



Focusing on the Future

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Product Innovation

Agenda

- Obama administration affects healthcare product and consumer tools
- Unique Humana offerings meet needs of the present and the future
- Emerging industry models and trends: looking ahead

President Obama's healthcare reform: Eight points

Stressing eight key points:

- Guaranteed choice of health plan and physician
- Affordable health coverage
- Protected financial health for families
- Investment in prevention and wellness
- Portability of coverage
- Goal of universality
- Improved patient safety and quality care
- Long-term fiscal sustainability

Humana: Well-positioned for the future

- Anticipating new changes
- Responding to changes already enacted
 - Protecting and improving families' financial health with spending accounts: HSA, PCA, RMSA, UHA
 - Improving patient safety and quality care
 - Humana's MyChoiceSM Tools: Industry-leading resources to increase patient safety and inform provider quality for consumers

Protecting financial health: Current

- FSA/PCA – more options, more flexibility:
 - Reservist distribution: Active duty military personnel can receive a distribution from unused FSA balance
 - Capital expenditure: Spending account funds can cover home modifications to accommodate a disability
 - Transportation for healthcare: Subscribers can use spending account funds for mileage to and from a healthcare facility
- HSA – in 2008:
 - HSA subscribers increased 82%
 - HSA groups jumped 45%
 - Total Humana HDHP groups currently using Humana's HSA: 27.3%
 - HDHPs surpassed PCAs both for Humana and the industry as a whole

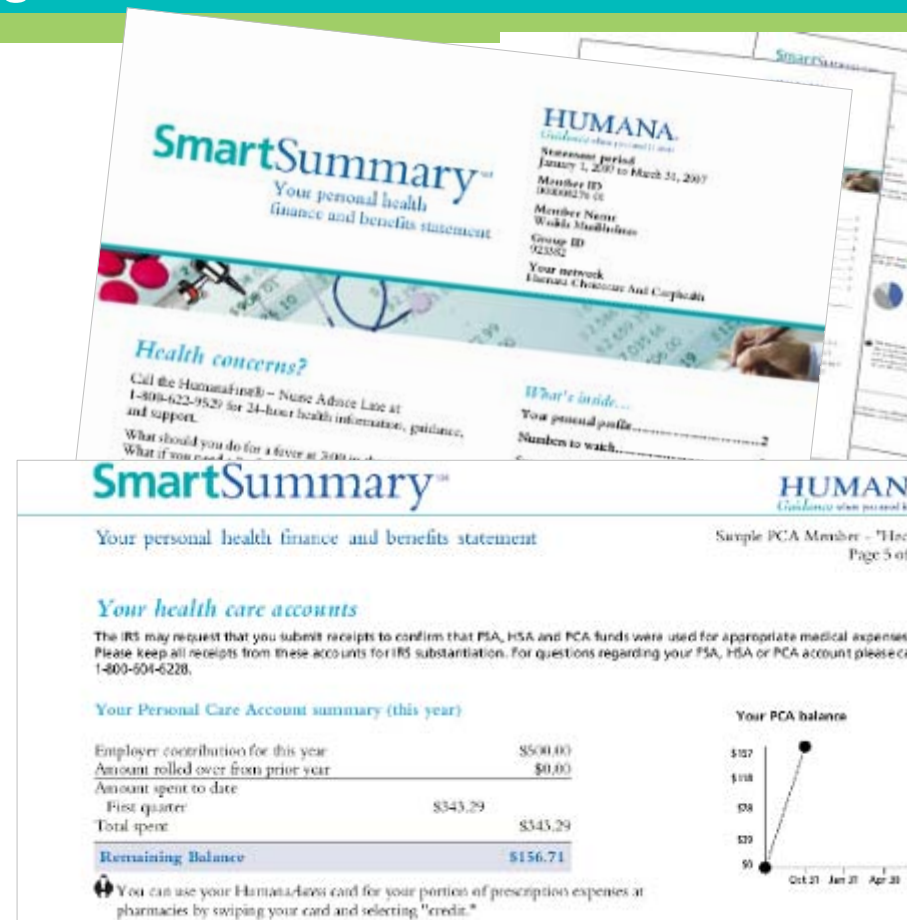
Protecting financial health: Future

- **RMSA – Retiree Medical Savings Account:**
 - Looks like a suspended PCA
 - Dollars accumulate in working years, available on retirement
 - Particularly attractive when coupled with Voluntary Employees' Beneficiary Accounts

- **UHA – Universal Health Account:**
 - Proposed by AHIP but not yet introduced by Congress
 - If enacted, will provide a portable method for premium payments, including deposits from individuals, employers, and government
 - Similar to an HSA, except UHAs can be used to pay premiums for any type of health insurance plan, including HMOs and PPOs

Decision Support Tools: SmartSummary – Protecting financial health through smart information

- Consumer-centric health benefits budgeting, planning, and reporting tool
- Highly personalized – consolidates cost and health information
- Wellness education and tips on reducing out-of-pocket expenditures
- Overall guidance vehicle to make more informed planning decisions



SmartSummarySM received the 2007 Outstanding Achievement Award for the Promotion of Consumer Education and Empowerment at the Consumer Health World Conference.



Improving Patient Quality and Safety: MyChoice – simple, easy-to-use tools on Humana.com



Humana's MyChoice ToolsSM

Your all-in-one place to compare network providers

These easy-to-use tools show estimated costs and other useful information to help you make healthcare decisions with confidence. But keep in mind it's smart to rely on several sources of information – so be sure to talk with your current healthcare providers, too.

To get started, choose a "Compare" tool:



[Compare Doctors](#) ▶

View estimated costs for common types of doctor's office visits, with details for individual doctors and average costs in your area.



[Compare Outpatient Facilities](#) ▶

View estimated costs for outpatient services at a hospital or freestanding center, such as surgical procedures and diagnostic tests.



[Compare Hospitals](#) ▶

View estimated costs, complication rates, and other details, including a side-by-side comparison of hospital performance.

Do not avoid getting healthcare based on the cost information on this site. The information provided is not intended as an endorsement of any particular provider.

Your costs are likely to be higher with out-of-network providers. This site lists providers for the broadest Humana PPO network, so **all the providers listed may not be in-network for your particular plan.** Use the [PhysicianFinder Plus](#) 🗨️ to see if a provider is in your plan's network.

Information on this site is accurate as of the time of its development. However, this information is subject to change at any time without notice due to changes in network participation, reimbursement rates, and plan design. [More About These Tools](#) 🗨️

Time allowing, we'll do a live web demo at the end of the meeting.



Improving Patient Quality and Safety:

MyChoice – simple, easy-to-use tools on **Humana.com**

Humana's distinctive MyChoice cost-comparison tools reveal estimates of the **actual anticipated consumer cost** for a service, taking into account the impact of negotiated healthcare provider discounts

Focus on:

- Clear numbers and graphics
- Costs related to entire treatment
- Putting consumer first:
 - What do I need?
 - What's important to me?
 - How much do I want to pay?
- Addressing doctor and hospital care, Rx, healthcare finance, and more

Newborn Vaginal Delivery

Facility for Mother	\$3,400
Facility for Well Baby	\$1,050
Physician for Mother	\$2,100
Physician for Well Baby	\$350
Anesthesiologist	\$600
	\$7,500

Provider Cost Transparency: Progress and Enhancements on the Horizon

2006

- Two separate tools
- Cost and quality information on 30 inpatient procedures
- Outpatient cost information for six diagnostic tests, including MRI, CT scan, and colonoscopy

2007 – 2008

- New “all-in-one” consumer tool
- Improved navigation
- Increased cost and quality information: 51 inpatient procedures
- Increased outpatient cost information: 20 outpatient surgeries
- Physician costs for 36 types of routine office visits, based on physicians’ actual costs
- Direct links from Physician Finder to MyChoice

Provider Cost Transparency: Progress and Enhancements on the Horizon

Enhancements and improvements planned for 2009:

- Expand physician office and outpatient pricing: 75% of all dollars spent
- Increase provider certifications: Board certification, maintenance of certifications
- Add member experience survey to measure satisfaction with their providers

HUMANA®
Guidance when you need it most