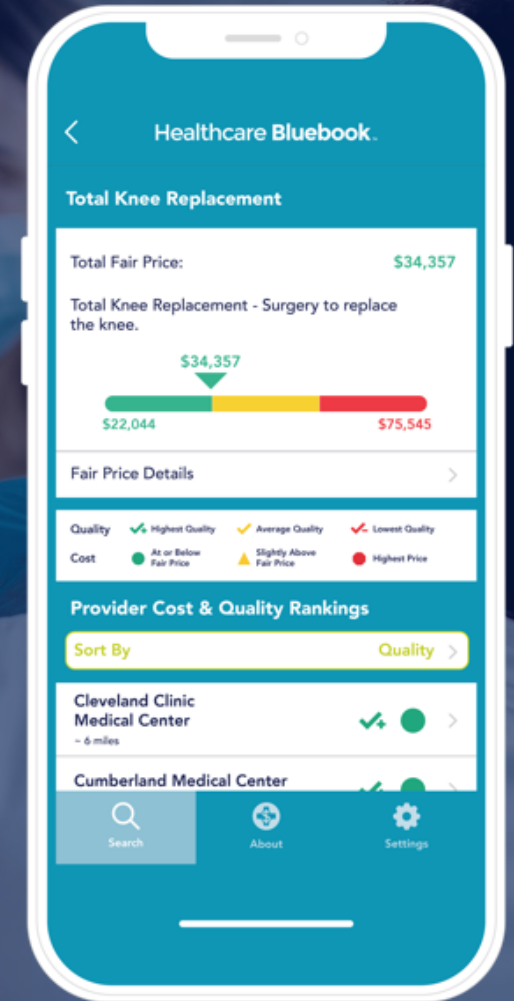




Healthcare Bluebook™

PROVIDING CONFIDENCE BY DRIVING HIGHER VALUE HEALTHCARE



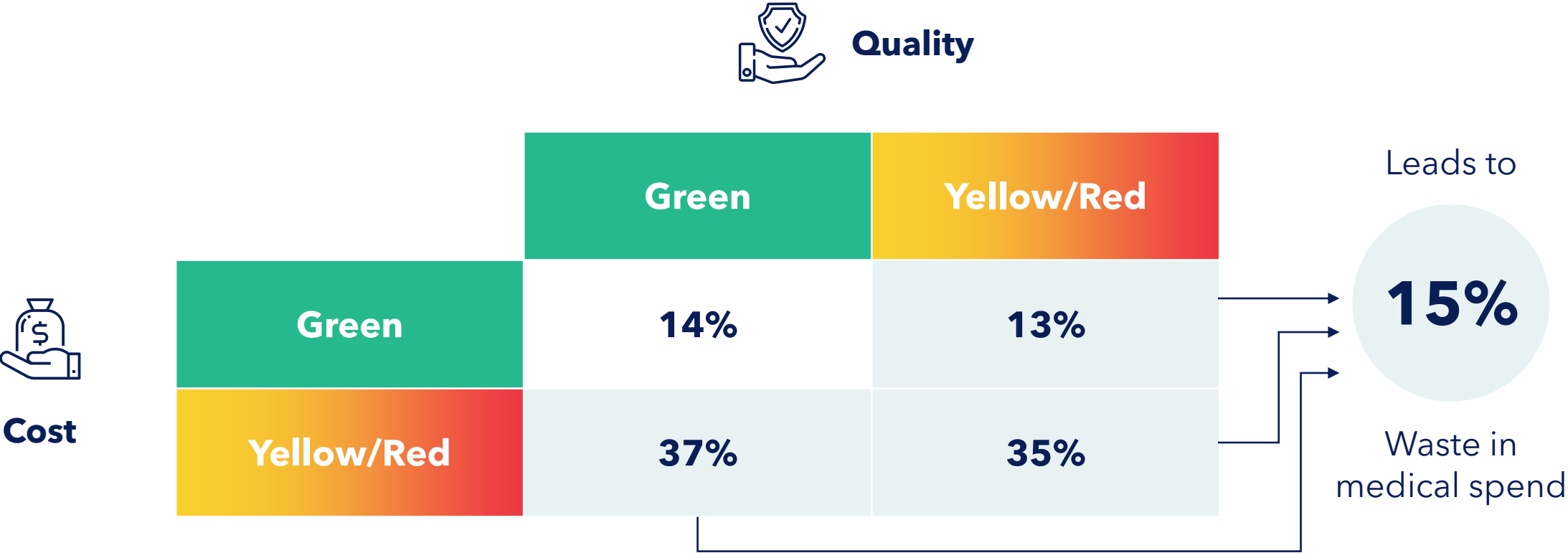
Healthcare Bluebook

Prices vary drastically, even in-network, in the same city Washington, DC

Market Basket of Common Procedures	Low Price	High Price	Variance
Spinal Fusion (Thoracic)	\$44,671	\$139,598	312%
Total Hip Replacement	\$17,442	\$55,711	319%
Shoulder MRI (no contrast)	\$301	\$2,229	741%
Colonoscopy (no biopsy)	\$848	\$5,308	626%
Average Market Variance			500%

Source: Healthcare Bluebook data

Few employees have the tools or knowledge to make the best decisions... leading to enormous waste



Source: Healthcare Bluebook data

About Us

Providing employers and their employees with objective quality and cost insights leading to optimal healthcare navigation

10,000+
CLIENTS

90+
TPAs

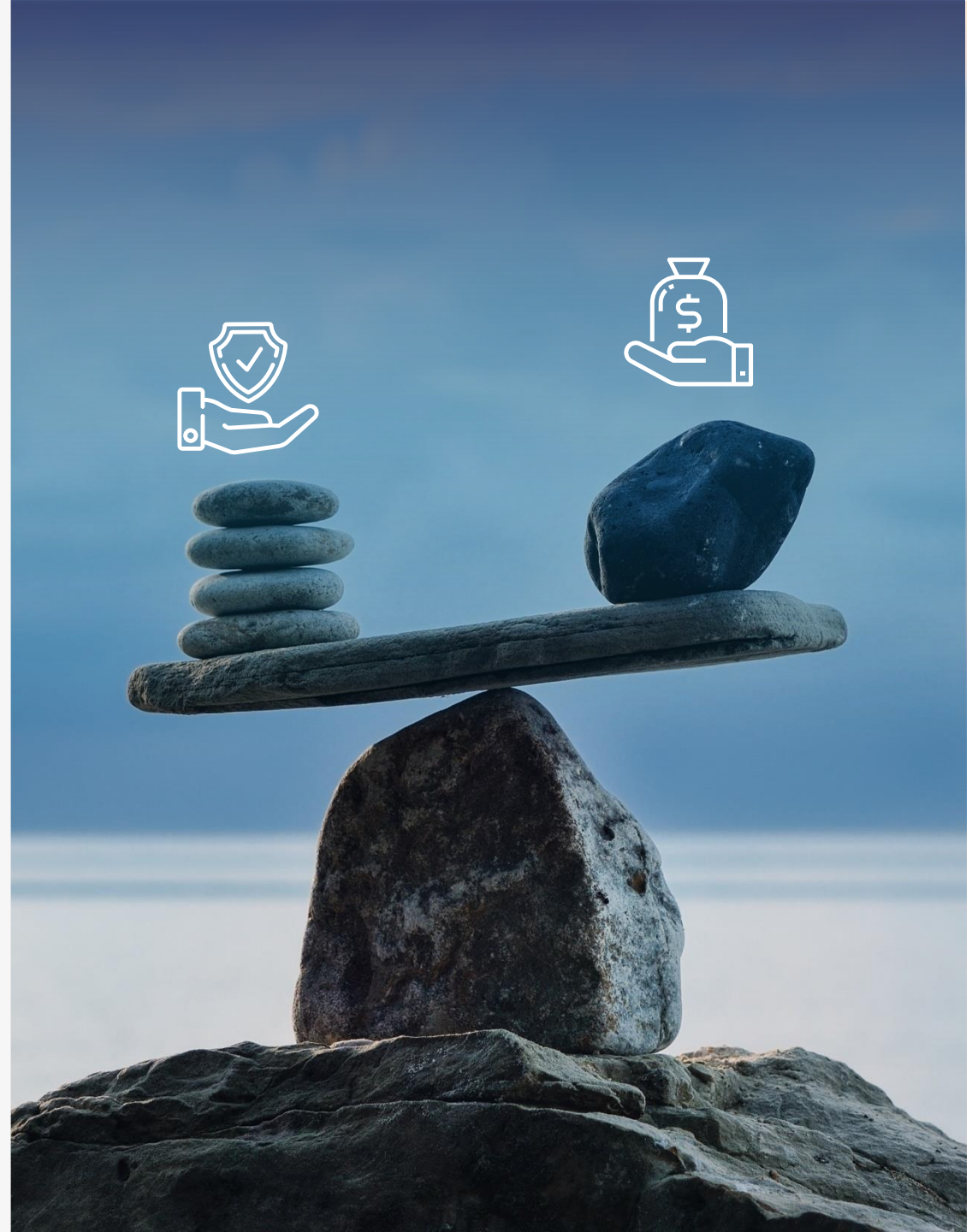
8M+
LIVES



- ✓ Carrier agnostic
- ✓ Double-digit engagement rates
- ✓ Large diversified client base with a retention rate of 93%
- ✓ Strong partnership network - Premise Health, Quantum, Virgin Pulse

The healthcare value challenge:

How can we increase quality and reduce cost?



Data supporting the consumer during each step of the care journey



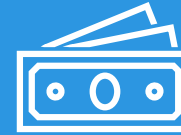
AOC

Improves patient safety and reduces cost through elimination of wasteful care



Quality

Assesses clinical outcomes to empower members shopping for care



Cost

Identifies Fair Price™ providers based on national dataset of commercial claims



Rx

Leverages claims identifying savings opportunities to lower spend and improve employee well-being



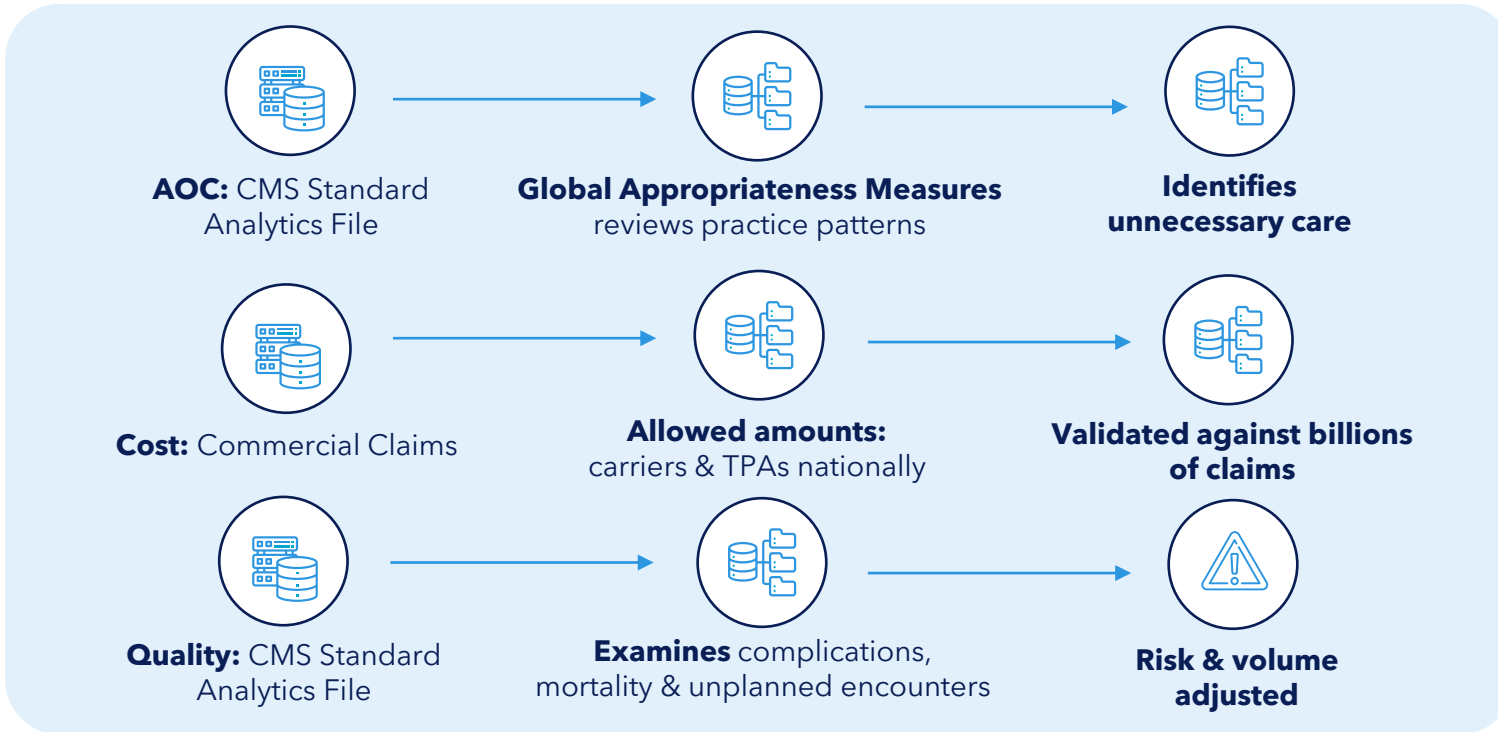
**Refreshed
monthly - annually**



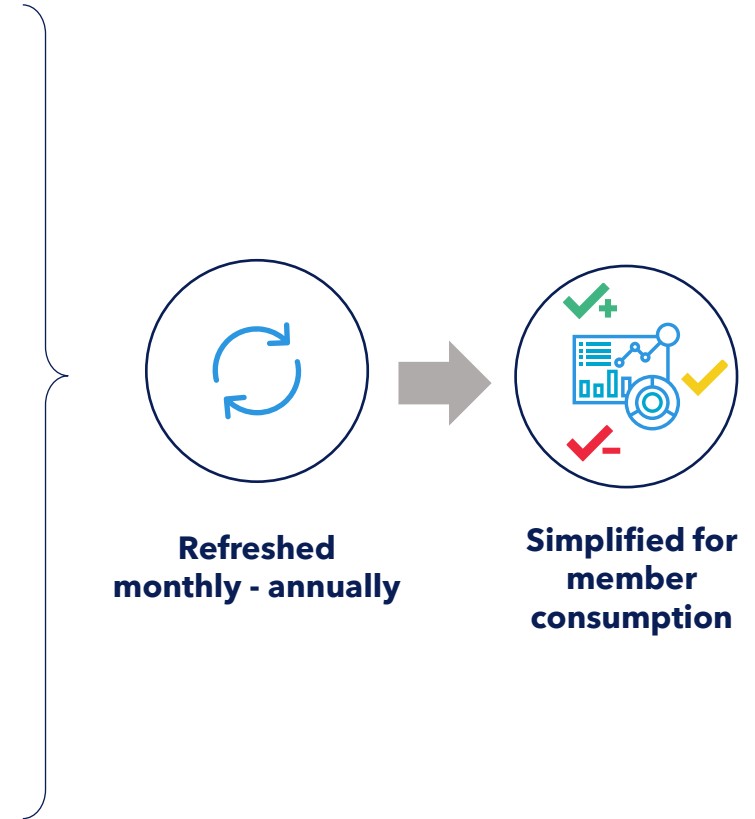
**Simplified for
member
consumption**

The highest data integrity and methodology in our category

Medical



Rx



Know the **real** difference between high vs. low **quality** providers

A Hospitals may do everything, but they are not **great** at everything



The Valley Hospital



Total Knee Replacement
97th percentile



Carotid Artery Stent Insertion
42nd percentile



Colonoscopy with Biopsy
4th percentile

B Furthermore, a great hospital \neq a great doctor

Orthopedic Surgery Specialists:
Bluebook Quality Rating

Physician 1



Physician 5



Physician 2



Physician 6



Physician 3



Physician 7



Physician 4

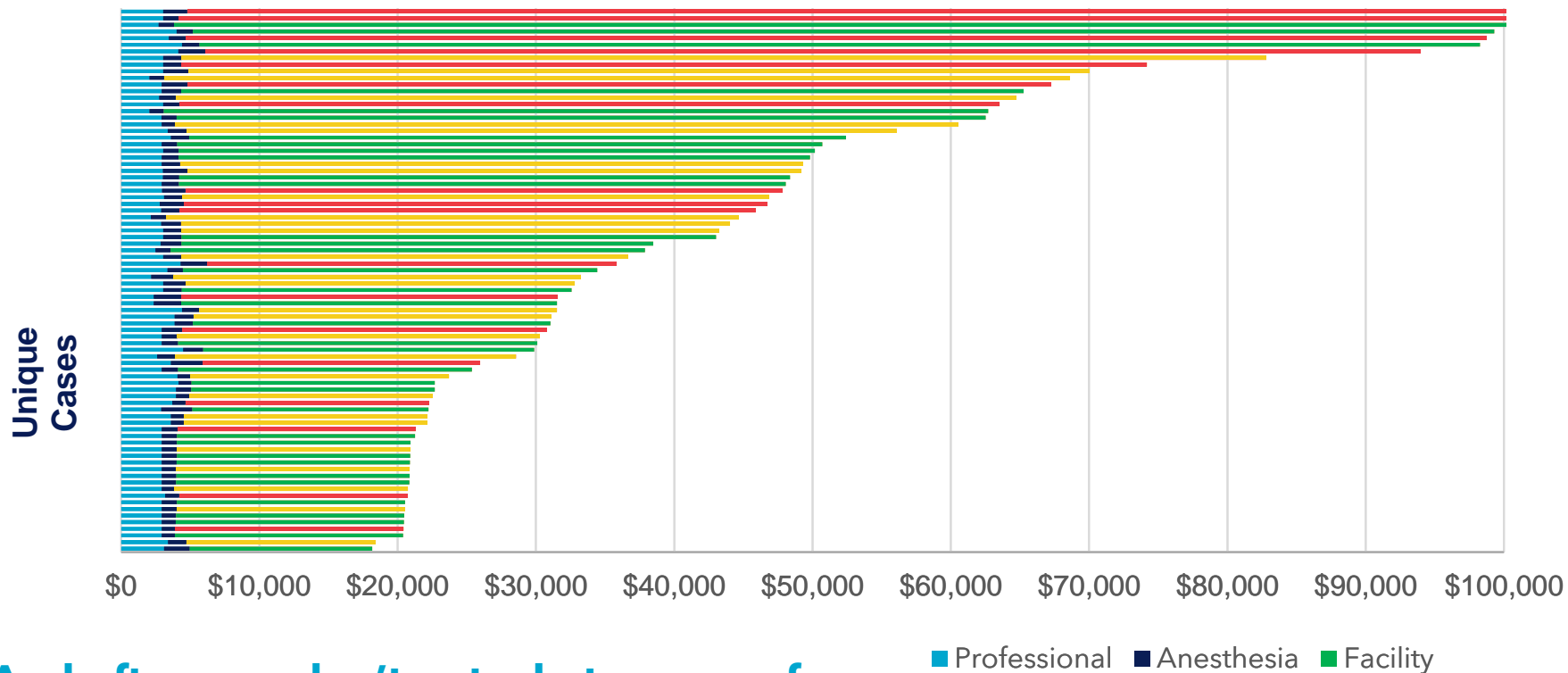


Physician 8



The facility (not the physician) drives that variability

Total Knee Replacement | Market | Fort Collins



And often you don't get what you pay for

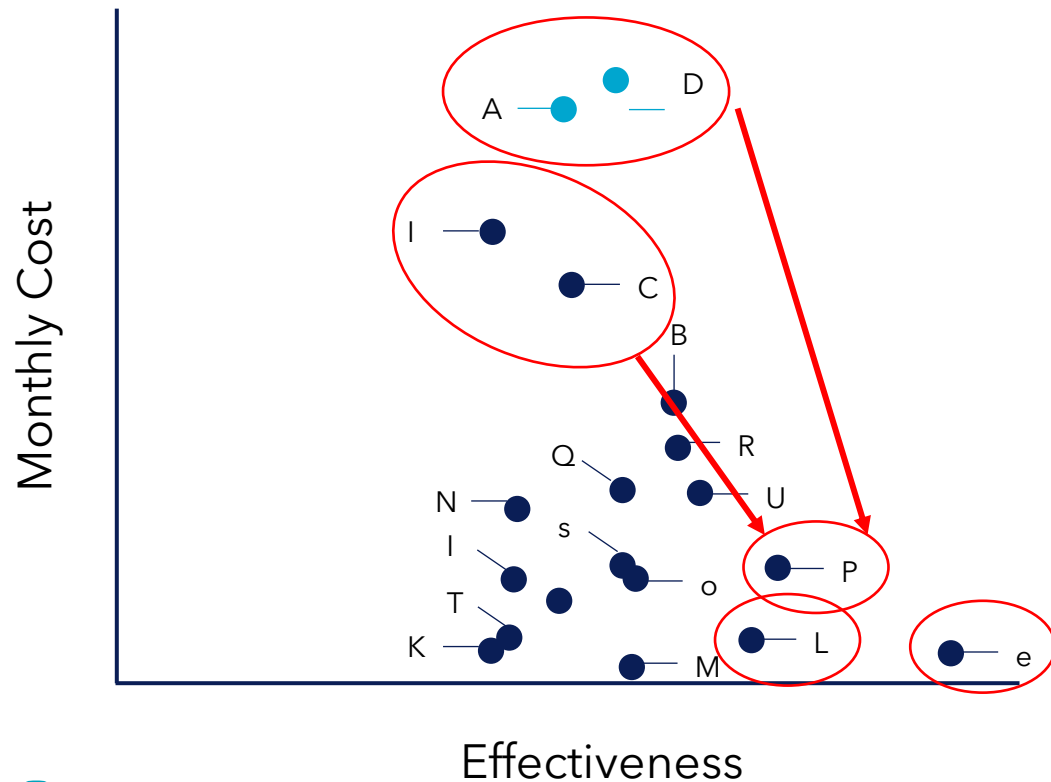
There is zero (and sometimes negative) correlation between healthcare cost and quality

Source: Healthcare Bluebook data, Healthcare Cost Institute (2016)

Like networks, formularies are similarly difficult to navigate. New drugs are not always better than existing drugs

"New" anti-depressants

Comparative effectiveness research



Meeting members where they are

The screenshot displays the Healthcare Bluebook mobile application. The top navigation bar includes 'Rx Recommendations' and 'Medication Search'. Below this is a search bar with the text 'find medications'. The main content area shows search results for 'Lipitor (Atorvastatin Calcium)'. It lists the 'Average Cost before / after deductible' for the searched item as '\$687 / \$30' and offers a 'Lower Priced Option' of 'Atorvastatin Calcium 80 mg, Tablet' for '\$87 / \$10'. A chat window is overlaid on the right side of the screen, featuring a virtual assistant named 'Jaleesa' with the role 'General'. The chat messages are: Jaleesa: 'Hi, thank you for chatting in with Healthcare Bluebook! My name is Jaleesa. How can I help you today?'; User: 'Hi, I just received my Rx Savings Report and I noticed that I have an opportunity to save on one of my prescriptions. Can you help me with this?'; Jaleesa: 'Of course! I'm happy to assist you. Allow me one moment so that I can pull up your savings report.'; User: 'Thank you'. The bottom navigation bar contains icons for 'Search', 'Pharmacy', 'My Doctors', 'Rewards', and 'More'.

Rx Claims

Analytics Engine

Savings and Recommendations Report

Proactive Member Outreach

Rx Concierge Support

Rx \$ Savings and Reporting

Engagement Rewards

Increase utilization by rewarding members for positive shopping behavior

Average utilization = 15%

**371k TOTAL REWARDS
DISTRIBUTED
\$21.6M IN REWARDS**

- ✓ **400+** rewardable procedures
- ✓ Continually analyzing **additional** procedures:
- ✓ New procedures added twice yearly
- ✓ Rewards range from **\$25 - \$1,500**
- ✓ Anything above \$600 is taxable
- ✓ Average of **\$10 in savings** for **every \$1 spent** on rewards
- ✓ Annual outcomes reporting that illustrates **attribution**
- ✓ Client must implement engagement best practices

Outcomes Category	Savings
MRIs	\$113,471
Colonoscopy	\$116,689
CTs	\$49,858
Upper GI Endoscopy	\$39,124
OP Knee Surgery	\$33,784
Nasal Surgery	\$31,648
Hysteroscopy	\$20,657
OP Shoulder Surgery	\$18,429
Cataract Surgery	\$16,358
X-Ray	\$16,428
Non-Obstetric Ultrasound	\$11,798
Transthoracic Echocardiogram	\$10,004
Carpal Tunnel Surgery	\$9,004
Sleep Study	\$8,694
Screening Mammogram	\$4,968
Breast Biopsy	\$2,475
Obstetric Ultrasound	\$3,187
Heart Perfusion Imaging	\$1,482
Bone Density Scan	\$1,411
Diagnostic Mammogram	\$532
Total Knee Replacement	\$35,904
Hysterectomy	\$9,055
Spinal Fusion	\$16,742
Hysterectomy	\$9,568
Total Hip Replacement	\$7,391
Total	\$588,661

Public Sector Trust

Reward Savings

Total Savings	\$588,661
Rewards Cost	\$64,565

Net Reward Savings \$524,096

Reward ROI 9.1 : 1

Program ROI

Net Reward Savings	\$524,096
Total PEPM Fees	\$164,635

ROI (Savings)/(Cost) 3.2 : 1

Outcomes Category	Savings	Savings Opportunity	Missed Opportunities
MRIs	\$113,471	\$1,347,831	1,061
Colonoscopy	\$116,689	\$688,931	434
CTs	\$49,858	\$1,216,003	895
Upper GI Endoscopy	\$39,124	\$460,810	239
OP Knee Surgery	\$33,784	\$349,421	63
Nasal Surgery	\$31,648	\$342,201	52
Hysteroscopy	\$20,657	\$126,782	51
OP Shoulder Surgery	\$18,429	\$417,639	55
Cataract Surgery	\$16,358	\$104,359	56
X-Ray	\$16,428	\$635,550	4,215
Non-Obstetric Ultrasound	\$11,798	\$793,533	2,438
Transthoracic Echocardiogram	\$10,004	\$650,304	798
Carpal Tunnel Surgery	\$9,004	\$83,929	29
Sleep Study	\$8,694	\$165,559	65
Screening Mammogram	\$4,968	\$522,018	2,226
Breast Biopsy	\$2,475	\$110,778	59
Obstetric Ultrasound	\$3,187	\$250,035	785
Heart Perfusion Imaging	\$1,482	\$221,902	141
Bone Density Scan	\$1,411	\$30,112	222
Diagnostic Mammogram	\$532	\$156,351	467
Total Knee Replacement	\$35,904	\$95,355	8
Hysterectomy	\$9,055	\$138,007	12
Spinal Fusion	\$16,742	\$684,782	14
Hysterectomy	\$9,568	\$138,007	12
Total Hip Replacement	\$7,391	\$95,355	8
Total	\$588,661	\$9,825,554	14,405

Procedures with the Highest Savings Opportunity

- ✓ MRIs
- ✓ CTs
- ✓ Non-Obstetric Ultrasound

Next Steps

Savings Preview Forecast

Scope and Pricing Discussion

Implementation Timeline Review

 **Healthcare Bluebook**
Operating Engineers Local 3:
Savings Preview Forecast

Engagement Rewards
HCBB Program

Between 75-100%
% of Potential Pop. Outreach

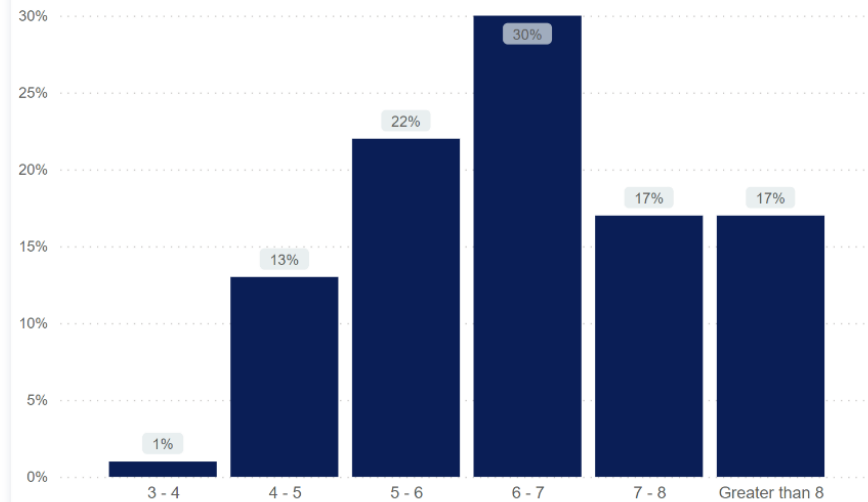
Quarterly
Engagement Frequency

Yes
Has Bluebook CareConnect

5.46
Projected ROI

Total ShopSmart Spend	ACV	Member Count
\$36,967,417	\$216,600	25,989
Lower Bound Savings	Upper Bound Savings	
\$1,048,014	\$1,571,985	
Lower Reward Cost	Upper Reward Cost	
\$105,465	\$150,316	

ROI Range % Likelihood



Calculation example

Total Knee Replacement

Savings Per Case	
Average Cost (High-Cost Facility)	\$49,000
Less: Average Cost (Low-Cost Facility)	\$24,000
Savings per Case	\$25,000
Weighted Savings	
Program Period Savings per Case	\$25,000
(x) Benchmarked Non-Green Rate	0.70
Total Savings	\$17,500

Note: Numbers rounded for readability.

Contact Information

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