



Transforming Access to Excellent Care

November 3rd 2022





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How we select for excellence & the outcomes

Network access

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How we engage members & integration

Member experience



A better way: a COE for plannable surgeries

The complication rate for major surgery is too high and nationally members struggle to afford surgery. There is a better way

| | The Challenge | The Opportunity |
|-----------------|--|--|
| Quality of Care | <p>Surgical complication rate is too high 8-10% of patients have complications</p> | <p><1% complication rate (2021 complication rate of 0.42% (n = 5K+ surgeries))</p> |
| Affordability | <p>Some members can't afford surgery National average OOP cost is \$2.5K-\$4K, but most only have \$1.5K in savings</p> <p>Surgery is #1 category of spend ~20% of allowed medical spend, forecasted to rise at 10%/yr</p> | <p>Members: Limited to no cost share Depending on plan type</p> <p>Employers: \$15 to \$25 PEPM Savings Opt-in = \$5-\$15 PEPM savings, Mandatory for 0.5% = \$25-\$75</p> |
| Experience | <p>Finding an excellent surgeon is confusing and emotional And historically point solutions and carriers have not been integrated</p> | <p>Guided access to excellent care Human led, digitally supported, guided access</p> <p>Integration with the ecosystem Partnered with 2 national health plans, top 3 navigators ++</p> |



Employer Direct Healthcare

Mission

Transform access to excellent care
for the moments that matter most

Why

Quality of care varies too much
Cost of care is unaffordable

Solutions



Center of Excellence
for Surgery

Traction

3.5M

members

300+

employers

2

National Health Plan
Partnerships

Outcomes

Surgeon-specific selection,
within each institution

<1%

Complication rates

Members

\$0*

cost share

Opt-in / voluntary

\$5 – \$15

NET PEPM Savings

Mandatory for 0.5% of members
Bariatrics, Spine and / or Joints

\$25 – \$75

NET PEPM Savings



Key considerations when selecting a COE

There are 4 key categories that should be considered: outcomes, cost impact, experience and market traction

Outcomes

- What are the complication rates?
- How are surgeons and facilities selected?

Cost Impact

- What are PEPM savings?
- What is the utilization?
- How many procedures covered?

Accessibility + Experience

- How far do members have to travel? Will they travel?
- What is the ecosystem integration for the COE?

Traction

- How many members and clients?
- What partnerships are in place?



SurgeryPlus is the leading solution

Integrated into your ecosystem to ensure utilization and a simplified experience

Outcomes

- Only COE with enough volume to analyze and report based on their own outcomes
- Complication rate of <0.5%

Cost Impact

- Market leader in driving savings (up to 50% better)
- #1 for reimbursement rates (15-25% better, like for like)
- #1 for utilization by procedure count by 2-3 x
- 1,500 procedures covered

Accessibility + Experience

- Most accessible COE (23 miles in top 50 MSA)
- Largest network by 3-4x vs. peers
- Most integrated with the ecosystem
 - Health plans
 - Navigators
 - Point solutions

Traction

- Largest membership (2-3x)
- Largest client base (3-4x)
- Largest revenue (2-3x)



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Selecting for excellence

Our expert medical advisory board

EDH Clinical Leadership



Carolina Escobar, MD
EDH Chief Medical Officer

Board certified in Internal Medicine, Oncology, and Hematology
Fellowship trained in bone marrow transplant



Jennifer Cook, MD
Co-Chair of Medical Advisory Board (MSK)

M.D. – Harvard & MIT
Harvard Chief Orthopaedic Resident
Insall Scott Kelly fellowship in NYC (HSS)



Marc Dean, MD
Co-Chair of Medical Advisory Board (ENT)

Board-certified & fellowship trained ENT Surgeon
President and CEO of the Otorhinologic Research Institute

Clinical Quality Advisors



Marty Makary, MD
Lead Clinical and Quality Advisor



Christi Walsh, MSN, CRNP
Lead Nurse, Quality & Clinical Protocols Advisor

Intricate participants in efforts of the Robert Wood Johnson Foundation, with a mission to study quality metrics and lower healthcare costs in the U.S. by creating measures of healthcare appropriateness. NY Times best selling author of "The Price We Pay".

Surgical Advisory Board



Keith Berend
Orthopedics, Total Joints
Columbus, OH



Shane Seroyer
Orthopedics, Knee/Hip
Dallas, TX



Steve Lucey
Orthopedics, Total Joints
Greensboro, NC



Josh Carter
Orthopedics
Indianapolis, IN



Stan Hoehn
Bariatric Surgery
Lenexa, KS



Sean Garber
Bariatric Surgery
New York, NY



Robert Masson
Spine & Sports Medicine
Orlando, FL



Daniel Cottam
Bariatric Surgery
Salt Lake City, UT

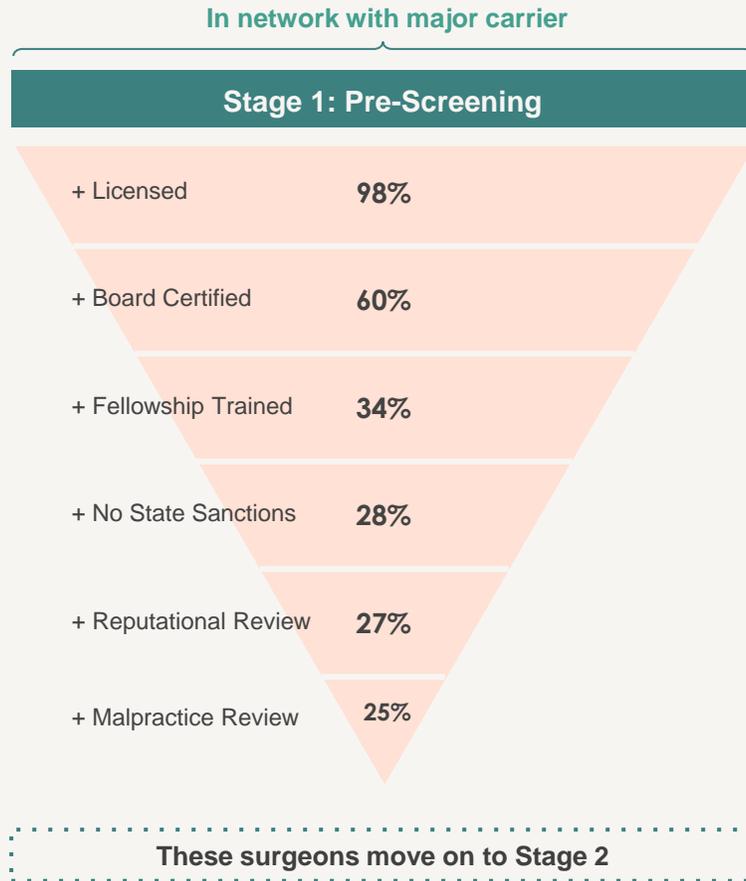


Farhan Siddiqi
Spine
Tampa, FL



Selecting for excellence

Expert review of individual surgeons



Surgeons passing Stage 1

| Stage 2: Interview / On-Site | Stage 3: Facility Evaluation |
|---|---|
| Review of Programs <ul style="list-style-type: none"> • Years and outcomes • Alignment with best practices | Venue Appropriateness <ul style="list-style-type: none"> • Hospital vs. ASC vs. in-office • Patient selection criteria |
| Optimization Requirements <ul style="list-style-type: none"> • Modifiable risk factors • Educational programs/support | CMS Outcomes Data <ul style="list-style-type: none"> • HAC scores, readmissions • Complications / outcomes |
| Enhanced Recovery <ul style="list-style-type: none"> • Established ERAS program • Opioid reduction / Rx trends | Program Reviews <ul style="list-style-type: none"> • Established program units • Accreditations / awards |
| Surgical Volume <ul style="list-style-type: none"> • Procedure specific | Leapfrog Data <ul style="list-style-type: none"> • Key surgical metrics |
| Interview / References <ul style="list-style-type: none"> • Practice & outside practice • Peer-to-peer phone screening | Patient Perception <ul style="list-style-type: none"> • HCAHPS scores |

Best in class medical advisory board uses verifiable data and industry expertise to determine surgeon selection



Industry leading outcomes

Results driven by our best-in-class approach to quality

< 1%

SurgeryPlus
complication rate

vs

8 – 15%

Industry
complication rate

Joints

(1,560 procedures)

SurgeryPlus

0.32%

Industry

8%

Surgical Avoidance

~20%

avoided

Spine

(973 procedures)

0.81%

13.7 %

~30%

avoided

Bariatrics

(2,058 procedures)

0.92%

8.4%

Definition

Documented evidence that another surgeon recommended surgery prior to the member seeing an S+ network surgeon

General

(1,726 procedures)

0.34%

9.4%

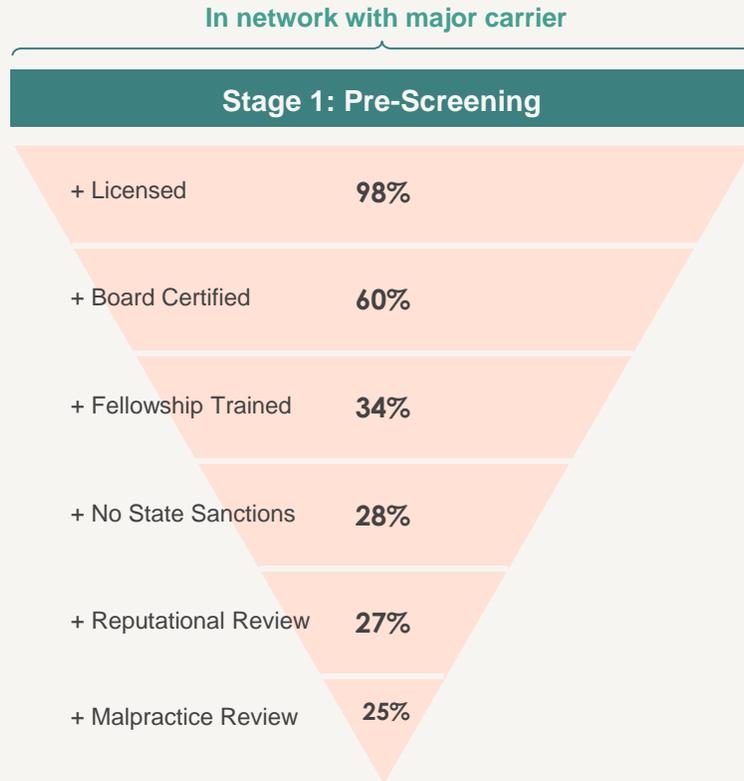
Source Data: SurgeryPlus Book of Business for 2021

Notes: SurgeryPlus complication measurement based on three sources: member check-ins for 90 days post procedure. Provider notification and claims assessment



The challenge with taking an institution only approach

Applying our filter to other COEs demonstrates the impact of not selecting surgeons individually



3 National Carrier COE Sites
% of surgeons that pass our pre-screening stage

Traditional COE

| Seward | OhioHealth | UNC REX HEALTHCARE | Cleveland Clinic Florida |
|--|------------|--------------------|--------------------------|
| 100% | 100% | 100% | 95.8% |
| 71% | 86% | 86% | 79% |
| 57% | 57% | 57% | 54% |
| <i>Not considered in this analysis</i> | | | |
| 36% | 57% | 14% | 37.5% |

% of surgeons that pass our pre-screening stage at each institution



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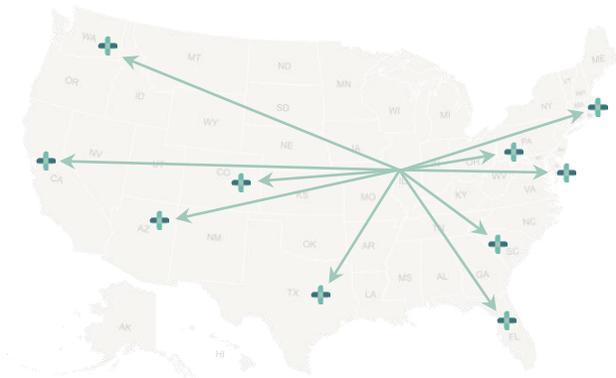
Member experience



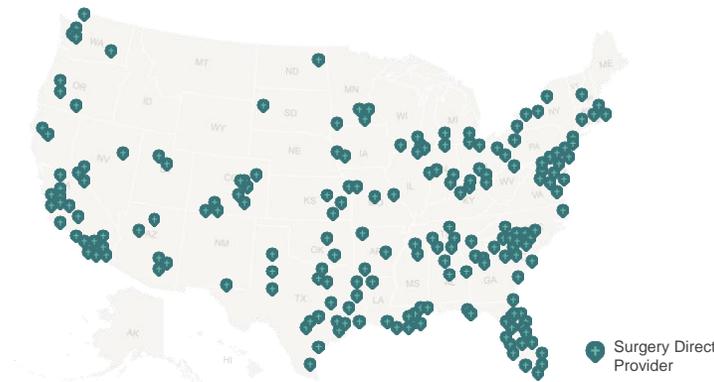
Network coverage

National institutes and local capabilities distributed to enhance utilization

Traditional Center of Excellence Coverage



SurgeryPlus Network Coverage



Select S+ Partners



Accessibility and Depth Creates Practical Utilization

| Facility Access | Covered Procedures |
|--|--|
| 470+ Hospitals and Surgery Centers | 1,500+ procedures |
| Utilization | Member Proximity |
| Over 5,000 Procedures completed in 2021; currently averaging ~750 / month | Typically, at most, a car ride away Top 50 MSAs = 23 miles. Nationally = 64 miles |

Diversity of Network Allows Focus & Steerage to Most Appropriate Facility

| Large Institutional Teaching Hospitals | Community Based Hospitals |
|--|---|
| High Acuity Procedures Complex / Rare Conditions | Lower Acuity Higher Frequency Could need overnight stay |
| Ambulatory Surgery Centers | In-Office Procedure Rooms |
| Low Acuity High Frequency Optimized / Healthy / Effective | Routine Conservative Procedures Interventional Injections done efficiently |



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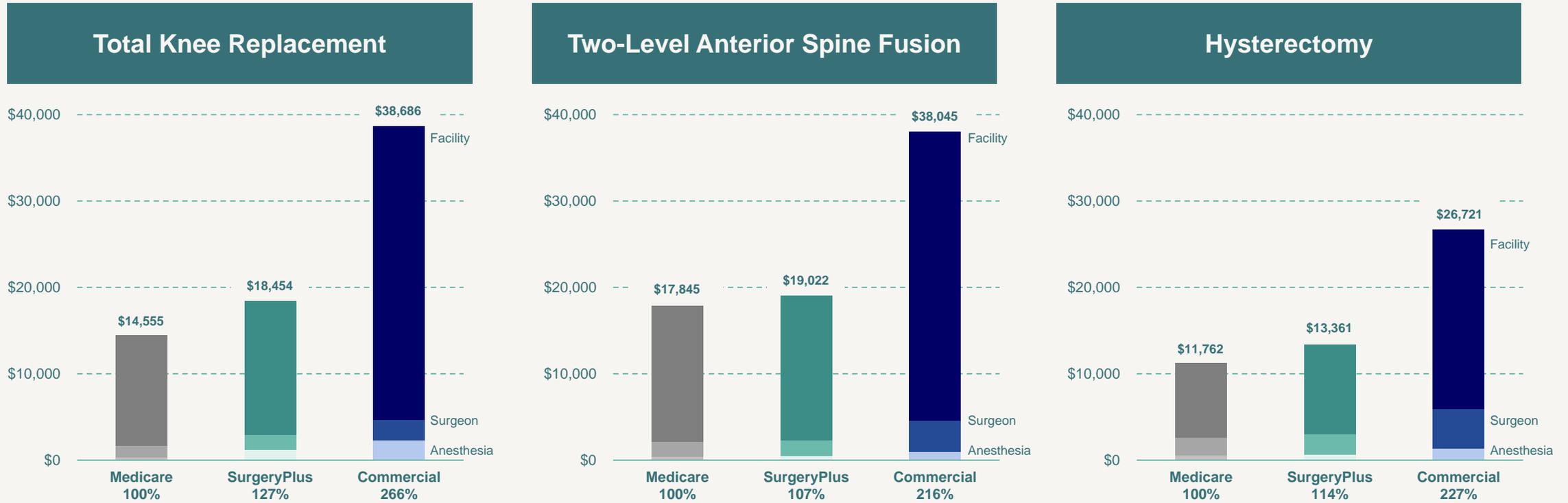
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Member experience



We reimburse at 50% of the carrier rate

By creating a narrow, highly selective network we're able to negotiate significantly lower reimbursement rates



SurgeryPlus contracts at 100 - 130% of Medicare reimbursement rates
Facility is the stakeholder that takes a significant reduction in reimbursement



Metrics for AlaskaCare Active population

Significant savings to the plan even through the Pandemic

| Plan Year | Completed Procedures | Gross Savings | PEPM Savings | ROI |
|--------------------------------|----------------------|---------------|--------------|--------|
| 2019 | 37 | \$2,637,000 | \$37.02 | 11.36x |
| 2020 | 37 | \$2,206,000 | \$31.51 | 9.70x |
| 2021 | 28 | \$1,246,000 | \$17.91 | 5.50x |
| 2022 (through September) | 25 | \$771,930 | \$14.69 | 4.52x |

COVID and Travel Restriction Impact to Utilization

Higher than average heart procedures led to significant savings though fewer cases complete



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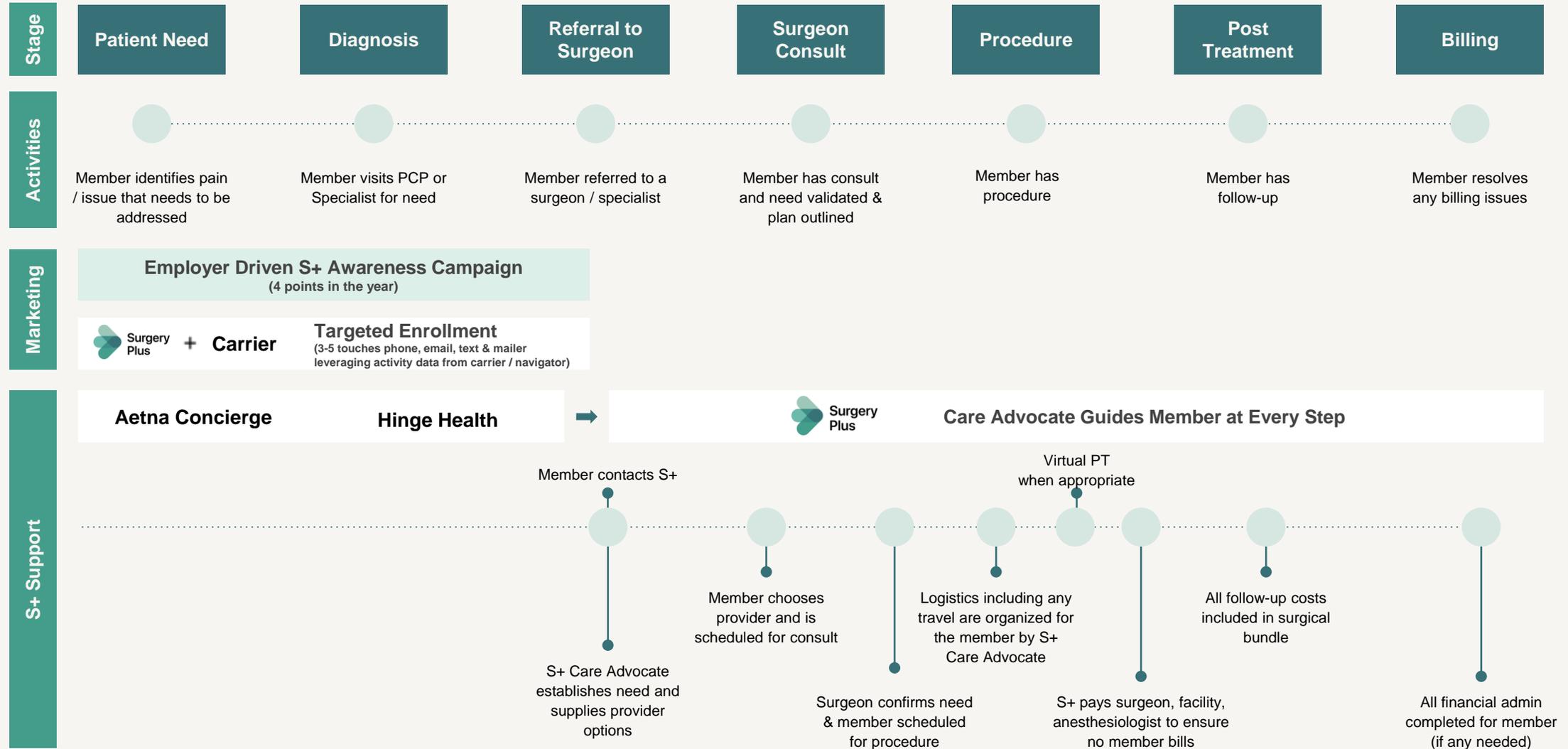
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Driving utilization in partnership with your ecosystem

Thoughtful timely outreach, leveraging carrier / navigator data, and thoughtful hand-offs



Integration with benefit ecosystem

We work with all major carriers, a partnership being finalized with Aetna and a solid partnership with Hinge Health



- Status of Relationship: partnership in process. Expect to execute definitive agreements shortly. 25+ clients with Aetna, 200K+ EEs. Only COE with operational integrations to drive utilization
- Approach: leverage standard eligibility and accumulator partnership integration with Aetna
- Engagement: Aetna will be sharing eligibility verification data (270/271) to enable data driven outreach for timely engagement
- Member Experience & Case Management: integrating with Aetna A1A to educate members on SurgeryPlus and follow-up post surgery



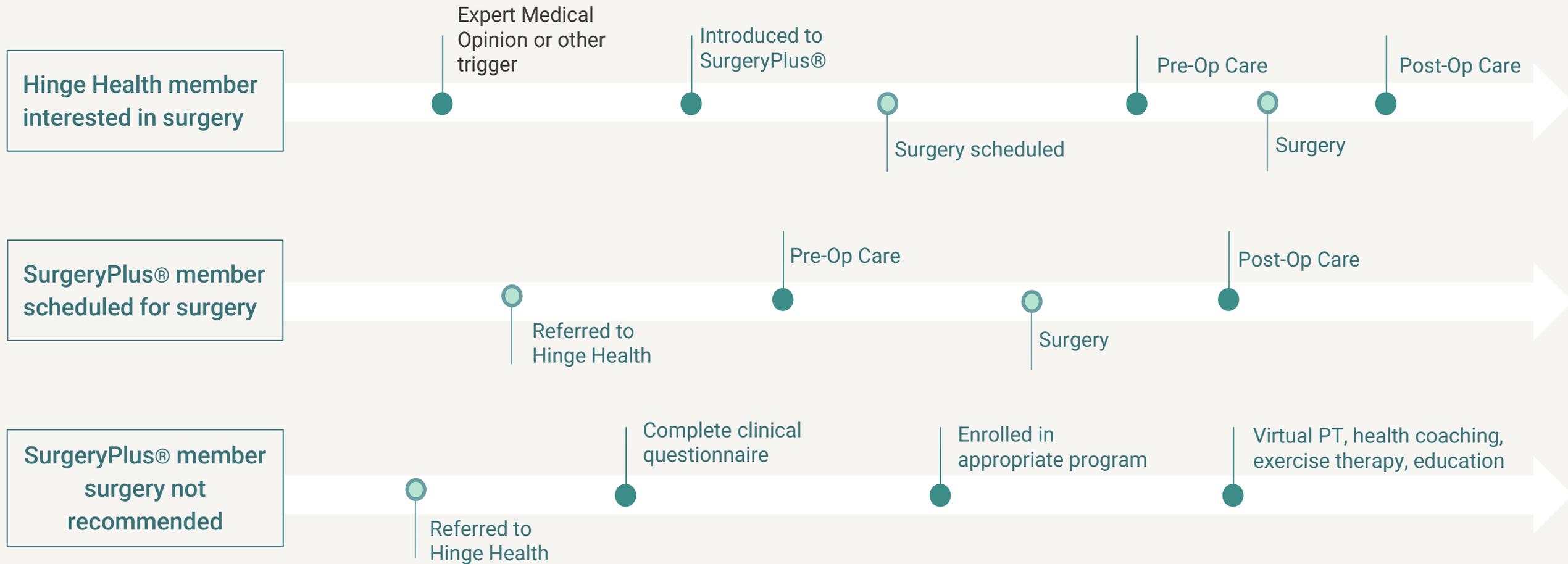
- Status of Relationship: partnership launched in 2021, relationship with C-Level and throughout operational and commercial teams
- Clients with Hinge: 40+, including 2+ clients with 100K+ members
- Member Experience: Hinge referral into SurgeryPlus for those where PT is insufficient. SurgeryPlus refers into Hinge for post operative PT

SurgeryPlus is the most connected COE solution



An integrated MSK journey

Improves member experience and outcomes





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The experience: guiding members at every step

The member always comes first



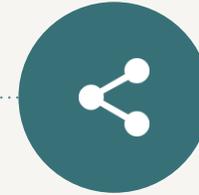
Educate



Locate



Schedule



Coordinate



Follow Up

What Sets Our Program Apart

Dedicated

Care Advocate team with significant customer service experience

100%

Care Advocate team working on-site at our Dallas headquarters

100%

Care Advocates are EDH employees (no outsourcing)

1:1

Care Advocate / member relationship

90+

Net Promoter Score

100%

supported (e.g., bills, logistics, issues)

Extensive Classroom Training

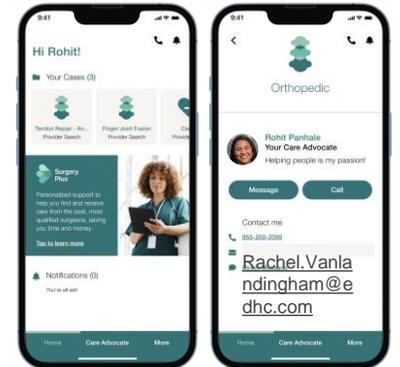
- Care Advocate Role Training
- Empathy & Listening Training
- De-Escalation Training & Personas

Ongoing Development Opportunities

- Focus area monthly deep dives
- Personality assessment application

Simulation Training

- Call playback & role play
- Member case life cycle
- Scenario walk-throughs



Supported on desktop & mobile web and app launching in Q4'22



SurgeryPlus: how our solution works

We guide members to excellent providers with local access, driving usage of our network, which lowers spend

Guide Members

Dedicated
Care Advocate

Human &
digital

Excellent Providers

Individually selected
surgeons

Sub 1%
complication rate

Better outcomes with
procedure volume
requirements

Travel Assistance

Coordinate travel itinerary

Book and pre-pay hotel

Book and pre-pay flights

Provide debit card with
applicable travel funds

Lower Costs

Member protection from
high out-of-pocket costs

No out-of-network risk



Two Pathways for AlaskaCare Retirees

Surgery Plus can provide services to all AlaskaCare Retirees regardless of coverage

Non-Medicare Retirees

- Access to full Surgery Plus benefit for eligible surgeries
 - Quality provider recommendations
 - Savings to the plan through our bundled rates
 - Coordinated care and travel with our Care Advocates
- Access to concierge services for medical services
- Scope of coverage aimed to make travel attainable

Medicare Retirees

- Access to concierge services for medical services
- Support with coordinating and booking travel services
- Scope of coverage aimed to make travel attainable



John Zutter
Chief Executive
Officer

Dickon Waterfield
Chief Commercial
Officer

Megan Cunningham
Regional Senior Manager