

Contact: Elizabeth Glaser
Dodge Communications
770-576-2551, ext.246
eglaser@dodgecommunications.com

SCIOinspire Unveils Value Based Benefit Design Decision Support Solution

***Robust plan design and incentive modeling solution helps health plans
improve member engagement and incentivize proper use of health services***

Hartford, CT – February 17, 2011 – SCIOinspire, Corp., a leading independent provider of cost-containment and quality-improvement solutions for healthcare payers and providers, today introduced a ground-breaking Value Based Benefit Design (VBBD) decision support application for its care management and analytics software suite. The VBBD application is designed to help health plans improve member engagement through a combination of plan design and financial incentives. Innovative features and functionality enable users to determine key drivers of an employer's healthcare cost; identify which conditions require greatest attention; demonstrate estimated cost increases and savings; and create a proactive monthly report to assess impact of value-based programs.

The VBBD solution is built on a proprietary framework of clinical and actuarially sound logic, algorithms and data, and can be customized for health plans to:

- Improve overall health while controlling costs by increasing the availability of high-value services such as preventative services and early-stage disease management;
- Improve the health plan's medical loss ratio (MLR) by reducing hospitalizations and emergency room visits;
- Identify and curtail the use of low-value services, such as repeat MRI and CT scans, which often are over-utilized and expensive; and
- Identify the appropriate incentives to drive positive behavior changes at the member level

John Kahle, Senior Vice President and Chief Wellness Officer with Intercare Insurance Solutions, a California-based firm that provides insurance brokerage, employee benefits consulting and risk management services, notes the industry's focus on value-based design represents "a genuine paradigm shift. Instead of viewing healthcare as an expense, employers increasingly look upon it as an investment."

To date, he adds, it has been virtually impossible for payers to help employers determine precise return on investment of their health benefits programs. "Employers are seeking to develop a culture of wellness within their organizations. The application SCIOinspire has introduced will enable employers and health plans to quantify the true value of value-based design."

The VBBD application is a flexible modeling solution that allows health plans to develop products and plan designs while identifying additional services – such as disease management, wellness programs, targeted communications and web portals – to engage members more effectively. Health plans can take advantage of the VBBD application in three distinct ways:

- As an *advisory and evaluation application* through which they submit variables and data for remote analysis via the SCIOinspire application;
- As a *hosted application* that allows the health plan to run the software separately for each of their employers based on their own claims, demographics, industry code, risk factors, income and co-morbid conditions; and
- As a *customized solution* that can be tailored to each plan based on the unique medical policies, physician practice patterns, employer demographics and other regional differences.



"One of the tenets of healthcare reform is to change consumer behavior so individuals use healthcare services more appropriately," says David Hom, President of Member Engagement and Care Management Services for SCIOinspire. "SCIOinspire's VBBD application allows our health plan clients to face that challenge head on by enabling them to design better programs and add incentives to modify how various patient populations consume healthcare." By encouraging the right behavior, he adds, the VBBD solution frees up significant health plan resources that can then be diverted to future product and plan enhancements.

"Imagine having a software application that will provide an employer with very specific strategies that can 'bend the trend' – improving the health of members and lowering the cost of their health benefits program," adds Hom. "If an employer has low compliance rates for medications that are necessary to treat a chronic condition, for example, the health plan may reduce prescription copayments in order to encourage members to refill and take those prescriptions. The VBBD application provides a working model to understand scenarios and identify how benefit variables can be adjusted to encourage adherence and reduce avoidable healthcare utilization."

About SCIOinspire

SCIOinspire is a leading independent provider of cost-containment and quality-improvement solutions for healthcare payers and providers. With an extensive roster of clients that serve more than 30 million patients and plan members, SCIOinspire provides results-driven care analytics and data mining, member engagement and care effectiveness, payment integrity and audit programs, and business process optimization solutions to reduce administrative costs, eliminate payment errors, increase member engagement and measurably improve outcomes and quality. With expertise spanning clinical and administrative operations, SCIOinspire offers a unique combination of software and services to help healthcare organizations positively impact Administrative Loss Ratios (ALR) and Medical Loss Ratios (MLR). Drawing upon an expert and experienced team of clinical, actuarial, legal and analytical resources, SCIOinspire offers a global service delivery model with multiple delivery centers in the U.S. and India. To learn more about SCIOinspire, please visit <http://www.scioinspire.com>.