

A large, white, sans-serif number '2024' is centered within a dark red, trapezoidal shape that has a slight 3D effect with a shadow on its right side. The background of the entire page is a photograph of a modern, grey, two-story office building with large windows. The building has the 'MedBen' logo in blue letters on its facade. In the foreground, there is a green lawn with a flower bed containing pink and white flowers. A tree is visible to the right of the building, and an American flag is on a pole to the left. The sky is blue with some white clouds.

2024

The MedBen logo consists of the word 'MedBen' in a bold, white, sans-serif font. To the right of the text is a stylized white icon of a person's head and shoulders, facing right, with a white arrow pointing upwards and to the right from the neck area. A registered trademark symbol (®) is located to the upper right of the icon.

MedBen[®]

Client Report

Self-funding Saves.
MedBen Delivers.

Chairman's Note



Kurt Harden
Chairman & CEO

Dear Valued Client,

There's an old adage that says "Don't mess with success." But there's another that says "Never rest on your laurels."

At MedBen, we take what is working (our successes) and find ways to complement them with innovations that make our self-funding solutions even better. Because while sticking with the status quo may be easy and safe, it can also be short-sighted and potentially costly for our clients and their employees.

Take, for example, pharmacy benefits. While our plans consistently lowered drug spend, we introduced services that also maximize drug value and effectiveness. This led to the creation of MedBen Rx, our pharmacy benefits administration company... and just recently, we added biosimilars and pharmacogenomics to our growing roster of forward-looking pharmacy solutions.

Similarly, MedBen complemented traditional PPOs with alternative reimbursement strategies that offer significant savings. Today, we have nearly as many clients using these strategies as we do traditional PPO clients... and like MedBen Rx, we keep adding solutions. Our new Fair

Market Reimbursement service offers lower costs along with readily supported payment recommendations.

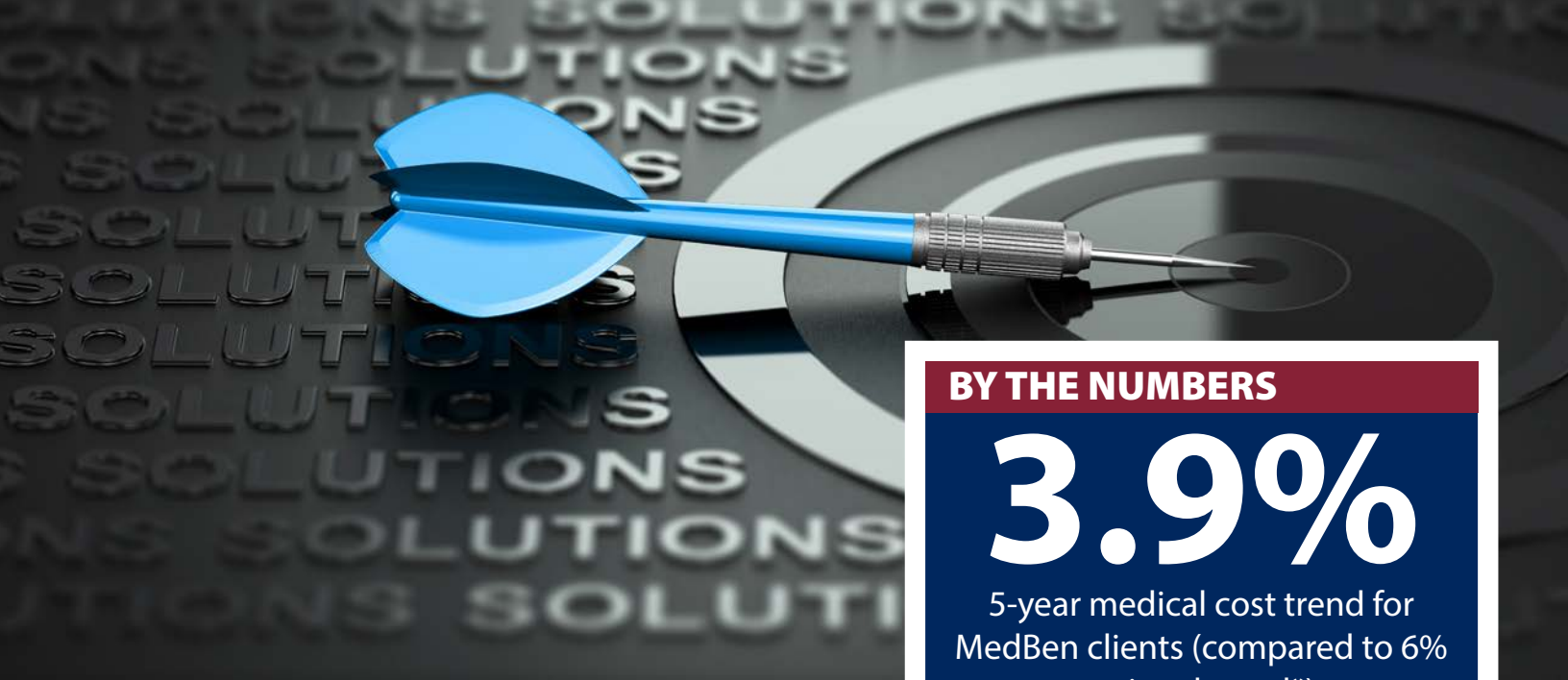
In short, innovation isn't just about savings... it's about how MedBen can help you get the most from your health benefits in every way possible, by also maximizing health, quality, and information. We work to find the best solutions for each plan's needs, while partnering with carriers who share our desire to find advances that benefit our clients.

In this year's Client Report, we highlight our latest innovations in addition to proven solutions that together deliver real results for your plan. That is not marketing hype... rather, it is a goal we are committed to achieving.

I look forward to working with you in 2024 and beyond. If there is ever any way that I can be of help to you, call me personally at 740-522-7345.

A handwritten signature in black ink that reads "Kurt Harden".

Kurt Harden
Chairman & CEO
Serving MedBen clients since 1991



BY THE NUMBERS

3.9%

5-year medical cost trend for MedBen clients (compared to 6% national trend*).

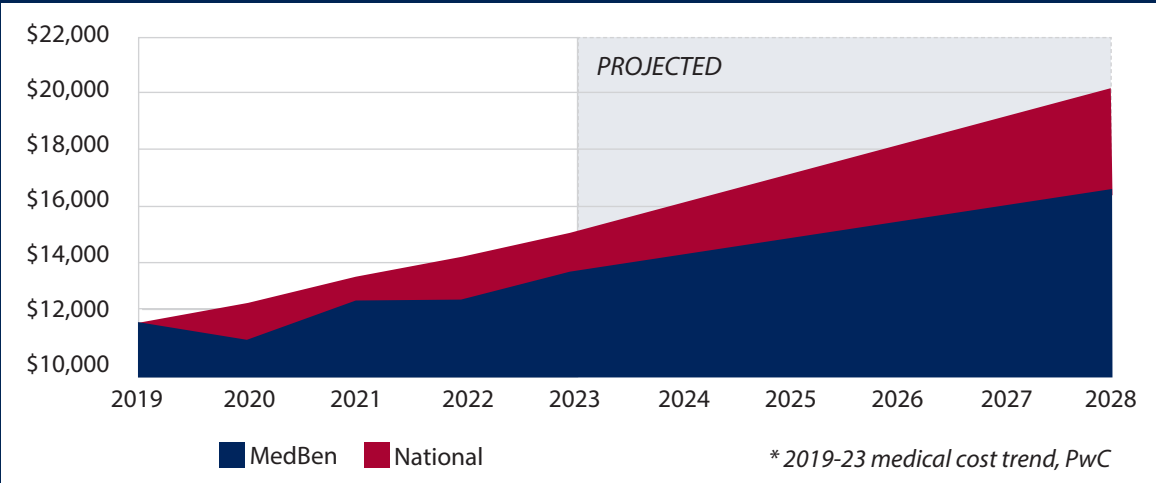
Taking self-funded benefits to a higher level.

MedBen’s forward-thinking benefit strategies match the unique coverage needs of the client with member-specific solutions. We avoid the “one size fits all” approach favored by some third party administrators to ensure that not a dollar of your health care spend goes to waste.

Using the benefit strategies highlighted on the following pages, MedBen clients consistently stay below national cost trend... and as we introduce more innovative cost-saving solutions, we have every expectation that this “trend gap” will continue to grow (see chart).

Year after year, MedBen beats national trend

Using MedBen’s 2019 gross per-employee medical cost as a baseline, below is the five-year trend for MedBen medical costs compared to how the 2019 cost would increase based on national trend*. Using these trends, we also project MedBen and national costs for the next five years.



A focus on the right reimbursement balance

MedBen's **alternative reimbursement strategies** help clients find the right balance between client savings and fair provider payment. By partnering with strong **regional and national PPOs** and offering **direct-to-employer contracting** and **Fair Market Reimbursement**, we deliver maximum value for your health plan.



BY THE NUMBERS

19.6%

Average client savings for plans that use alternative reimbursement strategies compared to PPOs alone (2019-23)

Case Study: Direct contracting maximizes coverage and savings

In 2022, a MedBen client contracted directly with three area health systems, and offered a wrap-around PPO network for out-of-area care.

Paid claims: The old plan would have allowed...	\$ 9,993,332
Paid claims: The new plan allowed...	\$ 8,038,753

In the first 20 months, the client spent **\$1,954,579** less compared to their old plan – a **20.6%** savings.
The average hospital discount increased by **18.1%**.

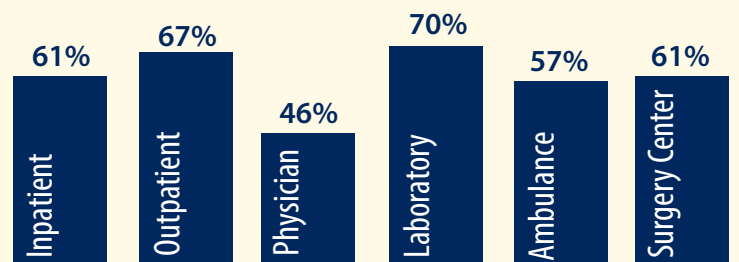
Innovation Spotlight

Fair Market Reimbursement

Fair Market Reimbursement combines the best elements of PPOs and reference-based pricing by looking at ALL types of claims to find the right provider payment.

Case Study: A client added Fair Market Reimbursement to their plan in 2023. This strategy has yielded a discount average of **71%** with an appeals rate of just **0.03%**.

Fair Market Reimbursement Savings Rate by Service Type



Responsible claims payments vs. auto-adjudication

Administrative services only (ASO) carriers hype fast turnarounds using claims auto-adjudication, but by doing so sacrifice your money in the name of speed. MedBen ensures you pay the right price for the right care with **forensic claims review**, which saves clients an average of **\$13.82 per employee per month**.



BY THE NUMBERS

47%

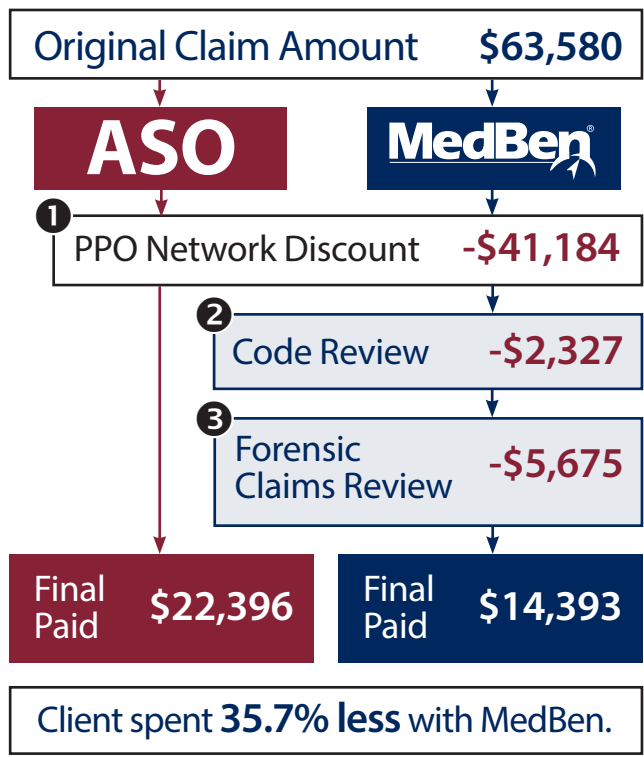
Average client savings from targeted claim reviews, on top of PPO discounts (2019-23)

Going beyond the discount

MedBen recently received a claim for ultrasound-guided surgery. Here's how an ASO would typically process this claim compared to the steps MedBen took to ensure the client paid the right price.

- 1 The PPO network discount reduced the claim by **65%**. With an ASO, savings typically end here.
- 2 MedBen code review then found several improper charges, lowering the claim by **10%** more.
- 3 Our system flagged the claim for further auditing, and medical specialists found a procedure to be medically unnecessary... saving an additional **28%**.

Responsible claims payment using MedBen claims management saved the client **77%** overall – more than \$8,000 over ASO auto-adjudication.



MedBen[®]Rx cuts out margin in drug pricing

MedBen Rx clients who use **acquisition cost index (ACI) pricing** spend less on drugs because they pay based what on the pharmacies pay. Unlike average wholesale pricing that lends itself to margin manipulation, with ACI pricing you know where every dollar goes... and why.



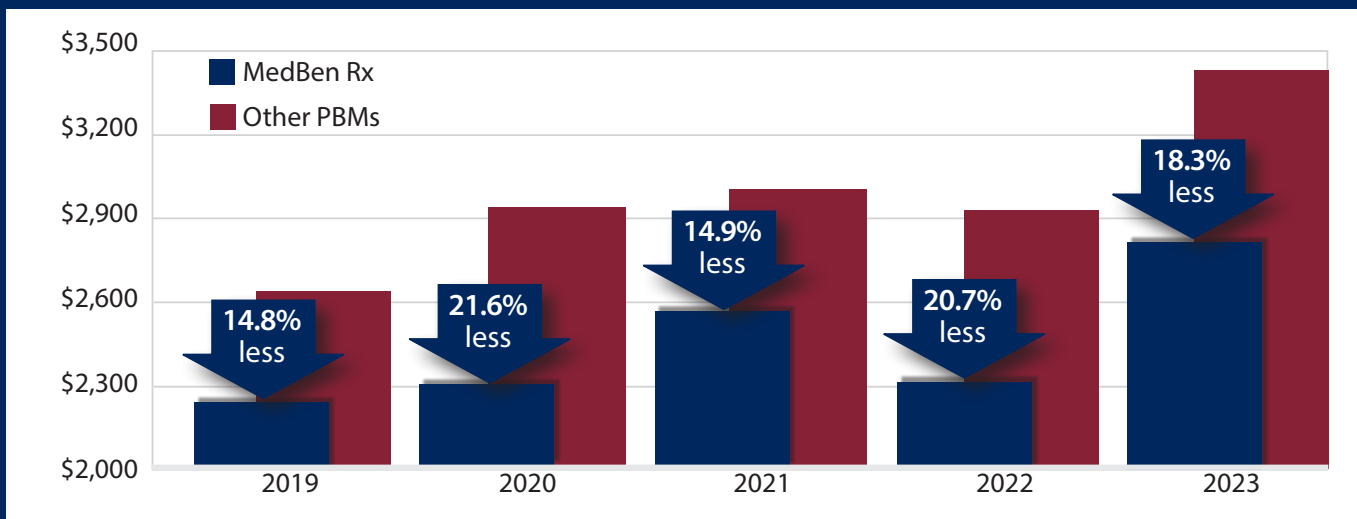
BY THE NUMBERS

18.1%

Average savings for MedBen Rx clients who use ACI pricing compared to their previous PBMs (2019-23)

ACI pricing consistently keeps costs low

A comparison of per-employee claim costs for the past five years shows that MedBen Rx clients consistently spend less than those using other PBMs.



MedBen[®]_{Rx} advocacy efforts help lower specialty drug spend

MedBen Rx directly takes on high-cost specialty medications that can make up 60% or more of a health plan's drug costs. Through our **benefit preservation program**, advocates find a variety of ways to reduce specialty drug spend to the greatest extent possible.

Innovation Spotlight

Biosimilars

Biosimilars are genetically engineered versions of FDA-approved biologic medications. MedBen Rx now offers the biosimilar Idacio for the popular anti-inflammatory Humira at a substantially reduced price. This program is available at **no additional cost** to clients.

Based on year-to-date numbers, clients will save **\$3.28 million** in 2024 by switching from Humira to Idacio.



Case Study: Zero out-of-pocket cost through benefit preservation program

A client who added the benefit preservation program to their pharmacy plan has a member who was prescribed the specialty medication Tremfya. An advocate found the member a manufacturer assistance program that makes the drug available to the member **at no cost** to the member or to the plan.

Average retail out-of-pocket cost of Tremfya (eight-week supply)	\$13,750
Average retail out-of-pocket cost to member after manufacturer assistance program	\$0

In the first eight months after adding benefit preservation, the member and plan will save \$55,000 in out-of-pocket costs – and are expected to save **\$82,500** in the first year.



MedBen[®]_{Rx} maximizes drug savings by maximizing clinical value

MedBen Rx maximizes the client's pharmacy plan savings by matching members with the drugs that will work best for them. **Comparative effectiveness** uses evidence-based research to tell you precisely what you need to know about a drug's clinical value.



Top savings among drug classes with comparative effectiveness

T2 Diabetes	74.4% saved
ADHD	41.0% saved
Depression/Mental Health	40.8% saved
Migraine	28.7% saved
High Blood Pressure	16.7%

In 2023, MedBen Rx clients who added comparative effectiveness to their pharmacy plan realized an average savings of **39.5%**.

Innovation Spotlight

Pharmacogenomics

Only 30-50% of people respond to 90% of the most common drugs... but **precision medicine through pharmacogenomics** improves drug selection while minimizing trial and error through **DNA testing**.

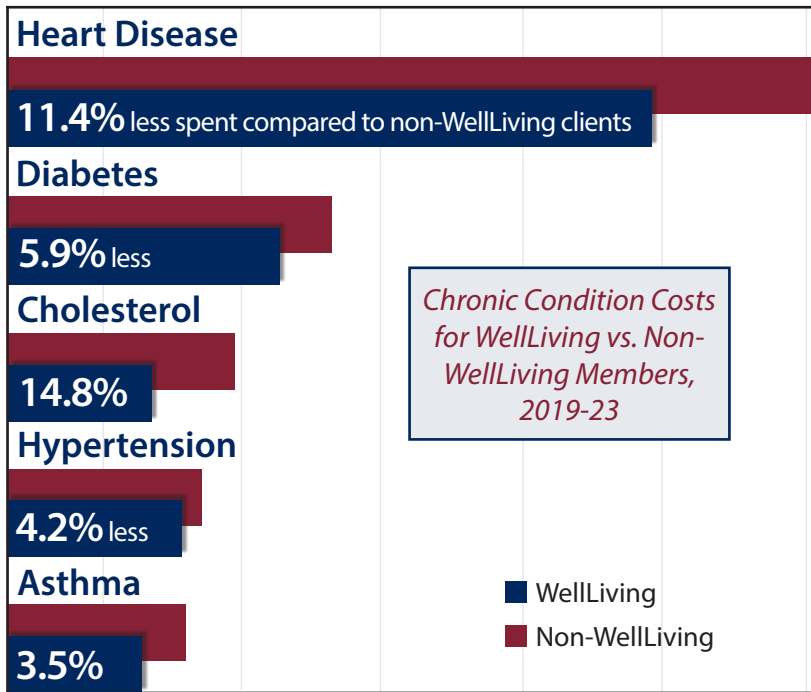
- For members with **cancer and other serious conditions**, integrating pharmacogenomics into health care coverage substantially raises the odds that a prescribed drug will have the desired effect.
- **Individuals with mental health issues** will see better results with decreased side effects.



MedBen
WellLiving® proactive wellness adds
 up to long-term health

Nearly 90% of claims result from identifiable and preventable conditions... so it's only logical to practice proactive wellness. Through our compliance-based approach, **MedBen WellLiving** clients see better long-term health, reduced mortality risk, and lower spend.

Chronic conditions cost less for
 MedBen WellLiving clients



The five targeted chronic conditions highlighted above historically make up, on average...

- 76% of all office visits,
- 81% of all inpatient admissions, and
- 91% of all Rx prescriptions filled.

Americans spend **four trillion dollars** annually on medical bills and lost productivity from chronic conditions.

However, as the chart shows, MedBen WellLiving clients consistently spend less on targeted chronic conditions than do non-WellLiving clients.



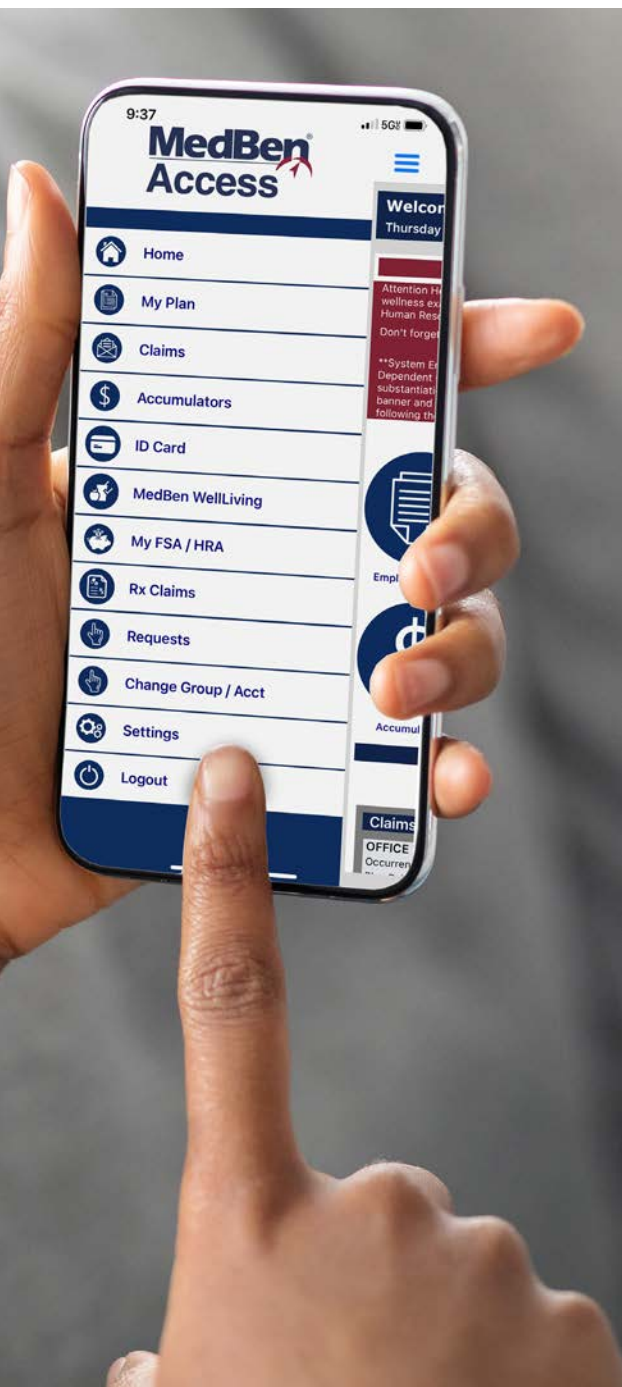
BY THE NUMBERS

6.3%

Average savings for MedBen WellLiving clients compared to non-WellLiving clients (2019-23)

Resources to make smarter health care choices

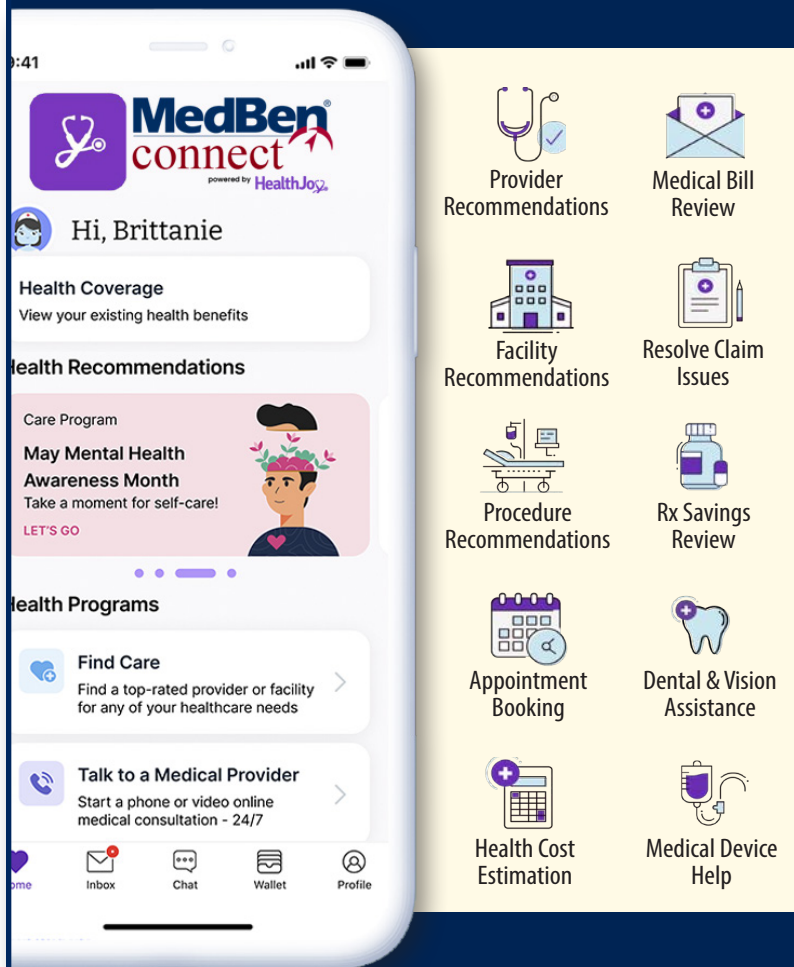
MedBen's digital services do more than provide timely plan data to your members... they offer resources that enable them make smarter health care choices. **MedBen Access** and **MedBen Connect** help lower out-of-pocket costs and advance a healthier workplace.



Innovation Spotlight

MedBen Connect

Powered by HealthJoy, MedBen Connect is a leading-edge technology experience that reduces costs and improves outcomes by increasing member engagement. A live concierge team works in tandem with "JOY," an AI-powered virtual assistant, to find the best providers and pinpoint cost-saving opportunities.



MedBen analytics actionable insights for better plan management

MedBen Analytics gives you the resources needed to help you make better decisions in controlling plan costs. Through our employer dashboard and reporting library, you gain actionable insights into what's working now and use predictive modeling to find where savings opportunities exist.



A Toolbox to Take Control

MedBen Analytics offers a veritable toolbox of features that empower you to take control of your plan costs. They include:

- **Interactive charts and graphs** that help you track claim trends and forecast future activity.
- **Edit filters** that enable you to deep-drill into clinical and financial plan data.
- **Benchmarking** that allows you to compare your plan activity against national norms and MedBen's business blocks.
- **Over 100 customizable reports** that provide you with in-depth member cost, quality, and predictive insights.
- **Report bundling and scheduling** that delivers the actionable data you want, when you want it.

Our people make the real difference

While continual innovation definitely matters, the true key to providing lasting solutions comes from **MedBen's team of professionals**. From claim processing to customer service and everything in-between, our people have the expertise to help you get the most from your self-funded plan.

Strength in Stability

Stability helps us to consistently offer quality service year after year, and decade after decade. Our senior staff has served clients for an average of 27 years, and many of our team members have been with us for two decades – and for 11% of employees, even three decades – or more.

70% 5 years or more

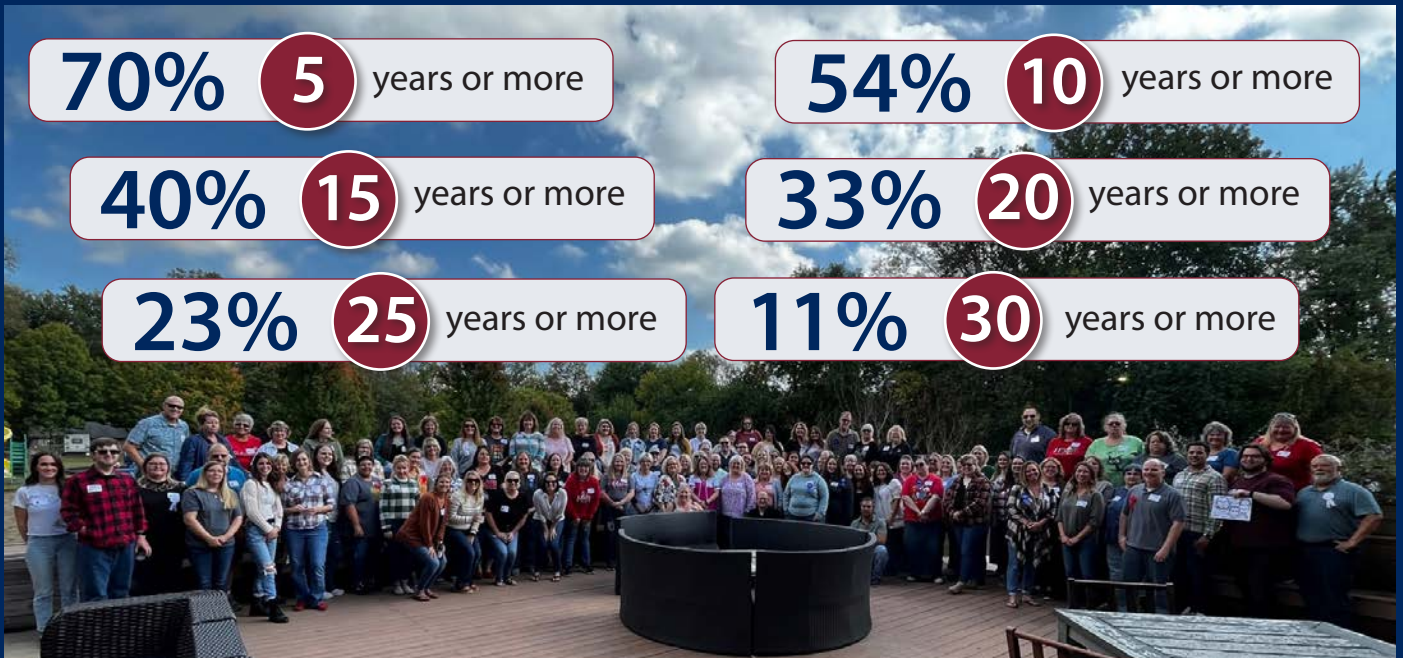
54% 10 years or more

40% 15 years or more

33% 20 years or more

23% 25 years or more

11% 30 years or more



The Secret to Our Service? Think "FRED."

To ensure the highest level of service for every client, all MedBen employees undergo "FRED" training, which consists of four components:

Flexibility. We approach suggestions with a "can-do" attitude.

Respect. We treat others with respect in every interaction.

Empathy. We listen with a sincere intent to understand.

Dependability. We serve others in a way that builds long-lasting relationships.

A commitment to quality... and listening to you

MedBen once again achieved **ISO 9001 Recertification** in 2023. Following and maintaining documented processes is a key to our quality commitment, so we can always provide the level of service that you rightfully expect. Also essential to ensuring quality: **your voice**.



BY THE NUMBERS

4.8

Overall 2023 client satisfaction rating (out of 5) based on MedBen Client Satisfaction Surveys

Feedback wanted!

Your input is always important to us. Get in touch through social media or complete a Client Satisfaction Survey.

"Our company has been using MedBen for over 20 years and it is without a doubt absolutely the best TPA I could ever think to partner with." Charles P.

"[We like] the personal service, money savings, and ability to help us work through any issues we have." Amy S.

"MedBen is a key contributor to ensure our plan participants are well and our financial platform is sound. They continue to exceed expectations." Bill S.

"MedBen staff always professional, friendly, and very helpful. High level of managing our benefits. Accurate. On the mark!" Gina L.

"MedBen always gets great reviews from our staff. They are friendly and very helpful." Brian D.



Giving you all the services to meet your plan needs

On the preceding pages, we've highlighted some of the ways MedBen brings innovative self-funding solutions to third party administration. The checklist below offers a summary of the many dynamic services we offer. Simply check the ones you'd like to know more about, then contact your broker or call us at **888-627-8683**.



MedBen[®] Innovative Self-funding Solutions

- Direct-to-Employer Contracting
- Reference-Based Pricing
- Fair Market Reimbursement
- Forensic Claims Review
- MedBen Rx Acquisition Cost Index (ACI) Pricing
- Benefit Preservation (Specialty Drug Pricing)
- Comparative Effectiveness
- Discretionary Formularies
- Pharmacogenomics
- Biosimilars
- Utilization Review & Case Management
- MedBen WellLiving
- Dialysis Language
- Spousal Language
- Transplant Carve-out Policy
- Unwrapped Out-of-Network Pricing
- Health Reimbursement Arrangement (HRA)
- Flexible Spending Account (FSA)
- Plan Compliance Review
- Member Engagement
- MedBen Connect (powered by HealthJoy)

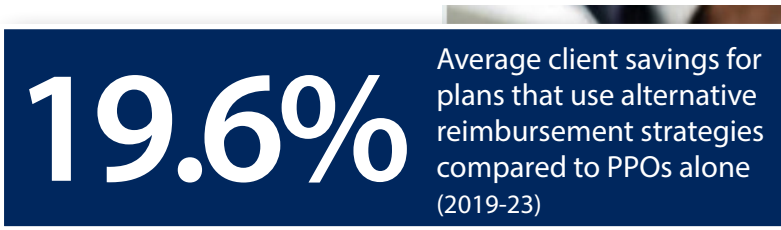


By the Numbers Summary



5-year medical cost trend
for MedBen clients (compared
to 6% national trend)

3.9%



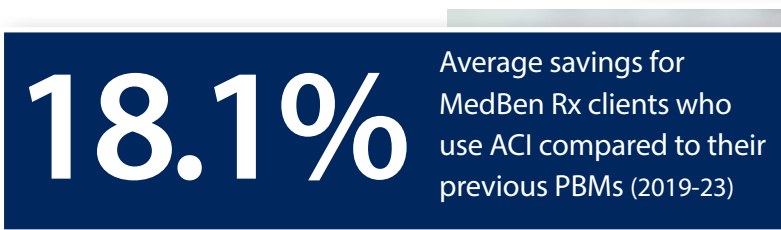
19.6%

Average client savings for
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compared to PPOs alone
(2019-23)



Average client savings from
targeted claim reviews, on top
of PPO discounts (2019-23)

47%



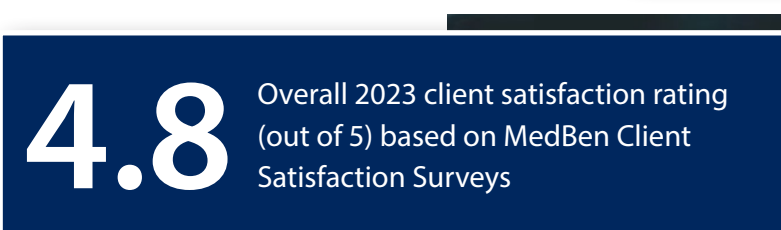
18.1%

Average savings for
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Average savings for MedBen
WellLiving clients compared to
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6.3%



4.8

Overall 2023 client satisfaction rating
(out of 5) based on MedBen Client
Satisfaction Surveys

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MedBen

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