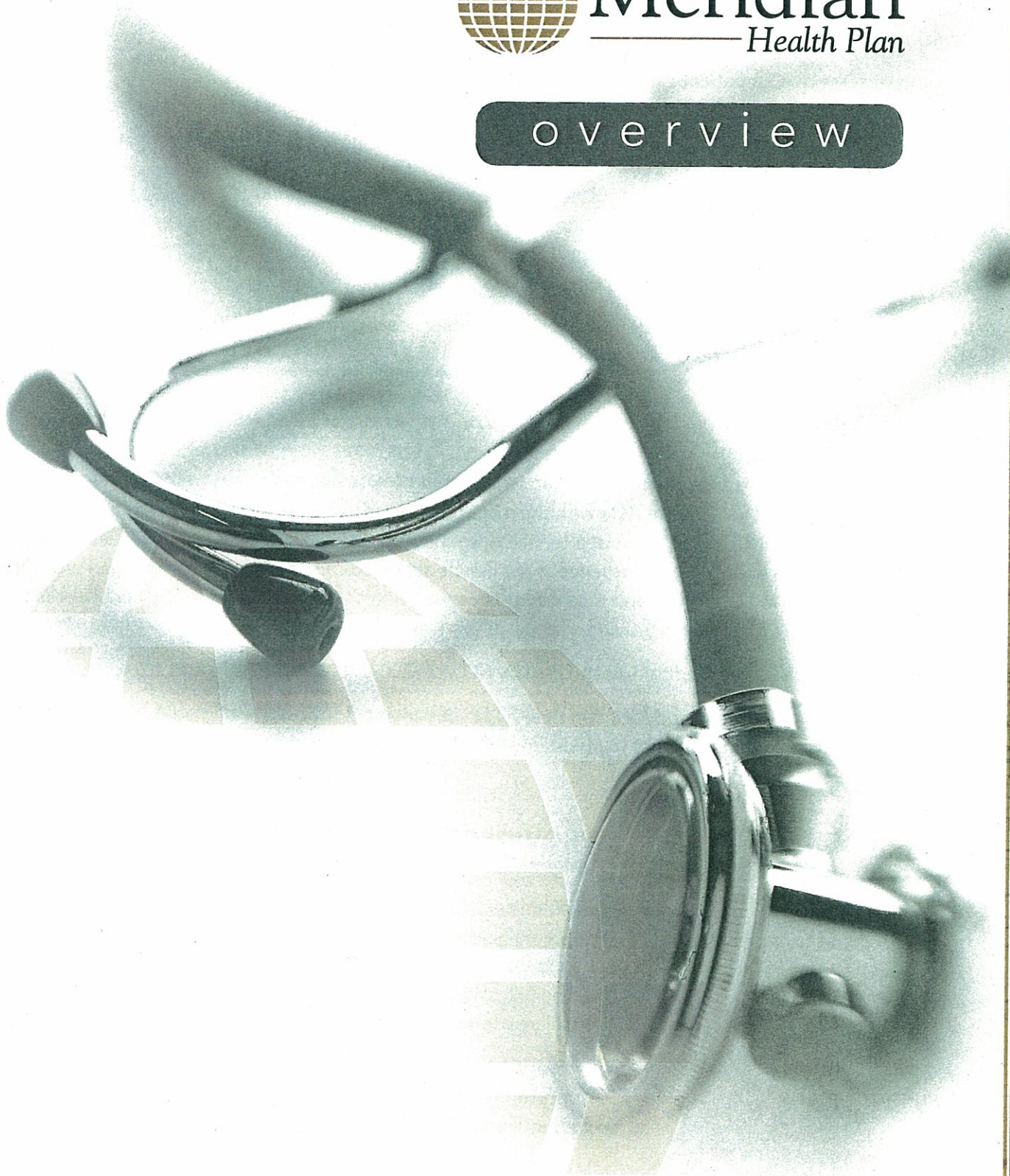




Meridian
Health Plan

overview

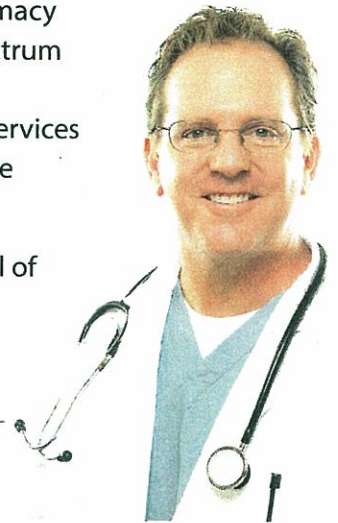


AT A GLANCE

Meridian Health Plan (Meridian) believes quality health care is best delivered locally. Grounded in physician leadership, our mission is to continuously improve the quality of care in low resource environments. As a physician-owned and enrollee-focused organization, Meridian blends innovative proprietary technologies with a commitment to premier customer service in support of this mission. We are:

- Physician-owned – Our patient care experience drives healthcare decisions
- Enrollee-focused – Meridian's personalized care coordination programs target enrollee health outcomes
- Innovative – Our proprietary Managed Care System (MCS) mines medical and pharmacy encounter data and drives quality and value while sharing data across the care spectrum
- Committed to quality – Meridian's organization-wide commitment to continuous improvement of HEDIS® performance optimizes the delivery of quality healthcare services
- Locally-based – Meridian believes personnel hired and based in the communities we serve are best equipped to assist that population

Our extensive experience in the Medicaid managed care market has shown that the goal of better health outcomes promotes quality and helps control costs.



OUR HISTORY

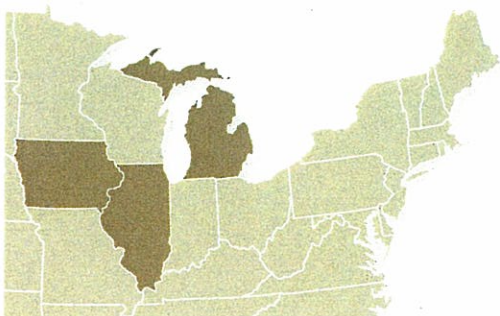
Meridian has been operating as a full-service Michigan Medicaid HMO since 2000 and is the largest Medicaid HMO in the state with the most comprehensive Medicaid provider network. In 2008, Meridian expanded services into the State of Illinois, specifically to increase quality outcomes and continues to increase its presence in the Illinois managed care market. Meridian began providing services in eastern Iowa in March 2012 and is continuously expanding its provider network and service area throughout the state. Our affiliates in these states provide healthcare services to over 700,000 Medicaid enrollees.

Meridian was rated as a Top 20 Medicaid Health Plan by NCQA in 2007, 2008, 2009, 2010 and 2014.

Meridian Health Plan of Michigan and Meridian Health Plan of Illinois are ranked the #1 Medicaid HMOs in their states and are respectively ranked the #9 and #10 Medicaid HMOs in the nation, according to NCQA's Medicaid Health Insurance Plan Rankings 2014-2015.

MERIDIAN SERVICE AREA

■ Meridian-Covered States



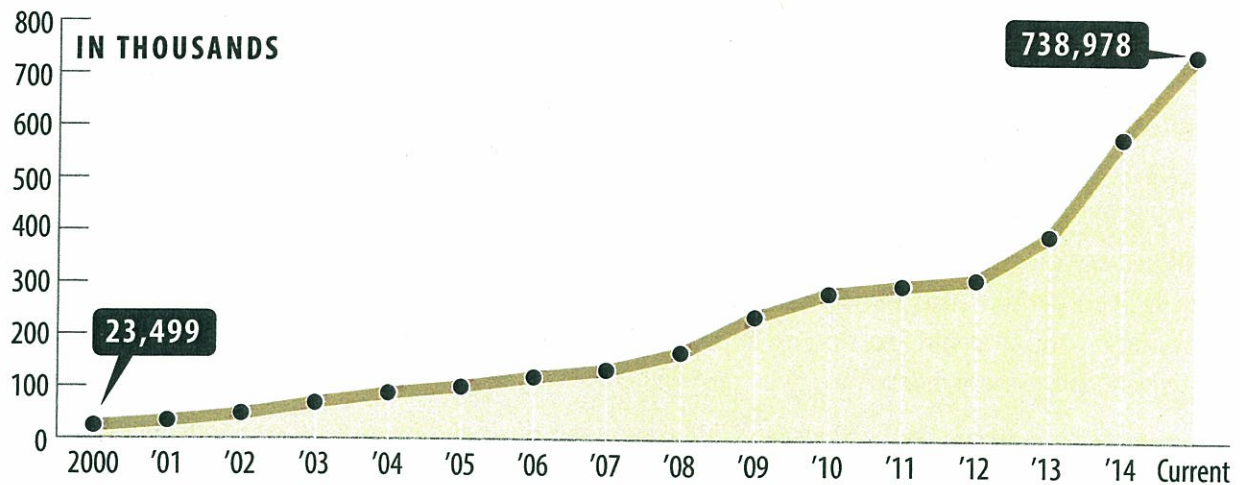
PROVIDER NETWORK

Building and maintaining a comprehensive provider network is critical to reducing healthcare costs. A robust network allows members convenient access to preventive care and other services. Our provider network consists of the full range of health services providers, including PCPs, specialists, ancillary providers and hospitals.

We operate an open network in each state, allowing all providers the opportunity to participate if they choose, provided they meet the credentialing standards established by NCQA, URAC and CMS.

Meridian has also developed a quality bonus program for PCPs who provide preventive care that helps keep enrollees from needing hospital care.

MEMBERSHIP GROWTH



TIMELY AND EFFICIENT CLAIMS PAYMENT

Meridian Health Plan consistently meets the state performance requirements for timely claims payment and we are continually making efforts to improve efficiency of our claims payment through automation. The two primary measures of claims efficiency are electronic claims submission and auto-adjudication.

Meridian consistently meets the state performance requirements for timely claims payment.

- Total Claims Processed in 2014 = 7,330,428
- Average Monthly Claims Volume = 610,869
- Average Claims Payment Time = 10.9 Days
- Claims Payment Accuracy Level = 99.0%
- Percent of Calls Answered within 30 Seconds = 96.4%

OUR MODEL



Meridian is focused on ensuring the delivery of high-quality healthcare services to our enrollees while simultaneously achieving meaningful cost savings to states and their taxpayers. We achieve this goal through collaboration with our network providers and relentless emphasis on preventive care and population management. These activities keep people healthy, out of emergency rooms and inpatient facilities, and significantly reduce overall Medicaid expenditures. Meridian consistently delivers meaningful improvements in quality of care and cost savings to the states where we operate.



HOW WE DO IT

Healthcare Services

Meridian's focus on preventive health outreach includes:

Enrollee Outreach and Education by Local Employees – Every new enrollee receives a welcome call within the first 30 days of enrollment. This is done to explain Meridian's benefits and verify PCP selection. Enrollees also receive regular telephone calls and mailings reminding them to schedule preventive services.

Health Risk Assessment (HRA) – Meridian's local outreach specialists complete a HRA for every enrollee within 90 days of enrollment. This allows Meridian to assign each enrollee to an appropriate level of personalized care coordination and to begin focusing on improving the health of our sickest enrollees so they can progress to a less intensive management level.

Disease Management (DM) – Meridian's DM program is designed to educate and support enrollees in the optimal management of their conditions before they worsen. Meridian's Quality Improvement department maintains regular communication with DM program enrollees and their healthcare providers, which ensures members receive appropriate care while containing costs.

Complex Case Management (CCM) – The goal of Meridian's CCM program is to avoid unnecessary hospitalizations of enrollees who have multiple medical issues. Enrollees needing CCM are immediately assigned to a local nurse case manager who works with the enrollee to identify achievable goals to optimize health, improve self-management and support physician plans of care. The CCM program emphasizes the use of appropriate outpatient services to maintain enrollee health and decrease costly inpatient admissions.

Outreach

Meridian Health Plan wants to make sure all of our members receive the preventive care they need. In order to demonstrate our commitment to achieve that, Meridian dedicates significant resources to its member outreach programs.

This summary of Meridian's outreach efforts demonstrates our commitment to quality:

- Meridian's Member Outreach Team places phone calls to member households to remind them of important preventive services, including:
 - ◆ Well-Child and Adolescent Visits
 - ◆ Child and Adolescent Immunizations
 - ◆ Blood Lead Testing
 - ◆ Breast and Cervical Cancer Screenings
 - ◆ Diabetes Testing (HbA1c, LDL, Eye Exams)
- All outreach calls are done by a live person, not a pre-recorded voice message

- In every call, the outreach specialist verifies the member's demographic information and PCP selection, in addition to providing outreach reminders
- Approximately 30% of members have a HEDIS** hit with a date-of-service after their outreach call
- Meridian mails outreach postcards to members reminding them of important preventive services
- Incentives (e.g. gift cards) are distributed to members for obtaining preventive health services
- Meridian sponsors and participates in community events, including health fairs and lead screening fairs
- Meridian's Provider Services department works with PCP offices to design a targeted mail outreach program specifically for that PCP's Meridian patients

Through the above activities, we are able to achieve higher HEDIS® scores and meet our quality goals for our members.

*Healthcare Effectiveness Data and Information Set

PHYSICIAN INCENTIVE PROGRAM

Meridian is committed to ensuring its members receive quality preventive healthcare services. To encourage our providers to meet this goal, Meridian has developed bonus programs based on specific HEDIS® measures, which are tailored to specific member types based on Medicaid Program Codes.

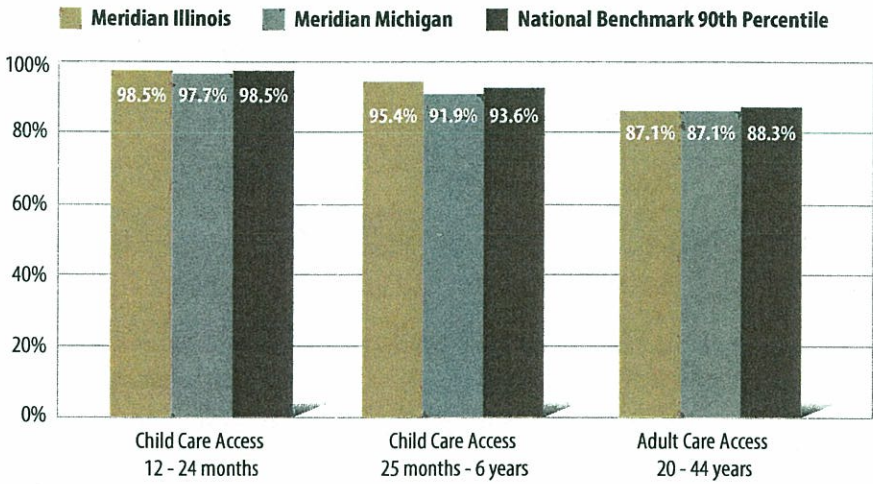
Meridian pays a quality bonus to PCPs for providing many types of services that help prevent members from needing hospital care. By offering incentives to those providing preventive care, Meridian is able to lower costs and improve enrollee health status over the long-term.

HEDIS® IMPROVEMENT

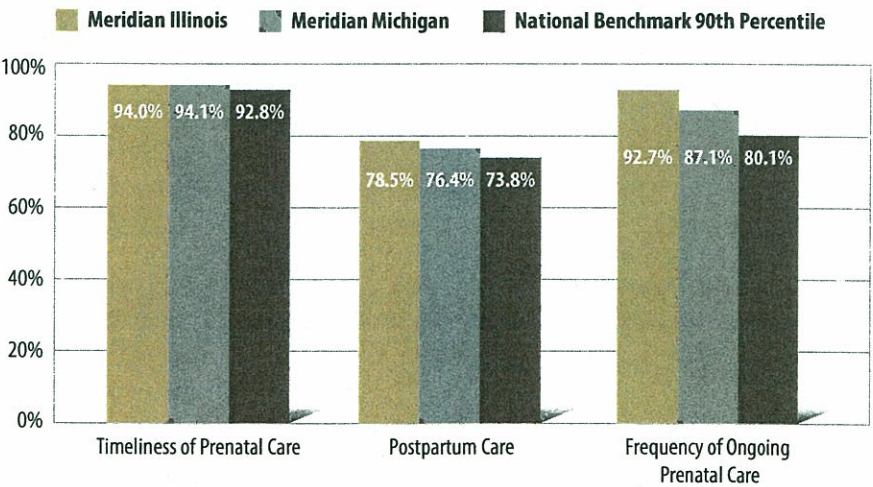
Meridian Health Plan has made quality improvement a corporate priority with the goal of becoming the top Medicaid health plan in the nation. Meridian's commitment to quality can be seen in the graphs to the right which represent HEDIS® scores for Illinois and Michigan.



Access to Care - Children and Adults



Prenatal & Postpartum Care



HEDIS® BONUS PROGRAM (EXAMPLES)

Comprehensive Child and Adolescent Care				
Service	Procedure	Performance Criteria	Plans†	
Well-Child Visits – Ages 0-15 Months	1-5 visits	Please complete 6 visits per member prior to 15 months of age. According to age-specific EPSDT Visit Schedule. Bonuses paid for up to six per member between 0-15 months.	Medicaid	
	6th visit			
Well-Child Visit – Ages 3-6		According to age-specific EPSDT Visit Schedule	Medicaid	
Adolescent Well Visit – Ages 12-21		According to age-specific EPSDT Visit Schedule		
Blood Lead Testing – Ages 0-2		Complete one blood lead test by 2nd birthday		
Comprehensive Women's Care				
Service	Procedure	Performance Criteria	Plans†	
Breast Cancer Screening	Females – Ages 50-74	Mammogram	One paid per calendar year	Medicaid, SNP, Prime, Complete
Cervical Cancer Screening	Females – Ages 21-64	Cervical Cytology	One paid per calendar year	Medicaid, SNP, Prime, Complete
Chlamydia Screening	Females – Ages 16-24	Chlamydia Screen	One paid per calendar year	Medicaid
Comprehensive Diabetes				
Service	Procedure	Performance Criteria	Plans†	
Comprehensive Diabetes Care – 18-75 year olds with diabetes (Types 1 & 2)	*HbA1c Screen	At least one screen annually	Medicaid, SNP, Prime, Complete	
	HbA1c Good Control (<7%)	One paid per member per calendar year		
	*LDL-C	At least one screen annually		
	LDL-C Control (<100mg/dL)	One paid per member per calendar year		
	*Fundoscopic Eye Exam	At least one annually, completed by an Optometrist or Ophthalmologist		
	*Microalbuminuria Screen	At least one screen annually		
*If an assigned diabetic member receives a qualifying HbA1c Screen, a Lipid Profile, a Fundoscopic Eye Exam and the Microalbuminuria Screen during 2014 within HEDIS® Guidelines, an additional bonus will be paid to the assigned PCP				
**Additional Bonus Opportunity – If an assigned diabetic member's ending Blood Pressure, LDL-C, and HbA1c levels are controlled, an additional bonus will be paid to the assigned PCP. Controlled levels are HbA1c <7%, LDL-C <100 mg/dL and Blood Pressure <140/80. As of December 31st, 2014 the last Blood Pressure, LDL-C and HbA1c levels received by Meridian for the calendar year are used to determine compliance. A lab test without a value is considered uncontrolled				
Cardiovascular Health				
Service	Procedure	Performance Criteria	Plans†	
Cholesterol Management in Adults with Cardiovascular Conditions	LDL-C Test	At least one screen annually	SNP, Prime, Complete	
	LDL-C <100	One paid per member per calendar year		
Tobacco Cessation Counseling (Paid to servicing provider)				
Service	Performance Criteria		Plans†	
Tobacco Cessation Counseling – All genders ages 12 and up	One paid per member per calendar year		Medicaid, SNP, Prime, Complete	

OBSTETRICAL (OB) INCENTIVE PROGRAM

Meridian has also developed a pay-for-performance program for our OB providers. This program rewards OB providers with higher reimbursement for prenatal and postpartum care delivered within HEDIS® guidelines. All Meridian OB providers are eligible for the bonuses listed in the table below.

Obstetrical Care (Paid to servicing provider)		
Service	Performance Criteria	Plans†
Prenatal Care – Antepartum Care, 4-6 Visits	All prenatal visit dates, LMP and EDD/EDC must be included. The first prenatal visit must be performed in the first trimester (<13 weeks), or within 42 days of enrollment	Medicaid, SNP, Prime, Complete
Prenatal Care – Antepartum Care, 7+ Visits		
Postpartum Care	Postpartum Care visit must be on or between 21 days and 56 days after delivery	

†Plan Definitions:

Medicaid – Meridian Medicaid members

SNP – Medicare Advantage Prescription Drug Dual Special Needs Plan (MAPD-SNP) for people who have both Medicare and Medicaid. Includes Part A, Part B and Part D prescription drug benefits and additional benefits not covered by Original Medicare

Prime – Medicare Advantage Prescription Drug Plan (MAPD) provides Part A, Part B and Part D prescription drug benefits and includes additional benefits not covered by Original Medicare

Complete – Medicare-Medicaid Plan to integrate care for individuals who are eligible for both Medicare and Medicaid under one plan

PHARMACY SAVINGS

Meridian operates its own pharmacy benefit management (PBM) company called MeridianRx. Together, Meridian and MeridianRx work as an interdisciplinary team that draws on knowledge and expertise across the care spectrum while relying on integrative technology. This ensures comprehensive care for our members by our providers and pharmacies.

Meridian coordinates medication adherence (both clinical and non-clinical) into case management, which allows us to:

- Monitor medication usage
- Educate members on proper medication use
- Limit medically unnecessary fills

In addition, MeridianRx promotes the use of generic utilization and effective formulary management.

In tandem with our integrated case management, MeridianRx has the capacity to provide states significant savings in pharmacy costs over time.



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