



Integrating On-Site Clinics with Health Plans

Samantha DuBridge, Senior Director, Global Benefits Strategy

HP Background & HR Focus

About Hewlett-Packard

- Founded in 1939 by Stanford University classmates Bill Hewlett and Dave Packard
- Global technology solutions provider to consumers, businesses and institutions
 - IT Infrastructure
 - Personal Computing and Access Devices
 - Global Services
 - Imaging and Printing
- Ranked 11th on the US Fortune 500
- Ranked 28th on the Global Fortune 500
- Annual revenue of \$127B
- Presence in 170 countries
- Over 275,000 employees worldwide; approximately 80,000 in US



Focus areas for Human Resources

- Employee engagement
- Workforce transformation
- Talent identification/development
- HR operational effectiveness

Our Employees

- Employees in 106 countries
 - 92% in 36 largest countries
- Growing virtual work force
- Key risk factors
 - Physical inactivity
 - Poor diet
 - Stress



Top 10 largest employee concentrations

United States

India

China

United Kingdom

Germany

Brazil

Costa Rica

Singapore

Spain

Canada

Strategic Framework for Benefits

Strategic Priorities and Goals

- Support critical employee needs
- Contribute to engagement
- Address competitive gaps
- Drive global focus on health and wellness
- Differentiate HP through flexibility and choice
- Manage costs within affordability framework
- Promote value of HP programs
- Design and communicate from user perspective using clear terminology

Our Purpose

Partnering with our people to make a positive difference in their well-being



US Medical Options

Medical options vary based on where employees live

Build Your Own

\$1,000 and \$1,500 deductible Consumer Driven Health Plan options with
\$500 HP-funded Health Reimbursement Account (HRA);

\$500 PPO option (no HRA)

HMO, EPO options

Must use the plan's provider network

Comprehensive Medical Plans in
non-Build Your Own areas

No Coverage (if covered elsewhere)

Success With On-Site clinics

Health Clinics opened at major U.S. sites and India

- Example of integrating wellness into broader health strategy and on-site services
- Strong partners selected to run the clinics: Take Care/Walgreens (U.S.) and Apollo (India)
- Offers employees quality care, discounts and convenience
- Strong feedback and growing utilization as word-of-mouth and promotions build awareness

Strong success in India

- Clinic launch in 3 centers in Bangalore
- Accessible to 90% of local India employees
- Competitive advantage as few employers offer this benefits
- Engagement and employee productivity driver



Building momentum in U.S.

- Offered in 3 major US sites
- Steady growth in usage
- 40% of eligible employees have used the clinics
- High satisfaction rates
- Strong integration with health plans: Aetna, HMO Blue Texas, Kaiser and UnitedHealthcare



Sample clinic initiatives

- Skin cancer screenings
- Expanded access for children
- Lunch 'n learns
- Biometric screenings
- Flu shots
- Stanford partnership

Wellness Video



HP On-Site Clinic Overview

Six Health Centers in Two Countries Serving almost 32,000 Employees

HP Health Center Locations

US

Houston

- Opened Nov. 2010
- 5,600 employees on site

Plano

- Opened Nov. 2010
- 2,700 employees on site

Palo Alto

- Opened Feb. 2011
- 2,600 employees on site

US clinics open to employees, spouses and children ages 7+, pre-65 retirees

India

Bangalore: 3 locations

- Opened Feb./March 2012
- 21,000 employees on site and in surrounding facilities
- 2 centers open 24/7
- Open to employees



HP Health Center Services

Service	US	India
Preventive Care	✓	✓
Routine Primary Care	✓	✓
Health Education and Promotion	✓	✓
Treatment and Follow-Up of Acute and Chronic Conditions	✓	✓
Referral to Specialists	✓	✓
Specialists on Weekly Schedule	✓	✓
Physiotherapists		✓
Basic Life Support and Emergency Stabilization	✓	✓
Pharmacy	✓*	**

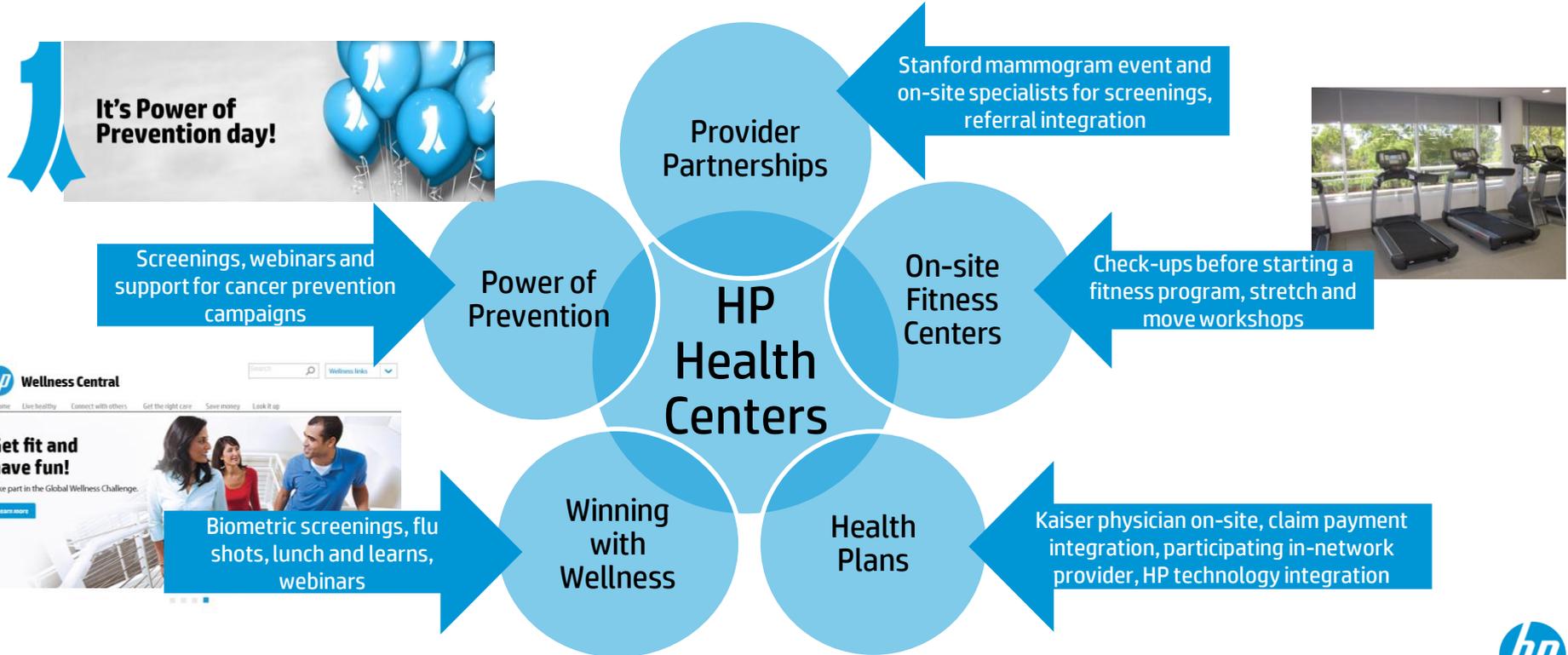
*Concierge service in Palo Alto: prescriptions delivered from an off-site pharmacy

**Discounts available at Apollo pharmacies



U.S. HP On-Site Clinic Touch Points

HP Health Centers play an important role in our broader health and wellness strategy



Designing Relevant Incentives for U.S. Clinics

Strike balance among attractiveness, simplicity and cost and think beyond money

Challenges

- Initial usage of clinics below expectations
- Multiple plan types: HMO/EPO, PPO, CDHP
- Multiple vendors
- Not simple for employees to see plan design advantage for using clinics (10% lower coinsurance for CDHP)

Lesson Learned

- Cost advantage needs to be clear and simple
- Not all employees are motivated by money, need other ways to attract them
- Employees are concerned about data privacy
- Front office staff and scheduling system drive first impressions

New Approaches

- Increasing usage of clinics
- Copay design across all options for office visit (\$5)
- Aggressive marketing campaign, including executive sponsorship
- Involvement in selection of all office staff

Employee Focus Groups:
When you need health care services, what would encourage you to use the Health Center more often?

More information on:

- Health Center doctors (new bio style implemented)
- Available services, costs (\$5 copay implemented)
- Privacy
- Convenience

Sample Marketing Plan

“Spring Into Summer”

Make It Easy! Create **new** reasons to visit a Health Center!

March: On Your Mark...	April: Get Set...	May: Go!
<ol style="list-style-type: none"> 1. Info audit of HP websites 2. Finalize messages and success measures 3. Assessments prior to beginning the Global Wellness Challenge 	<ol style="list-style-type: none"> 1. Test marketing plan with groups in TX and CA 2. Coordinate Health Center marketing with new HP Way brand 3. Colon and prostate cancer risk assessments 	<ol style="list-style-type: none"> 1. Coordinate Open Houses with free “peak flow” screenings 2. Make It Easy . . . “how to make an appointment!”
Media: Detailed media plan	Media: New visual identity and market-tested, refined media plan	Media: New Hire promotion along with campaign to rename Centers (on-site sign-up)
June: Go!	July: Go!	August: Go!
<ol style="list-style-type: none"> 1. Recipe for a healthy summer: convenient, cost-effective care from trusted providers 2. Make It Social . . . and fun! 	<ol style="list-style-type: none"> 1. Summer checkup 2. Skin cancer screenings “Protect the skin you’re in” 3. Do It . . . for your family! 	<ol style="list-style-type: none"> 1. For you, focus on biometric screenings 2. For your family, get back-to-school ready with immunizations and physicals 3. Keep It Fresh . . . and meaningful!
Media: Poster series on cost, convenience, and quality	Media: Wallet card Leader tips (from Meg/Tracy)	Media: Viral email and Progress Report—The State of HP Health

Fall on-site clinic special events:

- Flu shots
- Biometric screenings
- Mammograms



Recent Clinic Communications

97% of your peers who have been to the HP Health Center love the convenience of on-site medical care.

Here's what they told us:

“ I was thankful the health center was on-site. I was seen immediately and treated right away. By evening I was feeling 200% better. ”

If all doctors and nurses (and receptionists, too!) had these characteristics, more individuals would seek medical assistance. I give them an A*.

Doctors are always available, usually the same day/morning after calling. ”

We're investing in you!

The HP Health Center is your go-to place for confidential, convenient, personalized, and low-cost medical care.

Keep these reminders handy so you can take advantage of one of HP's best benefits.

For your wallet:

Your HP Health Center...It's the place to be seen.

Make an appointment:

<https://patientportal.takacarehealth.com/sites/hp>

Take Care: 1-650-319-1080

Kaiser Permanente: 1-877-834-5747

Or stop by:

3000 Manover Street (Building 20, Level D)

Mon & Wed: 8 a.m. - 6 p.m. CT

Tue & Thu: 8 a.m. - 6:30 p.m. CT

Fri: 8 a.m. - 6:30 p.m. CT

PA



For your fridge at home:

Your HP Health Center...It's the place to be seen.

Make an appointment:

<https://patientportal.takacarehealth.com/sites/hp>

Take Care: 1-650-319-1080

Kaiser Permanente: 1-877-834-5747

Or stop by:

3000 Manover Street (Building 20, Level D)

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PA



Medical care when and where you need it.

Your HP Health Center

\$5 office visits.

Healthy you, healthy wallet!



Integrating with Health Plans

Flexible and creative health plan partners are key to success

Challenges

- Multiple health plans
- Need to work within HMO structures
- Inconsistent level of health plan sophistication and flexibility
- Claim integration, especially with account-based plan designs (CDHP)

Lesson Learned

- Not possible to designate health center physician as PCP within capitated HMO models
- Specialist referral restrictions may exist with a capitated or group-based HMO
- On-line provider tools need to display network providers
- Special copay and claims accounting processes not compatible with auto adjudication

New Approaches

- Integration working well on large self-insured plans
- HMO participants need to select a PCP from their health plan and use that PCP for specialist referrals
- Special copay and claims accounting processes require ongoing oversight to avoid errors

Holistic Approach to Integrating with Health Plans

Claims Payment

Health Plan
Clinics established as customized providers to accommodate special benefits

On-site Clinics
Clinic submits claims to health plan to maintain full data picture and OOP integration

Pharmacy

Collaboration between health plan and on-site clinic pharmacists on formulary, new drugs and clinical programs

Focus on prescribing generics and preferred drugs, referral to health plan programs

Health Plan Resources

Availability of clinics emphasized through customer service and dedicated care management team

Referral to health plan resources, such as condition management programs and EAP

Providers

Accountable Care pilot to lower costs and improve health outcomes, integration with clinic for ongoing health monitoring

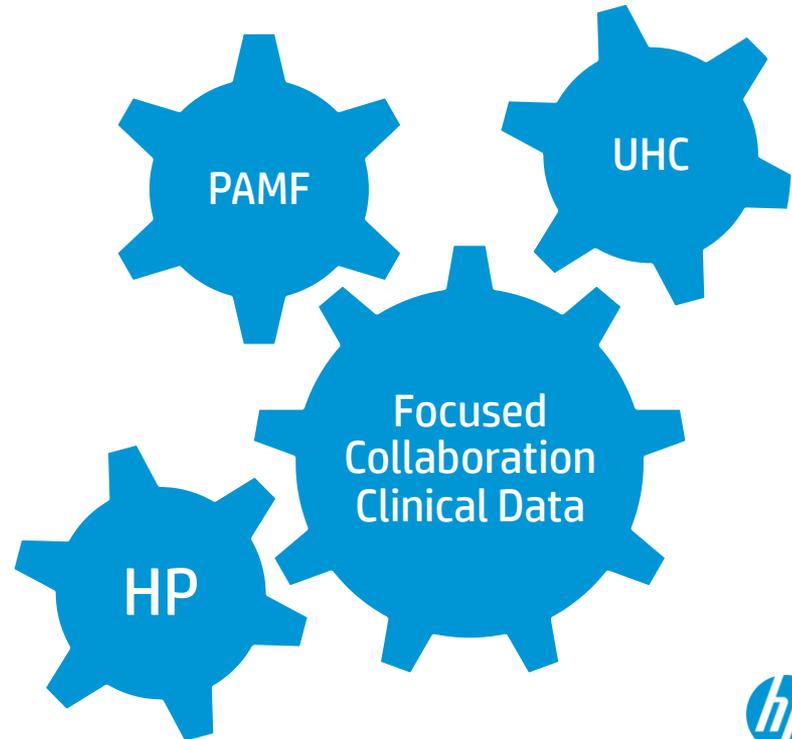
Access to patient records for holistic view of patient's health, priority access referrals

Provider Partnership

Accountable care pilot with UHC and Palo Alto Medical Foundation (PAMF)

Clinically intensive population management solution designed to:

- Increase efficiency of health care resources
- Improve quality of patient care around common diagnoses, early intervention and gaps in care
- Create single reporting mechanism to share clinical data
- Integrate operating platforms and data sources
- Reduce medical cost trends
- Align provider incentives based on savings and quality metrics achieved in the pilot



Achieving Results

Engagement

Health Improvement

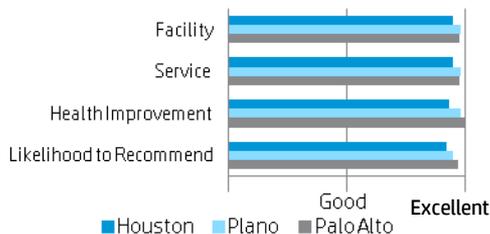
Return on Investment

40+%

Of employees have used the HP on-site clinics

Challenge: Need to convert more of them to primary care patients

High Satisfaction Rates



Focus on Total Health

- Middle aged man: first physical in several years, diagnosed with obesity, diabetes and high cholesterol.
- Reluctant to start medication, doctor was firm that his condition could not be managed without treatment.
- After 3 months: his labs met treatment targets and he was actively engaged in an exercise program and watching his caloric intake.

Preventing Bigger Health Events

- Young woman, first time visit, vague abdominal discomfort that had been going on for several days.
- Doctor recommended stat CT of her abdomen because she was having discomfort in the area of her appendix
- Radiologist confirmed she was in the early stages of an appendicitis attack
- Patient was promptly admitted to the hospital, underwent emergency surgery and is now on the road to a full recovery.

Focus areas for ROI:

- Primary care savings
- Pharmacy savings
- Utilization savings (ER/UC; Specialists; Hospital)
- Channeling to preferred providers
- Program integration
- Health improvement
- Productivity

Back-up Slides



HP Benefit Programs

BeneFLEX Flexible Benefits	Retirement Programs	Time Off	Other HP Benefits
<ul style="list-style-type: none"> Medical Dental Vision Life insurance AD&D insurance Long-Term Disability Flexible Spending Accounts Group Legal 	<ul style="list-style-type: none"> 401(k) Plan Executive Deferred Compensation Plan Retirement Medical Savings Account 	<ul style="list-style-type: none"> Holidays Vacation Leaves of absence 	<ul style="list-style-type: none"> Adoption Assistance Credit Unions Employee Assistance Employee Programs Employee Purchase Executive Physical Flexible working arrangements Long-Term Care Home & Auto insurance Travel assistance Work/Life benefits

Winning with Wellness

Physical health

Financial well-being

Time and stress management, concierge, back-up care



Build Your Own Medical Options

Medical Options

- ⦿ PPO or CDHP w/HRA
- ⦿ HMO
- ⦿ EPO
- ⦿ No Coverage



Build Your Own
Medical Option

Cost of coverage
varies as different
choices are made



Network
(Selected states based
on home ZIP code)

Type of Plan*
(Same design
all networks)

**Prescription
Drugs**
(Retail Tiers)

- ⦿ UnitedHealthcare
- ⦿ Aetna
- ⦿ Anthem BlueCross BlueShield
- ⦿ Cigna

- ⦿ \$500 PPO
- ⦿ \$1,000 CDHP with \$500 HRA (\$1,000 per family)
- ⦿ \$1,500 CDHP with \$500 HRA (\$1,000 per family)

- ⦿ \$10/\$35/\$50/\$60
- ⦿ \$10/30%/40%/50%
- ⦿ \$10/35%/45%/50%

