



Total Rewards
getting better all the time

BENEFITS
COMPENSATION
WORK-LIFE
REWARDS & RECOGNITION

Healthcare
Wellness
Financial Resources
Insurance Coverage

myTotalHealth

Carlson's Healthcare Strategy

Leveraging
myHealthFolio,
a consumer-based
health portfolio



June 2006

- > Double-digit increases annually
- > Healthcare is not perceived by employees as a meaningful part of their total rewards
- > Employees do not know the true cost of healthcare and are not encouraged / incented to reduce cost
- > Employers need to focus on business, not healthcare costs

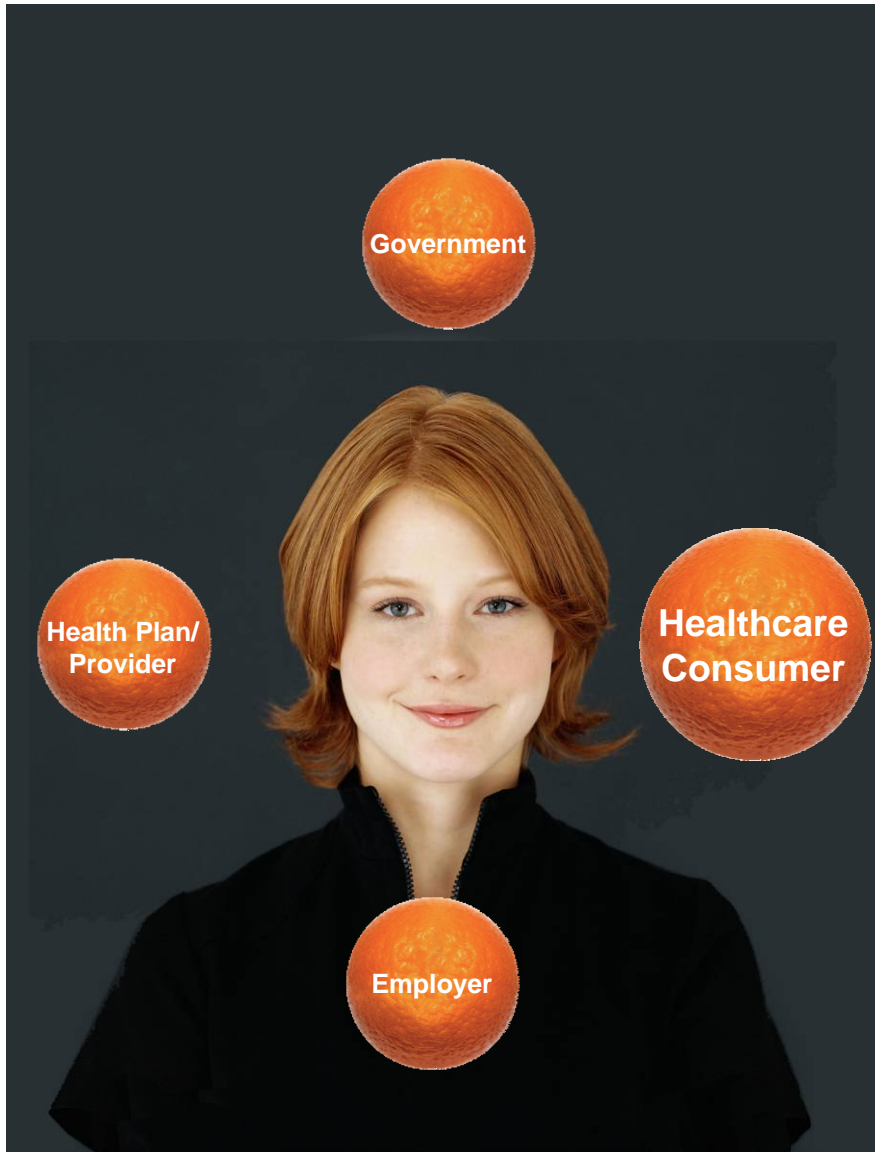
Carlson's New Healthcare Strategy Outcomes

A comprehensive, cost-effective approach that:

- > Creates and reinforces individual accountability for health
- > Maintains, improves and manages the overall health of a population by segmenting the population by health conditions and risks and targeting interventions to meet the needs of each individual
- > Leverages designs and incentives to drive and reward the right behaviors
- > Provides the right information at the right time to employee to make good healthcare decisions
- > Reduces future increase in costs to employees and Carlson

A Systems Approach

myTotalHealth



Our solution must take a systems approach and empower our employees to be smart healthcare consumers.

As a healthcare consumer, each employee must:

- Consider true cost of healthcare when making decisions
- Communicate effectively with healthcare provider
- Know how to obtain quality healthcare
- Pursue and maintain a healthy lifestyle
- Choose appropriate plans and providers
- Demonstrate self-care
- Practice preventive care
- Become a smarter consumer of healthcare

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Four essential segments of health and well-being

personal health awareness

Each employee will be able to build a personal and confidential health portfolio through our online wellness assessment tools.

Working together with their doctor, employees can create a plan for preventive and proactive care.

the good life

Employees' lives reach far beyond company walls. How we live outside of work is very important to create and maintain a healthy lifestyle.

We will provide special offers, promotions and charitable opportunities to employees and their families—supporting healthy behaviors and a more vibrant community.

We invite every employee to become a walking, talking advocate for wellness as well as a source for a wealth of health knowledge—benefiting themselves and their family.

health benefit solutions

Through our extensive provider network, employees will have easy access to medical, dental, vision and pharmacy plans.

We will help employees manage expenses through three unique products:

- > flexible spending account (fsa)
- > health reimbursement account (hra)
- > healthcare savings account (hsa)

culture of wellness

Carlson will provide ongoing awareness and education through special events and programs.

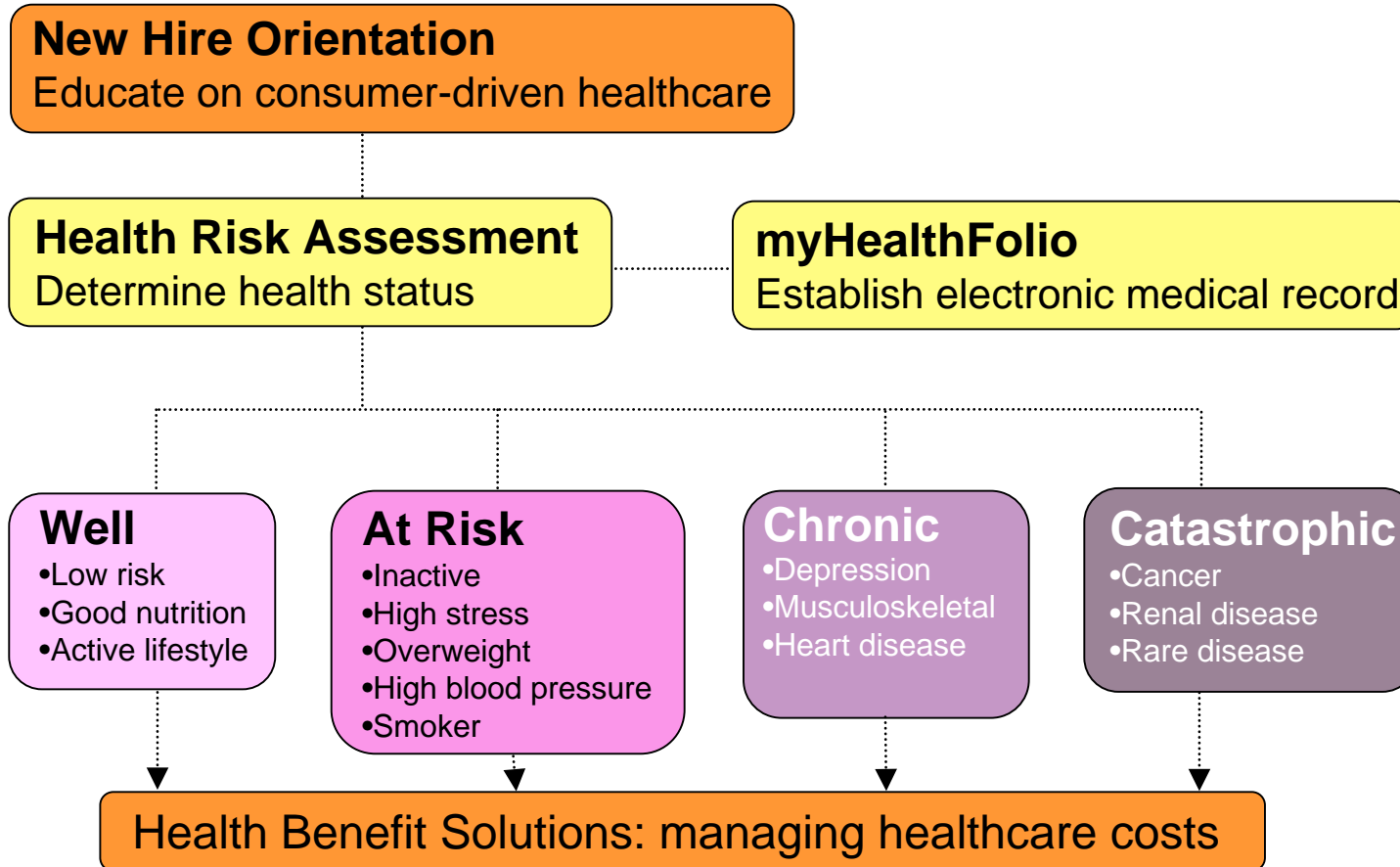
As we transform our work environment, we will offer employees opportunities to get active while enjoying healthier foods to stay energized.

We will then recognize employees and celebrate their individual triumphs and our collective successes.





Focus on Health from Day One



personal health awareness



health benefit solutions

the good life

culture of wellness

myHealthFolio

The screenshot shows a user interface for 'Denise myHealthFolio'. At the top, there is a navigation bar with links: MY HEALTH RECORD, MY MEDICATIONS, CALENDAR/REMINDERS, MY FAMILY, MY CARE PROVIDERS, and HEALTH FACTS & EDUCATION. The main content area is divided into several sections:

- Left Sidebar:**
 - MY HEALTH BENEFITS
 - SCHEDULE APPOINTMENTS
 - HEALTH SAVINGS ACCOUNT
 - PRIVACY & SECURITY
 - MANAGE MY HEALTHFOLIO
 - CALENDAR:
 - June 2, 2:00 pm: Dental checkup (Midway Dental)
 - July 19, 9:00 am: Immunization appointment (Central Medical)
 - REMINDERS:
 - "You're due for a Colonoscopy" (click here)
 - "A cholesterol check is recommended" (click here)
- Center:**
 - Welcome to your HealthFolio!**
 - You have two new messages. (Click here)
 - Manage your account. (Click here)
 - My Health Headlines:**
 - New Treatment for low back pain
 - Breakthrough on skin cancer treatments
 - Clinical trial volunteers sought for depression
 - Health & Wellness Guide:**
 - Lower back pain: 5 exercises that are quick, easy and can be done at home, office or while traveling. (Read more)
 - Seasonal Allergies: Tips for avoiding the worst part of spring. (Read more)
- Right Sidebar:**
 - OPEN ENROLLMENT:**
 - Placeholder text: Lorem ipsum dolor sit amet, consectetur adipiscing elit. Praesent. Lorem juter. Dolor isumer amet dolor. (Click here for the latest news)
 - LET US MANAGE YOUR CONDITION ONLINE!**
 - Placeholder text: Vestibulum molestie lacus. Anearn nonummy hendrerit mauris. (Click here for details)
 - FREE SMOKING CESSATION HELP:**
 - Placeholder text: Lorem ipsum dolor sit amet, consectetur adipiscing elit. Praesent. Lorem juter. Dolor isumer amet dolor. (Click here for information)

At the bottom, there is a footer with a 'PRIVACY POLICY' link and other links: Privacy Pledge, URAC, Security, and Feedback.

Organizes Family Health Information



Pharmacy



Dentist



Hospital



Laboratory/ Imaging



**Primary Care Doctors
and Specialists**



Home Monitoring Device



**Personal Health Records/
Education/ Directives**



**Health Plan Benefits
and Claims History**



Manages Health, Healthcare and Costs

Cost management tools

Pay for and track healthcare expenses with HSA/HRA health card, budgeting of costs, definition of benefits of individual consumer plan

Family health information organizer

health history, medications, immunizations, implanted device information, healthcare directives and access to EMRs, imaging, laboratory tests

Communication portal

between consumers, healthcare providers and health plans includes on-line consults, prior authorizations, and benefit queries



Calendar and reminders

healthcare appointments, health maintenance timelines and preventive schedules, and daily health routines

Incentive programs

Receive redeemable points for maintaining wellness schedule of risk assessment, healthy routines, preventive programs, and maintenance timelines

Health education

Receive public health advisories, disease management programs, health risk assessment and management, and health maintenance timelines



Incentives are **Powerful Motivators**

- > In partnership with Carlson Marketing Worldwide, Carlson will leverage a comprehensive **incentive and recognition system** to reward employees with **valuable Gold Points®** for their participation and achievements
- > For employees, Gold Points = **the freedom of choice** as they accumulate and redeem their points for the awards they want
- > Both intrinsic and extrinsic motivation are essential to successful health promotion because of their powerful behavioral effects

Evolution of Personal Health Records

In an Executive Order on April 27, 2004, President George W. Bush called for

**widespread deployment of health
information technology within 10 years**

that includes portable electronic health records to improve safety, quality, efficiency and care coordination and significantly lower healthcare costs.

First Generation of Personal Health Records

1. Important first step in development of PHRs
2. Owned and provided by health plans
3. Primarily web based education with some allowing prescriptions, appointments, claims information
4. Access to some electronic medical records
5. Low initial utilization

Second Generation Community-Based Consumer Health Portfolio

1. Owned by consumer and portable between providers, plans and employers
2. Research based development with employers, health plans, providers and consumers
3. Permanent lifetime health information portal
4. Private, secure and HIPAA compliant
5. Easy to use, personalized and needs based
6. Inter-operable with electronic medical records
7. Supports a regional health information organization

Why Carlson is interested in a community based health record

1. Less expensive with collaboration
2. Encourage health plans to partner with community platform
3. Higher quality process and outcomes
4. Greater pressure to reduce healthcare costs
5. Better opportunity to engage employees to manage their own health, healthcare and costs
6. To gain benefits of portability of health records

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Questions?