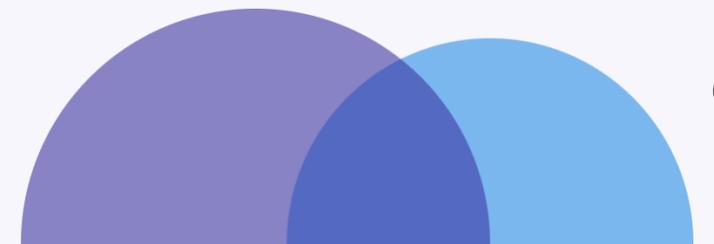




Why Health Systems Need to Lead a Consumer-Directed Ecosystem of Health and Care

Glen Tullman
Chief Executive Officer, Transcarent

November 2, 2022



AGENDA

Where We Are . . . Views From Industry Participants

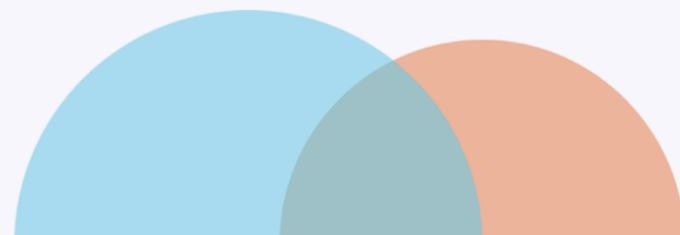
The Need To Change . . . Insanity

New Payment Models . . . Learning From Other Industries

Teaching the Elephant to Dance . . . New Ways to Interact with Health Consumers

Rethinking the Experience

What Actions You Can Take



WHERE WE ARE

Where We Are . . . Views From Industry Participants

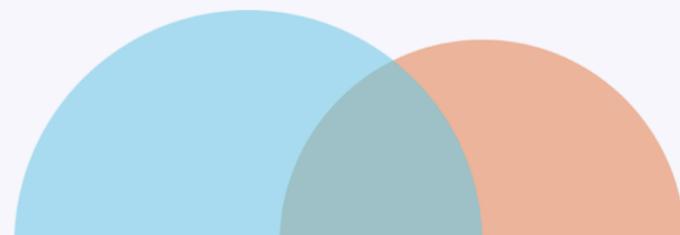
Industry

Consumer

Employers

Health Systems

Payers & PBMs



INDUSTRY VIEW

Where We Are . . . Views From Industry Participants

AXIOS : The Next Health Care Wars Are About Costs

All signs point to a crushing surge in health care costs for patients and employers next year — and that means industry groups are about to brawl over who pays the price, [Axios' Caitlin Owens writes](#).

Why it matters: The surge could build pressure on Congress to stop ignoring the underlying costs that make care increasingly unaffordable for everyday Americans — and make billions for health care companies.

- This year's Democratic legislation allowing Medicare to negotiate drug prices was a rare case of addressing costs amid intense drug industry lobbying against it. Even so, it was a watered-down version.

Where it stands: Even insured Americans are [struggling to afford care](#), the inevitable result of years of cost-shifting by employers and insurers onto patients through higher premiums, deductibles and other out-of-pocket costs.

Employers are now struggling to attract and retain workers, and forcing employees to shoulder more costs seems like a recession heading for the U.S. will make patients more cost-sensitive, putting families in a bind if they get sick.

Rising medical debt, increased price transparency and questionable debt collection practices have rubbed some of the good-guy sheen off of hospitals and providers.

All of this is coming to a boiling point. The question isn't whether, but when.

The bottom line: Someone is going to have to pay for the coming cost surge, whether that's patients, taxpayers, employers or the health care companies profiting off of the system. Each industry group is fighting like hell to make sure it isn't them.

CONSUMER VIEW

Healthcare is More Confusing, Complex and Costly Than Ever Before

And It's Getting Worse Every Year, Not Better.

EMPLOYER VIEW

The Costs are Unsustainable

**“We spend more
on health care
than coffee.”**

Howard Schultz, Starbucks CEO, 2010 ¹

Existing System in Not Aligned

No Way To Assess Quality

Our Employees Hate It

THE NEED FOR CHANGE

Something Needs to Change.

“
“ *Insanity Is Doing the Same
Thing Over and Over
Again and Expecting
Different Results* ”

Acquire or Merge
Embrace Value-Based Models
Shared Savings
Partner
Become an Insurer
Kick the Can Down the Road

NEW PAYMENT MODELS

There is a Fundamental Disconnect

“ *It is difficult to get a man to understand something when his salary depends upon his not understanding it.*

Upton Sinclair ”

How many of you are actually testing new payment models . . . How much are you putting at risk or investing in them?

NEW WAYS TO INTERACT WITH HEALTH CONSUMERS

Not Consumer Focused, Consumers in Charge

Guests & Hosts



Travelers & Flights



Everyone & Information



Viewers & Content



Drivers & Cars



Investors & Stocks



Riders & Drivers



Communities & Technology



Shoppers & Goods



Health Consumers & Care Providers



YOUR HEALTH SYSTEM

Your Experience

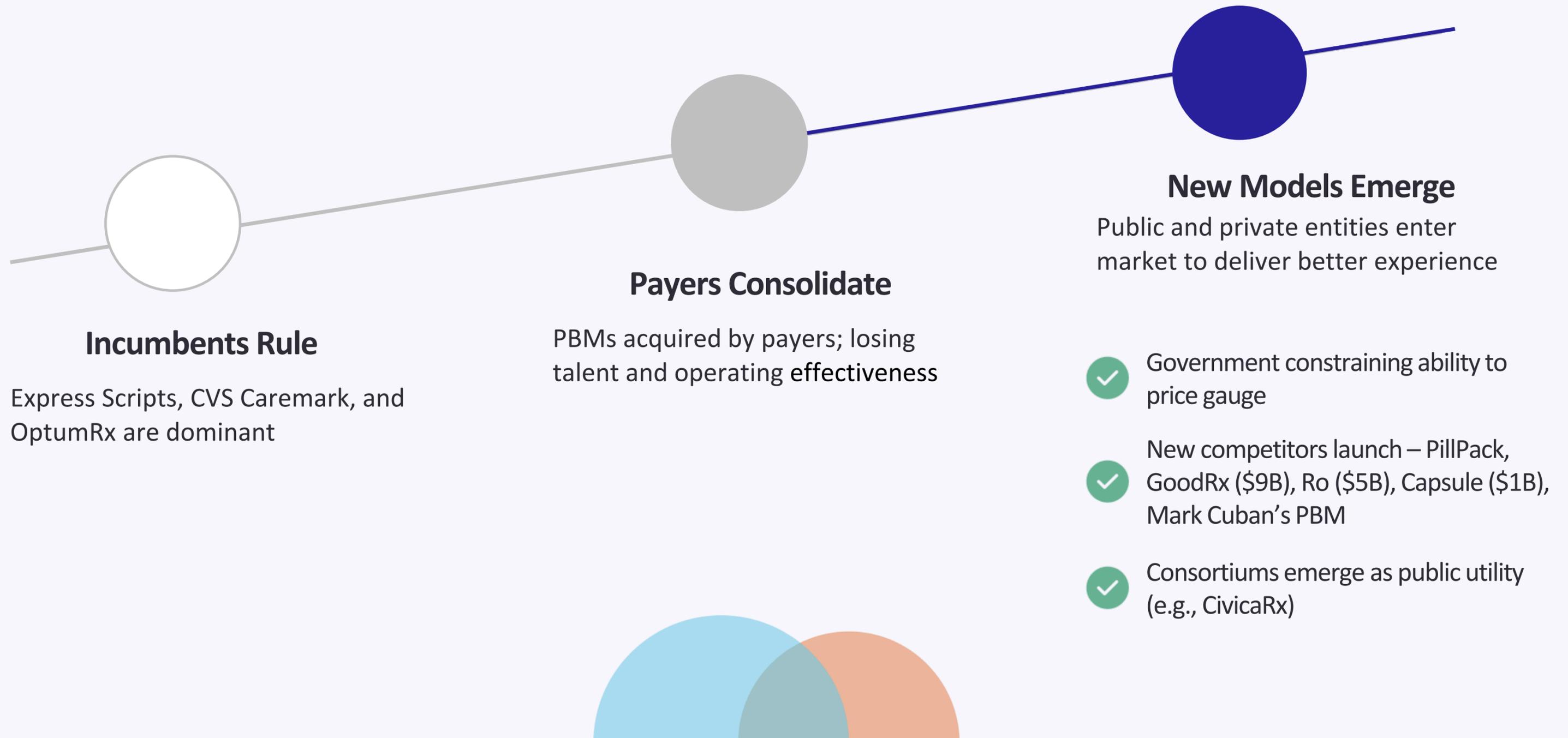
**Have You Gone To Your ER, Tried to Schedule a Surgery
or Procedure or Get a Question Answered?**

Without Identifying Yourself?

After Hours?

YOUR HEALTH SYSTEM

How Quickly Transformation Happens



ACTIONS

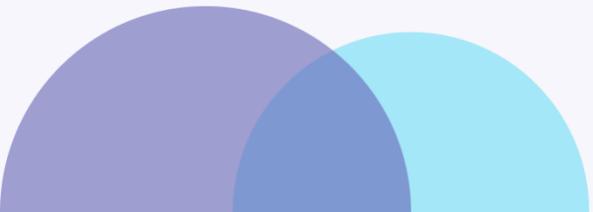
Leadership

Learn by Doing

Partner

Set Clear Objectives and Follow-On Actions

Assess Impact if it Works



INTRODUCING TRANSCARENT

Transcarent Provides Direct Access to High-Quality, Affordable Care for a Better Health and Care Experience

High-Quality

We offer high-quality care for your employees and their families at home, locally, and across the country. At-risk pricing means we are fully aligned with you.

Direct Access

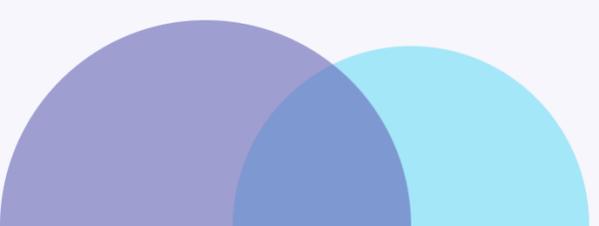
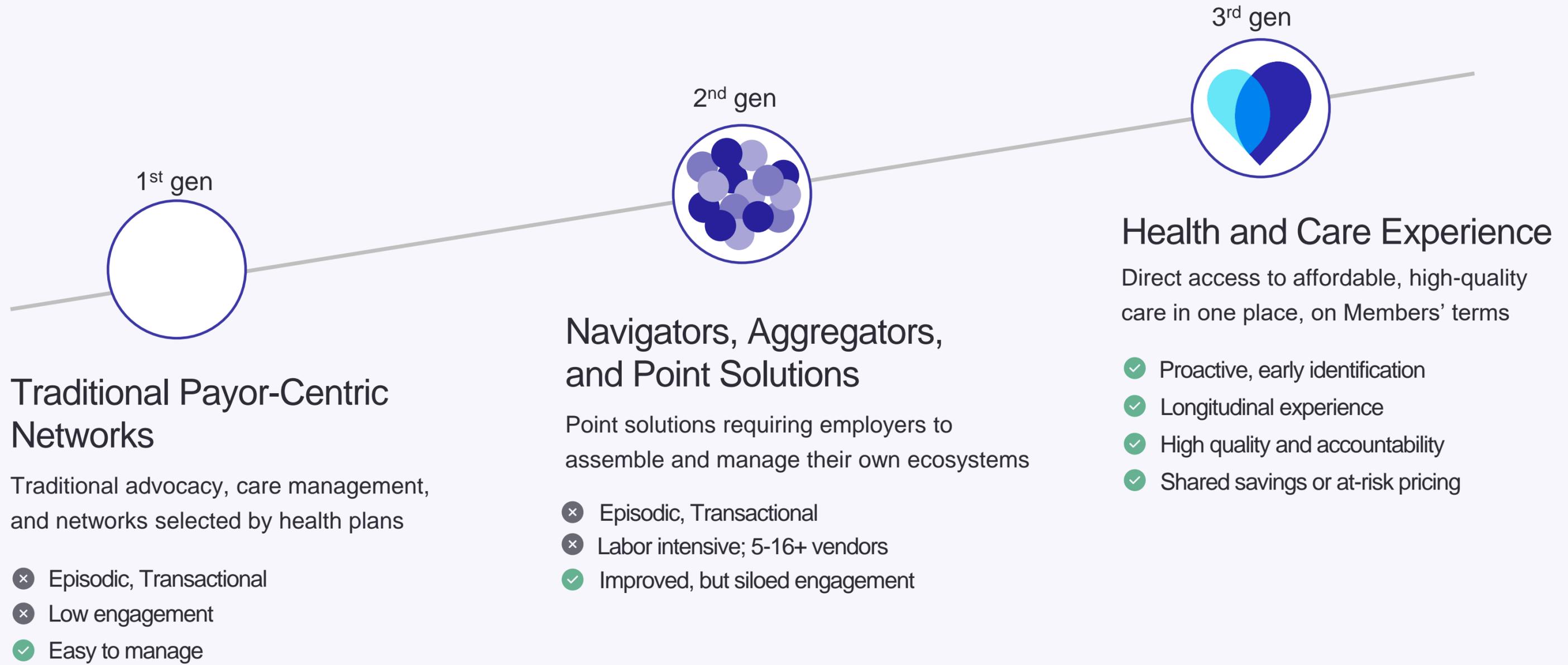
We offer your employees and their families an easy way to access all their health and care benefits in one place, on their terms, day or night.

Affordable

We reduce or eliminate out of pocket costs to improve utilization, so your employees and their families get and stay healthy, happy, and productive.

A NEW WAY

We Are Building the Next Generation of Health and Care



A DIFFERENT AND BETTER CARE EXPERIENCE

Direct Access to High-Quality, Affordable Care - All in One Place



Everyday

Chat in 60 seconds,
Schedule Physical &
Behavioral Health Care



Pharmacy

Savings Alerts &
Low-Cost Rx Options



Home

Receive Care At
Home or Close to It



Surgery

COEs, Expert
Opinions & Physical
Therapy



Complex

COEs, Expert
Opinions & Recovery
(starting with Cancer)

24/7 Live Guidance from Dedicated Health Guide

Keep Your Current Plans and Networks

WHY NEW, DIFFERENT, AND BETTER?

Why This Matters To You

We Are Creating the first National Independent Provider Network

We Are Creating A Direct Link Between Providers, Employers and Health Consumers

We Pay in Advance for High Quality Surgery and other Procedures

We Are Putting Power Back in the hands of People who Deliver the Care

We are not Competitive in any way including Telehealth

Thank You

