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The Disability Claims Management (R)evolution from Art to Science

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What we will cover

- Meet the panel
- Setting the scene
- An insurer's perspective on transformation
- Innovative acceleration of case management
- Pharmacogenomics and mental health claims
- Questions, comments

Mark Foerster

Vice President, Group Operations & Claims

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Basics of Long-Term Disability



Introduced in the 1960s



Replace income benefits if disabled beyond sick leave or short-term disability



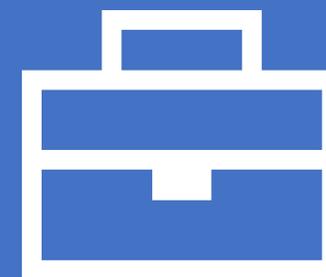
Two year “own occupation”

10 million

Canadians are covered

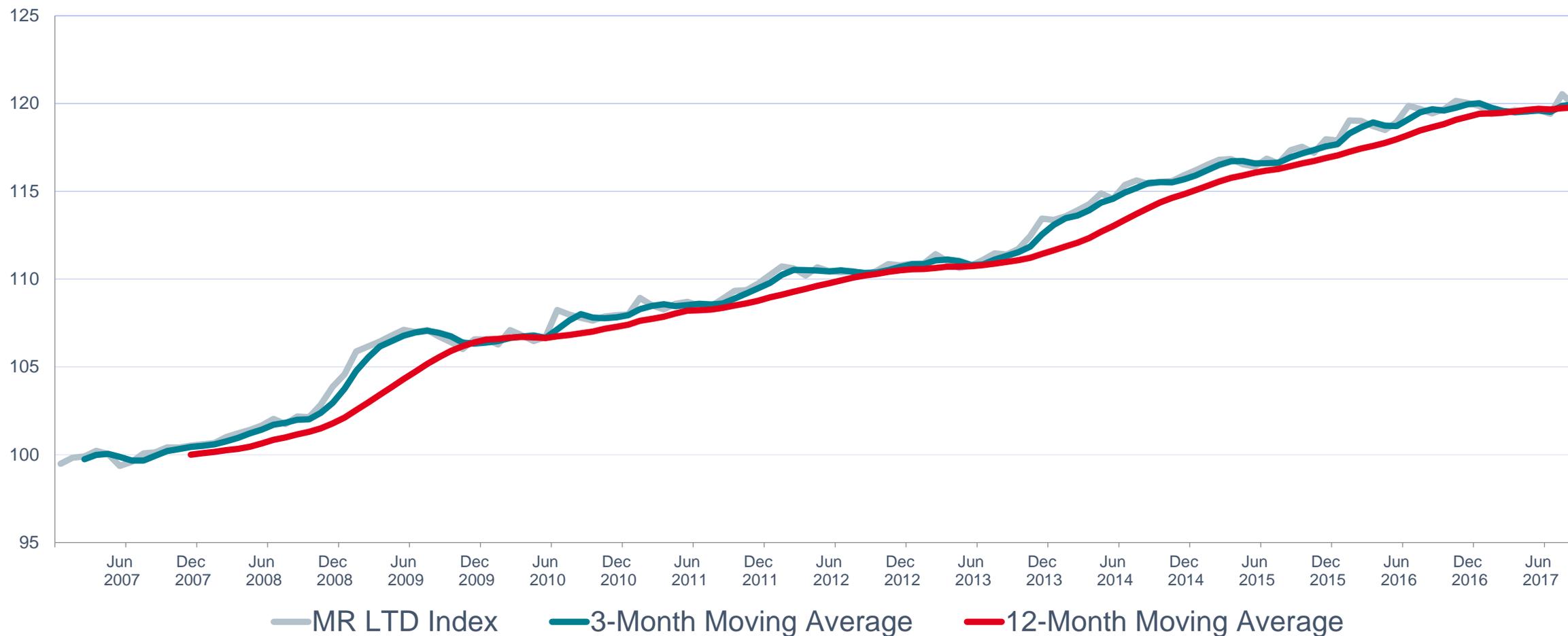


Part of sponsored employee benefit packages



Beyond two years
“any occupation”

Munich Re LTD Benchmark Index



Wellness - Sponsors

Plan Sponsors focus for benefit plans ideally*

- Prevent Disease - **36%**
- Support chronic disease management - **31%**

**Sanofi 2016 Survey At A Glance*

Financial well-being assistance?

Needed to reduce employee stress, but...members reluctant for their employers to be too involved.+

+ *Willis Towers Watson Staying@Work 2015-16 Survey*

Claims Management (R)Evolution

Past

- Individual instincts



Future

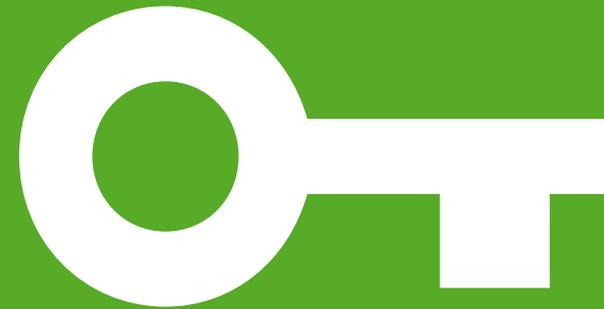
- Artificial Intelligence
- Data Driven
- Internet of Things
- Block Chain



What claims problem do we want to find solutions for?



How do we case manage claims more efficiently/effectively and improve the claimant's experience?



Use numerous sources of data, analytics, technology and partners to optimally case manage claims, maximize profit and enhance satisfaction.

Disability Claims Management Blueprint: Historical

Prevention



- Wellness programs

STD



- 80% resolution
- Medical duration guidelines

LTD Initial Decision



- Paper files
- Medical reports
- Case Manager assessment

LTD Case Mgmt



- Medical & vocational tools
- Case manager assessment

Incidence

Duration

Disability Claims Management Blueprint: Current & Emerging

Prevention



- Wellness programs
- Health risk assessments
- Health incentives
- Pharmacy case management/analytics
- Workplace mediation

STD



- 80% resolution
- Medical duration guidelines
- Action streaming
- Sponsor/employee portal

LTD Initial Decision



- Claimant/(re)insurer portal
- Decision rules engine
- Case Manager assessment
- Telephone interviews/recording

LTD Case Mgmt



- Case manager assessment
- Predictive scoring
- Proactive care management
- Pharmacogenomics

Incidence

Duration

Current Initiatives

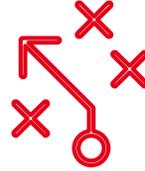
Employing more health science graduates



Reducing case loads



Rules engines, predictive analytics



Online cognitive behavior therapy



Behavioural analysis



Organizational

Data & Systems

Case Management

Special focus team for long duration



Enhancing claims systems



Accelerating specialist appointments



Pharmacogenomics



Ken Bowman

Head of Claims- RBC Insurance

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The Future of Claims at RBC Insurance

Our objective is to drive profitable growth through the delivery of a truly differentiated client experience



The Drive For Change and our Journey

Problem Statement: We recognized that clients were not recovering as quickly for certain conditions despite focusing on enhancing internal resource skillsets and implementing best in class practices and defined pathways for complex claims. The biggest challenge for our clients and claim professionals was outside our organization and the challenge our clients had navigating the healthcare system.

Challenges

- 1) Increasing Frequency and Duration of Mental Nervous claims
- 2) Increased Wait Times for Clients to see Specialists and receive treatment/ surgical intervention
- 3) Growing concerns regarding Chronic Pain, opioid addiction, and unsuccessful recovery for our clients



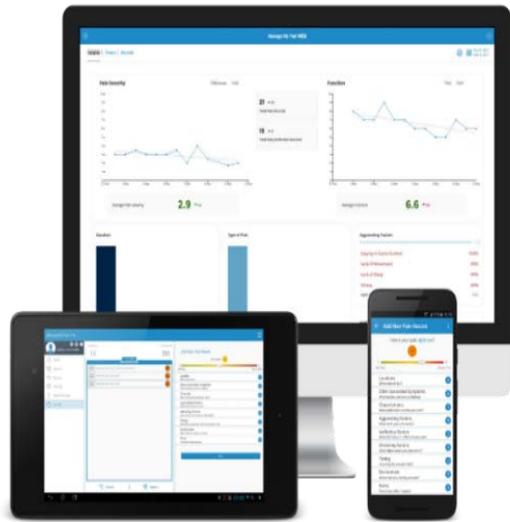
Solutions

- Creation of ONWARD by Best Doctors that delivers a first of its kind coordination of care model to clients suffering from Anxiety and Depression
- Partnership with Medical Confidence to provide client with quicker access to specialist and treatment while providing value added navigation assistance and advice
- Partnership with ManagingLife to test the use of digital health care application for pain related claims

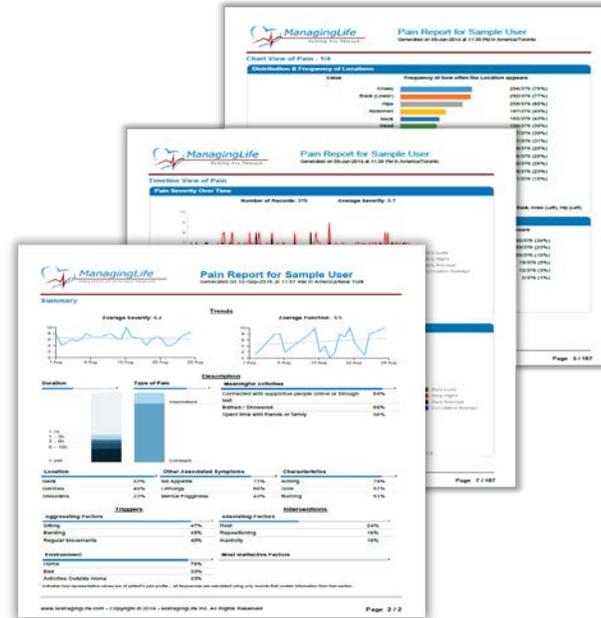
Manage My Pain: A better way for claimants, healthcare professionals, and DCSs to measure and monitor pain, function, and medication

Claimants

Healthcare Professionals / DCSs



Claimant apps



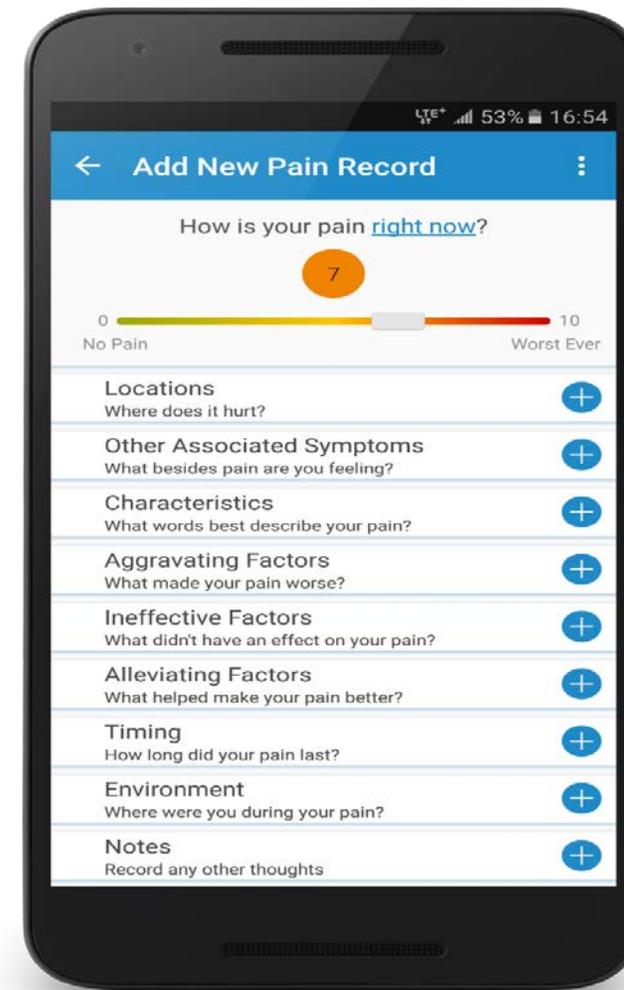
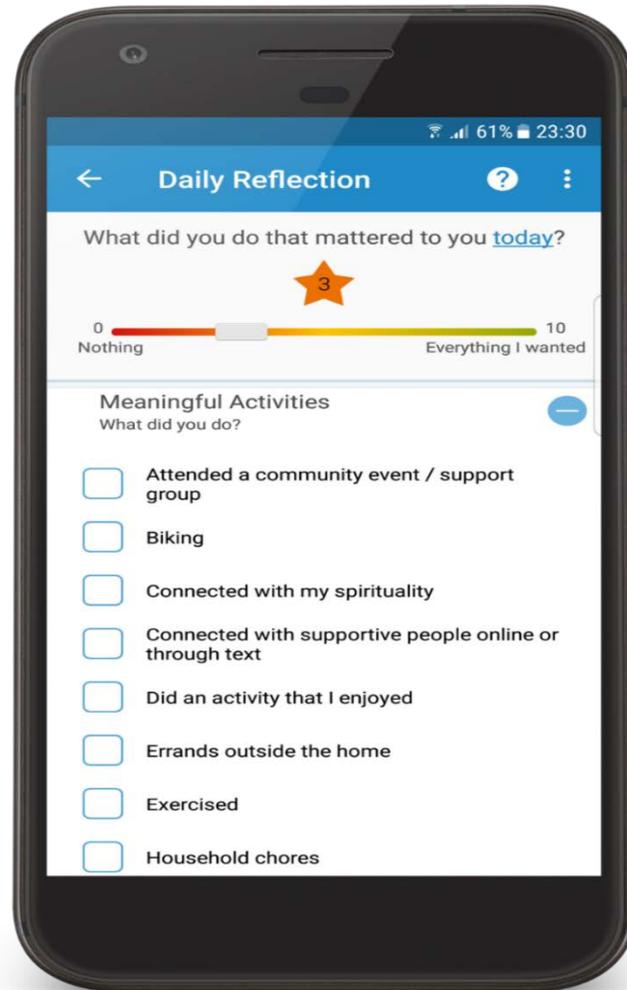
Clinical reports



Monitoring portal

The App: Function and Pain Outcomes

Claimants will take 60 seconds a day to record how they are feeling



Steven Solomon

Vice President, Client Relationships

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Best Doctors Evolution

- Past 20 years...focused on **Physical Health** providing the right information, the right diagnosis and treatment at the right time
- Case Management expanded into **Mental Health** and **Cancer** support



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Onward by Best Doctors™



The Programs Goal

“To improve defined care and return-to-work outcomes for individuals on short and long term disability with a diagnosis tied to anxiety or depression”

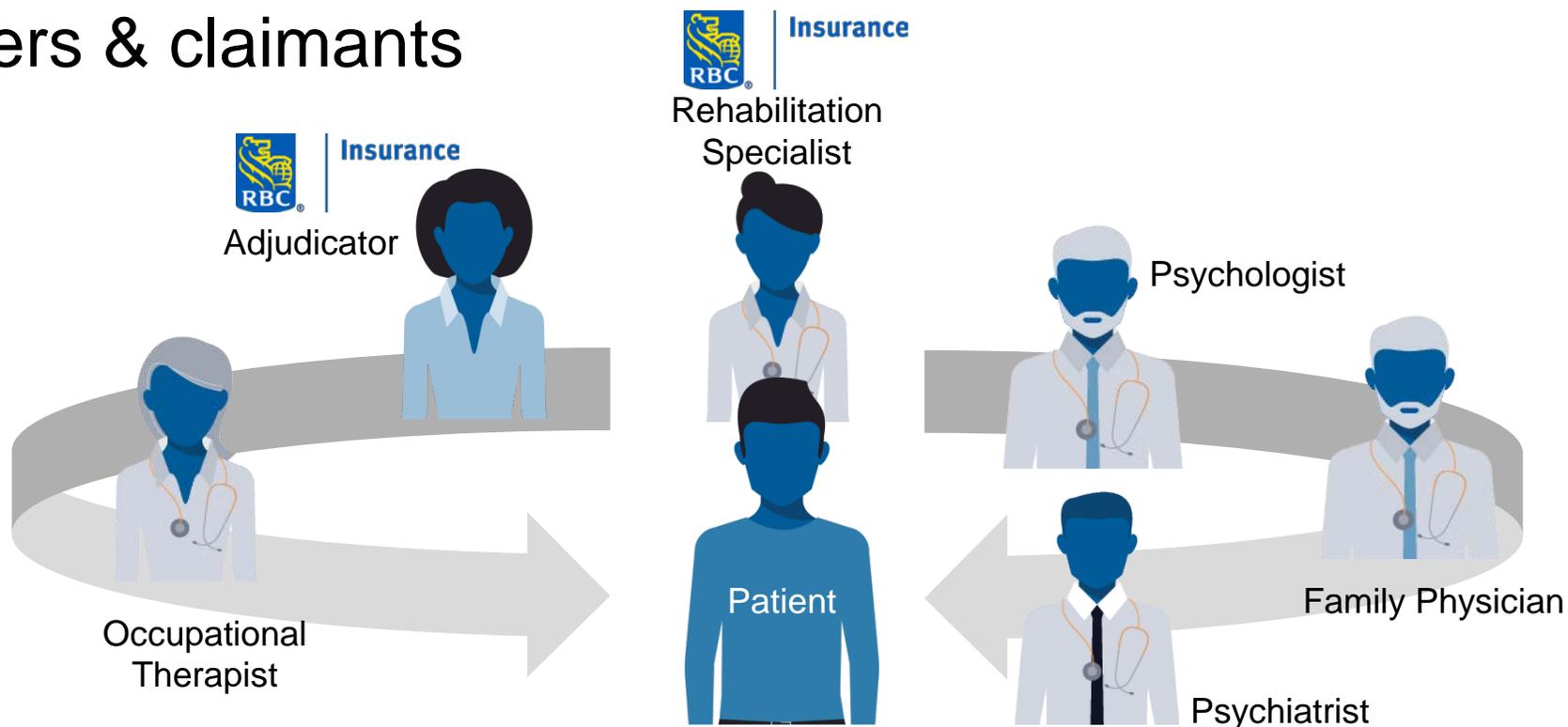


The Challenges

- 1. Delayed/no access** to expert diagnosis and care
- 2. Misdiagnosis** and inadequate treatment pathways for complicated mental health conditions
- 3. Lack of patient advocacy**
- 4. Lack of coordinated communication** between healthcare providers, claimants and their insurance carrier
- 5. General Practitioners diagnosing** and treating complex mental health conditions

Multi-disciplinary Approach

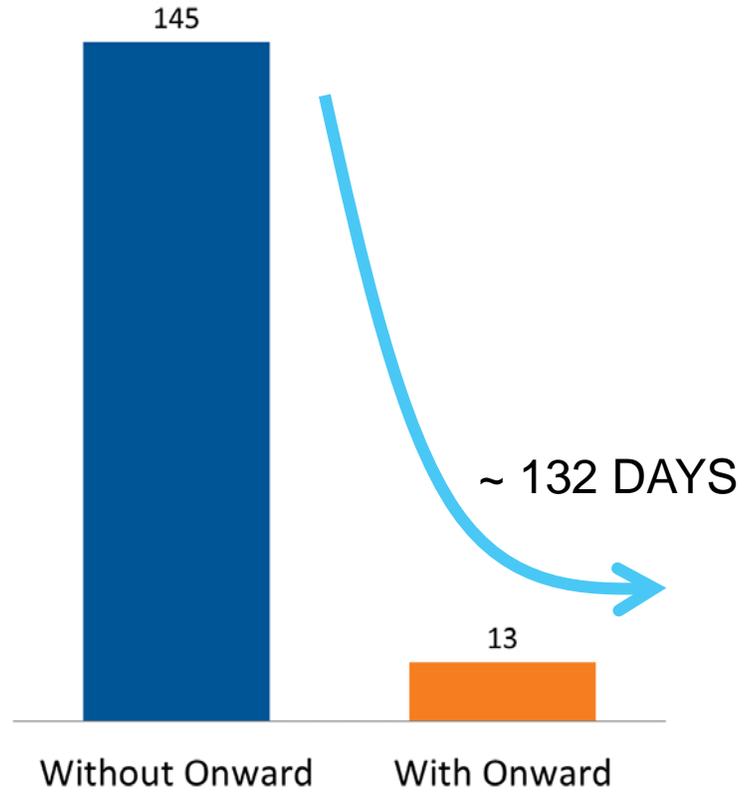
Lack of coordinated communication between healthcare providers & claimants



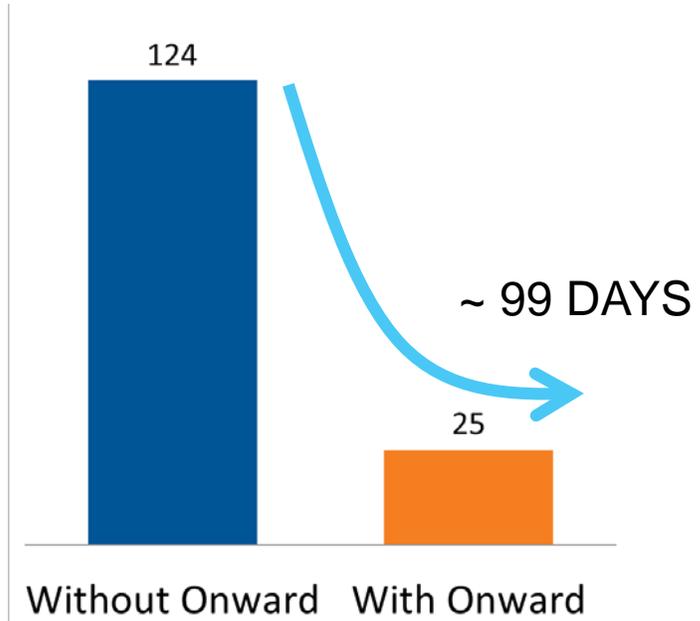
How does it all work?

- We work closely with the claims disability case team to **identify the right claims cases**
- The member goes through a **detailed clinical evaluation**
- If member is selected, they go through **weekly teletherapy** with leading psychologist for 10-16 weeks
- We have a **dedicated case manager** who will keep all parties informed of member progress
- We have **regular communication** updates with the claims team
- End result is to get the claimant **better, healthier and back to work**

Access To Experts



PSYCHOLOGIST



PSYCHIATRIST

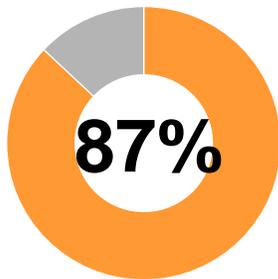
The Results

40%
**REDUCTION IN CLAIM
DURATION**

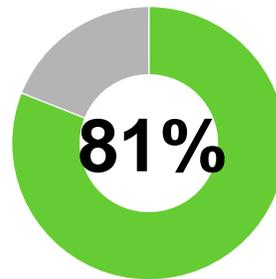
CLIENT SATISFACTION

94%
HIGHEST SATISFACTION

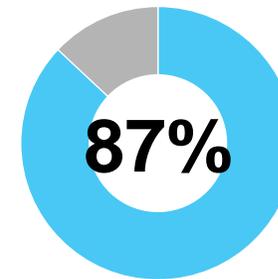
Percentage of survey respondents who would recommend the Onward program to a friend, family member, or co-worker.



**Change in
Diagnosis**



**Change in
Treatment**



**Change in
Medication**



Oncology Insight



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The Clinical Challenges

- **Time Pressures**

- On average, doctors can only spend **15 minutes or less** with each patient

- **Fragmented Care**

- Some physicians are hesitant to adopt accredited EHRs due to the **complexity of the systems and the lack of interoperability** between different systems
- Leads to physician **frustration, medical errors and redundant testing**
- **Multiple medical opinions from various specialists are obtained**, often without coordination and collaboration between the specialists or with the Primary Care Provider (PCP)

The Clinical Challenges

- **Growing Body of Medical Knowledge**

- Medical literature **doubles every 3.5 years**
- By 2020, it's estimated this will **double every 73 days**

- **Increasing Challenges for Patients**

- **Patients grow frustrated with relentless severe symptoms** and seek definitive diagnosis and treatment
- Patients are subjected to **costly and sometimes questionable procedures and treatments**

A Cognitive Solution?

- **Understands**

Watson can read and understand data—both structured & unstructured at a massive scale.

- **Reasons**

Watson can search millions of pages of data and can recognize context and interpret the language of medicine.

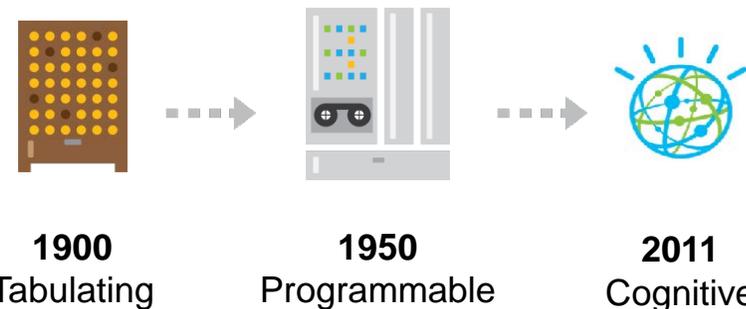
- **Learns**

Watson learns from leading human experts and real world cases and continues to improve over time and experience.

- **Interacts**

Previously “invisible” data and knowledge are delivered into actionable insights. Watson interacts with humans and is transparent.

Historic shift in technology



Veronika Litinski

CEO GeneYouIn Inc.

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The problem is Large...and Growing

\$30B

Spent Annually
on Prescriptions in
Canada...
but 30% is wasted

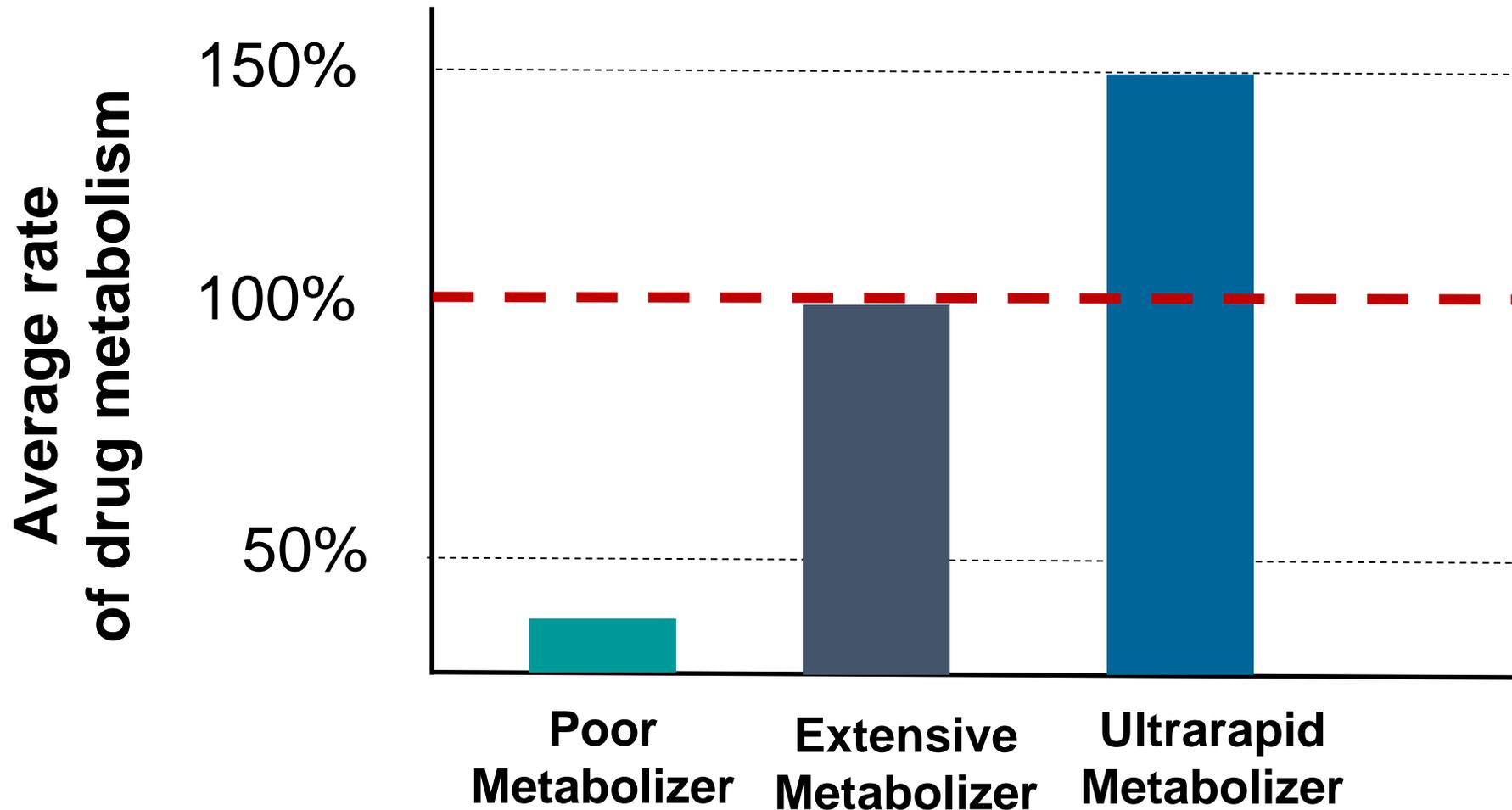
\$13B

Cost of Adverse Drug events per
annum in Canada
Genetic variants are estimated to affect
between 20-95% of response variability,
depending on the drug

95%

of people have
genetic variations
affecting drug
response

Drug Metabolism



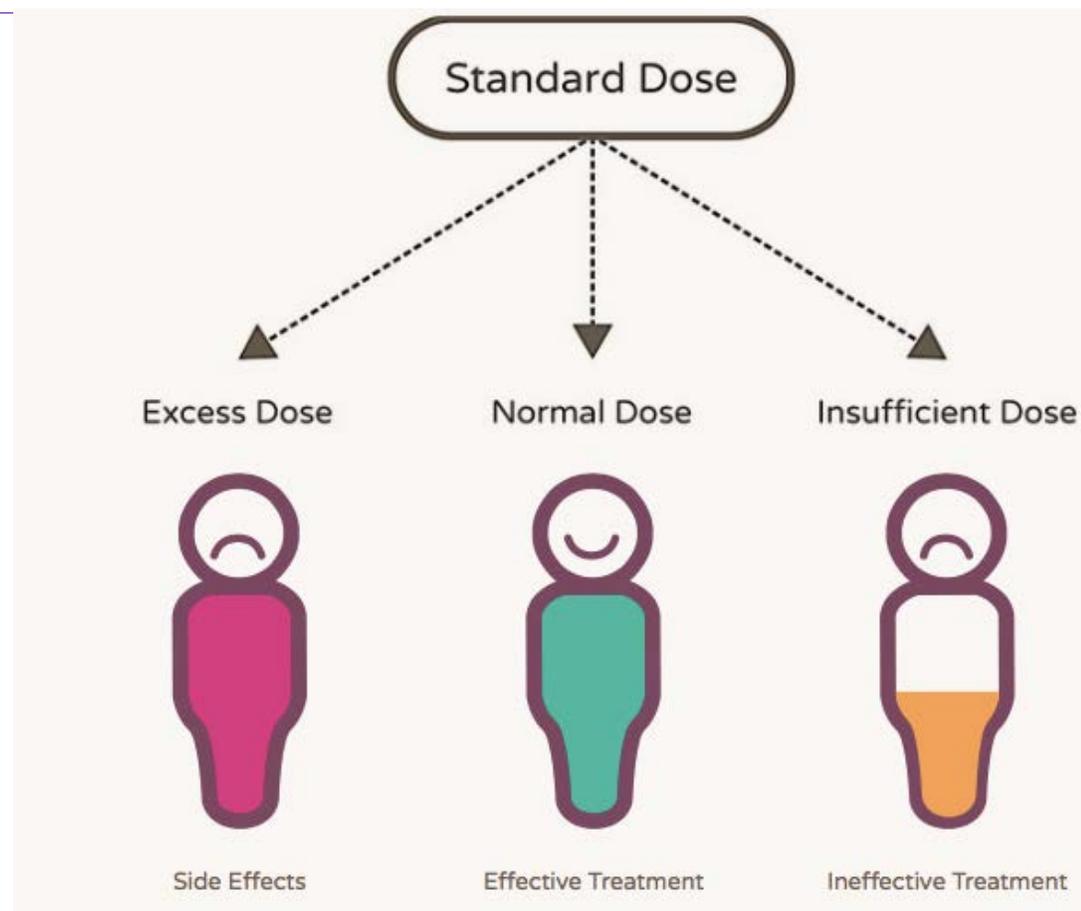
Drugs are prescribed under the assumption that everyone is an average drug metabolizer

The Solution

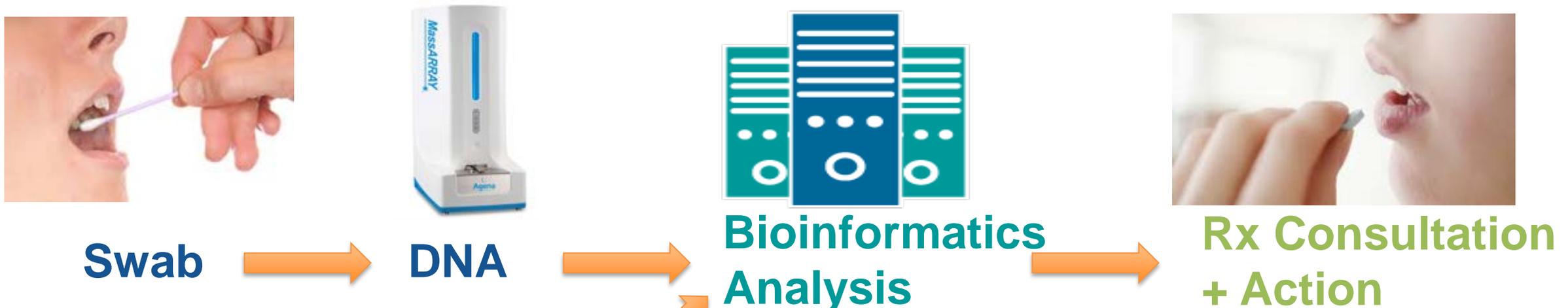
Pillcheck[®] powers Personalized Medicine by **matching insights into an individual's genetic variations with clinical guidelines** to achieve better health.

Clinical, well-established gene-drug interaction and PGx guidelines are available for over half of the top 300 drugs prescribed.

Pillcheck scope of >7000 DINs expanding quarterly according to new guidelines.



Process Overview



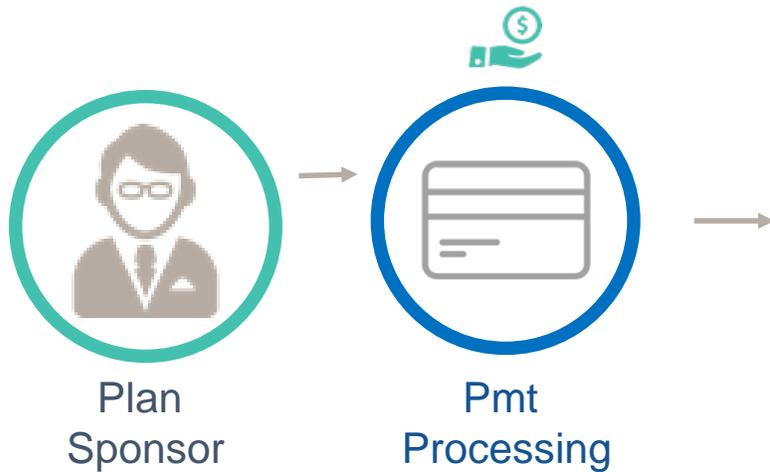
PGx-trained pharmacist provides personalized summary for the prescriber

PGx Clinical Guidelines



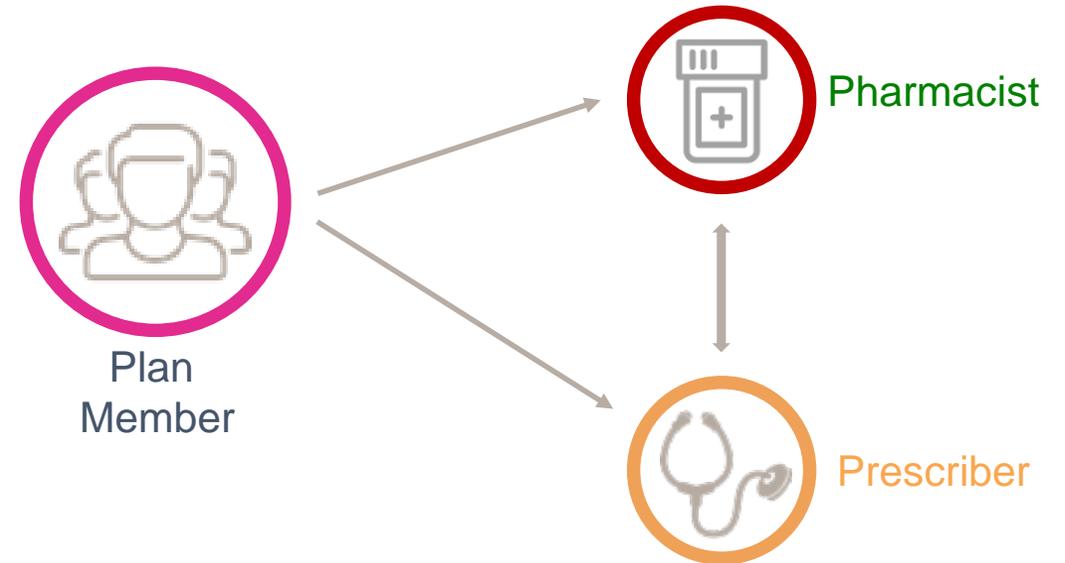
Pillcheck Ensures Privacy

NO individual data ever shared with Insurer/Employer



Anonymized aggregate service utilization reported to Payer

Pillcheck Report shared with Health Services Providers



Report Sharing Controlled by **Customer Digital Consent**



Pillcheck® IT platform solves the
Integration, Design & Payment
Challenge of **Personalized Prescription
Medicine**.

It ensures that the new **Genomics** data stream aligns with the workflows of payers, doctors and pharmacists.

With Pillcheck **data analytics** health plans select specific cohorts **to maximize the ROI** of Pillcheck program.

The platform provides **life-long value** to patients.

PGx: Immediate Value to the Health Plan

Based on health-economic modeling, if
PGx test costs less \$1000
and testing is conducted by the age of 40
**the ROI for health plans is
always positive¹.**

(Pillcheck is \$499)

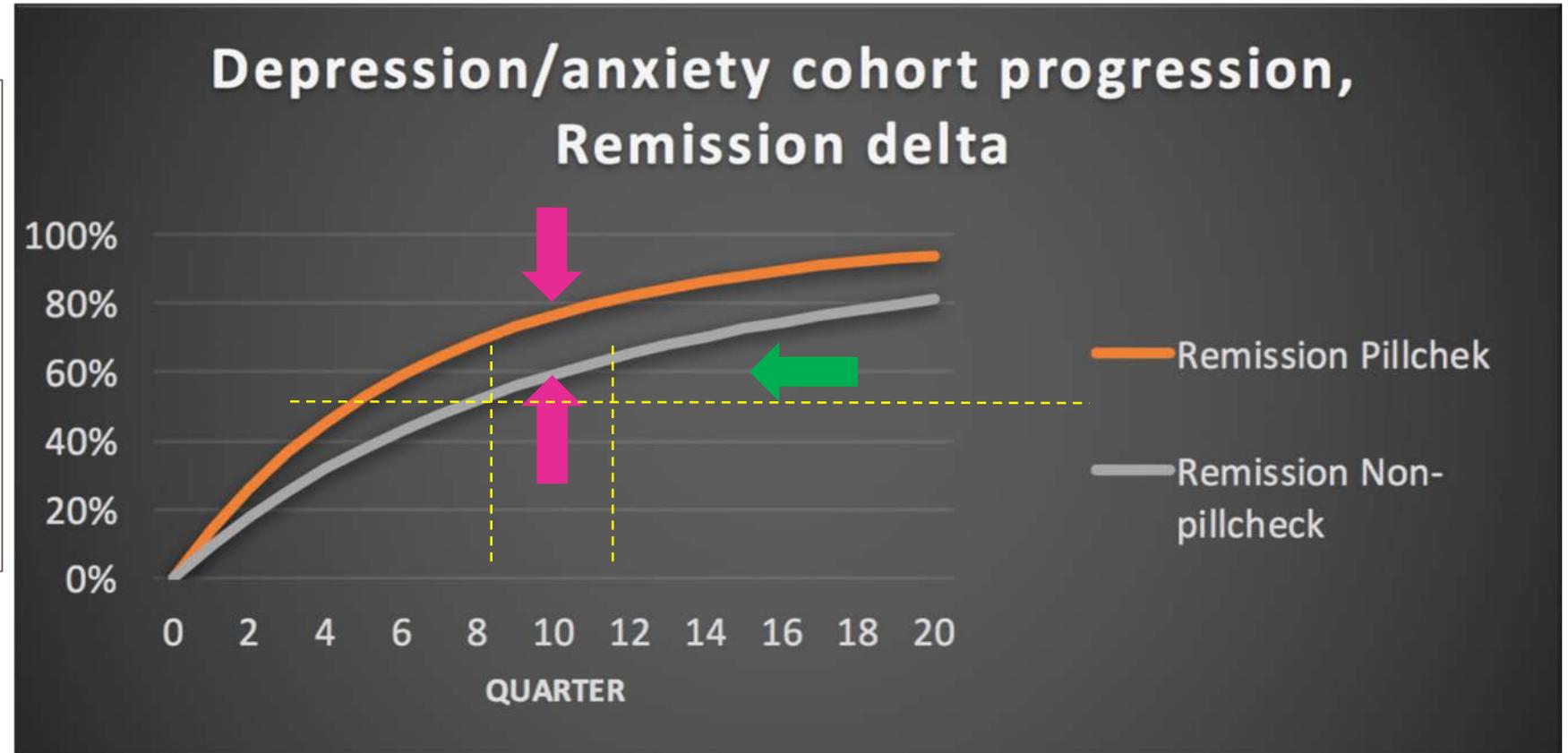
1. <https://www.nature.com/tpj/journal/v16/n2/full/tpj201539a.html>

Economic Impact – More People Feeling Better Sooner

Economic Rationale

PGx-guided medication optimization applies to 30-40% of all disability cases.

Depending on the mix of diagnosis and prescription, PGx-guided medication management reduces total cost by \$350-\$5,000 per patient.



Claims analytics guide targeted Pillcheck programs to define budgets & optimize ROI

Earlier deployment in Disability journey = Maximum ROI
for plan sponsors + maximum health benefit for the individual

Part of a general wellness offering



Part of a targeted health plan offering



5-7% Cost savings

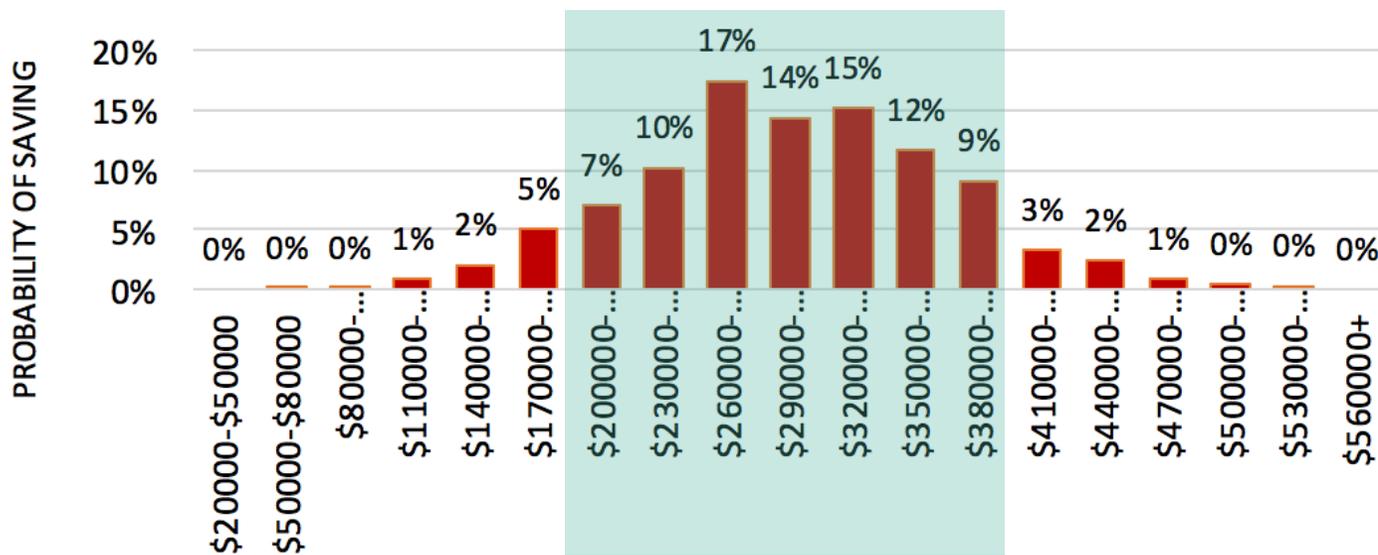
Part of Disability and Absenteeism management



1,300% Cost savings

Health economics simulation of Pillcheck® in the plan

Expected drug + disability cost savings



**84% probability
saving between
\$200,000 and
\$400,000 per 1000
plan members**

**Productivity & Absenteeism excludes spouses and dependents*



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Results

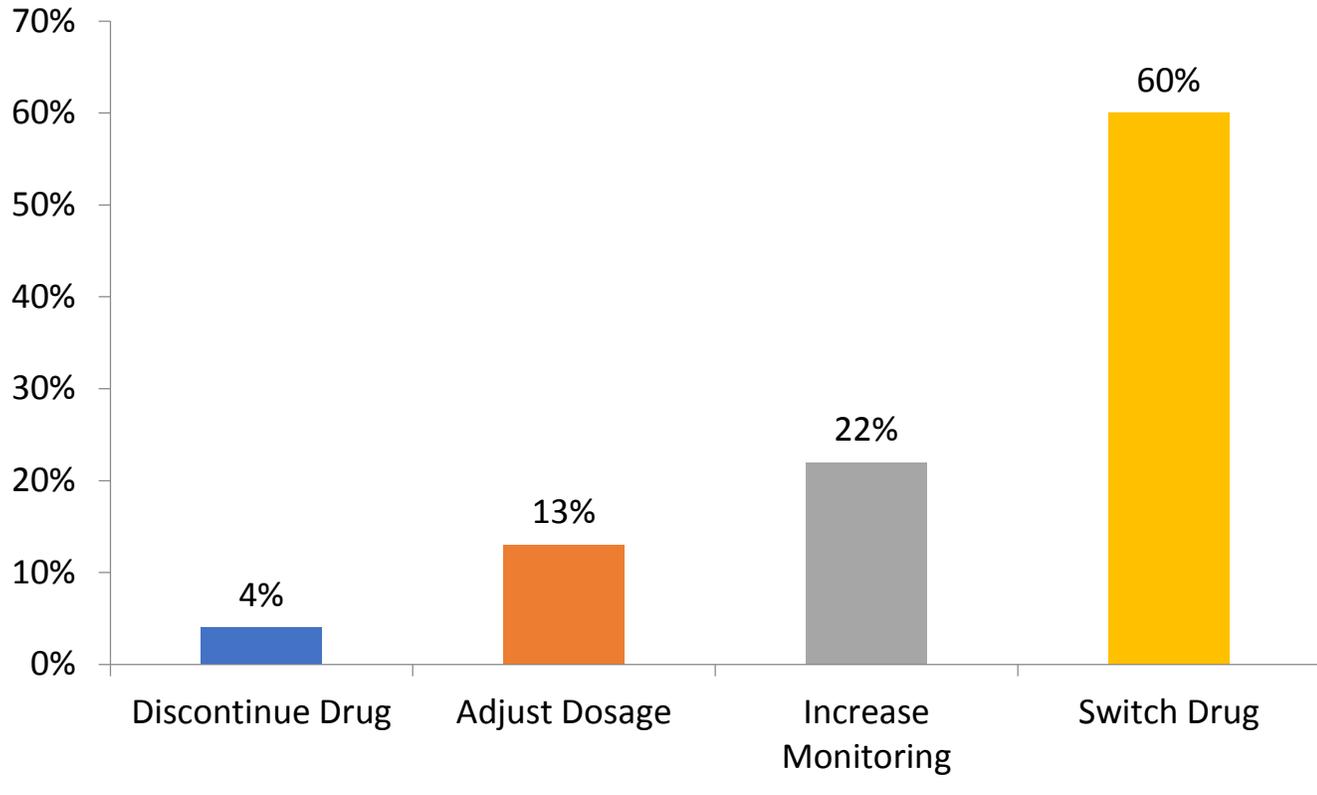
55%

of eligible plan members signed up for Pillcheck in a recent workplace program

75%

of prescriptions in a recent program were changed with results from Pillcheck

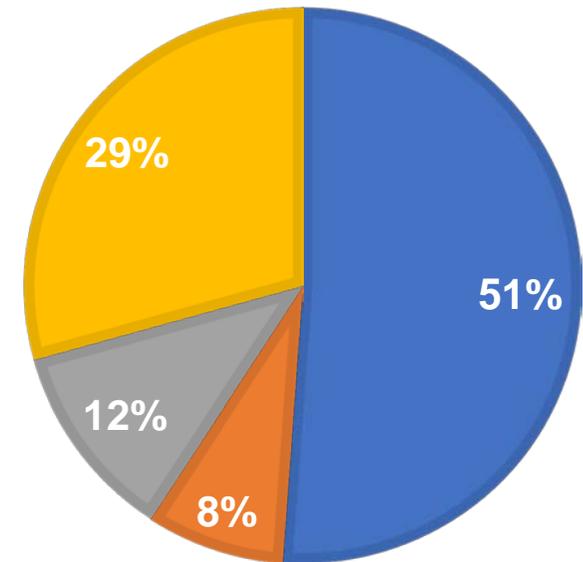
Pillcheck Program Outcomes, Targeted deployment (*)



Disability claimants take on average
4.12 medication

TYPE OF MEDS WE SEE AMONG MENTAL HEALTH CLAIMANTS

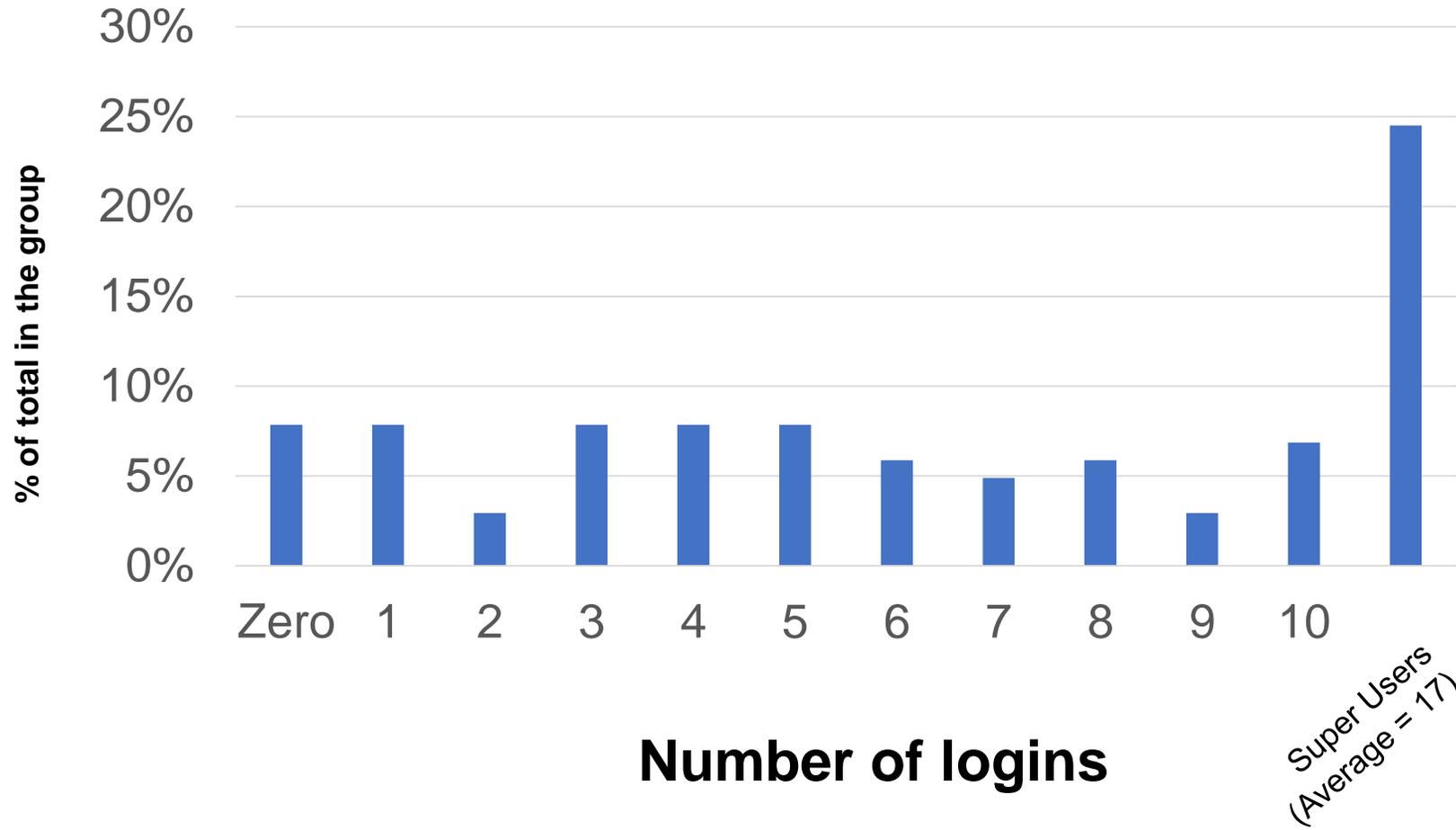
■ Mental health ■ Pain ■ Cardiovascular ■ Other



(*)[The Innovative Canadian Pharmacogenomic Screening Initiative in Community Pharmacy \(ICANPIC\) study](#). J Am Pharm Assoc (20. 2017 Sep - Oct;57(5))

Time period – 1 September 2017 to 1 March 2018

Number of Times Customers View their Pillchecks



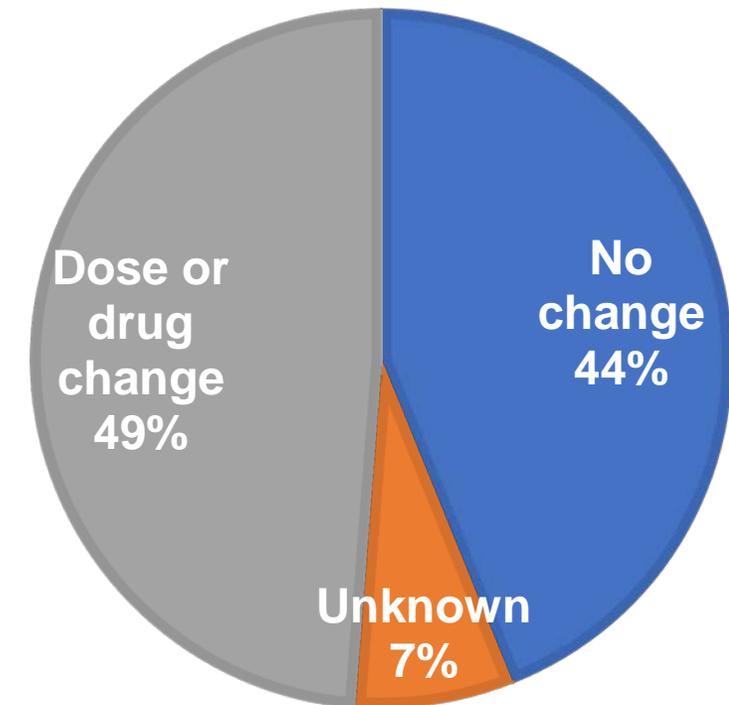
Attending physicians find Pillcheck useful

Physicians value the re-assurance of having a personalized medication guidance.

Pillcheck Pharmacist's Letter assists physicians with application of pharmacogenetics insights.

Fully digital medication optimization service available to claimants cost-to-coast

Pillcheck impact on prescriptions
■ No change ■ Unknown ■ Dose or drug change



pillcheck

DISCOVER PRECISION



HEALTH
CONSUMERS

Improves treatment efficacy while reducing side-effects, for today or tomorrow



HEALTH CARE
PROFESSIONALS

Helps doctors personalize treatments & practice best medicine



HEALTH
BENEFITS PLAN

Avoids paying for ineffective medications & accelerate return to work



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