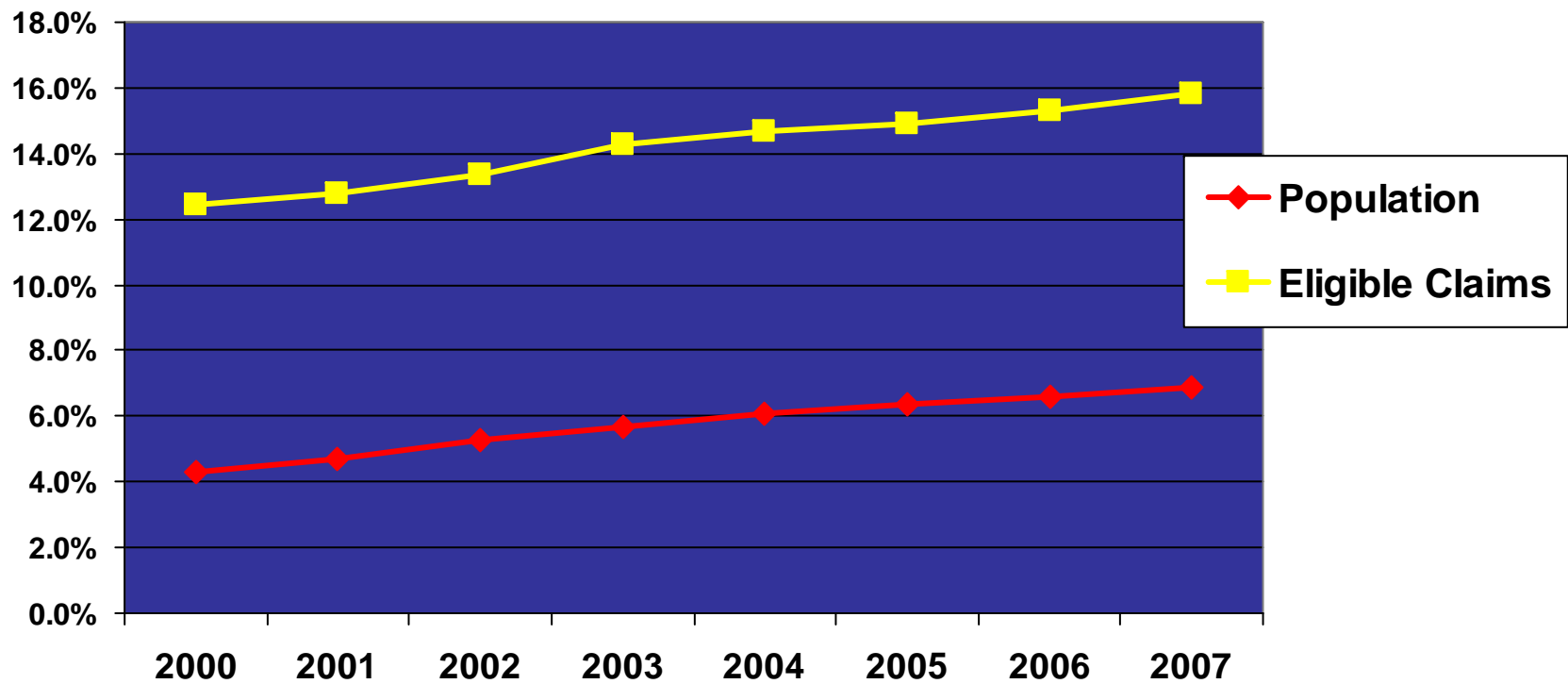
Chronic Disease Prevalence/Cost

Acute and Healthy



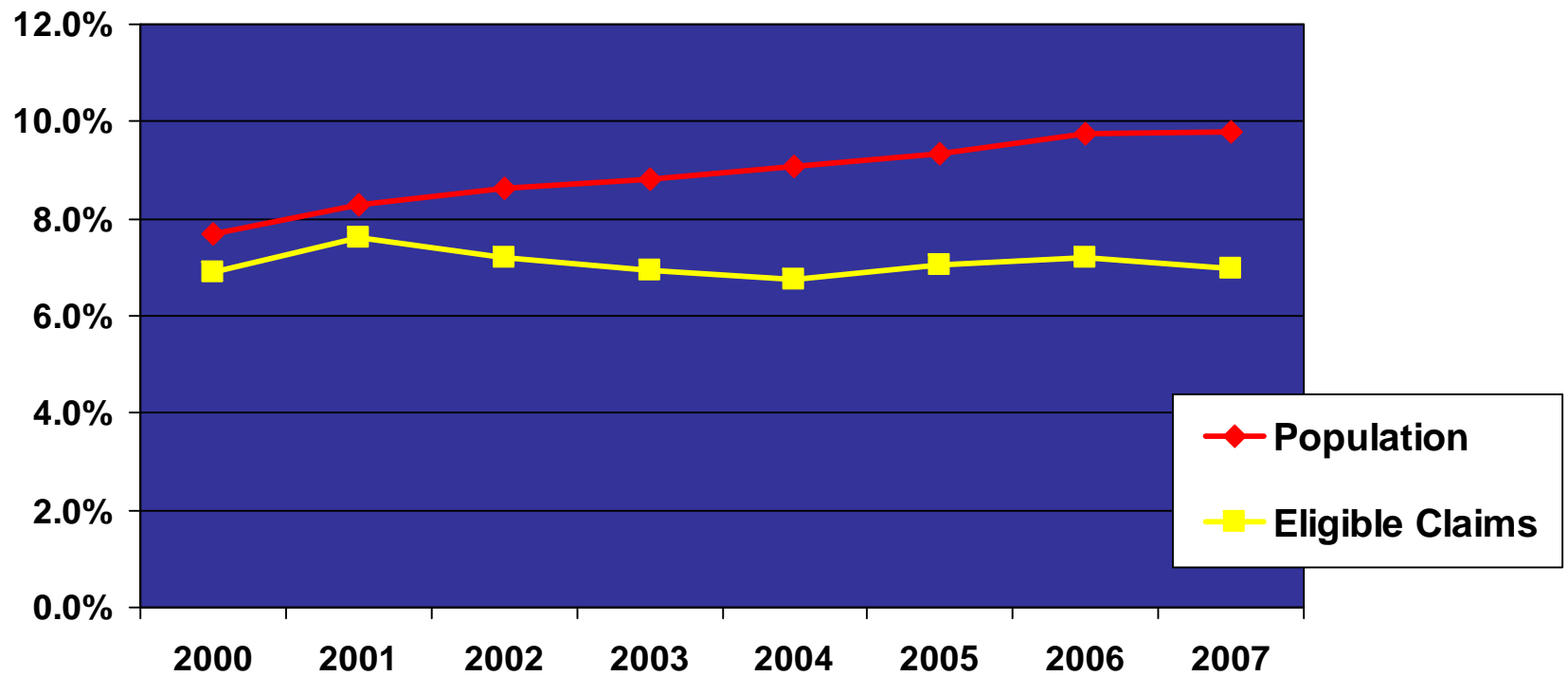
Chronic Disease Prevalence/Cost

Diabetes



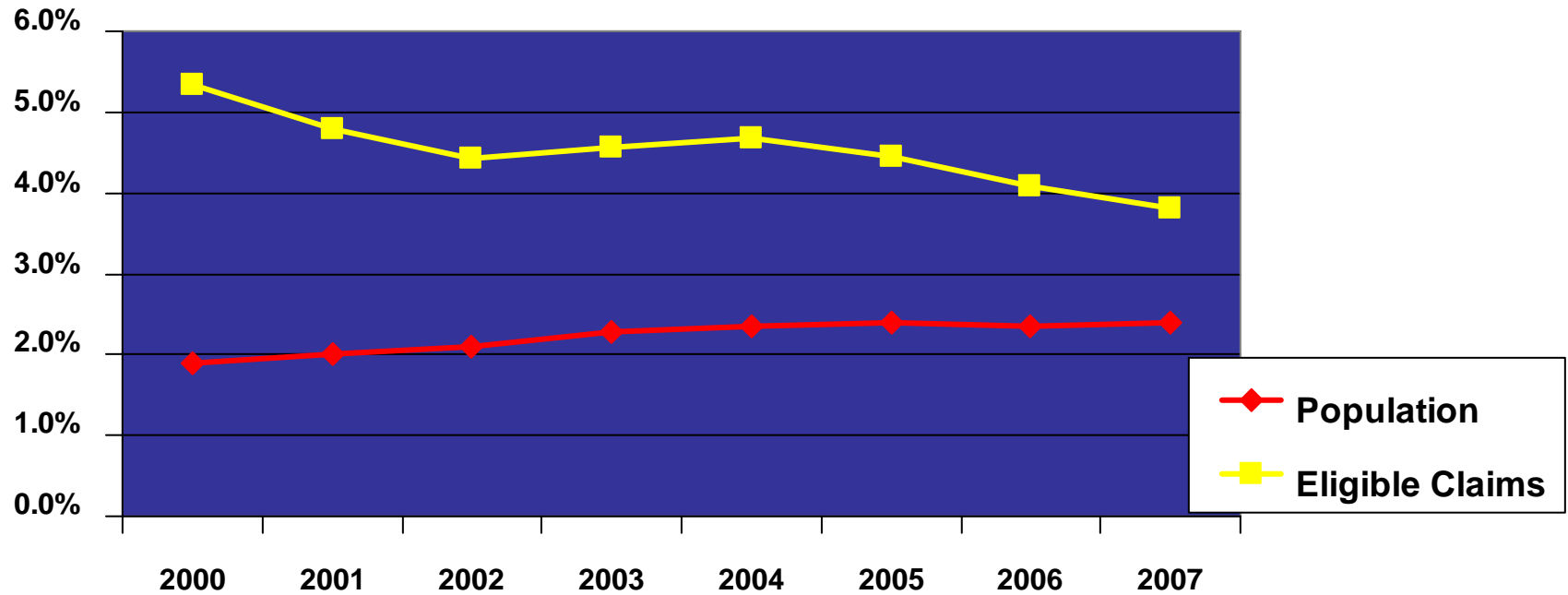
Chronic Disease Prevalence/Cost

Hypertension



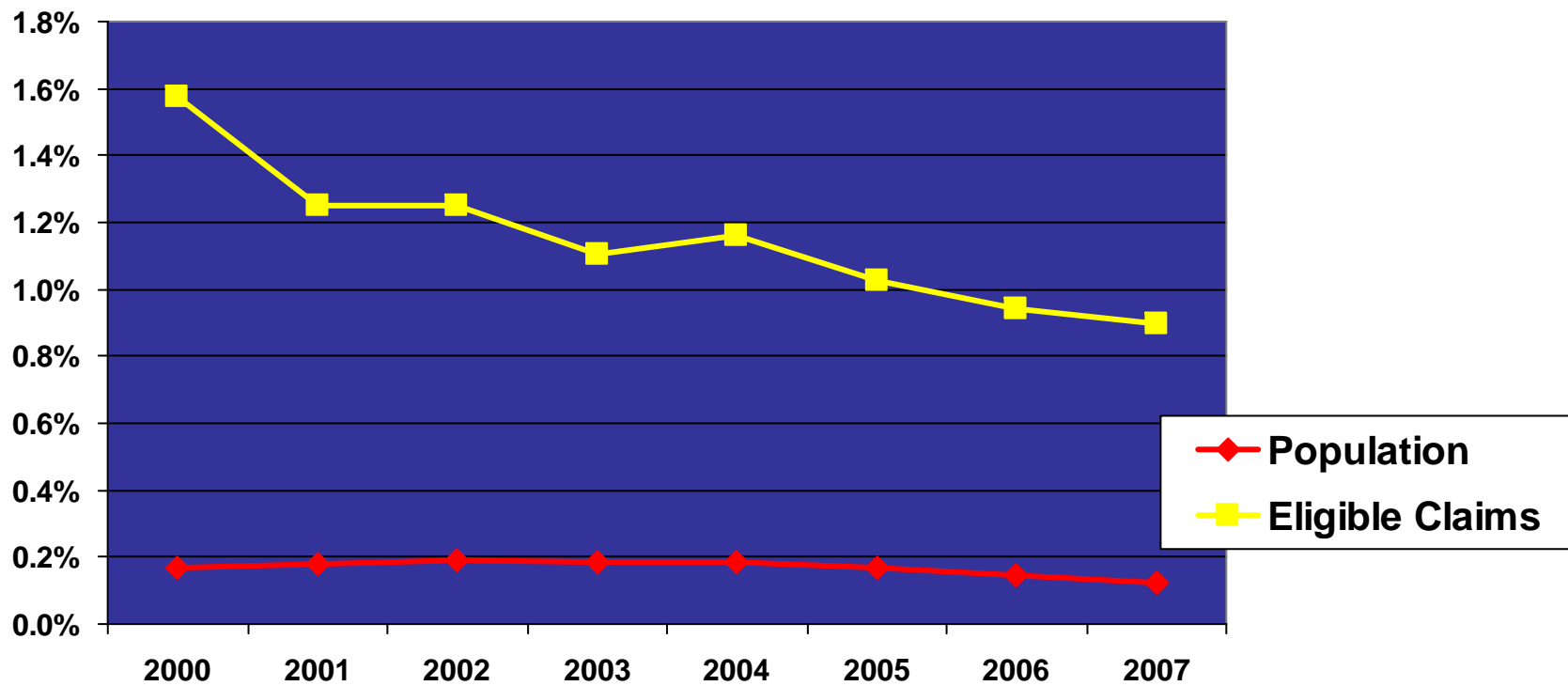
Chronic Disease Prevalence/Cost

CAD -- Coronary Artery Disease



Chronic Disease Prevalence/Cost

CHF -- Congestive Heart Failure





So how are we doing??

Part II. Sub-analysis of members with at least one Health Coach contact for a chronic illness or preference sensitive condition (CY 2006/2007)

2008 Chronic Disease Trend Report

- Good news!! NC HealthSmart Disease Management programs are making a difference for the chronic population and Plan costs!
 - Independent validation of a 2:1 ROI
 - Savings of approximately \$18 million in CY 2007 (targeted disease states only)

Example: Diabetes

CY 2007 Actual Cost	\$252,375,636
With No Intervention Cost	\$263,494,985
Savings	\$ 11,119,349