



Redirect Health®

**De-Risked Self-Insurance Plans
for Small & Medium Businesses**

**Healthcare Plans Starting at
\$150, \$415 and \$515**



- 1 **Define the Problem**
- 2 **Small & Medium Businesses (SMB)**
- 3 **De-Risking Self-insurance**
- 4 **Q&A**

The Healthcare Problem

“It's Complicated...”



Or is it?... Let's get on the same page

- 1 Complexity**
- 2 Hidden Costs**
(Time, money + mental energy)

GOOD people, but a very BAD system

Too Big To Fail

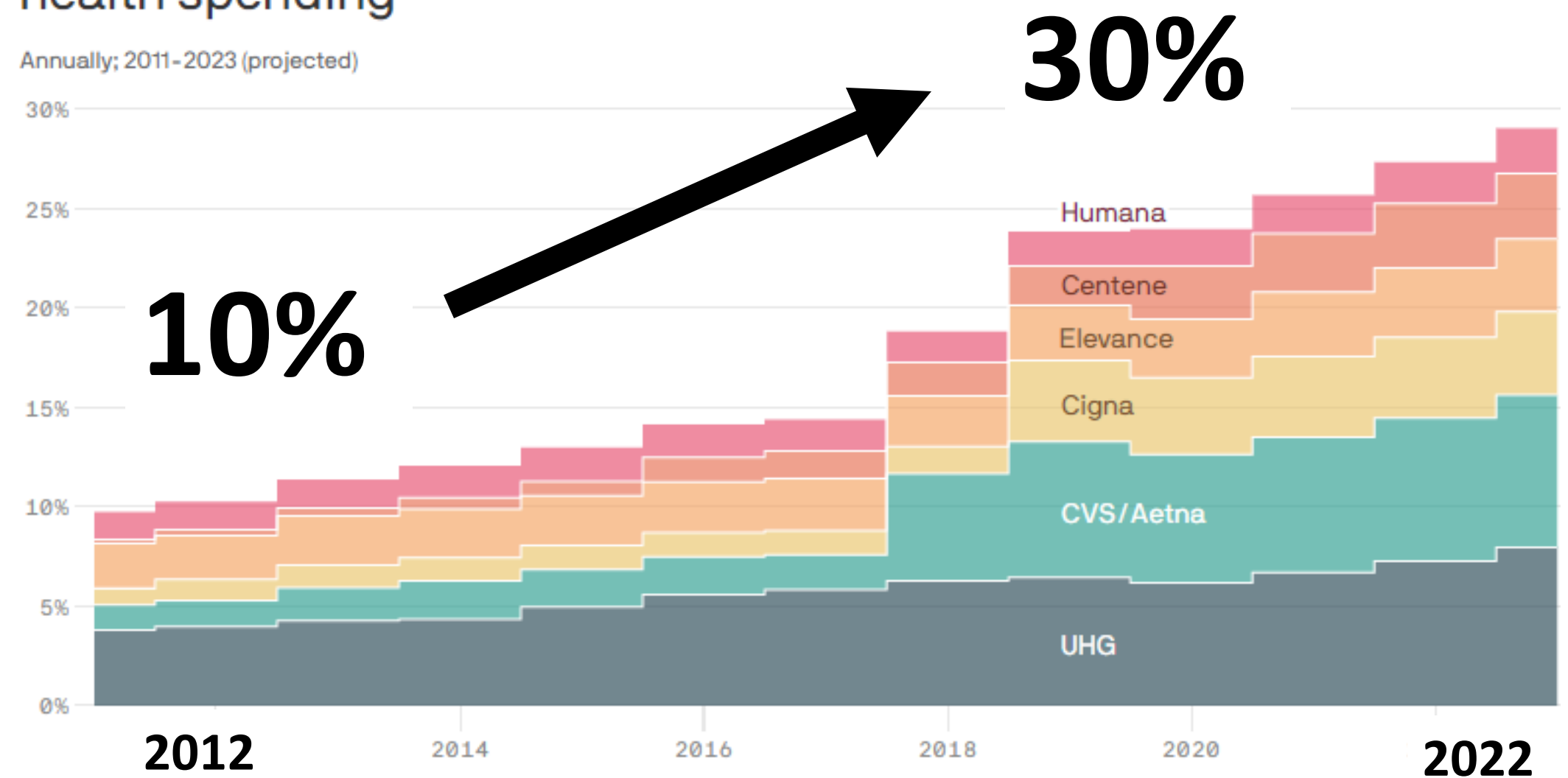
Major health insurance companies are nearing too big to fail status



April 19, 2024

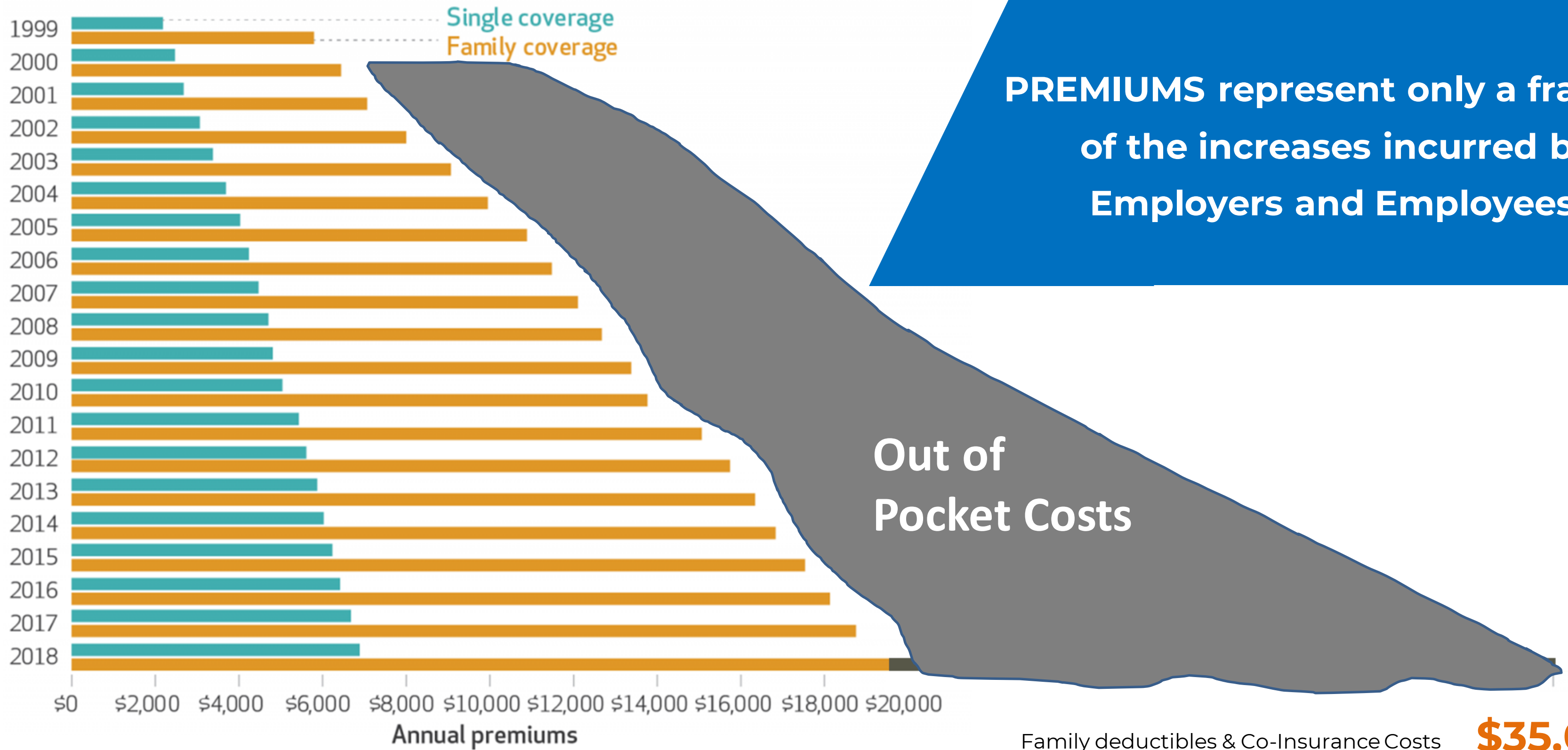
Six largest for-profit health insurers' revenue as a share of U.S. health spending

Annually; 2011-2023 (projected)



Data: Axios research; Chart: Erin Davis / Axios Visuals

Average annual premiums for single and family coverage, 1999–2018



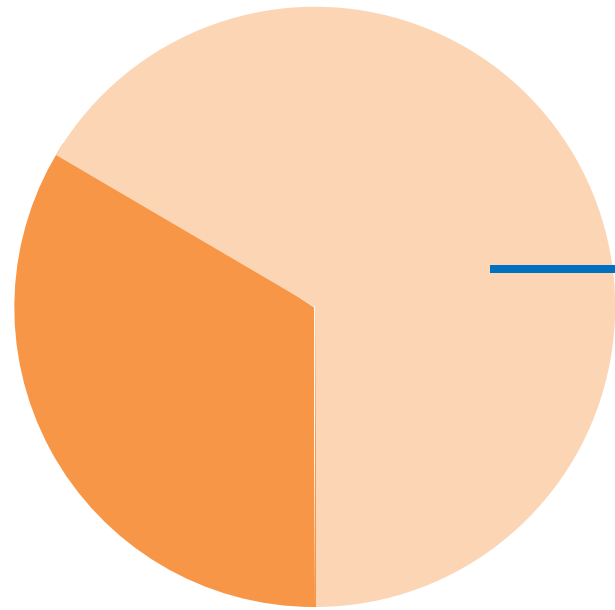
PREMIUMS represent only a fraction of the increases incurred by Employers and Employees.

Out of Pocket Costs

Family deductibles & Co-Insurance Costs **\$35,000**

Bankrupting America...

THE WALL STREET JOURNAL
WSJ



2/3 of Bankruptcies are
due to Medical expense

#1 Cause of personal bankruptcy

75% HAVE INSURANCE

Deductibles and Out-of-Pockets



75 million Americans cannot afford to use their insurance

Conclusion: Even if you gave people free insurance, it doesn't mean they can afford to use it.

AND...Did you know?

THE WALL STREET JOURNAL.
WSJ

More than 80%

of medical bills have errors or contain overcharges ...(WSJ)

People don't need MORE INSURANCE...
they need something that makes sense

The Problem for SMBs



The SMB Problem

The SMB Disadvantages

- Higher premium costs
- Double-digit YOY cost increases
- Lowest participation
- No ROI on health plan spend
- NO REAL OPTIONS

Out-of-pockets exceed employees' savings and affordability

SMBs Especially Need New Options

31M

Small businesses are defined as 500 employees or less*

60M Americans working at small businesses

100M - including dependents

What SMBs Need

Real Solutions



SMB Needs

Affordability

- Low Premiums (Family too)
- Low Out-of-pockets
- \$0 incentives & pathways

Meaningful Access

- 24/7 Communication
- App, Phone, Text
- English & Spanish

ROI & Advantage

- Competitive Recruiting
- Turnover
- Work Injuries,
- Absenteeism & Over-time
- Happy people!

YOY Predictability

- < 5% Increases?
- Rate guarantees?

De-Risking Strategy

SMB Options

Today

Overview

Individual Contribution HRA

Fully Insured

Level Funded

Self-Insured

De-Risked Self-Insurance

1

Benefit Design

2

Predicting Needs & Costs

3

Getting Care

4

Paying Claims

5

System Thinking & Integration

**De-Risking
Self-Insurance**

Benefit Design

- 1 **Trade-offs and exclusions**
- 2 **Incentives FOR ...**
- 3 **Incentives AGAINST ...**
- 4 **Pathways to \$0**
- 5 **Seeing “My doctor”**



Benefit Design

2

Predicting Needs & Costs

De-Risking
Self-Insurance

Predicting Need & Costs

- 1 Anticipate and predict what?**
- 2 Pro-active data collection**
- 3 Security, data storage / retrieval**
- 4 Prioritized outreach**
- 5 Personalized care plans**



Benefit Design



Predicting Needs & Costs

3

Getting Care

**De-Risking
Self-Insurance**

Getting Care

- 1 24/7 Virtual-first PCP Access**
- 2 Referral and care navigation**
- 3 Pre-determined Referenced Based Pricing (RBP)**
- 4 Physician-to-physician communication**
- 5 Clinical follow-up**



Benefit Design



Predicting Needs & Costs



Getting Care

4

Paying Claims

**De-Risking
Self-Insurance**

Paying Claims

- 1 **Alternative funding**
- 2 **Pre-paying and Quick-paying**
- 3 **Deductible relief**
- 4 **Medical Loss Ratio Monitoring**
- 5 **Mid-year course correction**



Benefit Design



Predicting Needs & Costs



Getting Care



Paying Claims

5

System Thinking & Integration

**De-Risking
Self-Insurance**

System Thinking

- 1 **Everything is connected**
- 2 **Breaking the system**
- 3 **ExtraHelp system**
- 4 **Monitoring (AND GETTING) results**

Integrated System

Effects on high-dollar claims

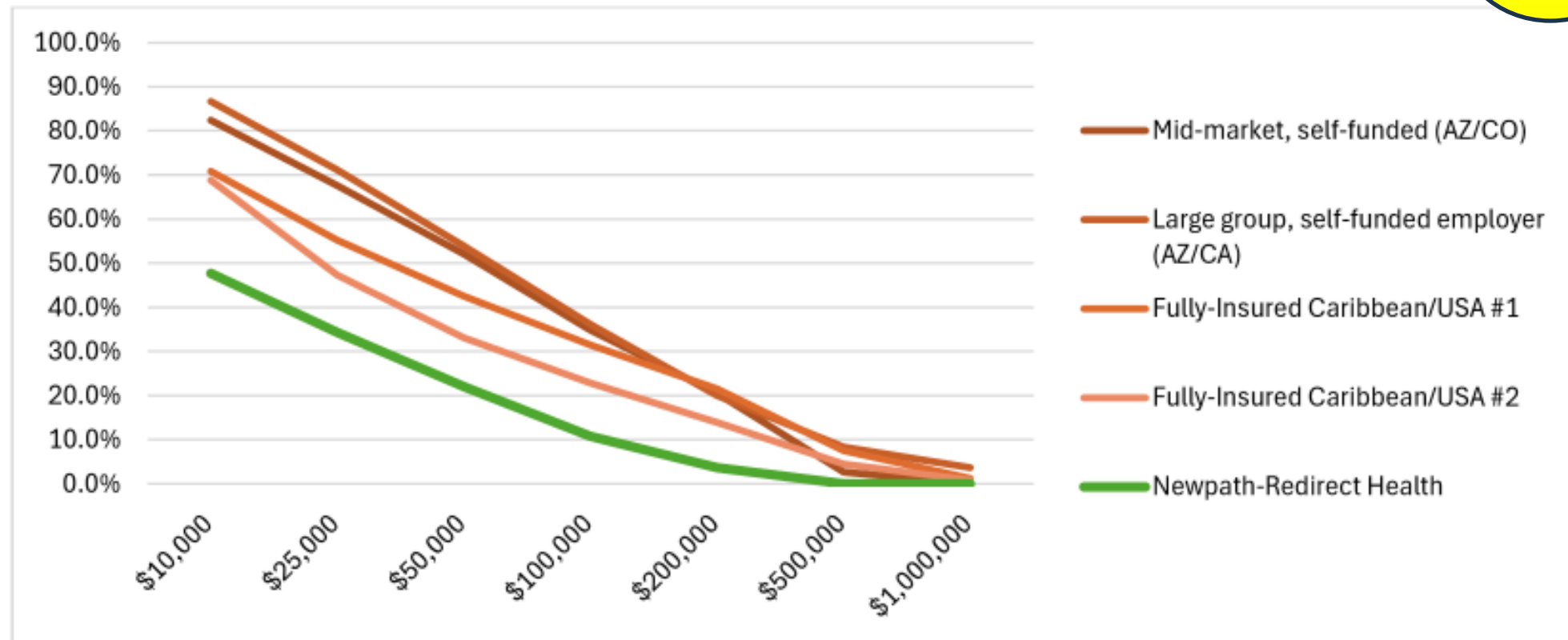
Newpath Mutual - Redirect Health

High Claimant Analysis

Paid dates between 12/1/2022 - 11/30/2023

Proportion of Claim Dollars from High-Dollar Claimants

	Mid-market, self-funded (AZ/CO)	Large group, self-funded employer (AZ/CA)	Fully-Insured Caribbean/USA #1	Fully-Insured Caribbean/USA #2	Newpath-Redirect Health
\$10,000	82.4%	86.7%	70.8%	68.8%	47.8%
\$25,000	67.6%	71.1%	55.2%	47.3%	34.3%
\$50,000	52.1%	53.9%	42.5%	33.1%	22.0%
\$100,000	34.8%	36.1%	31.5%	22.8%	10.7%
\$200,000	20.5%	20.0%	21.6%	13.9%	3.6%
\$500,000	2.7%	8.3%	7.5%	4.4%	0%
\$1,000,000	0.0%	3.7%	1.2%	0.8%	0%

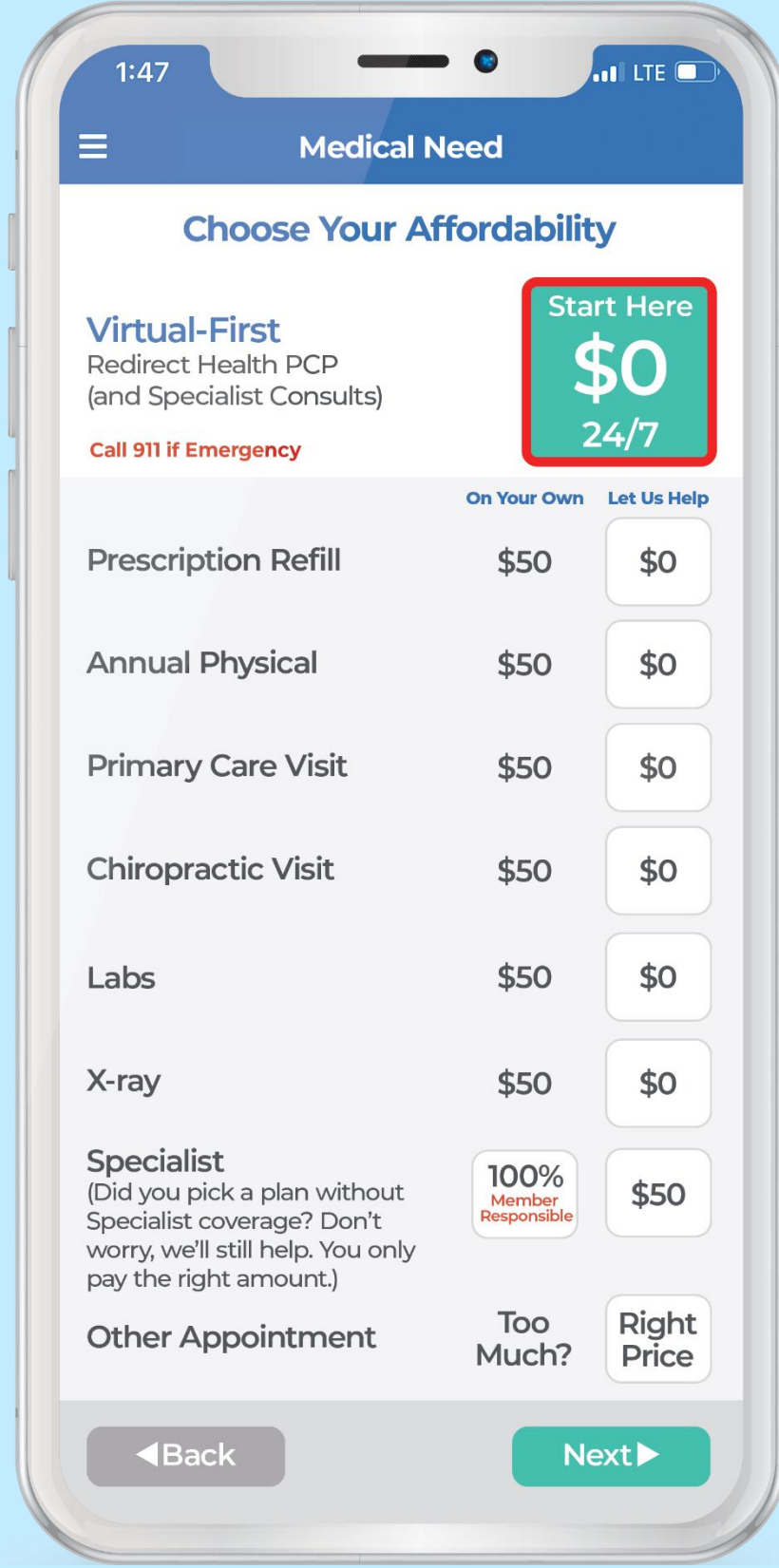
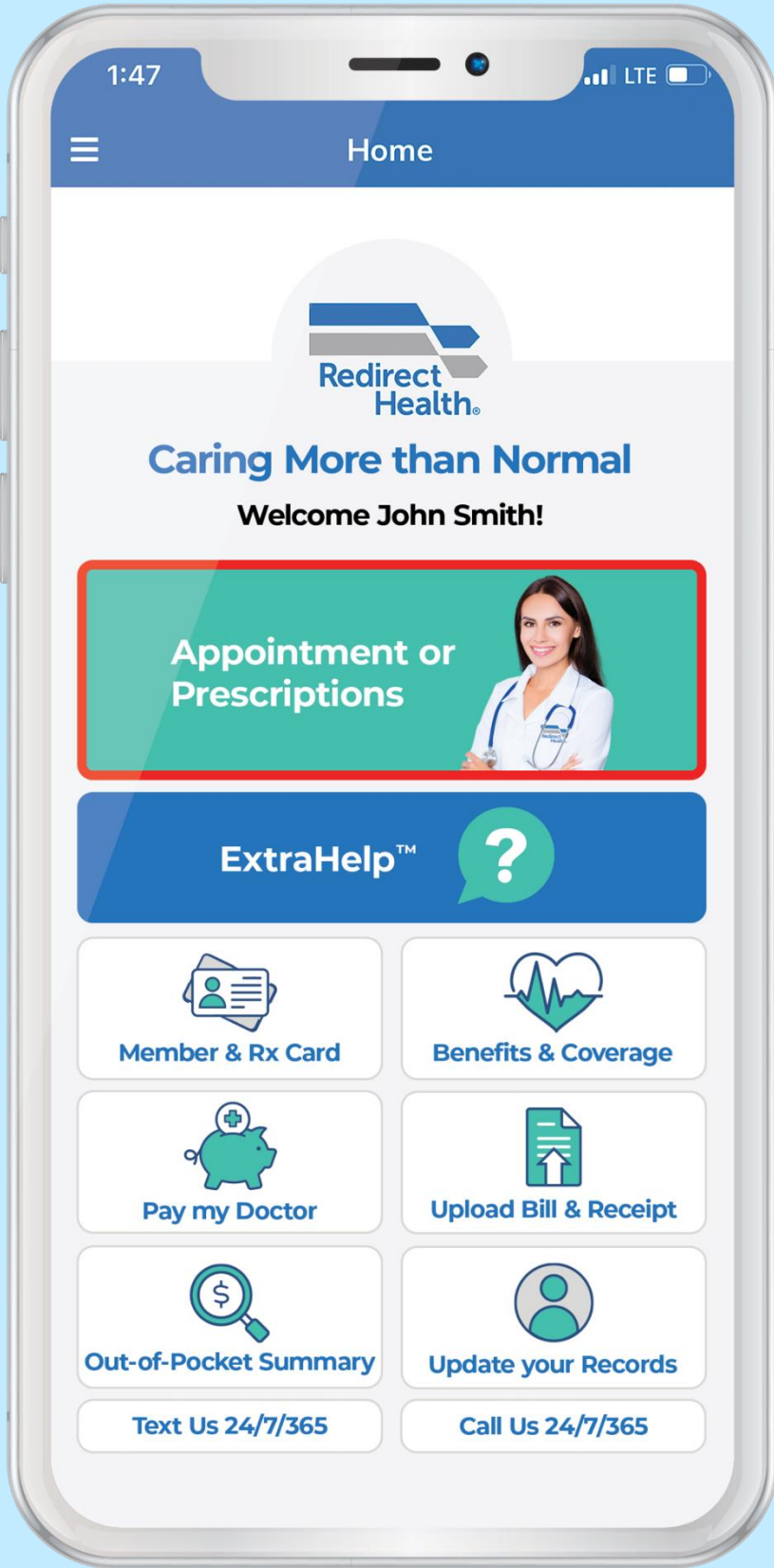


Who is Redirect Health?



How it Works for Members

- 1 Hit-the-Ground Running Program**
 Get set up and get a head start on obvious needs before the plan starts.
- 2 Use the Redirect Health Member App**
 Members have access to the app 24/7/365. Call or text the member care line to address medical needs. Schedule a call back at a time convenient to member.
- 3 Coordinate Care – Virtual-first**
 Members are connected to a virtual medical provider for the immediate care they need. Streamlined referrals are encouraged for in-person care.
- 4 RDH Navigates the Healthcare System**
 RDH ensures members receive the right care at the appropriate price. RDH uses data to anticipate who will have clinical needs and the potential obstacles they may face.
- 5 Follow-up**
 RDH will check in on members after their visits to ensure the care plan is working effectively for them and lingering questions are answered.





**Redirect
Health®**



Your Questions





The healthcare experience always starts
with the control of logistics.



- David Berg, Founder & CEO of Redirect Health



Scan for Examples of Redirect Health's
De-Risked Self-Insurance Plans