



Accolade: The Effect of Personalized Advocacy on Claims Cost



A Case Study of Two Employer Groups

Employers of all sizes are evaluating healthcare advocacy and navigation services as a strategy to improve the employee experience and reduce claims cost. In a study that supports this effort, global professional services firm Aon analyzed the medical utilization and financial results of two employers using Accolade personalized advocacy over one-year and three-year periods, respectively, compared to the results of typical employers during the same period.

In the study, each Accolade member was meticulously matched to three members from a control group of nearly 16 million employer plan members. This matching rigor allowed Aon to compare Accolade customer costs to outcomes achieved by employers for identical demographic, geographic and comorbidity profiles. Aon compared the allowed cost experience for Accolade members to contemporaneous results for similar plan members.

Personalized advocacy is a high-touch, high-tech solution that transforms the experience, outcomes and cost of healthcare.



Compared to a precisely matched control group, Accolade's customers experienced:

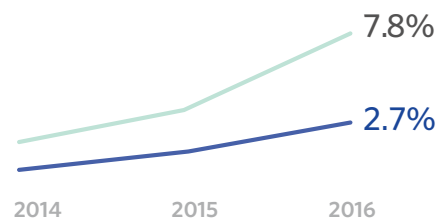


Total allowed cost for Employer A (10,000 members) is **\$782 per employee per year** lower than the control - a **6.5% reduction** compared to similar employer groups.

Total allowed cost for Employer B (100,000 members) is **\$527 per employee per year** lower than the control - a **4.7% reduction** compared to similar employer groups.

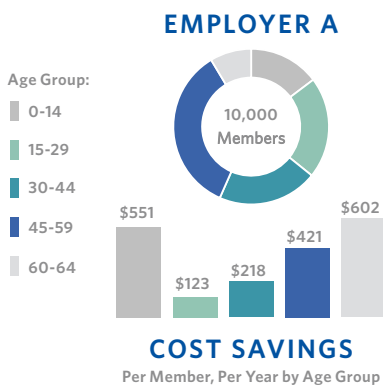


COST GROWTH REDUCED BY MORE THAN HALF WITH PERSONALIZED ADVOCACY



Employer B achieved **reduced cost growth of 2.7% from 2014 to 2016** compared to 7.8% two-year trend for the control group.

Annualized allowed trend was 1.3% for Employer B compared to 3.8% for the control group.



Savings occur with Accolade personalized advocacy across the entire member population

- all ages, conditions, health profiles and spend categories - and are sustainable over time.

Both employers **reduced costs for complex members managing multiple chronic conditions** and lower severity of high-cost claimants at or above the 90th and 95th percentile of costs.



For Employer B, reduced costs for patients managing common chronic conditions including **Musculoskeletal, Mental Health, Diabetes and Hypertension**.



Employer A's cost reductions resulted from **lower inpatient, outpatient and professional medical spend** compared to the control group.

Employer B's cost reductions came from **lower outpatient facility and professional medical spend - and much lower brand and specialty pharmacy spend** - compared to the matched control group.

"These results demonstrate that Accolade's customers have experienced cost reductions through personalized advocacy beyond what typical employers have accomplished for the same period." - Aon

While many employers rely on increases in deductibles and employee cost-sharing to control healthcare costs and utilization, the two employers using Accolade personalized advocacy are achieving material healthcare cost savings without having to adopt these measures. The study results demonstrate that Accolade's customers have experienced cost reductions through personalized advocacy beyond what typical employers have accomplished for the same period.