Segal

Nevada Public Employees' Benefits Program

Condition & Program Overview – Obesity & Diabetes

May 21, 2026

Agenda

Population Overview

GLP-1 Utilization Condition-

Specific Programs Appendix

Population Overview

Analysis Overview

- The following slides provide an overview of PEBP costs and utilization, drivers of trend, chronic conditions, and potential gaps in care
- Segal reviewed medical and pharmacy data provided by PEBP vendors and stored in our Segal Health Analysis of Plan Experience (SHAPE) data warehouse with claims paid through February 28, 2026
  - Current Year: July 1, 2024, through June 30, 2025 (Incurred)
  - Previous Year: July 1, 2023, through June 30, 2024 (Incurred)
- Allowed amounts include both the plan paid portion and member out-of-pocket cost
- Includes active employees and non-Medicare retirees and their dependents
- Benchmarks represent state and other public sector plans
- Detailed reports by plan can be found in the Appendix
  - Self-insured plans included CDHP, LDPPO and EPO

Executive Summary

- Medical trend largely driven by increased outpatient services, followed by professional services
  - Moderate inpatient trend with reductions in inpatient surgery and rehabilitation
  - Offset by a larger increase in outpatient surgery and Emergency Room (ER) visits
  - Opportunity to focus on ER utilization, the largest driver of outpatient trends
- Pharmacy trend driven by increased higher-cost brand and specialty drug utilization
  - Top spend is for diabetic GLP-1s which also represent the highest year over year cost increase
  - Specialty drugs represent 54% of allowed costs but only 2.2% of scripts
  - Trends partially offset by a reduction in Humira utilization due to biosimilar migration
- 53% of the membership with 1+ and 7% having 4+ chronic conditions
- Care Gap Compliance: Opportunity for improvement
  - Cancer, asthma and hyperlipidemia compliance is improving but remains below benchmark
  - Coronary artery disease (CAD) and some diabetes compliance has declined and remains below benchmark

All Enrollees

Total Allowed PMPM

Current period

$676.07

7.9% Trend

$49.44 Change

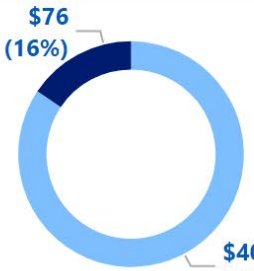
PMPM Cost Share

Medical

3.0%

Member trend

8.8% Plan trend

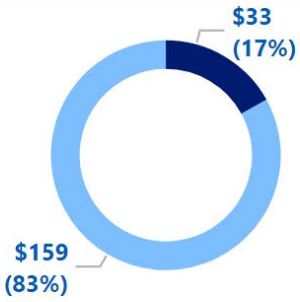


Pharmacy

4.3%

Member Trend

8.6% Plan Trend



Medical Allowed PMPM

Current period

$484.07

7.9% Trend

$35.41 Change

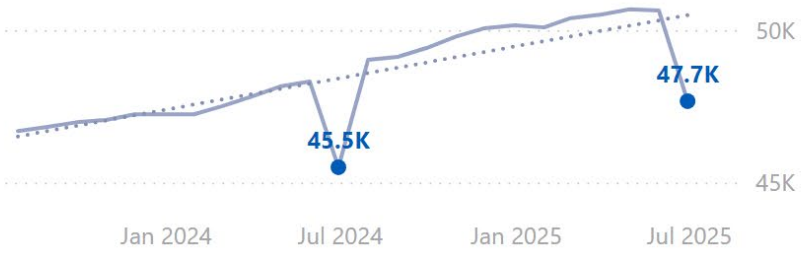
Average Membership

Current Period

49,796

5.5% Trend

2,583 Change



Pharmacy

Current period PMPM

$192.00

7.9% Trend

$14.03 Change

30-DS Scripts per 1,000

13,299

4.0%

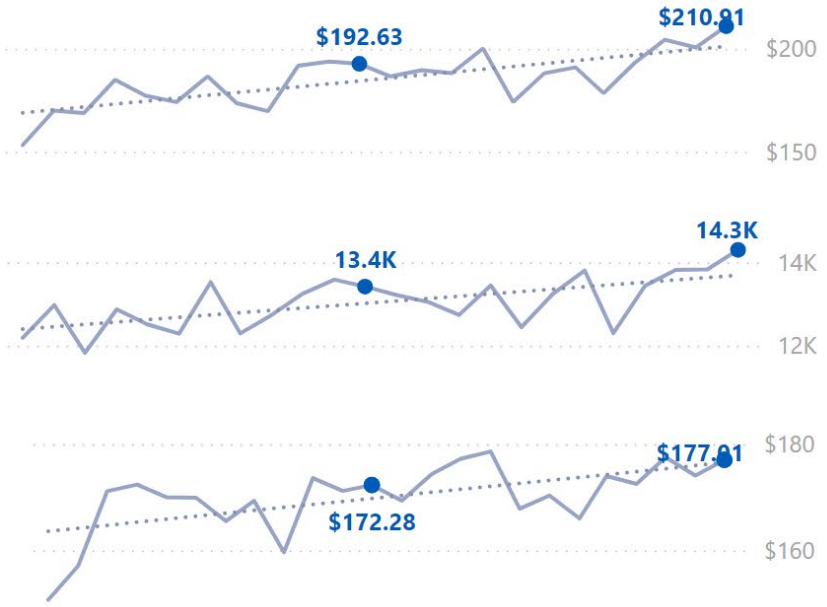
509.2

Cost per 30-DS

$173.25

3.8%

$6.26



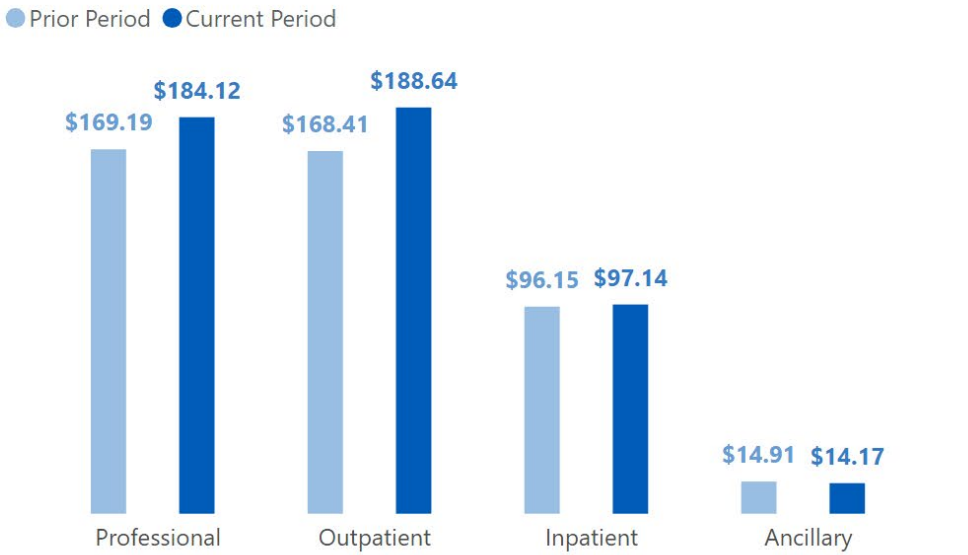
- Note: Member and plan PMPM amounts may not sum to total PMPM figures due to rounding.
- Medical PMPM trend was 7.9% across all plans (actives and retirees), within Segal's benchmark range of 7-10%. Low trend for inpatient costs help to offset larger increases in outpatient and professional services.
- Pharmacy PMPM increased 7.9% to $192.00, driven by both higher utilization (+4.0% scripts per 1,000) and rising unit costs (+3.8% cost per 30-day supply (DS)), representing a meaningful contribution to overall plan cost growth.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

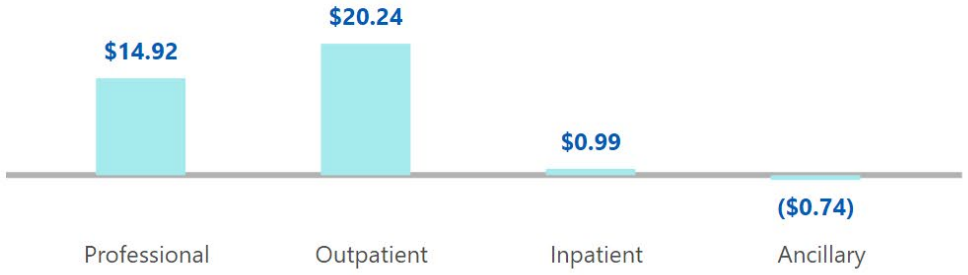
All Enrollees

Total Allowed	Allowed PMPM	% Med Utilizers	% Utilizers - IP	% Utilizers - ER	% Utilizers - UC	% Utilizers - E&M
$289.3M	$484.07	81.5%	3.7%	11.7%	21.8%	73.7%
13.8%	7.9%	0.7% pp	0.3% pp	0.8% pp	1.0% pp	1.2% pp

Allowed PMPM by major service category

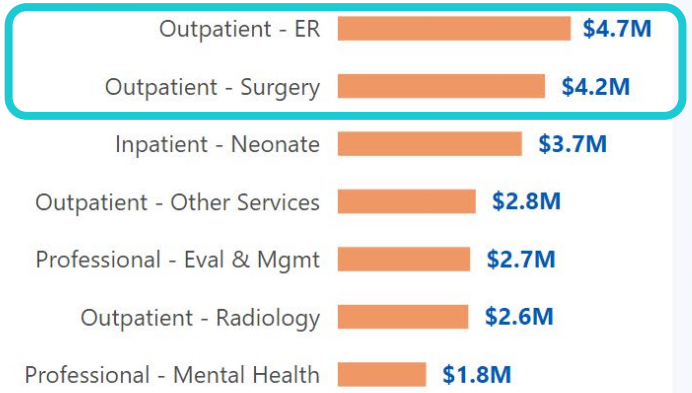


Change

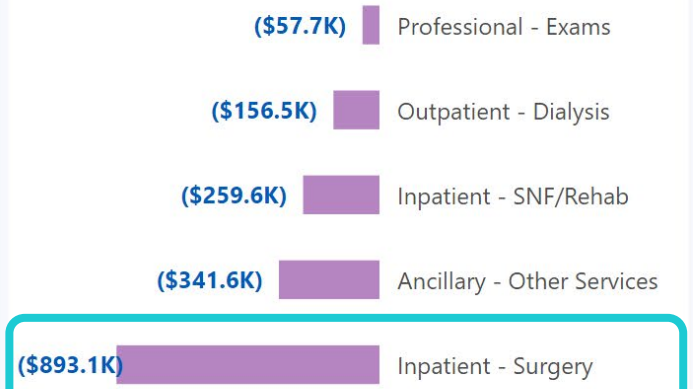


Top 7 spend changes by major + minor service

Increases



Decreases



Encounters per 1,000

Subcategory	Current Period	Period Over Period Delta
E&M	3,526	193
Urgent Care	371	17
ER	179	11
Inpatient	52	3

- Medical costs increased across professional, outpatient, and inpatient services. Inpatient costs rose very modestly due to lower surgery and SNF/rehab costs.
- Though inpatient costs held steady, this is largely due to a sharp decrease on the CDHP plan. The LDPPO plan saw high inpatient trend (31.2%).
- The two major outpatient cost drivers were ER and surgery (particularly for musculoskeletal and heart conditions).
- Higher professional costs for evaluation/management and mental health suggest improved engagement..

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

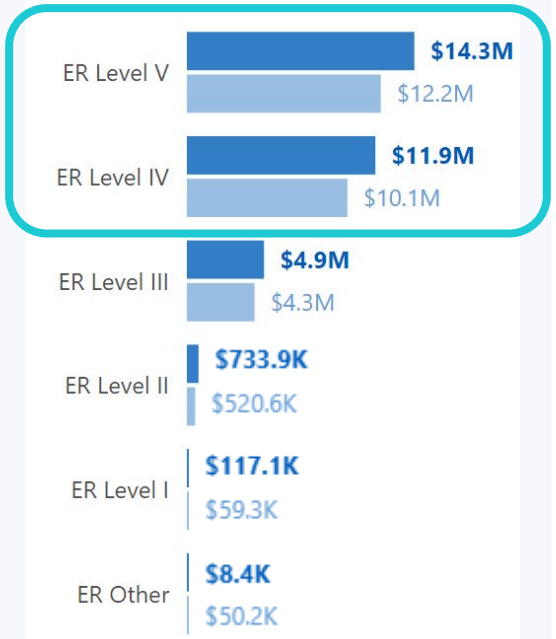
Other Detail

View by ER

Total Allowed	Allowed PMPM	Utilizers	Visits per 1,000	Allowed per Visit	% Total Med Allowed
$3.9M	$53.37	6,581	179.2	$3,573	11.0%
17.3%	11.2%	658	6.7%	4.2%	0.3% pp

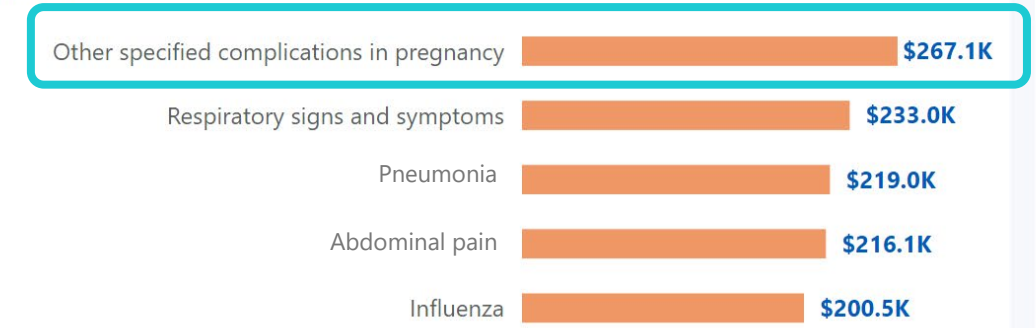
Allowed by service category

Current Period Prior Period



Top 5 spend changes by diagnostic category - Allowed change period over period

Increases



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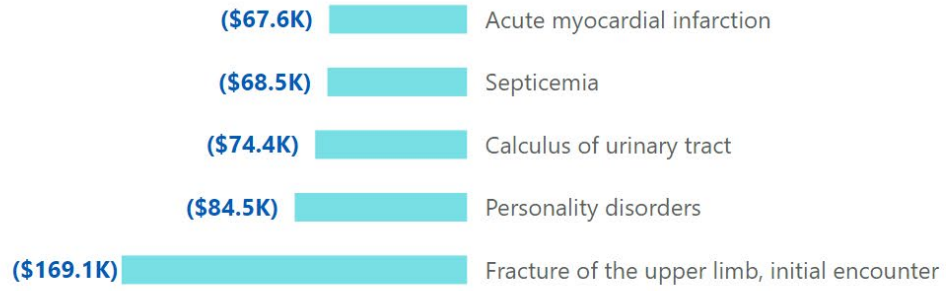


Detail by Rendering Provider - Source

Rendering Provider - Source	Medical Allowed	Encounters	Allowed Per Encounter
RENOWN REGIONAL MED	$4,486,410.95	1,082	$4,146.41
CARSON TAHOE REGIONAL HEALTHCA	$3,616,585.20	1,406	$2,572.25
HENDERSON HOSPITAL	$1,908,393.53	472	$4,043.21
RENOWN SOUTH MEADO	$1,889,209.55	485	$3,895.28
NORTHERN NV HOSP	$1,887,407.85	493	$3,828.41
ST ROSE DOMINICAN	$1,782,153.21	303	$5,881.69

- ER costs rose by 11.2% on a PMPM basis, driven more by utilization (+6.7%) than by unit costs (+4.2%).
- Costs rose the most for high-severity ER encounters (levels IV and V), indicating that members are generally reserving ERs for true emergencies.
- There were more ER visits for pregnancy complications, which – though emergent – may indicate gaps in prenatal care access and adherence.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

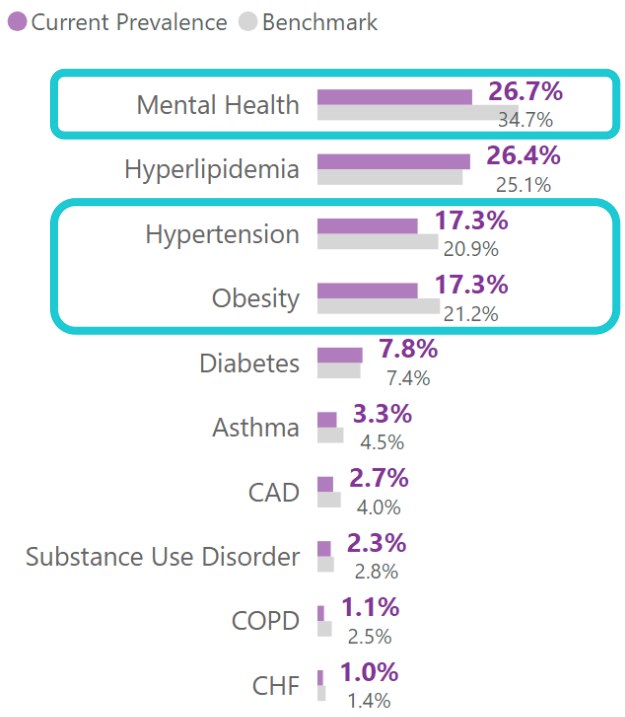
Major Chronic Conditions

Benchmark Type: Public Sector

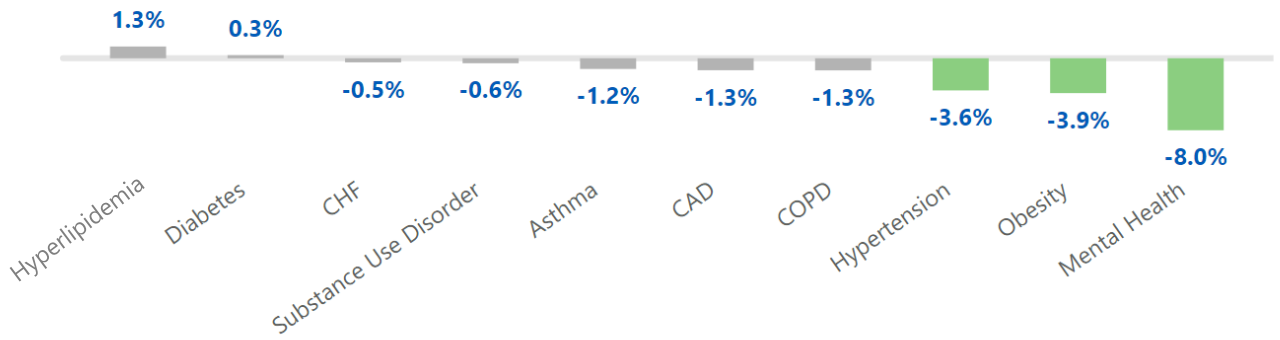
Members
25,131
2K

Prevalence
52.7%
1.9% pp

Chronic Conditions Prevalence - *hover for age band dist.*



Prevalence Variation from Benchmark



Chronic Condition	Members	Member Change	Prevalence Change	Avg Total Conditions	Med PMPM	Rx PMPM
Mental Health	12,750	1305 ↑	1.6% ↑	2.1	$796	$298
Hyperlipidemia	12,585	996 ↑	0.9% ↑	2.6	$755	$400
Hypertension	8,256	481 ↑	0.2% ↑	3.0	$1,010	$476
Obesity	8,255	772 ↑	0.9% ↑	2.8	$826	$362
Diabetes	3,710	387 ↑	0.5% ↑	3.5	$996	$773
Asthma	1,581	90 ↑	0.0% ↑	2.8	$802	$544
CAD	1,291	135 ↑	0.2% ↑	4.0	$1,887	$661
Substance Use Disorder	1,095	119 ↑	0.2% ↑	3.0	$1,202	$312
COPD	538	31 ↑	0.0% ↑	3.4	$1,906	$936
CHF	454	34 ↑	0.0% ↑	4.5	$3,035	$914

- 53% of the population has one or more of the ten conditions listed, though prevalence compares favorably to norms for most conditions.
- Mental health is the most common condition and the fastest-growing. Programs should address mental health as a growing area of clinical risk, especially as it can make managing physical conditions more difficult..

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

All Enrollees

Care Gap Compliance

Benchmark Type: Public Sector

Description	Current	Previous	Change	Benchmark	Variation	
Asthma						
Patient(s) with inhaled corticosteroids or leukotriene inhibitors in the last 12	83.2%	83.0%	0.1% ↑	84.1%	-0.9% ↓	Improving but Not Beating Benchmark
CAD						
Patient(s) currently taking a statin	64.6%	66.2%	-1.6% ↓	69.2%	-4.6% ↓	Declining and Not Beating Benchmark
Patient(s) currently taking an ACE-inhibitor	18.4%	21.5%	-3.2% ↓	21.5%	-3.2% ↓	Declining and Not Beating Benchmark
COPD						
Patients with spirometry testing within the last 12 months	21.7%	22.5%	-0.7% ↓	19.9%	1.9% ↑	Declining but Beating Benchmark
Diabetes						
Patient(s) that had an annual screening test for diabetic nephropathy	63.0%	62.1%	0.9% ↑	63.6%	-0.6% ↓	Improving but Not Beating Benchmark
Patient(s) that had an annual screening test for diabetic retinopathy	29.5%	32.0%	-2.5% ↓	33.5%	-4.0% ↓	Declining and Not Beating Benchmark
Patient(s) that had at least 1 hemoglobin A1C tests in last 12 reported months	85.8%	83.2%	2.6% ↑	84.4%	1.4% ↑	Improving and Beating Benchmark
Hyperlipidemia						
Patient(s) with a LDL cholesterol test in last 12 reported months	76.5%	76.2%	0.3% ↑	77.7%	-1.2% ↓	Improving but Not Beating Benchmark
Preventive Screening						
Breast Cancer	64.3%	61.4%	2.8% ↑	71.8%	-7.5% ↓	Improving but Not Beating Benchmark
Cervical Cancer	53.3%	51.8%	1.5% ↑	60.1%	-6.8% ↓	Improving but Not Beating Benchmark
Colorectal Cancer	50.3%	45.6%	4.6% ↑	56.9%	-6.6% ↓	Improving but Not Beating Benchmark
Prostate Cancer	48.0%	45.8%	2.2% ↑	56.0%	-8.0% ↓	Improving but Not Beating Benchmark

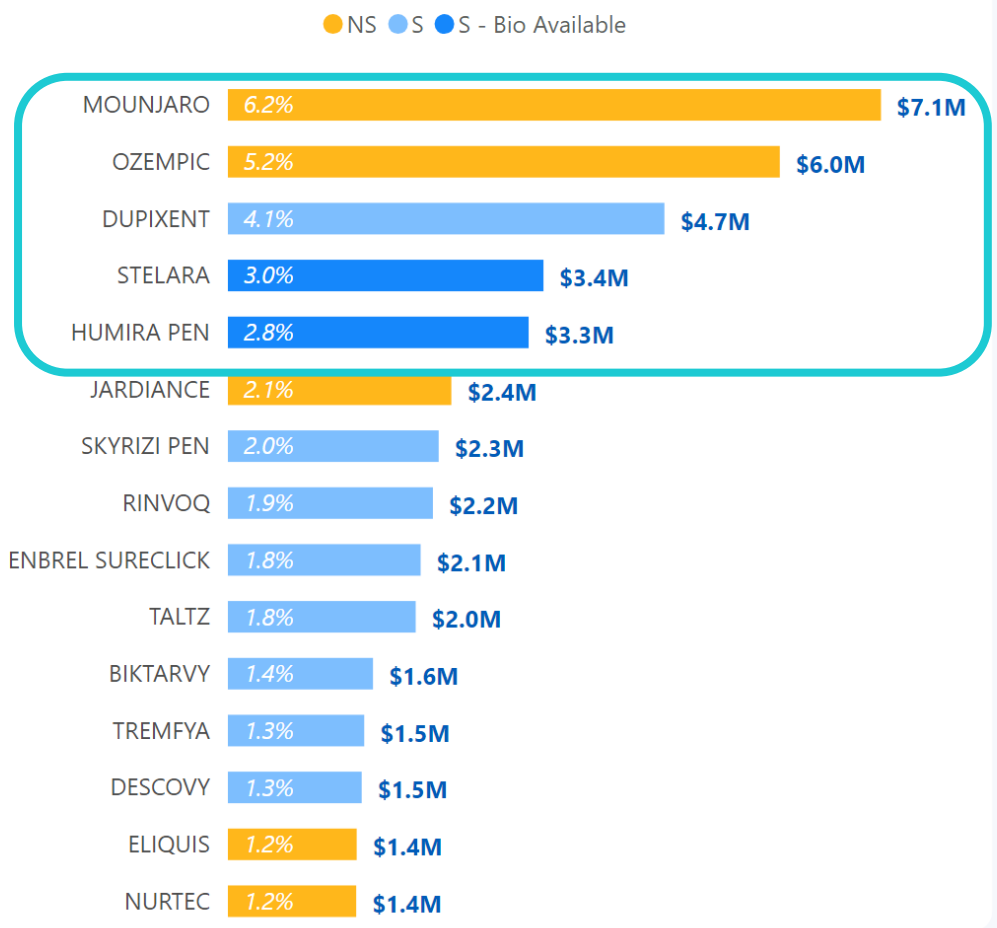
- Only two out of twelve care quality metrics are above the public sector norm, though most are improving, which is an encouraging trend.
- Special attention should be paid to continuing to boost cancer screening rates, which have risen in the past year but still lag the benchmark.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

All Enrollees

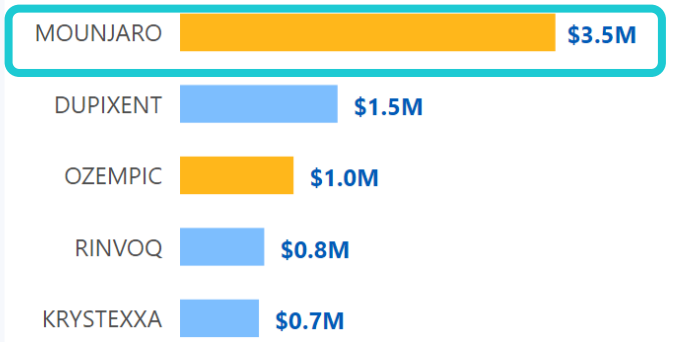
Total Allowed	30-DS Rx per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers	% Utilizing Rx
$114.7M	13,299	$192.00	$173.25	87.0%	38,193	67.6%
13.8%	4.0%	7.9%	3.8%	0.5% pp	1,775	0.7% pp

Top 15 Drugs - Pharmacy Allowed *(% of Total Pharmacy Allowed)* *

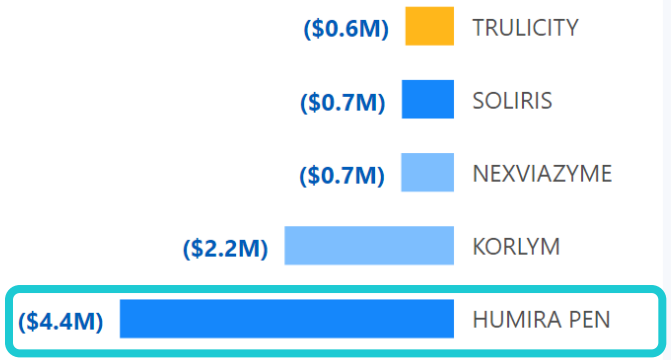


Top 5 spend changes by drug - Allowed change

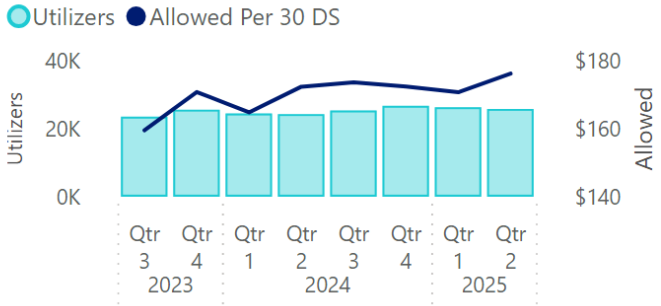
Increases



Decreases



Cost vs. Utilization



- Pharmacy costs increased meaningfully, with PMPM rising 7.9% and utilization growing 4.0% on a scripts per 1,000 basis, with the LDPPO and CDHP showing the strongest growth and the EPO trending more moderately.
- GLP-1s and specialty drugs remained the primary cost drivers, with Mounjaro (+$3.5M), Dupixent (+$1.5M), and Ozempic (+$1.0M) leading spend increases across all plans combined.
- Humira costs fell sharply by $4.4M, though it remains the fifth-costliest drug, indicating biosimilar savings. Biosimilars are a continued area of opportunity for savings. Stelara, a similar autoimmune product for which biosimilars are newly available, was the fourth-costliest at $3.4M.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

* S = Specialty, NS = Non-Specialty

Top 15 Pharmacy Disease Indications

All Enrollees

Total Allowed	30-DS RX per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers	% Total Rx Cost
$93.8M	3,029	$156.90	$621.62	55.7%	22,734	81.7%
11.7%	7.0%	5.9%	-1.0%	-0.7% pp	1K	-1.5%

Rank	Disease Indication	Previous Rank	Rank Change	Current Rx PMPM	PMPM Change	Current Utilizers	Utilizer Change	% Total Rx	Generic Fill Rate
1	Diabetes	1	0	$36.53	$1.15 ↑	4,158	439 ↑	19.0%	46.8%
2	Autoimmune Disease	2	0	$22.82	($4.33) ↓	422	21 ↑	11.9%	19.1%
3	Psoriasis	3	0	$18.84	$3.02 ↑	229	36 ↑	9.8%	9.6%
4	Oncology	4	0	$13.53	$0.83 ↑	682	71 ↑	7.0%	84.8%
5	Skin Disorders	5	0	$10.43	$2.72 ↑	5,673	624 ↑	5.4%	85.4%
6	Viral Infections/HIV AIDS	7	1 ↑	$7.84	$1.50 ↑	290	63 ↑	4.1%	29.8%
7	Asthma/COPD	6	-1 ↓	$7.60	$0.53 ↑	6,078	553 ↑	4.0%	85.1%
8	Vaccines/Immunizing Agents	8	0	$6.50	$0.47 ↑	9,556	-561 ↓	3.4%	0.0%
9	Migraine	11	2 ↑	$5.91	$0.93 ↑	1,341	120 ↑	3.1%	51.1%
10	Multiple Sclerosis/Neuromuscular Disorders	12	2 ↑	$5.90	$0.99 ↑	50	1 ↑	3.1%	32.1%
11	Rare Disorders	9	-2 ↓	$5.78	($0.14) ↓	156	37 ↑	3.0%	74.4%
12	Blood Disorders	10	-2 ↓	$5.46	($0.03) ↓	1,019	114 ↑	2.8%	41.2%
13	ADHD/Narcolepsy	13	0	$3.88	$0.09 ↑	2,206	341 ↑	2.0%	93.1%
14	Mental Health/Neurological Disorders	16	2 ↑	$3.00	$0.79 ↑	1,151	91 ↑	1.6%	86.0%
15	Diabetic Supplies/Monitoring	14	-1 ↓	$2.88	$0.24 ↑	852	67 ↑	1.5%	0.0%

- These fifteen disease indications accounted for 81.7% of total Rx costs. The top five indications are unchanged, led by diabetes and autoimmune disease at $36.53 and $22.82, respectively, though autoimmune disease costs did fall due to less spend on Humira.
- Meanwhile, psoriasis PMPM rose due to greater Dupixent spend. This category should be closely monitored to ensure that utilization is well managed and that lower-cost alternatives are in use wherever possible. Stelara (which can treat psoriasis) currently has the largest potential for biosimilar migration.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Observations by Plan

- LDPPO experienced the most significant cost growth of all plans, with total allowed PMPM rising 12.6% to $699.84
  - Driven by broad-based medical trend, particularly inpatient surgery, ER, and neonatal services
  - Saw both higher utilization and a meaningful membership influx (+21.8%) introducing younger cohorts that may shift costs due to a different demographic risk
- EPO carries the highest per-member cost burden at $1,055.71 PMPM
  - Driven by the highest chronic condition prevalence (65.2%) and an aging and declining (-10.1%) membership base
  - Medical costs rose 8.0% PMPM despite a drop in overall allowed costs
- CDHP demonstrated the most stable cost experience (+3.5% total allowed PMPM)
  - Inpatient costs declined materially (-20.6%), partially offset by outpatient cost pressure
  - Ongoing membership decline (-4.5%) warrants monitoring as it may mask underlying per-member cost acceleration
- Non-Medicare PMPM costs are nearly 70% higher than for Actives; however, they make up only 9% of self-funded population

GLP-1 Utilization

GLP-1 Overview

- GLP-1s have been on the market since the early 2000's
  - Used for the treatment of diabetes and obesity
  - Utilization increased significantly mid-2022 with the popularity of Ozempic
- $3.8M cost increase for GLP-1s ($11M in PY2024 compared to $14.8M in PY2025)
  - 18% increase in utilizers in PY2025 from PY2024
  - 52% of GLP-1 utilizers enrolled in the LDPPO Plan; 33% in the CDHP Plan, 15% in the EPO Plan
  - Off-label use (GLP-1 utilization by members without a diabetes diagnosis) seems controlled with under 4% of all users

40% (1,798 members)

of enrolled PEBP diabetic members utilize GLP-1's

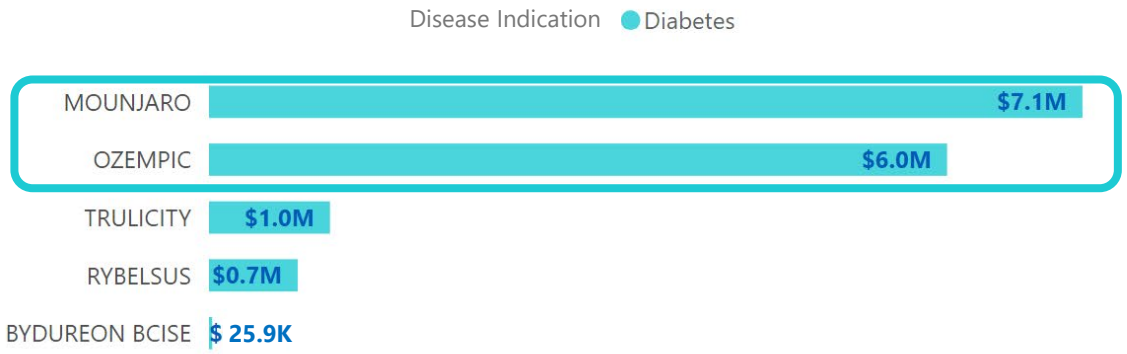
$14.8M

GLP-1 spend in PY2025

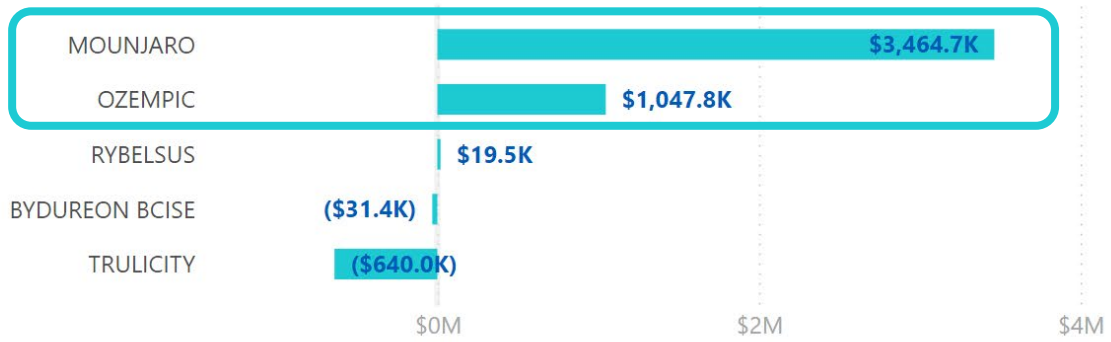
All Enrollees

Total Allowed	30-DS RX per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers
$14.8M	303	$24.83	$982.64	0.1%	1,798
34.8%	21.6%	27.8%	5.2%	0.1% pp	273

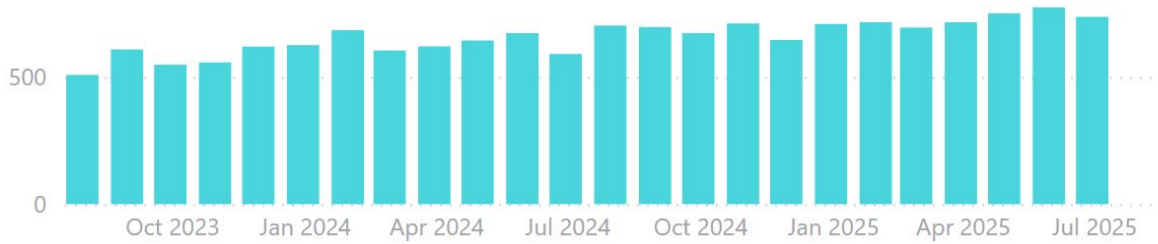
Current pharmacy allowed - Top 5 drugs



Spending changes by drug - Top 5 Allowed change period over period



Prescriptions



Current cost per 30 day supply

- Though GLP-1s continue to exert significant cost pressure, the rate of cost increases may be moderating. Between fiscal years 2023 and 2024, utilization rose 26.1%, compared to 21.6% between fiscal years 2024 and 2025.
- About 40% of diabetics currently enrolled use GLP-1s, with similar rates across plans. Potential off-label use by non-diabetics is well controlled at under 4% of all users.

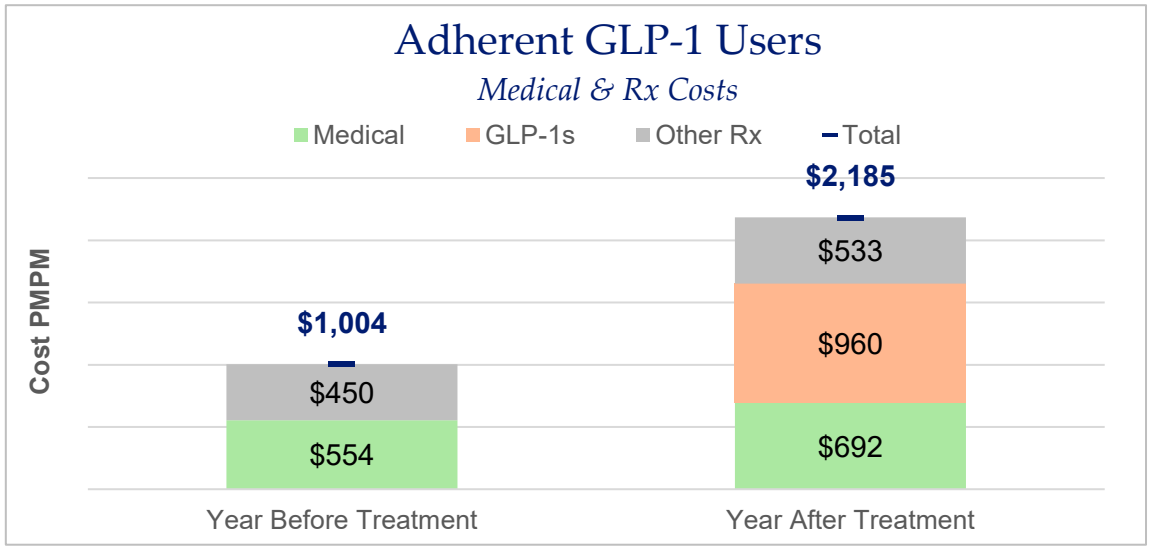
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

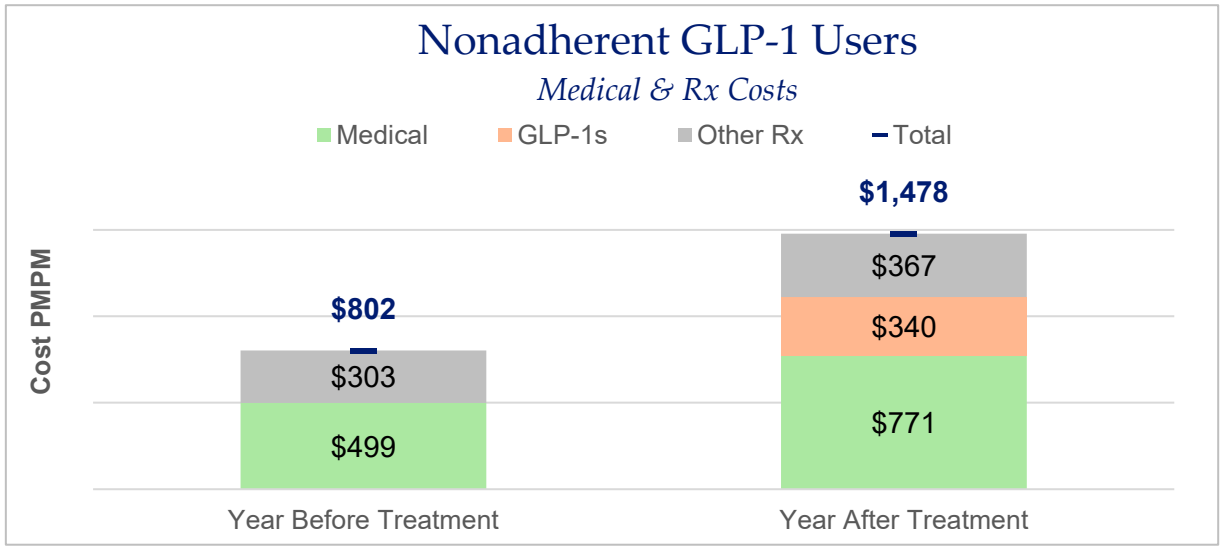
GLP-1 Adherence Results*

- Adherence* for GLP-1 medications is approximately 50-60% over all plans
  - Members who were not adherent in the first year of therapy exhibited nearly a 30-percentage point increase in medical costs*
  - Adherent GLP-1 users exhibited reduction in emergency room and urgent care spend
  - It is typical to have higher professional costs in the first year taking GLP-1s given additional engagement with PCPs, endocrinologists, etc.
- While GLP-1s have some clinical benefit and medical cost saving after 24 months, to date, there has not been enough medical expense savings to offset the high cost of GLP-1 medications

*Analyzed members who initiated GLP-1 usage in CY2023-CY2024 using medical claims paid through March 2026. Adherence defined as members that filled scripts to cover at least 80% of days in a year.

Cost Impact – Adherent vs. Non-Adherent





Adherent Observations

- Adherent GLP-1 users (n = 750) experienced a **9.8% reduction in outpatient costs,** reflecting declines in spend for emergency room ($63 vs. $34 PMPM) and urgent care ($8 vs. $6 PMPM) but an increase in professional costs including evaluation and labs ($192 vs. $243 PMPM).
- Total medical costs for adherent members increased from **$554 PMPM** at baseline (12 months pre-initiation) to **$692 PMPM** in the first year of therapy (i.e., measurement), **representing a 25% increase**.
- Total cost of care (medical and drug, gross rebates) increased by **118%**, primarily driven by the **high cost of GLP-1s which contributed an additional $960 PMPM**.

Non-Adherent Observations

- Nonadherent (n = 618) members experienced **increased medical costs across inpatient, outpatient, and professional settings**.
- Overall had **22% higher inpatient costs** after treatment compared to adherent users ($252 vs. $206 for adherent PMPM).
- Outpatient cost increases were driven by **63% higher emergency room** spend ($94 vs. $153 PMPM) and 73% higher surgery ($36 vs. $61 PMPM).
- Overall medical costs for nonadherent GLP-1 users rose from **$499 PMPM** at baseline (12 months pre-initiation) to **$771 PMPM** in the first year of therapy (i.e., measurement), reflecting a **54% increase**.
- Total cost of care (medical and drug, gross of rebates) increased by **84%** in the first year of therapy initiation, which **included GLP-1 cost of $340 PMPM.**

Condition-Specific Programs

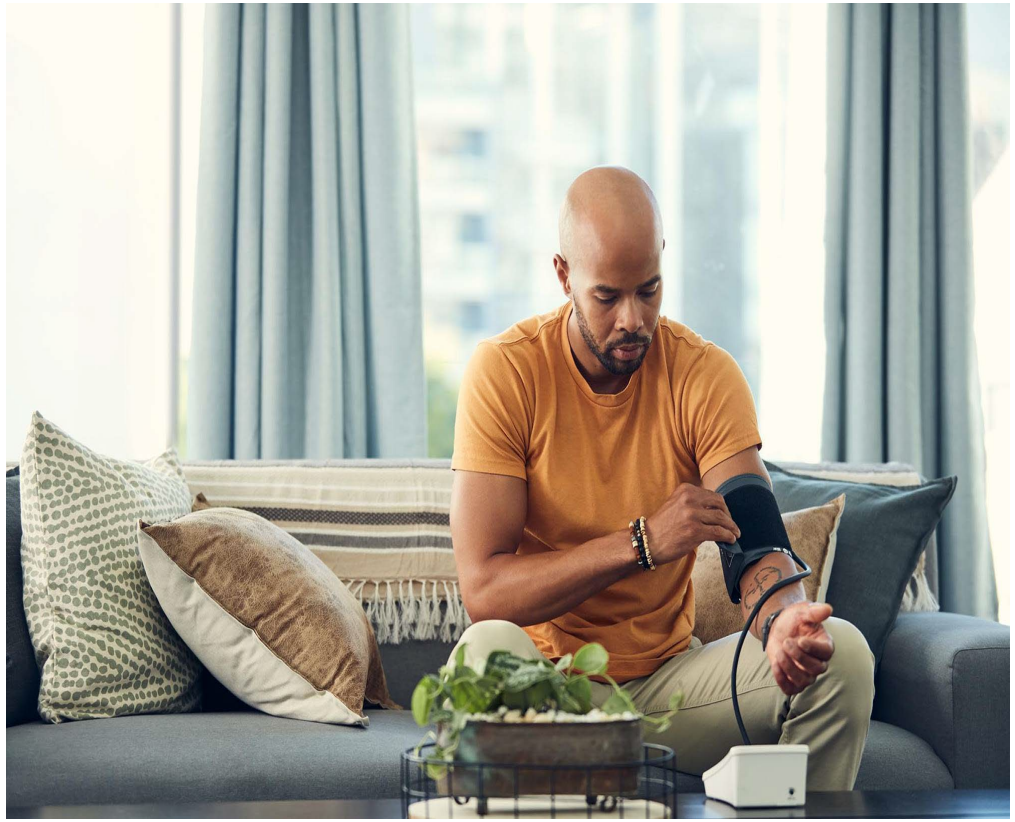
Overview of Programs

- **Diabetes Care Management (DCM)**
  - Eligible: CDHP participants and covered dependents; must meet BMI eligibility requirement
  - Description: Voluntary “opt-in” program that provides, but it not limited to, the ability to purchase diabetes related medications, such as insulin, at a copy and not be subject to deductible or coinsurance
- **Obesity Care Management (OCM)**
  - Eligible: CDHP, LDPPO, and EPO participants and covered dependents
  - Description: Voluntary “opt-in” program that provides, but is not limited to, medically supervised weight loss program, nutritional counseling, weight-loss medications
- **Real Appeal**
  - Eligible: CDHP, LDPPO, EPO and HMO participants and covered dependents; must meet BMI eligibility requirement
  - Description: Online weight management program focused on building healthier habits; offers virtual group sessions, fitness, food and weight trackers and food and weight scales
- **Nevada Business Group on Health Pilot Program (NVBGH)**
  - Eligible: PEBP participants identified as Type 2 diabetic or Pre-Diabetic
  - Description: Lifestyle change pilot program focused offered to Type 2 diabetics and Pre-Diabetic; in person and virtual options

* Disease Management Program available to HMO participants not evaluated due to lack of data availability.

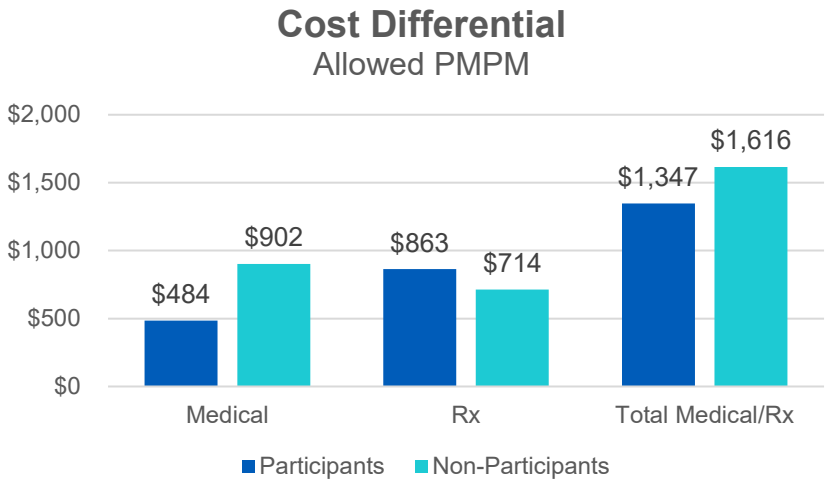
Summary of Programs

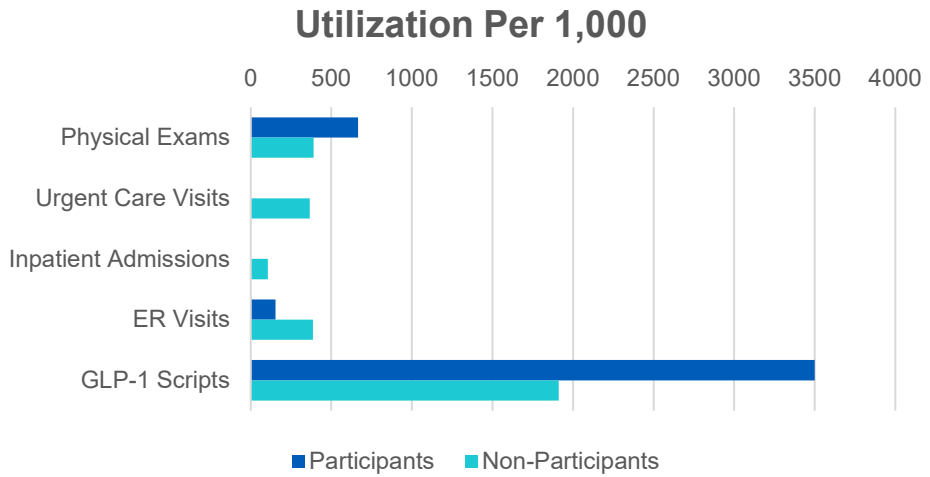
- Low engagement across all programs evaluated
- Of those participating:
  - Average of 2-3 chronic conditions
  - Lower inpatient admissions & emergency room utilization
  - Increased utilization on lower-level care settings such as physical exams and urgent care

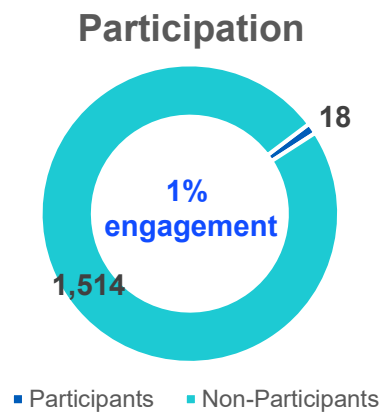


Overall, the industry is moving towards whole-person health versus programs specific to certain conditions

Diabetes Care Management Program*





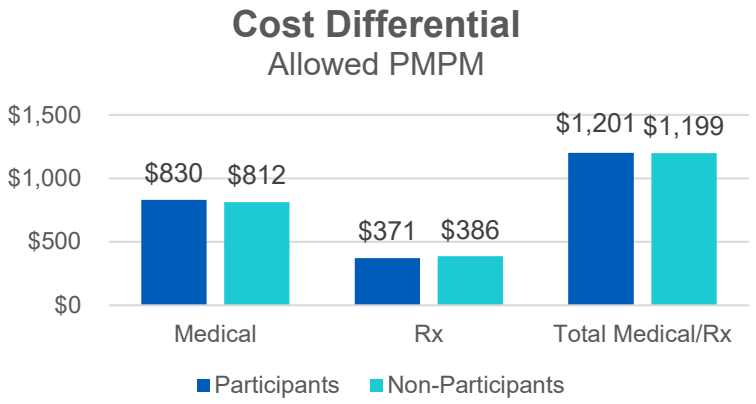


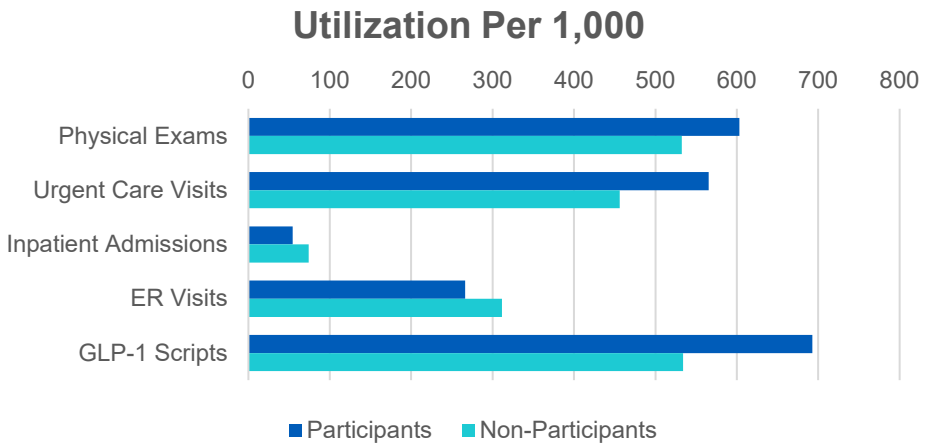
Metric*	Participants	Non-Participants
Avg. Total Risk Score	11.0	13.9
Avg, # Conditions	2.9	3.5
A1 Screening	100%	85%
Retinopathy Screening	72%	64%
Nephropathy Screening	28%	24%
LDL Cholesterol Screening	100%	79%

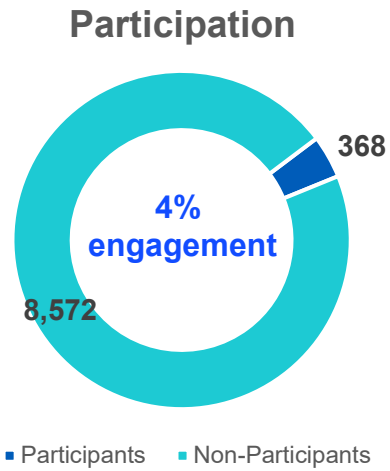
*Based on medical and Rx claims incurred in CY2025 and paid through February 2026. Given small participation size, results are not credible and could vary significantly year to year.

- Program developed by PEBP and offered only to CDHP participants
  - Included as a part of the base administrative fee
  - Low engagement
  - Those who participate are doing so largely to access medications prior to meeting CDHP deductible
- For the small sample of participants:
  - Medical costs for Program participants are lower, and Rx costs are higher than for non-participants
- Additional opportunity to communicate program to those on CDHP to lower member out-of-pocket costs and potentially better manage conditions

Obesity Care Management Program*





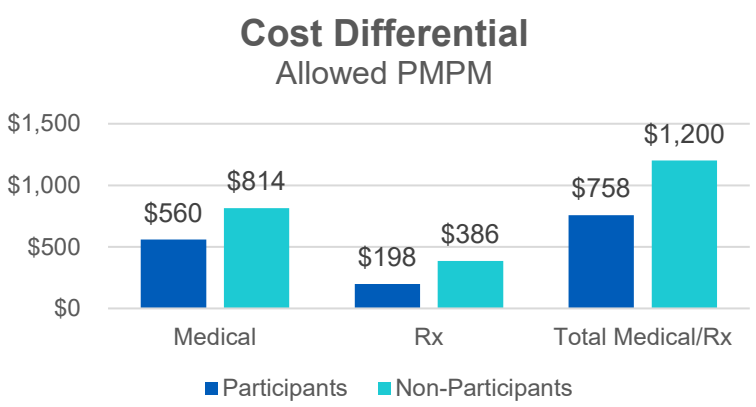


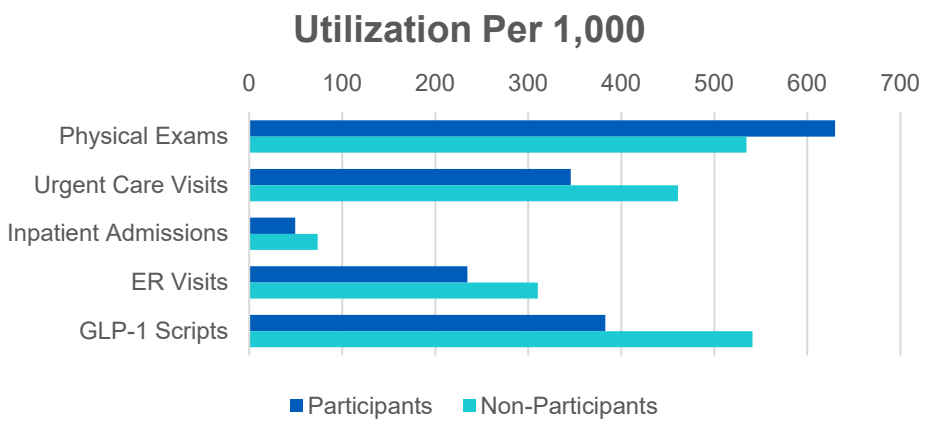
Metric*	Participants	Non-Participants
Avg. Total Risk Score	13.2	12.0
Avg, # Conditions	2.0	1.8
Diabetics		
A1c Screening	85%	87%
Retinopathy Screening	38%	65%
Nephropathy Screening	23%	30%
LDL Cholesterol Screening	85%	81%
Hyperlipidemia		
Total Cholesterol	87%	80%
Hypertension		
Annual Physical	100%	97%

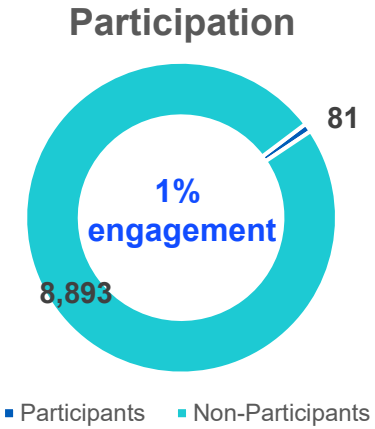
- Program was developed by PEBP and included in base administrative fee
- Higher participation than the other programs evaluated, but still low engagement (4%)
- Engaged members have higher risk scores and average more conditions, but overall costs are similar between participants and non-participants
  - Less inpatient admissions and ER visits and more spend for lower cost settings such as physical exams and urgent care visits
- Opportunity to improve compliance rates for participants for certain types of screenings such as A1c, retinopathy, and nephropathy

*Based on medical and Rx claims incurred in CY2025 and paid through February 2026. Given small participation size, results are not credible and could vary significantly year to year.

Real Appeal







Metric	Participants	Non-Participants
Avg. Total Risk Score	11.7	12.0
Avg, # Conditions	2.0	2.8
Diabetics		
A1 Screening	94%	87%
Retinopathy Screening	59%	63%
Nephropathy Screening	24%	29%
LDL Cholesterol Screening	94%	81%
Hyperlipidemia		
Total Cholesterol	83%	81%
Hypertension		
Annual Physical	100%	97%

- No administrative fee but charges flow through medical claims
  - Average claim cost is $799 per 52-week program, which includes one-time fee when participant completes the assessment and registers for the program
  - Max of 12 sessions are submitted but member can attend unlimited sessions - only charged for a session if member is on track for 5% weight loss
- Engagement represents a small portion (1%) of those who are eligible
- Engaged members have lower inpatient admissions, ER and urgent care visits and GLP-1 scripts
- Higher compliance with certain diagnostic screenings

*Based on medical and Rx claims incurred in CY2025 and paid through February 2026.
Given small participation size, results are not credible and could vary significantly year to year.

Nevada Business Group on Health

- Pilot program offered at no cost to PEBP
- National Diabetes Prevention Program
  - Evidence-based lifestyle change program for preventing Type 2 diabetes
  - Year-long program; weekly sessions for 6-months and shift to monthly
  - Meet with trained lifestyle coach and small group of others making lifestyle changes
- Diabetes Self-Management Education and Support Programs
  - Evidence-based educational program to reduce symptoms and improve quality of life
  - 6-week group program for those with Type 2 diabetes with 2.5 hour weekly sessions
- Locations
  - Sanford Center for Aging
    - Offers virtual or in-person sessions in Reno / Sparks area
    - 44 participants; however, unable to match reliably to claims data
  - Dignity Health St. Rose Dominican
    - Offers virtual or in-person sessions in Las Vegas / Henderson Valley area
    - Participation data not tracked

Thank You

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- The projections in this report are estimates of future costs and are based on information available to Segal at the time the projections were made. Segal has not audited the information provided. Projections are not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, changes in medical innovation/FDA approvals, trend rates, and claims volatility. The accuracy and reliability of projections decrease as the projection period increases.

Appendix

Reporting by Plan

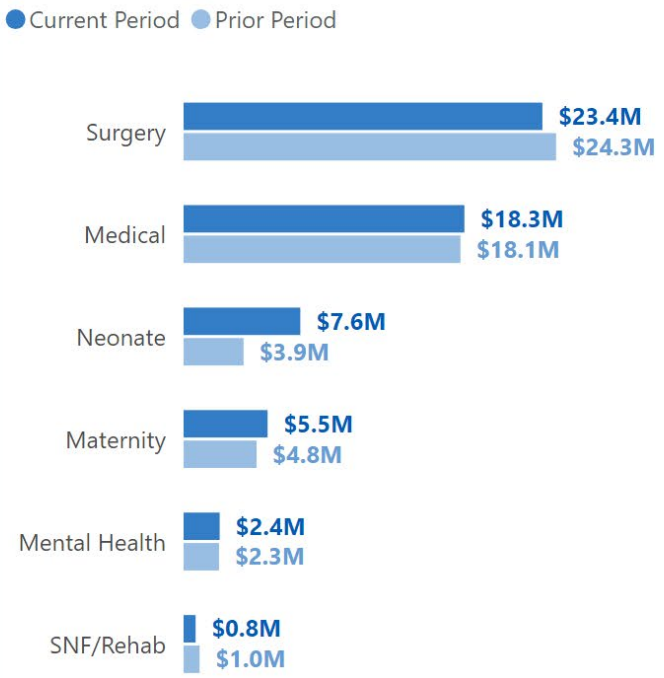
1. **All Enrollees – Actives and Non-Medicare**
2. LDPPO Plan – Actives and Non-Medicare
3. CDHP Plan – Actives and Non-Medicare
4. EPO Plan – Actives and Non-Medicare

Data was reviewed for reasonableness but not audited for accuracy

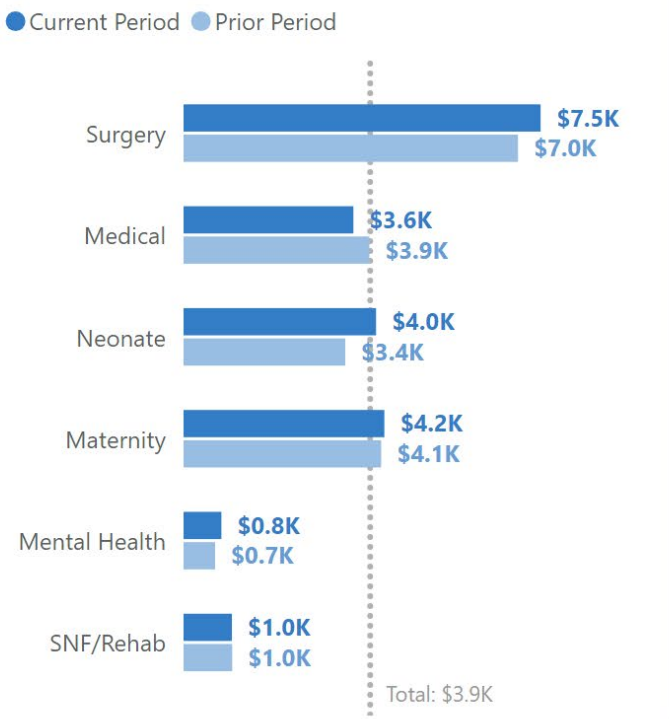
All Enrollees

Total Allowed	Allowed PMPM	Utilizers	Admissions per 1,000	Allowed per Admission	Average LOS (Days)	% Total Med Allowed
$58.0M	$97.14	2,111	51.8	$22,489	5.8	20.1%
6.6%	1.0%	237	6.3%	-5.0%	-10.2%	-1.4% pp

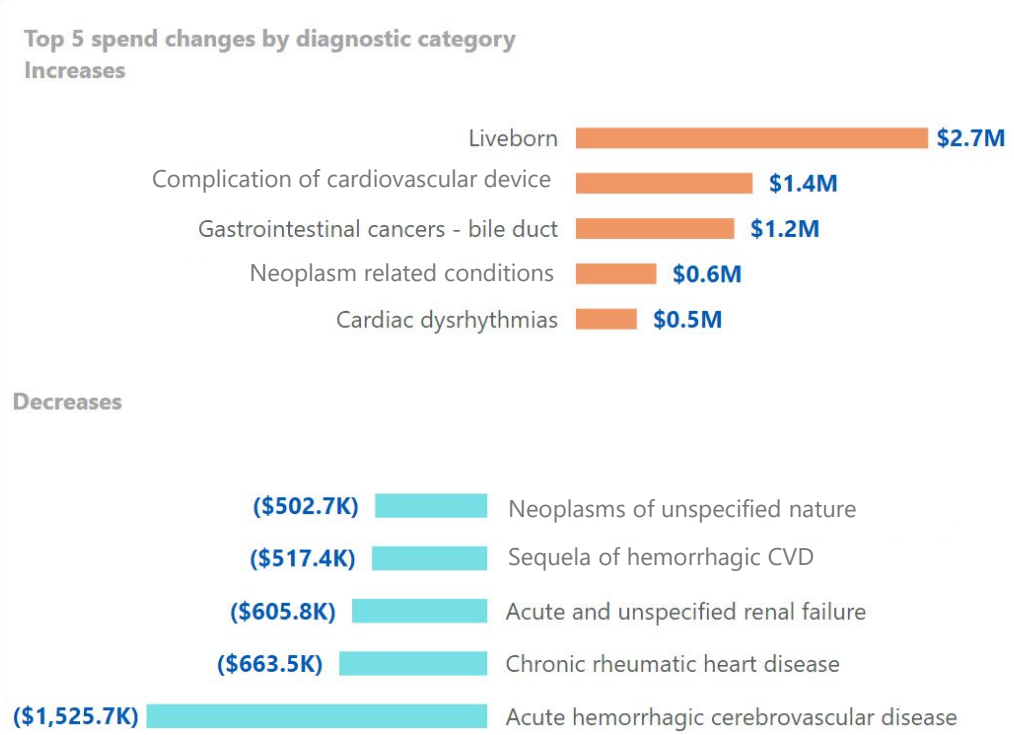
Allowed by service category



Average Allowed Per Day



Top 5 spend changes by diagnostic category



- Though generally stable across all enrollees, inpatient costs rose for neonatal and maternity services, where costs climbed by 94.9% and 14.6%, respectively.
- Average allowed costs for maternity services were stable, indicating that increased costs here were due to generally higher rates of pregnancy and childbirth this year, which is supported by the large increase in liveborn claims (+$2.7 million).
- However, the increase in neonatal claims was driven primarily by episode severity and a higher cost per encounter ($34,655, up 47.8%). Some neonatal cases were due to standard single and multiple births, but there were some large claims for serious complications (e.g., bacterial sepsis, respiratory issues).

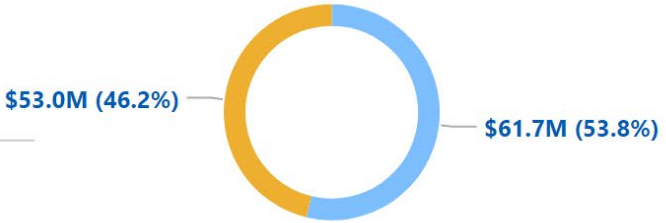
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

All Enrollees

Current Pharmacy Allowed

Specialty allowed trend
9.0%

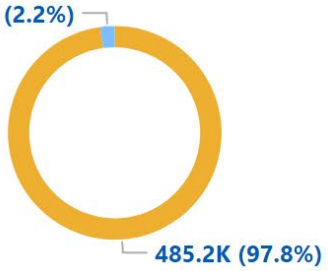
Non-specialty allowed trend
20.0%



Prescriptions

Specialty scripts trend
17.9%

Non-specialty script trend
9.4%



Average Cost per 30 day supply

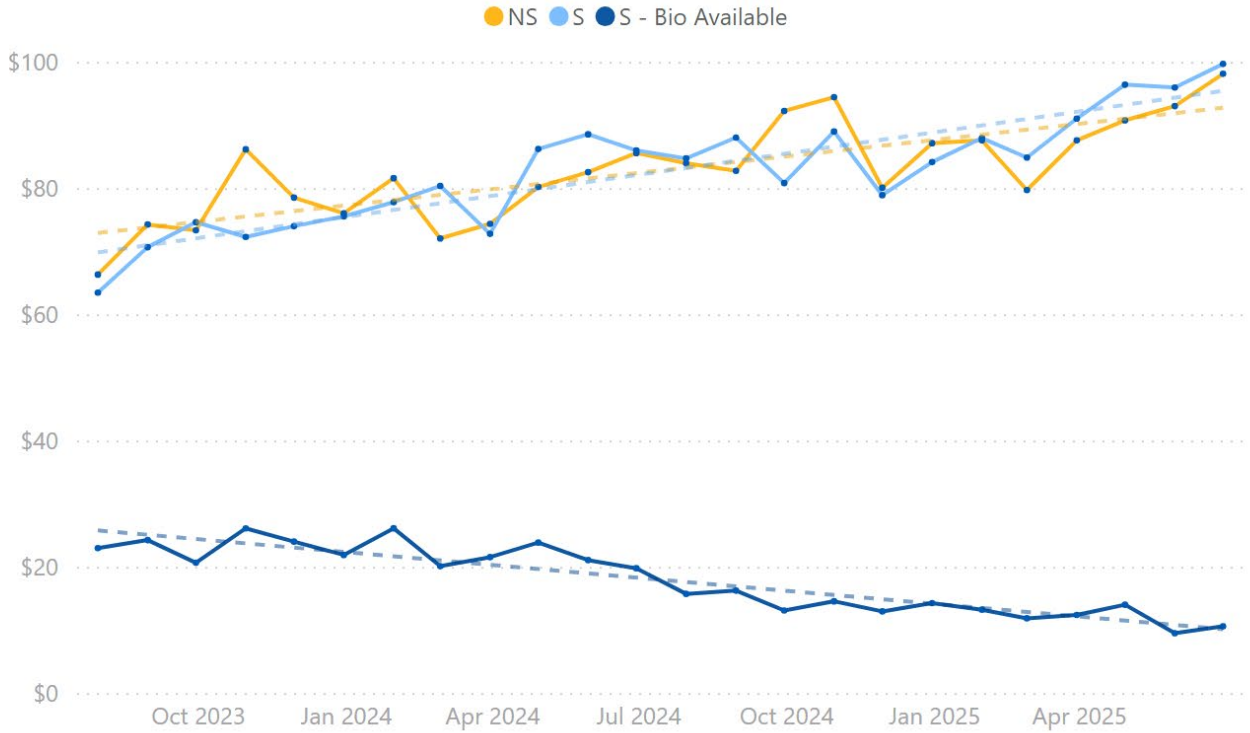
Specialty average cost trend
-8.6%

Non-specialty average cost trend
9.5%

Allowed PMPM Trends

Specialty allowed PMPM
$103.27
3.3%

Non-specialty allowed PMPM
$88.73
13.7%



- Pharmacy cost trend was pronounced across both specialty and non-specialty products, with non-specialty PMPM increasing 13.7% and specialty PMPM rising 3.3%. Note that specialty indicators are based on a list maintained by Segal, which may not align exactly with that of ESI or other vendors.
- Specialty average cost per 30-day supply declined 8.6% to $5,279.51 despite higher script volume, suggesting favorable drug mix is helping to contain unit cost increases — though with biosimilars available for high-cost agents like Humira and Stelara, further savings opportunities remain.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

* S = Specialty, NS = Non-Specialty

Reporting by Plan

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3. CDHP Plan – Actives and Non-Medicare
4. EPO Plan – Actives and Non-Medicare

Data was reviewed for reasonableness but not audited for accuracy

LDPPO

Total Allowed PMPM

Current period

$699.84

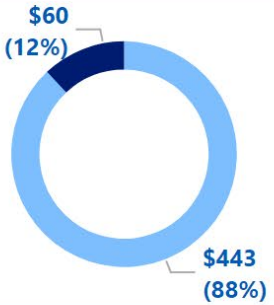
12.6% Trend | $78.28 Change

PMPM Cost Share

Medical

5.0% Member trend

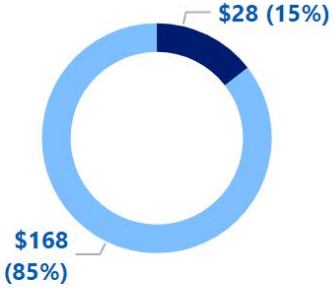
15.6% Plan trend



Pharmacy

4.6% Member Trend

9.4% Plan Trend



Medical Allowed PMPM

Current period

$503.70

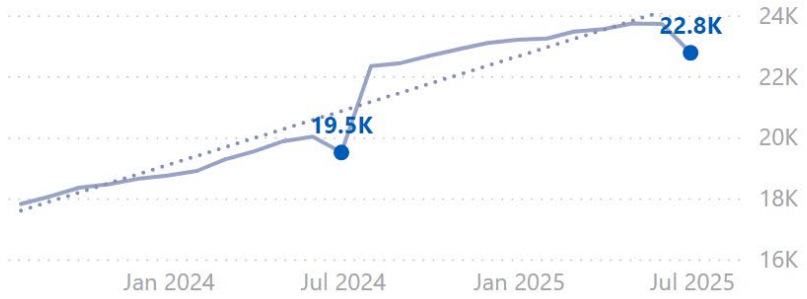
14.2% Trend | $62.65 Change

Average Membership

Current Period

23,084

22.0% Trend | 4,160 Change



Pharmacy

Current period PMPM

$196.14

8.7% Trend | $15.63 Change

30-DS Scripts per 1,000

13,203

4.6% | 576.5

Cost per 30-DS

$178.26

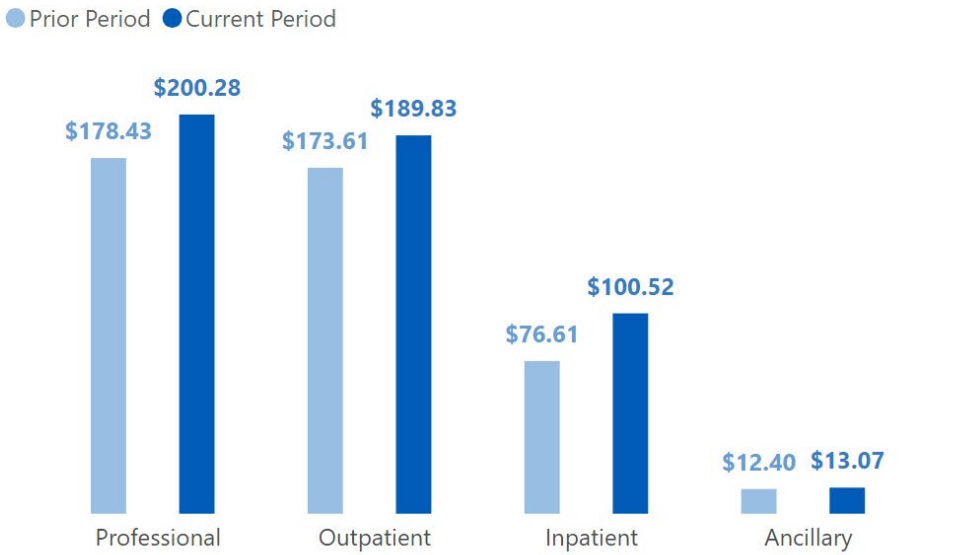
3.9% | $6.72

- Note: Member and plan PMPM amounts may not sum to total PMPM figures due to rounding.
- Allowed PMPM increased 12.6% (+$78.28) to $699.84, driven primarily by medical cost growth (+14.2%), and by pharmacy's increase of 8.7%.
- Medical allowed PMPM rose 14.2% to $503.70, with increases observed across all major service categories, driven by inpatient and outpatient services.
- Pharmacy PMPM increased 8.7% to $196.14, driven by both higher utilization and rising unit costs, contributing meaningfully to overall plan cost growth.

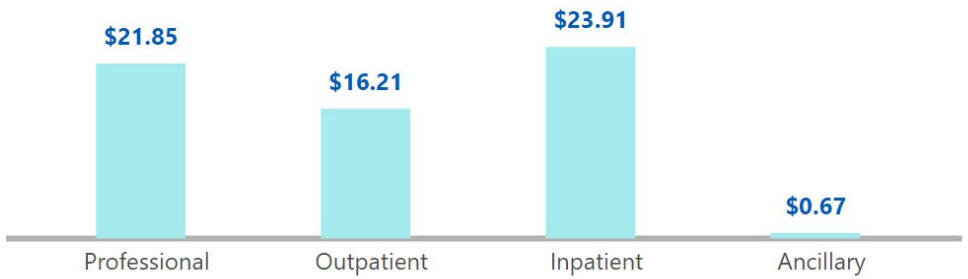
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Total Allowed	Allowed PMPM	% Med Utilizers	% Utilizers - IP	% Utilizers - ER	% Utilizers - UC	% Utilizers - E&M
$139.5M	$503.70	86.3%	4.0%	11.8%	23.2%	78.0%
39.3%	14.2%	1.0% pp	0.6% pp	1.1% pp	0.9% pp	1.5% pp

Allowed PMPM by major service category

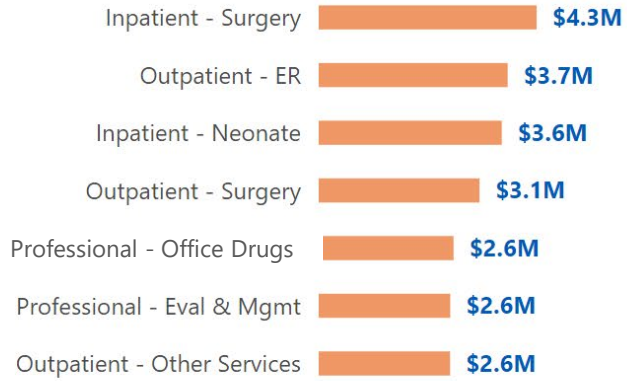


Change

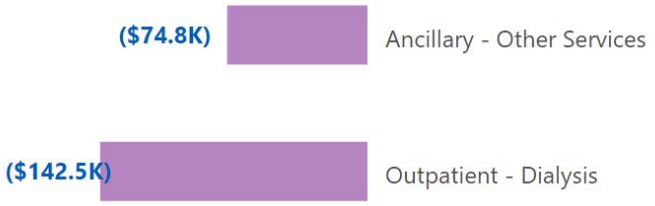


Top 7 spend changes by major + minor service

Increases



Decreases



Encounters per 1,000

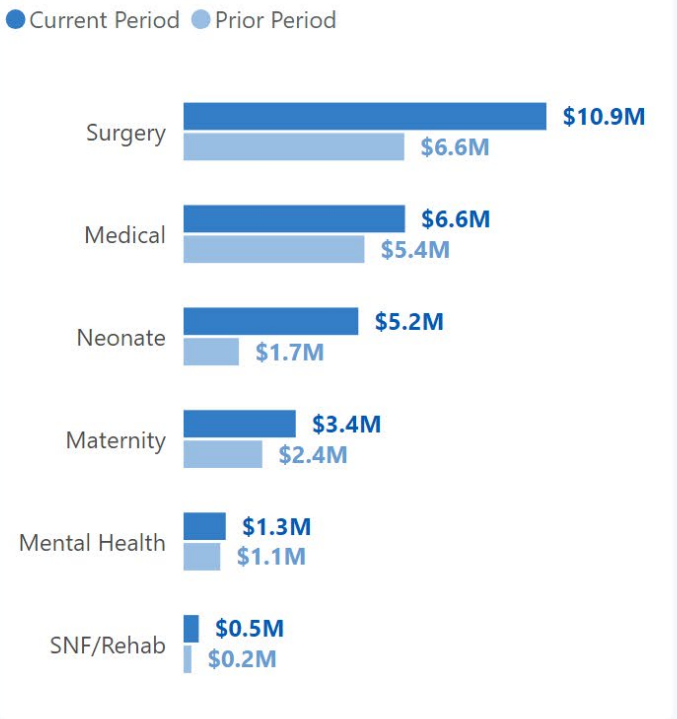
Subcategory	Current Period	Period Over Period Delta
E&M	3,835	183
Urgent Care	395	11
ER	182	13
Inpatient	57	10

- Cost growth was broad-based, as PMPM increased across all major service categories, with inpatient services showing the largest increase (+$23.91 PMPM, or 31.2%).
- Inpatient and outpatient services were among the largest contributors to medical spend growth, driven by higher surgical and ER-related costs.
- In the current period, 11.8% of LDPPO members visited the ER at least once, up 1.1 percentage points from the prior year. Outpatient ER costs increased by $3.7M over the prior year and represented the second largest spend driver for the period.

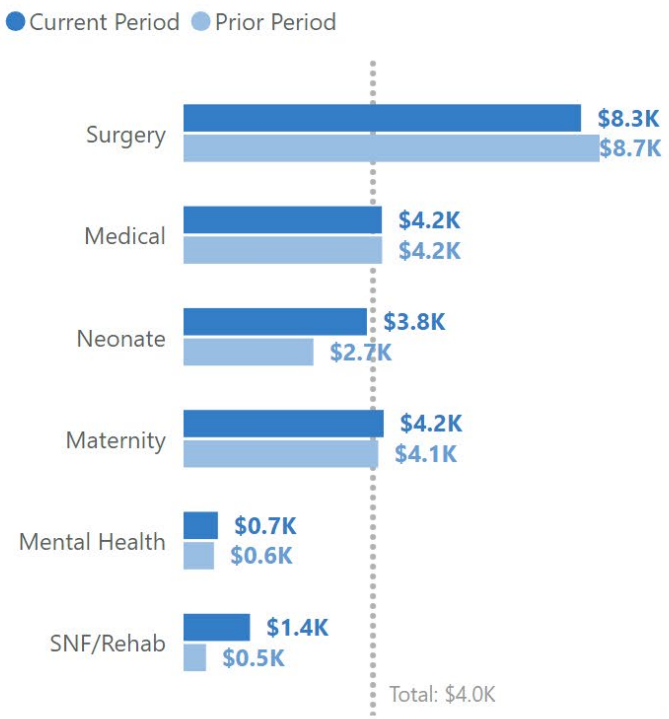
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Total Allowed	Allowed PMPM	Utilizers	Admissions per 1,000	Allowed per Admission	Average LOS (Days)	% Total Med Allowed
$27.8M	$100.52	1,060	56.9	$21,208	5.3	20.0%
60.1%	31.2%	294	21.8%	7.8%	-12.1%	2.6% pp

Allowed by service category

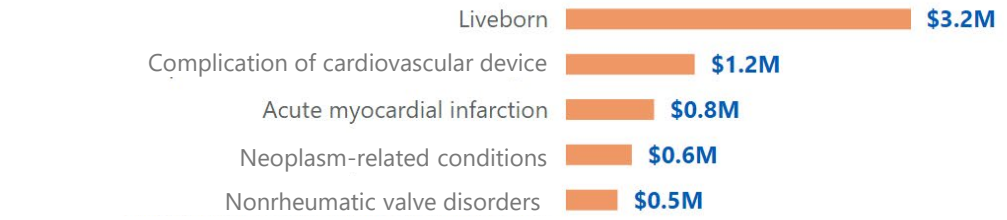


Average Allowed Per Day

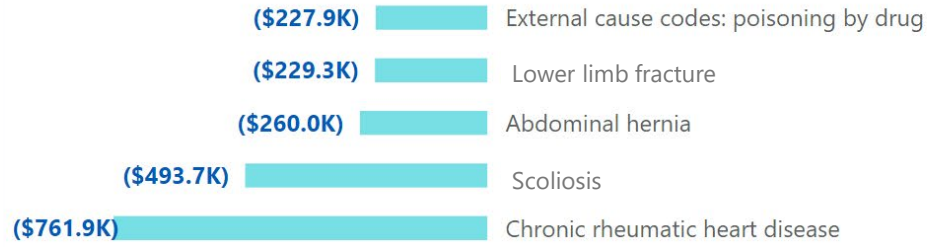


Top 5 spend changes by diagnostic category

Increases



Decreases



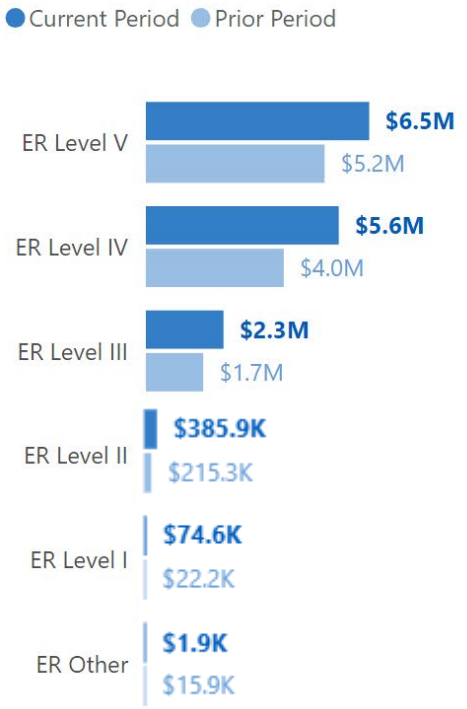
- Inpatient costs increased materially, with total allowed reaching $27.8M. Higher utilization was a key driver, as admissions increased 21.8% and inpatient utilizers increased by nearly 300 during the period.
- Unit costs also contributed, with allowed cost per admission increasing 7.8% to $21.2K, despite a 12.1% decrease in average length of stay.
- Surgical and medical admissions were the primary cost drivers, with notable increases associated with live births and cardiovascular-related diagnoses.
- Neonatal costs rose sharply, mainly driven by normal liveborn claims. This is partially due to the overall increase in enrollment, especially in members aged 30-44.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

View by **ER**

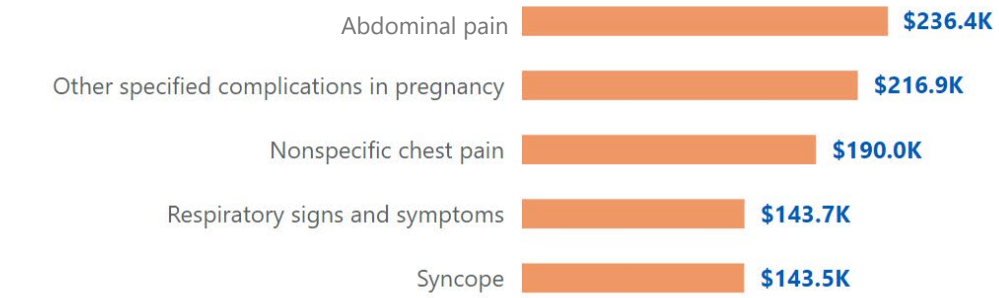
Total Allowed	Allowed PMPM	Utilizers	Visits per 1,000	Allowed per Visit	% Total Med Allowed
$14.8M	**$53.54**	**3,136**	**182.4**	**$3,523**	**10.6%**
33.2%	9.2%	719	7.8%	1.3%	-0.5% pp

Allowed by service category

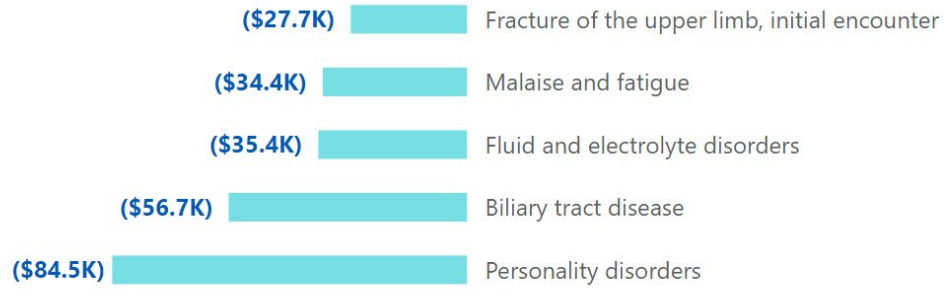


Top 5 spend changes by diagnostic category - Allowed change period over period

Increases



Decreases



Detail by Rendering Provider - Source

Rendering Provider - Source	Medical Allowed	Encounters	Allowed Per Encounter
RENOWN REGIONAL MED	$2,162,360.26	515	$4,198.76
CARSON TAHOE REGIONAL HEALTHCA	$1,667,769.53	679	$2,456.21
HENDERSON HOSPITAL	$942,793.34	240	$3,928.31
RENOWN SOUTH MEADO	$883,071.97	231	$3,822.82
ST ROSE DOMINICAN SIENA	$871,319.53	149	$5,847.78

- ER utilization increased with visits rising to 182.4 per 1,000 contributing to the 9.2% increase in PMPM.
- Higher acuity ER services continued to drive spend, with Level V and Level IV visits representing the largest portions of ER allowed costs.
- Allowed cost per ER visit increased modestly to $3.5K (+1.3%), indicating that cost growth was driven more by utilization than cost inflation.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

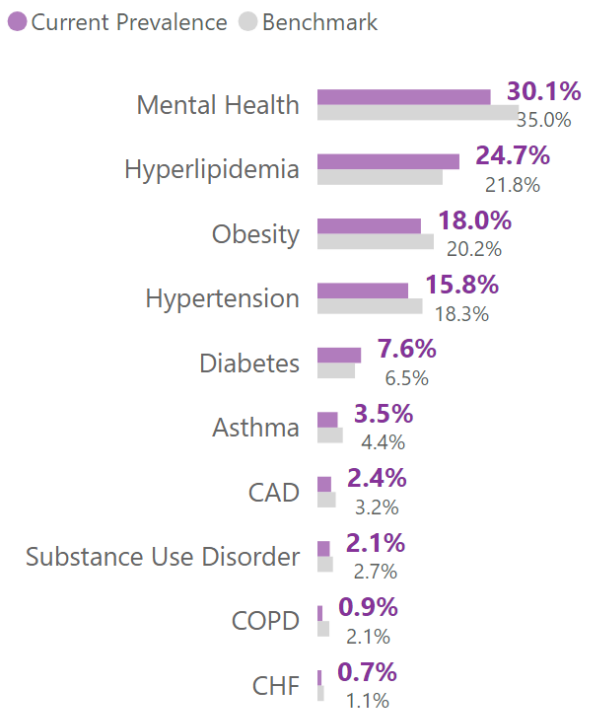
Major Chronic Conditions

Benchmark Type: Public Sector

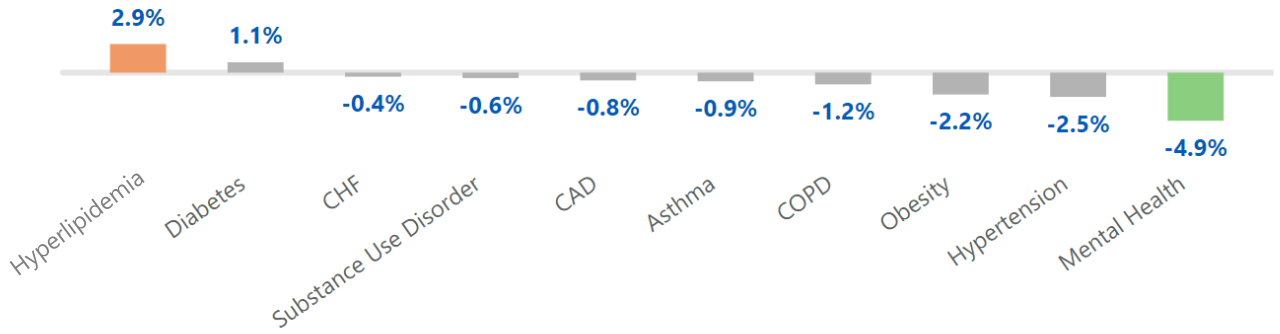
Members
12,259
2K

Prevalence
53.9%
3.4% pp

Chronic Conditions Prevalence - *hover for age band dist.*



Prevalence Variation from Benchmark



Chronic Condition	Members	Member Change	Prevalence Change	Avg Total Conditions	Med PMPM	Rx PMPM
Mental Health	6,850	1446 ↑	2.4% ↑	2.0	$803	$294
Hyperlipidemia	5,616	1174 ↑	1.9% ↑	2.6	$738	$396
Obesity	4,093	828 ↑	1.2% ↑	2.7	$780	$347
Hypertension	3,590	698 ↑	0.9% ↑	3.0	$987	$470
Diabetes	1,725	405 ↑	0.8% ↑	3.4	$896	$795
Asthma	799	156 ↑	0.2% ↑	2.7	$787	$489
CAD	541	121 ↑	0.2% ↑	4.0	$2,102	$652
Substance Use Disorder	486	121 ↑	0.3% ↑	3.0	$1,136	$397
COPD	196	43 ↑	0.1% ↑	3.4	$1,645	$1,020
CHF	159	32 ↑	0.0% ↑	4.5	$3,127	$789

- Mental health, hyperlipidemia, and obesity were the most prevalent chronic conditions, and each saw a large increase in prevalence this year.
- Relative to Segal's Public Sector benchmark, prevalence was higher for hyperlipidemia and diabetes, while obesity, asthma, and cardiac conditions were below benchmark levels.
- Members with chronic conditions exhibited multiple comorbidities and materially higher PMPM costs.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

LDPPO

Care Gap Compliance

Benchmark Type: Public Sector

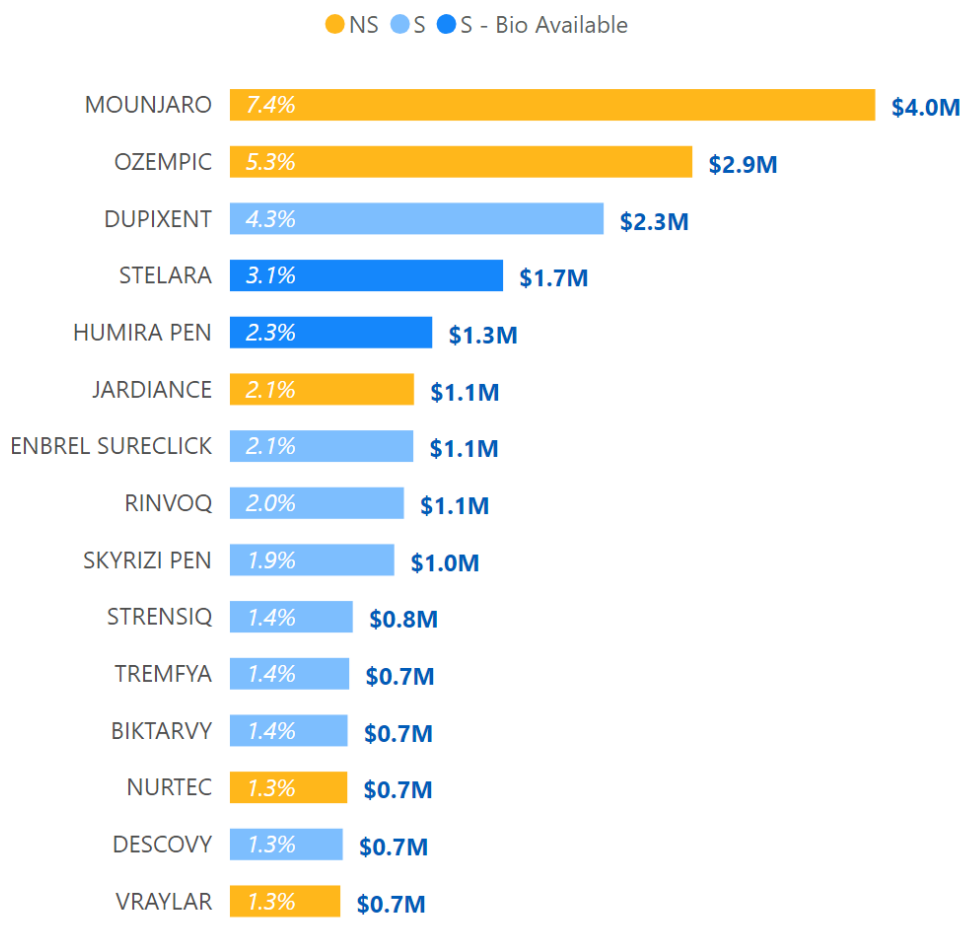
Description	Current	Previous	Change	Benchmark	Variation	
Asthma						
Patient(s) with inhaled corticosteroids or leukotriene inhibitors in the last 12	83.4%	84.0%	-0.6% ↓	84.2%	-0.9% ↓	Declining and Not Beating Benchmark
CAD						
Patient(s) currently taking a statin	61.2%	61.4%	-0.2% ↓	67.2%	-6.0% ↓	Declining and Not Beating Benchmark
Patient(s) currently taking an ACE-inhibitor	15.5%	20.0%	-4.5% ↓	20.7%	-5.1% ↓	Declining and Not Beating Benchmark
COPD						
Patients with spirometry testing within the last 12 months	25.0%	22.9%	2.1% ↑	19.5%	5.5% ↑	Improving and Beating Benchmark
Diabetes						
Patient(s) that had an annual screening test for diabetic nephropathy	62.4%	61.2%	1.2% ↑	62.3%	0.1% ↑	Improving and Beating Benchmark
Patient(s) that had an annual screening test for diabetic retinopathy	29.1%	30.9%	-1.8% ↓	31.6%	-2.5% ↓	Declining and Not Beating Benchmark
Patient(s) that had at least 1 hemoglobin A1C tests in last 12 reported months	85.7%	82.4%	3.3% ↑	83.4%	2.3% ↑	Improving and Beating Benchmark
Hyperlipidemia						
Patient(s) with a LDL cholesterol test in last 12 reported months	78.3%	78.2%	0.1% ↑	77.3%	1.0% ↑	Improving and Beating Benchmark
Preventive Screening						
Breast Cancer	64.8%	60.8%	4.0% ↑	71.2%	-6.4% ↓	Improving but Not Beating Benchmark
Cervical Cancer	52.4%	49.2%	3.2% ↑	59.8%	-7.4% ↓	Improving but Not Beating Benchmark
Colorectal Cancer	47.4%	42.2%	5.2% ↑	55.5%	-8.1% ↓	Improving but Not Beating Benchmark
Prostate Cancer	49.7%	46.8%	2.9% ↑	55.5%	-5.8% ↓	Improving but Not Beating Benchmark

- Overall, diabetes care metrics are above or near norm, though cardiovascular care is both declining and below norm.
- All four preventive cancer screenings are below norm, though rates did increase over the prior year.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

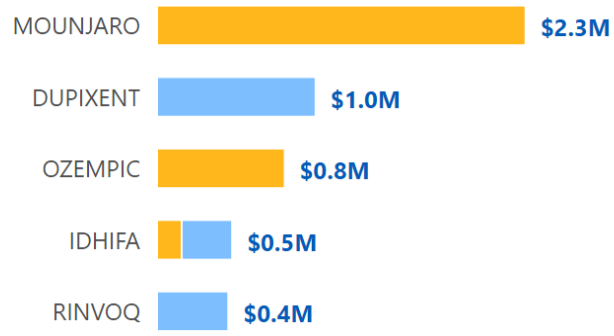
Total Allowed	30-DS Rx per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers	% Utilizing Rx
$54.3M	13,203	$196.14	$178.26	86.8%	18,605	70.1%
32.5%	4.6%	8.7%	3.9%	0.7% pp	2,882	0.4% pp

Top 15 Drugs - Pharmacy Allowed *(% of Total Pharmacy Allowed)* *

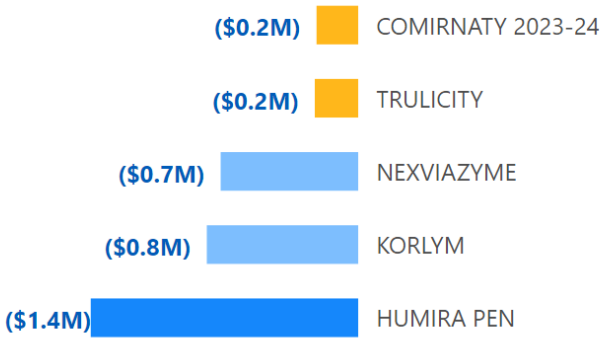


Top 5 spend changes by drug - Allowed change

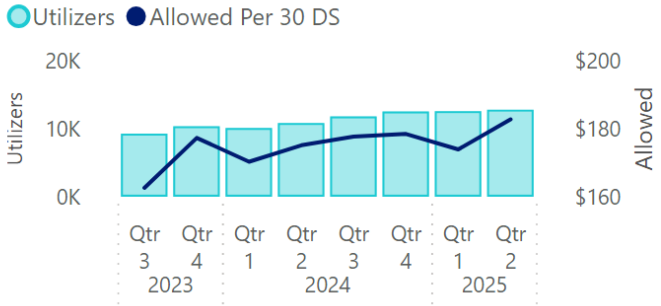
Increases



Decreases



Cost vs. Utilization



- Utilization increased 4.6% on a scripts per 1,000 basis, with PMPM rising 8.7% to $196.14, indicating that cost growth was driven by both higher utilization and unit cost increases.
- Cost per 30-day supply increased 3.9% to $178.26, while the generic fill rate remained high at 86.8%, helping to mitigate overall pharmacy cost growth.
- High-cost GLP-1 and specialty drugs were the primary spend drivers, with Mounjaro (+$2.3M), Dupixent (+$1.0M), and Ozempic (+$0.8M) leading increases, partially offset by declines in Humira Pen (-$1.4M) and other specialty agents.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

* S = Specialty, NS = Non-Specialty

Current Pharmacy Allowed

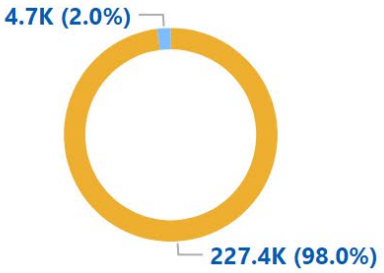
Specialty allowed trend
25.6%

Non-specialty allowed trend
40.0%

Prescriptions

Specialty scripts trend
38.6%

Non-specialty script trend
27.5%



Average Cost per 30 day supply

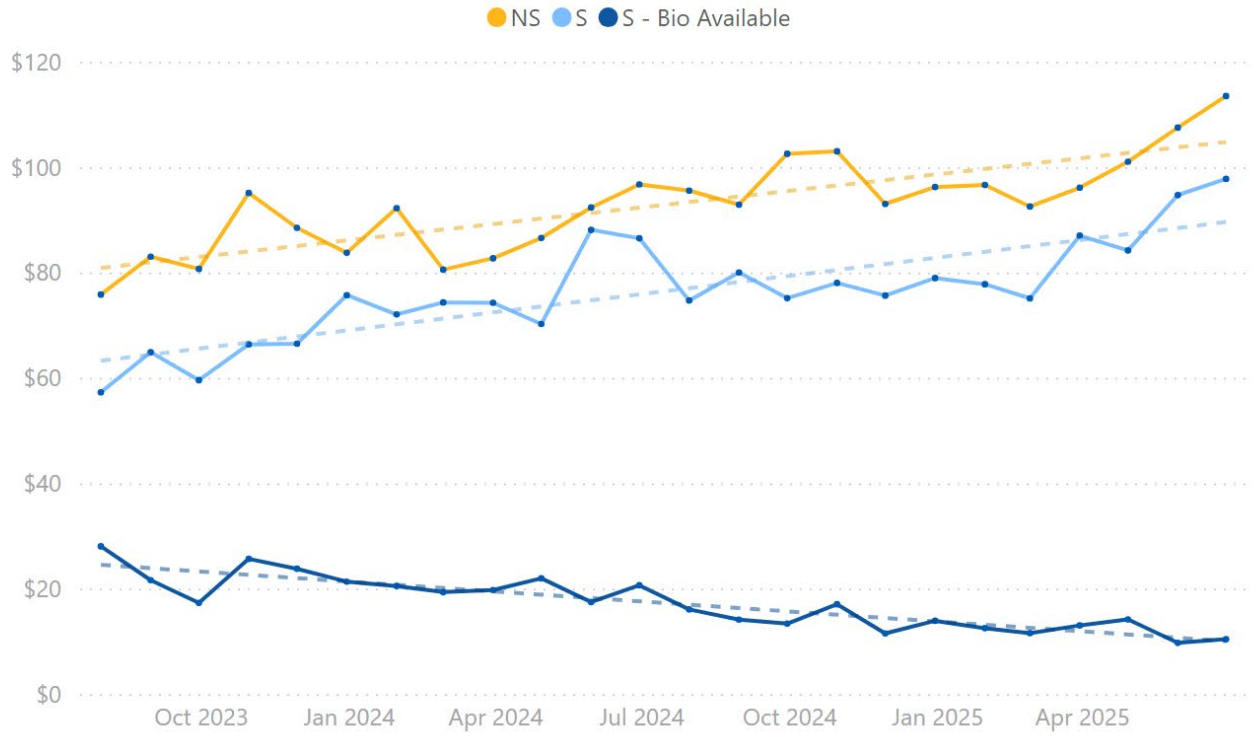
Specialty average cost trend
-9.6%

Non-specialty average cost trend
9.9%

Allowed PMPM Trends

Specialty allowed PMPM
$96.28
3.0%

Non-specialty allowed PMPM
$99.85
14.8%

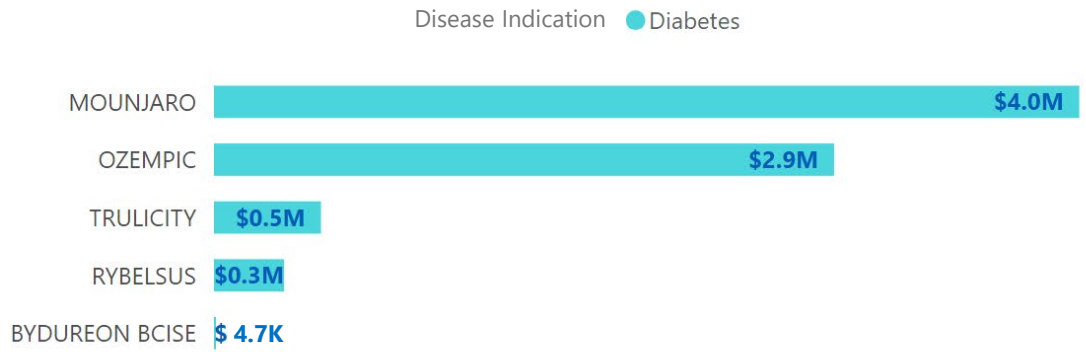


- Note: specialty and non-specialty allowed and PMPM amounts may not sum up to the total pharmacy allowed and PMPM due to rounding.
- Specialty drugs accounted for 49.1% of total pharmacy allowed, while representing only 2.0% of total prescriptions.
- Both specialty and non-specialty PMPM increased, with non-specialty rising 14.8% and specialty increasing 3.0%, driven primarily by significant script volume growth in both categories. Average cost per 30-day supply declined for specialty drugs (-9.6%) but increased for non-specialty drugs (+9.9%).

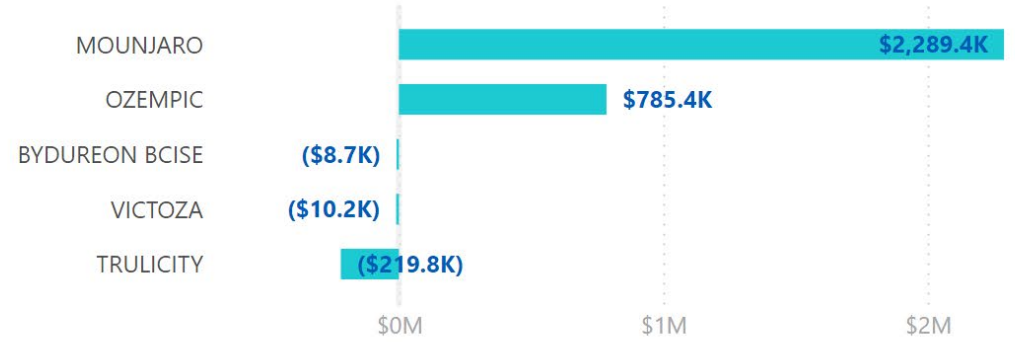
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Total Allowed	30-DS RX per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers
$7.7M	337	$27.91	$994.89	0.1%	893
60.1%	24.4%	31.2%	5.4%	0.1% pp	220

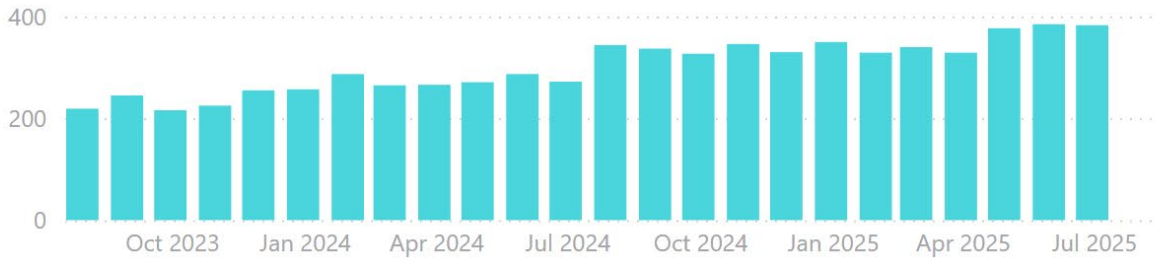
Current pharmacy allowed - Top 5 drugs



Spending changes by drug - Top 5 Allowed change period over period



Prescriptions



Current cost per 30 day supply

- GLP-1 medications accounted for $7.7M in allowed costs (14.2% of total pharmacy), with allowed PMPM increasing 31.2% to $27.91 during the period.
- Utilization increased meaningfully, with 30-day prescriptions per 1,000 rising 24.4% and total utilizers reaching 893 members.
- GLP-1 therapies remain expensive, with an average cost per 30-day supply of $994.89, and spending increases concentrated among Mounjaro and Ozempic.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Top 15 Pharmacy Disease Indications

LDPPO

Total Allowed	30-DS RX per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers	% Total Rx Cost
$44.8M	3,179	$161.81	$610.75	57.1%	11,154	82.5%
31.0%	7.7%	7.4%	-0.3%	-0.8% pp	2K	-1.0%

Rank	Disease Indication	Previous Rank	Rank Change	Current Rx PMPM	PMPM Change	Current Utilizers	Utilizer Change	% Total Rx	Generic Fill Rate
1	Diabetes	1	0	$39.33	$2.86 ↑	1,996	419 ↑	20.1%	44.4%
2	Autoimmune Disease	2	0	$23.10	($3.17) ↓	213	38 ↑	11.8%	18.7%
3	Psoriasis	3	0	$17.56	$0.79 ↑	119	28 ↑	9.0%	16.1%
4	Skin Disorders	6	2 ↑	$11.32	$3.02 ↑	2,915	603 ↑	5.8%	85.5%
5	Rare Disorders	4	-1 ↓	$11.21	($0.10) ↓	86	31 ↑	5.7%	63.3%
6	Oncology	5	-1 ↓	$10.93	$1.07 ↑	317	78 ↑	5.6%	86.2%
7	Viral Infections/HIV AIDS	8	1 ↑	$7.75	$1.52 ↑	146	52 ↑	4.0%	30.6%
8	Asthma/COPD	7	-1 ↓	$7.32	$0.73 ↑	3,070	733 ↑	3.7%	85.5%
9	Migraine	9	0	$6.58	$0.55 ↑	728	150 ↑	3.4%	51.5%
10	Multiple Sclerosis/Neuromuscular Disorders	10	0	$6.15	$0.66 ↑	28	5 ↑	3.1%	33.3%
11	Vaccines/Immunizing Agents	11	0	$5.00	$0.81 ↑	4,363	355 ↑	2.5%	0.0%
12	Mental Health/Neurological Disorders	15	3 ↑	$4.35	$1.33 ↑	604	121 ↑	2.2%	81.7%
13	ADHD/Narcolepsy	13	0	$3.96	$0.52 ↑	1,293	314 ↑	2.0%	93.1%
14	Blood Disorders	12	-2 ↓	$3.92	$0.31 ↑	459	117 ↑	2.0%	40.3%
15	Diabetic Supplies/Monitoring	14	-1 ↓	$3.32	$0.25 ↑	430	104 ↑	1.7%	0.0%

- Diabetes remained the largest pharmacy cost driver at $39.33 PMPM; autoimmune disease and psoriasis also contributed meaningfully to overall spend.
- Overall pharmacy costs by indication grew meaningfully, with allowed PMPM rising 7.4% and scripts per 1,000 increasing 7.7%, as PMPM increases were broad-based across the majority of the top 15 indications.
- Mental Health/Neurological Disorders jumped three ranks to #12 (+$1.33 PMPM, +121 utilizers), reflecting a growing behavioral health utilization on the pharmacy side.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Reporting by Plan

1. All Enrollees – Actives and Non-Medicare
2. LDPPO Plan – Actives and Non-Medicare
3. **CDHP Plan – Actives and Non-Medicare**
4. EPO Plan – Actives and Non-Medicare

Data was reviewed for reasonableness but not audited for accuracy

Total Allowed PMPM

Current period

$562.55

3.5% Trend

$19.23 Change

PMPM Cost Share

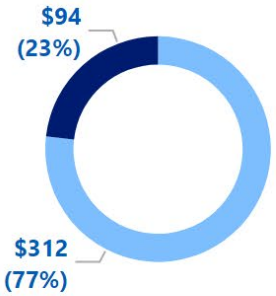
Medical

5.1%

Member trend

1.0%

Plan trend



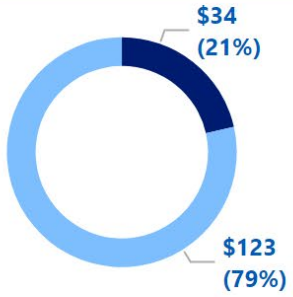
Pharmacy

7.8%

Member Trend

8.1%

Plan Trend



Medical Allowed PMPM

Current period

$405.83

1.9% Trend

$7.61 Change

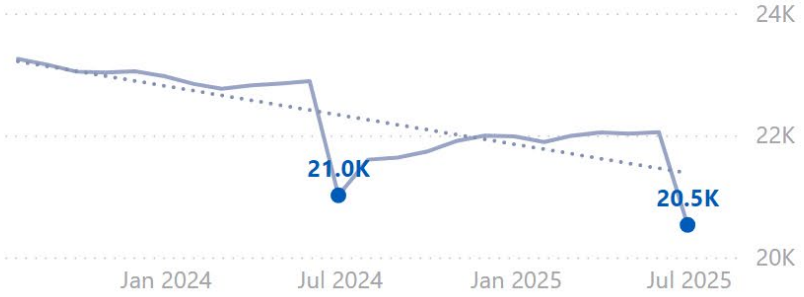
Average Membership

Current Period

21,779

-4.5% Trend

-1,024 Change



Pharmacy

Current period PMPM

$156.72

8.0% Trend

$11.62 Change

30-DS Scripts per 1,000

11,664

3.1%

352.7

Cost per 30-DS

$161.23

4.7%

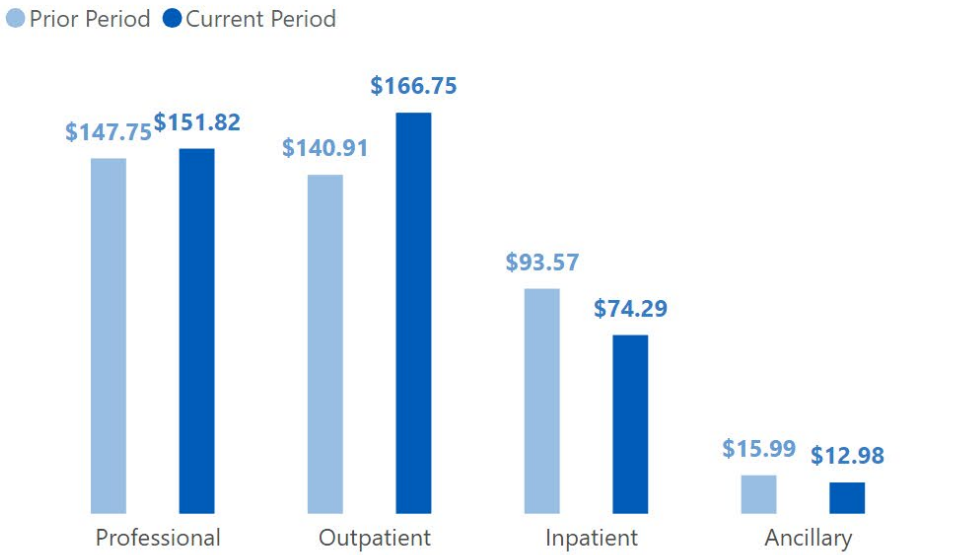
$7.30

- Total Allowed PMPM increased 3.5% (+$19.23) to $562.55, driven by modest medical cost growth (+1.9%) and a meaningful pharmacy contribution (+8.0% PMPM) to overall plan trend.
- Pharmacy PMPM increased 8.0% to $156.72, driven by both higher utilization (+3.1% scripts per 1,000) and rising unit costs (+4.7% cost per 30-DS).
- Membership in higher-risk demographics declined, with a decrease in female and older enrollees, contributing to slower overall cost growth versus other plans.

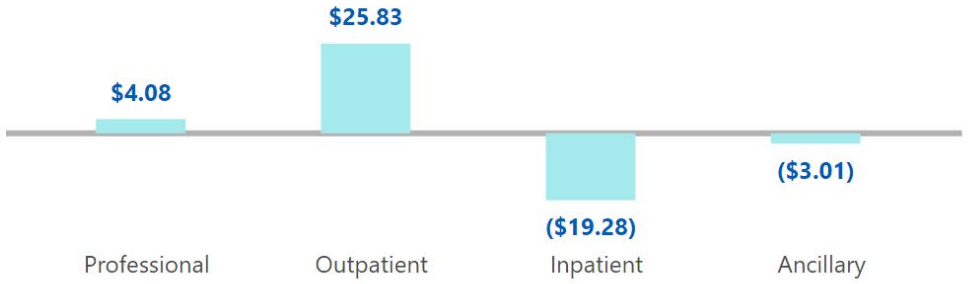
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Total Allowed	Allowed PMPM	% Med Utilizers	% Utilizers - IP	% Utilizers - ER	% Utilizers - UC	% Utilizers - E&M
$106.1M	$405.83	76.5%	3.1%	11.0%	18.9%	68.3%
-2.7%	1.9%	-0.2% pp	-0.0% pp	0.7% pp	0.7% pp	0.3% pp

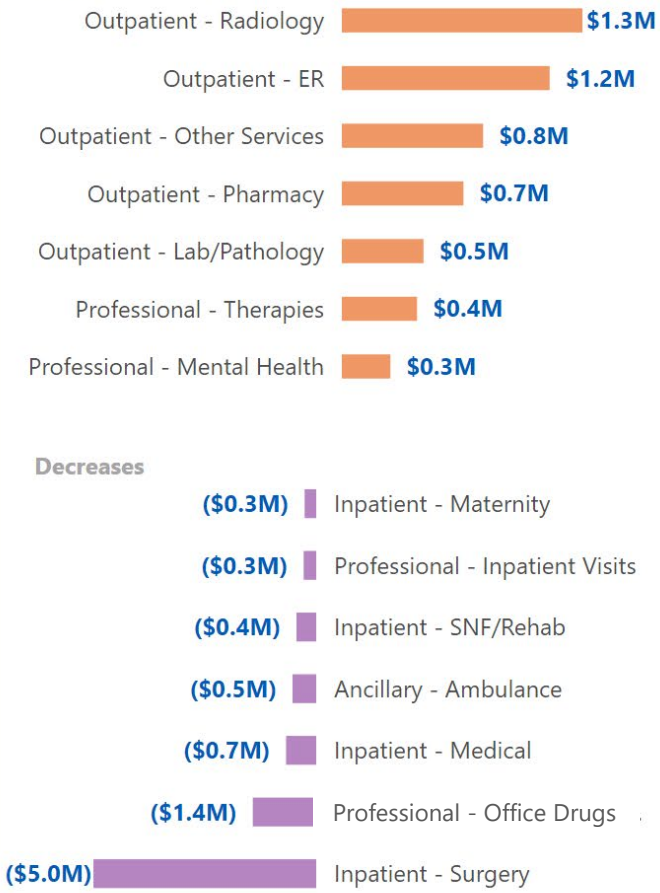
Allowed PMPM by major service category



Change



Top 7 spend changes by major + minor service



Encounters per 1,000

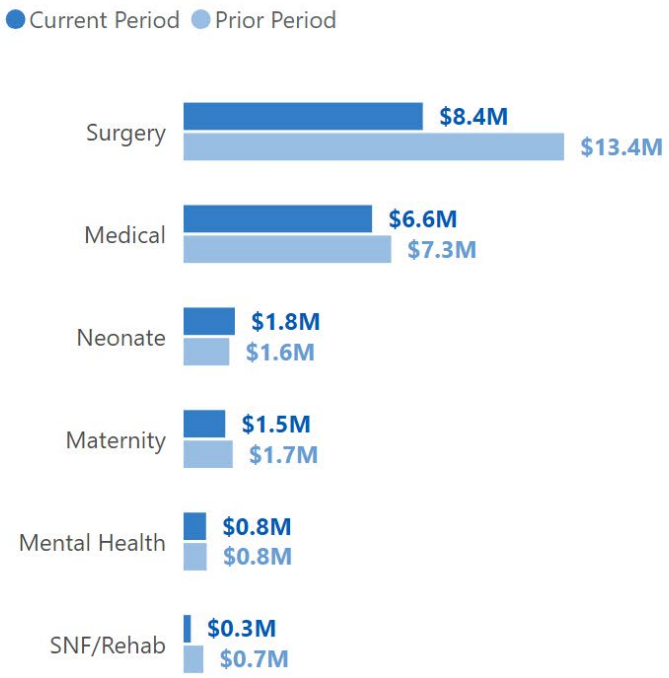
Subcategory	Current Period	Period Over Period Delta
E&M	2,990	119
Urgent Care	318	13
ER	173	15
Inpatient	44	-3

- The large increase in outpatient costs was led by radiology and ER. Costs rose especially for radiation oncology. There may be an opportunity to collaborate with vendors around cancer care management to ensure patients are on the best course of treatment for them.
- Inpatient costs declined (-$19.28 PMPM), driven largely by a $5.0M reduction in Inpatient surgery and lower acuity SNF/Rehab spend. This may reflect favorable case mix shifts and migration of members out of the CDHP, which will redistribute condition risk to the other plans. The age bands where enrollment dropped the most were 0-9 and 60-64.

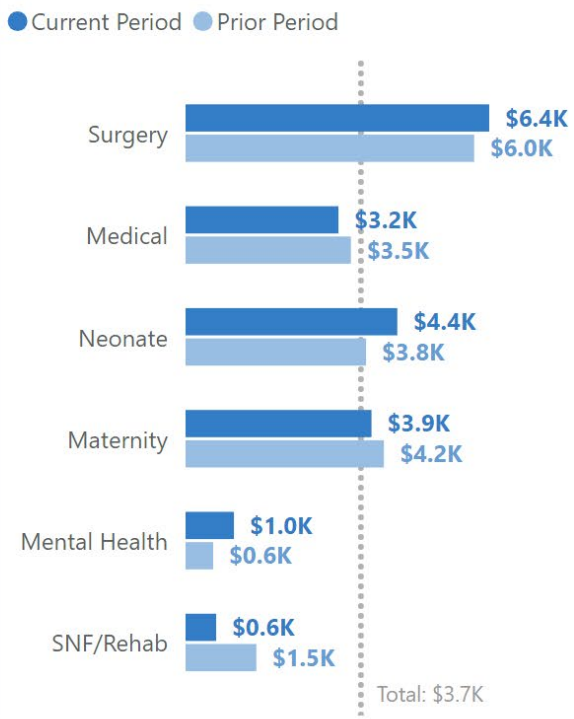
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Total Allowed	Allowed PMPM	Utilizers	Admissions per 1,000	Allowed per Admission	Average LOS (Days)	% Total Med Allowed
$19.4M	$74.29	764	43.7	$20,393	5.6	18.3%
-24.2%	-20.6%	-48	-5.5%	-16.0%	-16.0%	-5.2% pp

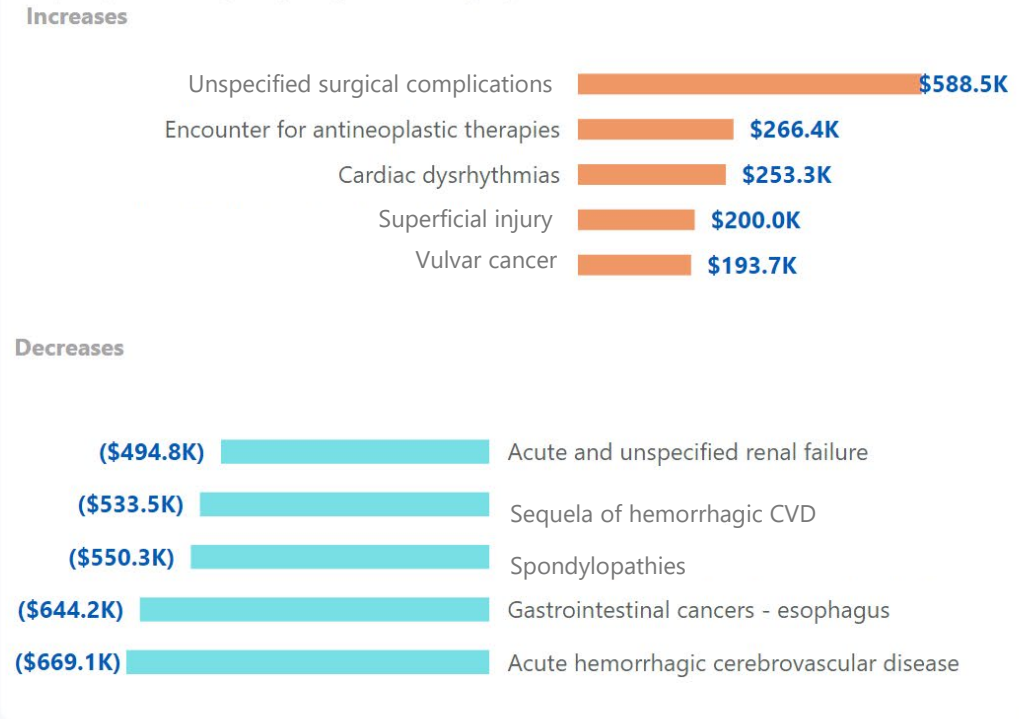
Allowed by service category



Average Allowed Per Day



Top 5 spend changes by diagnostic category



- Inpatient costs declined significantly, with total allowed dropping 24.2% to $19.4M, driven by reductions across all key metrics including admissions per 1,000 (-5.5%), cost per admission (-16.0%), and average length of stay (-16.0%) — a broad-based improvement consistent with the overall membership decline in the CDHP.
- Surgical inpatient spend fell sharply from $13.4M to $8.4M; this is a continued pattern from the prior year driven by non-recurring high-cost events and/or migration. This service category can be volatile and may rebound.
- SNF/Rehab costs per day dropped materially, which, when combined with shorter average LOS, was driven by non-recurring acute events.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

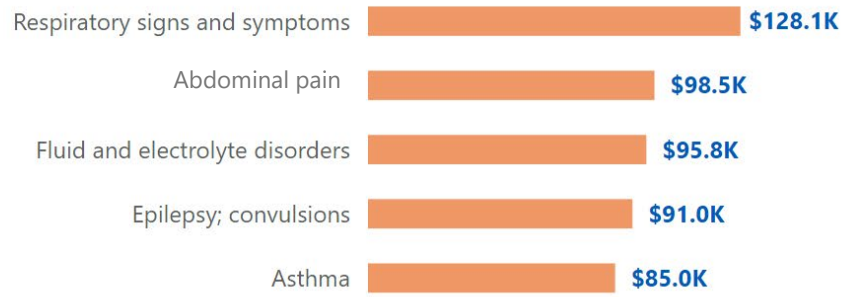
View by **ER**

Total Allowed	Allowed PMPM	Utilizers	Visits per 1,000	Allowed per Visit	% Total Med Allowed
$13.6M	**$52.03**	**2,720**	**172.6**	**$3,617**	**12.8%**
9.3%	14.4%	24	9.4%	4.5%	1.4% pp

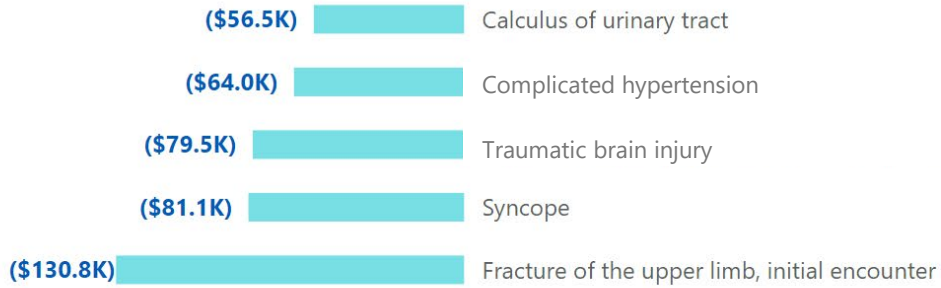
Allowed by service category

Top 5 spend changes by diagnostic category - Allowed change period over period

Increases



Decreases



Detail by Rendering Provider - Source

Rendering Provider - Source	Medical Allowed	Encounters	Allowed Per Encounter
RENOWN REGIONAL MED	$1,400,582.85	323	$4,336.17
CARSON TAHOE REGIONAL HEALTHCA	$1,138,518.97	452	$2,518.85
HENDERSON HOSPITAL	$959,329.19	232	$4,135.04
ST ROSE DOMINICAN SIENA	$910,833.68	155	$5,876.35

- ER utilization increased, especially among higher severity levels, indicating generally appropriate use.
- Allowed cost per ER visit increased moderately, indicating that ER cost growth was driven primarily by higher utilization rather than unit cost inflation.
- There may be an opportunity to mitigate use for members with respiratory conditions, e.g., through ensuring appropriate inhaler use and proactive disease management.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

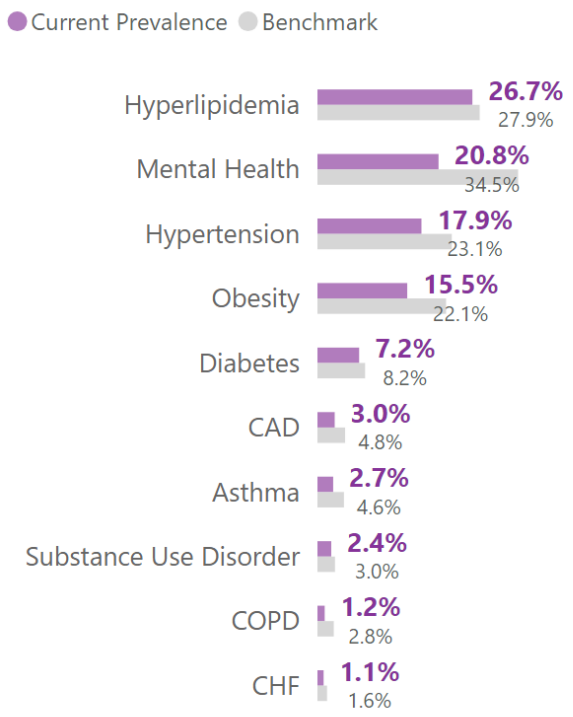
Major Chronic Conditions

Benchmark Type: Public Sector

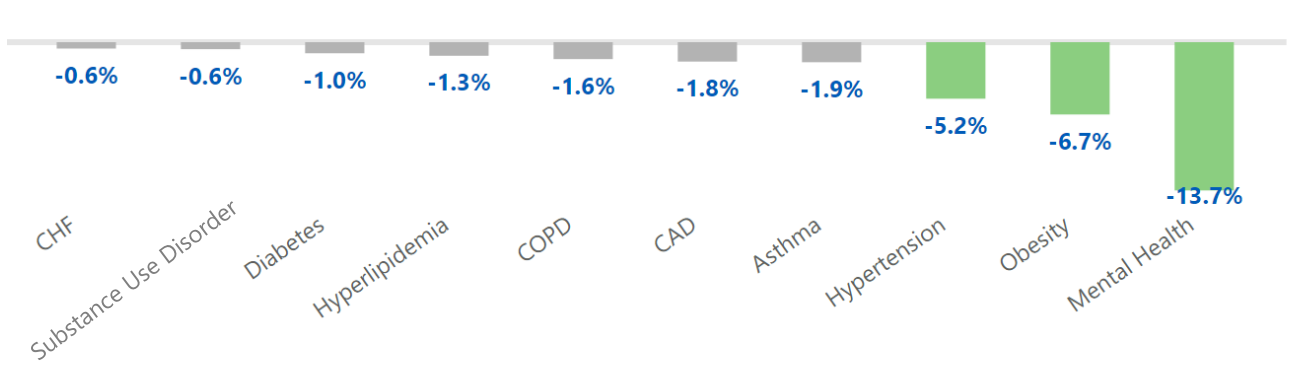
Members
10,018
-83

Prevalence
48.8%
0.7% pp

Chronic Conditions Prevalence - *hover for age band dist.*



Prevalence Variation from Benchmark



Chronic Condition	Members	Member Change	Prevalence Change	Avg Total Conditions	Med PMPM	Rx PMPM
Hyperlipidemia	5,474	-46 ↓	0.4% ↑	2.6	$683	$358
Mental Health	4,278	29 ↑	0.6% ↑	2.2	$719	$250
Hypertension	3,674	-102 ↓	-0.1% ↓	3.0	$918	$423
Obesity	3,172	60 ↑	0.6% ↑	2.8	$774	$324
Diabetes	1,472	13 ↑	0.2% ↑	3.5	$971	$678
CAD	609	39 ↑	0.3% ↑	3.9	$1,755	$651
Asthma	555	-21 ↓	-0.0% ↓	2.8	$772	$528
Substance Use Disorder	487	20 ↑	0.1% ↑	3.0	$1,237	$202
COPD	255	-15 ↓	-0.0% ↓	3.4	$1,552	$830
CHF	217	0 ↑	0.0% ↑	4.4	$2,476	$927

- Mental health, hyperlipidemia, and hypertension were the most prevalent chronic conditions within the CDHP population.
- Relative to Segal's Public Sector benchmark, prevalence was lower for all major chronic conditions, including diabetes, hypertension, obesity, and cardiac conditions.
- Mental health prevalence was meaningfully below benchmark (-13.7%), despite being one of the most common conditions. Though it is increasing, lower prevalence can sometimes indicate barriers to accessing treatment.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

CDHP

Care Gap Compliance

Benchmark Type: Public Sector

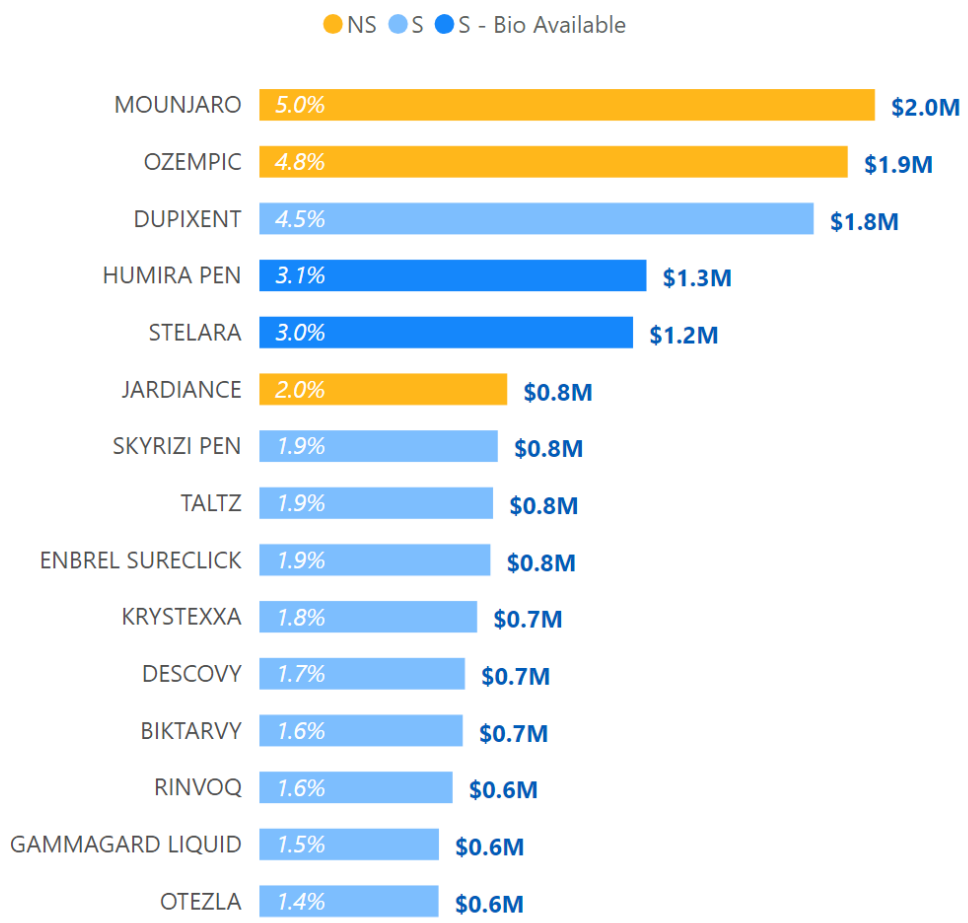
Description	Current	Previous	Change	Benchmark	Variation	
Asthma						
Patient(s) with inhaled corticosteroids or leukotriene inhibitors in the last 12	84.0%	81.9%	2.0% ↑	83.6%	0.4% ↑	Improving and Beating Benchmark
CAD						
Patient(s) currently taking a statin	65.4%	68.4%	-3.1% ↓	70.3%	-5.0% ↓	Declining and Not Beating Benchmark
Patient(s) currently taking an ACE-inhibitor	18.9%	20.5%	-1.6% ↓	22.1%	-3.2% ↓	Declining and Not Beating Benchmark
COPD						
Patients with spirometry testing within the last 12 months	18.0%	20.4%	-2.3% ↓	19.9%	-1.9% ↓	Declining and Not Beating Benchmark
Diabetes						
Patient(s) that had an annual screening test for diabetic nephropathy	63.6%	62.5%	1.1% ↑	64.6%	-1.0% ↓	Improving but Not Beating Benchmark
Patient(s) that had an annual screening test for diabetic retinopathy	26.0%	28.1%	-2.1% ↓	35.2%	-9.2% ↓	Declining and Not Beating Benchmark
Patient(s) that had at least 1 hemoglobin A1C tests in last 12 reported months	85.1%	82.0%	3.1% ↑	85.1%	-0.0% ↓	Improving but Not Beating Benchmark
Hyperlipidemia						
Patient(s) with a LDL cholesterol test in last 12 reported months	75.7%	75.2%	0.5% ↑	77.8%	-2.1% ↓	Improving but Not Beating Benchmark
Preventive Screening						
Breast Cancer	61.8%	59.8%	2.0% ↑	72.2%	-10.4% ↓	Improving but Not Beating Benchmark
Cervical Cancer	52.6%	52.5%	0.1% ↑	60.3%	-7.7% ↓	Improving but Not Beating Benchmark
Colorectal Cancer	50.9%	46.2%	4.6% ↑	57.7%	-6.8% ↓	Improving but Not Beating Benchmark
Prostate Cancer	45.4%	44.5%	0.9% ↑	56.3%	-10.9% ↓	Improving but Not Beating Benchmark

- Care gap compliance is the lowest for CDHP enrollees out of all plans. Only a single measure (asthma medication) is above norm.
- Most metrics are increasing, which is an encouraging sign, though remain below norm – in some cases (e.g., breast cancer) substantially so.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

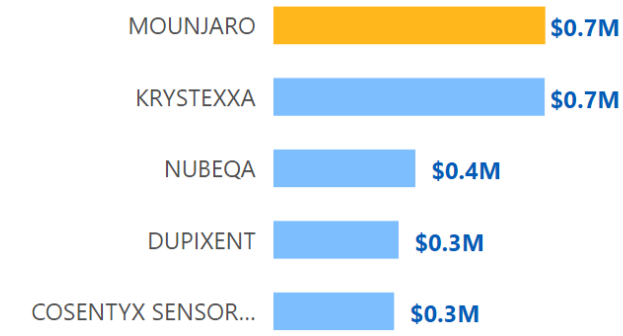
Total Allowed	30-DS Rx per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers	% Utilizing Rx
$41.0M	11,664	$156.72	$161.23	87.2%	15,746	63.6%
3.2%	3.1%	8.0%	4.7%	0.5% pp	-910	-0.2% pp

Top 15 Drugs - Pharmacy Allowed *(% of Total Pharmacy Allowed)* *

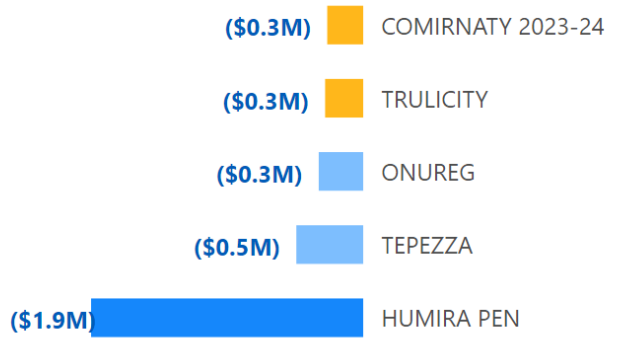


Top 5 spend changes by drug - Allowed change

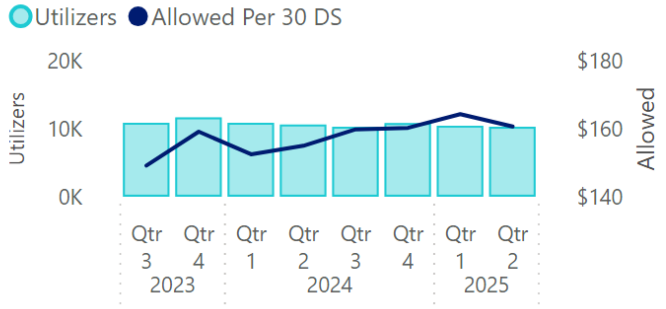
Increases



Decreases



Cost vs. Utilization



- Total pharmacy allowed increased 3.2% to $41.0M, with allowed PMPM rising 8.0% to $156.72, reflecting growth in both utilization (+3.1% scripts per 1,000) and unit costs (+4.7% cost per 30-DS).
- Pharmacy utilization increased, with 30-day prescriptions per 1,000 rising 3.1%, while the high generic fill rate of 87.2% helped partially mitigate overall cost growth.
- GLP-1 medications and high-cost specialty drugs drove spend increases, with Mounjaro (+$0.7M) and Krystexxa (+$0.7M) leading gains, partially offset by a meaningful decline in Humira Pen (-$1.9M).

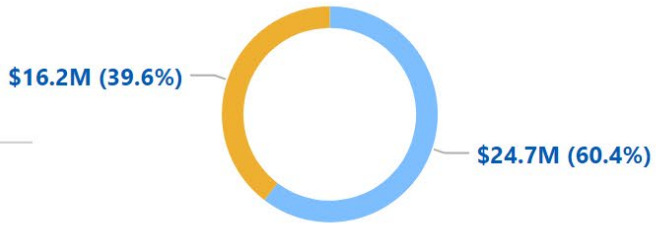
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

* S = Specialty, NS = Non-Specialty

Current Pharmacy Allowed

Specialty allowed trend
2.4%

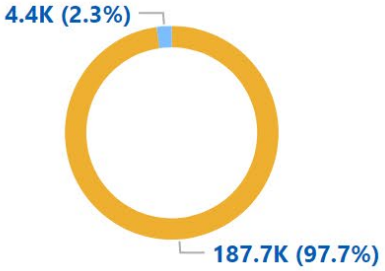
Non-specialty allowed trend
4.3%



Prescriptions

Specialty scripts trend
6.7%

Non-specialty script trend
-2.3%



Average Cost per 30 day supply

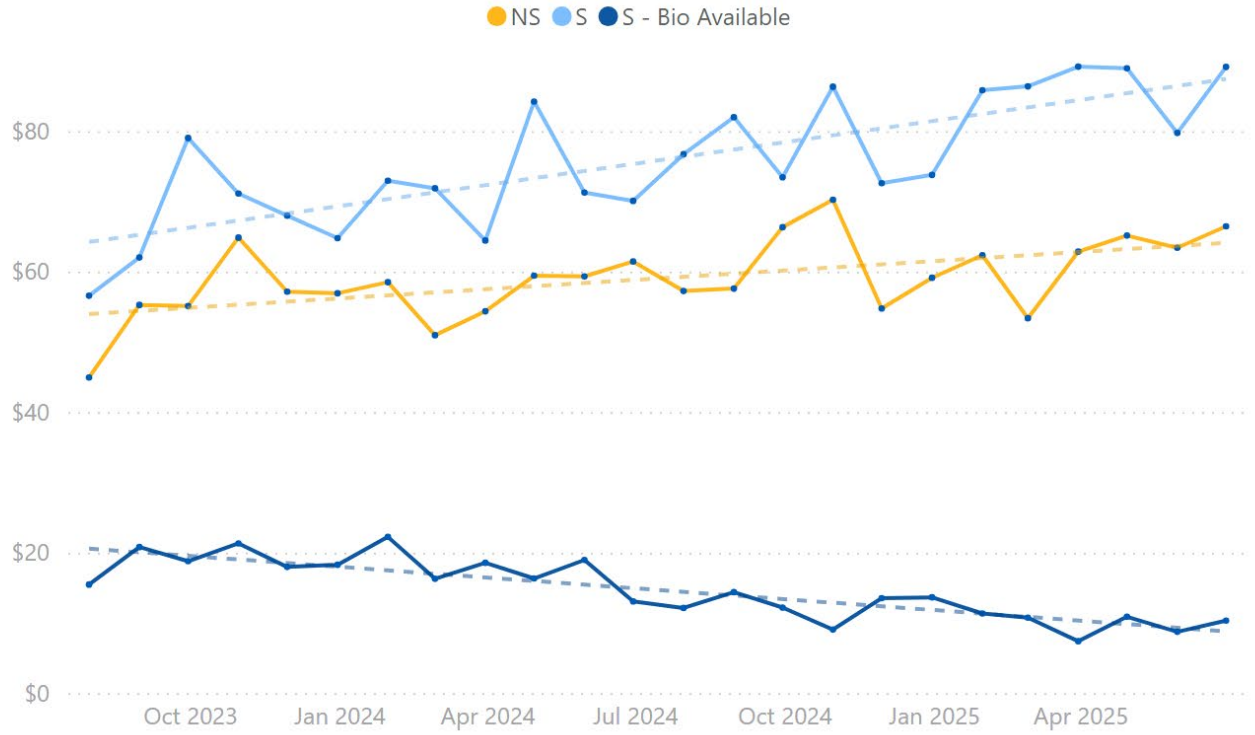
Specialty average cost trend
-4.5%

Non-specialty average cost trend
6.1%

Allowed PMPM Trends

Specialty allowed PMPM
$94.59
7.2%

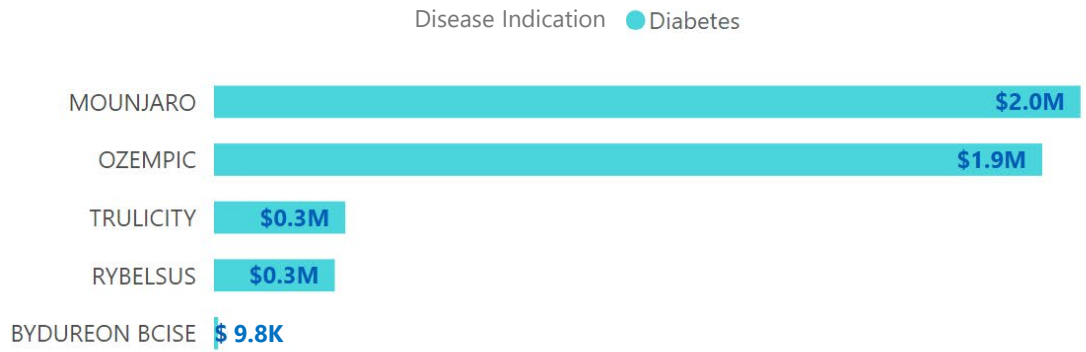
Non-specialty allowed PMPM
$62.12
9.2%



- Note: specialty and non-specialty allowed and PMPM amounts may not sum up to the total pharmacy allowed and PMPM due to rounding.
- Both specialty and non-specialty PMPM increased, with specialty rising 7.2% (+6.7% scripts) and non-specialty increasing 9.2% despite lower utilization (-2.3%).
- Specialty average cost per 30-day supply declined (-4.5% to $5,341.90) while non-specialty increased (+6.1% to $65.10), indicating favorable selection in the specialty tier.

Total Allowed	30-DS RX per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers
$4.6M	219	$17.58	$964.92	0.1%	641
12.2%	12.5%	17.5%	4.4%	0.1% pp	33

Current pharmacy allowed - Top 5 drugs



Spending changes by drug - Top 5 Allowed change period over period

Prescriptions

Current cost per 30 day supply

- GLP-1 allowed PMPM increased 17.5% to $17.58, driven primarily by higher utilization (up 12.5%) rather than by unit cost (up 4.4%). However, the large decrease in the overall CDHP population may cause the utilization increase to appear higher.
- Utilization increased, with 30-day prescriptions per 1,000 rising 12.5% and total utilizers increasing to 641 members during the period.
- GLP-1 therapies remained high-cost, with an average cost per 30-day supply of $964.92 and spending concentrated primarily in Mounjaro and Ozempic.

Top 15 Pharmacy Disease Indications

CDHP

Total Allowed	30-DS RX per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers	% Total Rx Cost
$34.4M	2,688	$131.51	$587.21	60.2%	9,338	83.9%
4.6%	5.2%	9.5%	4.1%	-1.5% pp	-678	1.1%

Rank	Disease Indication	Previous Rank	Rank Change	Current Rx PMPM	PMPM Change	Current Utilizers	Utilizer Change	% Total Rx	Generic Fill Rate
1	Diabetes	1	0	$27.09	$2.02 ↑	1,622	27 ↑	17.3%	50.6%
2	Autoimmune Disease	2	0	$18.61	($3.86) ↓	139	-12 ↓	11.9%	20.2%
3	Psoriasis	4	1 ↑	$16.54	$4.21 ↑	76	2 ↑	10.6%	4.6%
4	Oncology	3	-1 ↓	$15.96	$0.74 ↑	270	-1 ↓	10.2%	82.2%
5	Skin Disorders	6	1 ↑	$8.63	$1.61 ↑	2,099	25 ↑	5.5%	84.8%
6	Viral Infections/HIV AIDS	7	1 ↑	$8.20	$1.54 ↑	121	10 ↑	5.2%	27.1%
7	Vaccines/Immunizing Agents	5	-2 ↓	$7.50	$0.18 ↑	4,093	-748 ↓	4.8%	0.0%
8	Asthma/COPD	8	0	$6.48	$0.52 ↑	2,233	-146 ↓	4.1%	86.3%
9	Multiple Sclerosis/Neuromuscular Disorders	9	0	$4.75	$0.37 ↑	16	-3 ↓	3.0%	21.2%
10	Blood Disorders	10	0	$3.53	$0.24 ↑	410	1 ↑	2.3%	43.6%
11	Migraine	12	1 ↑	$3.42	$0.64 ↑	414	1 ↑	2.2%	53.8%
12	Cardiovascular/Heart Disease	11	-1 ↓	$3.24	$0.18 ↑	164	-4 ↓	2.1%	75.2%
13	Gout	50	37 ↑	$2.84	$2.76 ↑	289	-22 ↓	1.8%	99.0%
14	ADHD/Narcolepsy	13	-1 ↓	$2.71	$0.11 ↑	638	31 ↑	1.7%	94.6%
15	Seizure Disorder	15	0	$2.02	$0.15 ↑	1,271	32 ↑	1.3%	97.6%

- The top 15 disease indications accounted for $34.4M in allowed costs, representing 83.9% of total pharmacy spend, highlighting a high concentration of pharmacy costs across a limited number of conditions.
- Diabetes remained the largest pharmacy cost driver, accounting for 17.3% of total Rx spend, with PMPM increasing modestly and relatively stable user counts.
- Psoriasis and Gout spending increased the most due to more spend for Cosentyx and Krystexxa; these conditions are generally treated with specialty medications.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Reporting by Plan

1. All Enrollees – Actives and Non-Medicare
2. LDPPO Plan – Actives and Non-Medicare
3. CDHP Plan – Actives and Non-Medicare
4. **EPO Plan – Actives and Non-Medicare**

Data was reviewed for reasonableness but not audited for accuracy

Total Allowed PMPM

Current period

$1,055.71

7.5% Trend

$73.28 Change

PMPM Cost Share

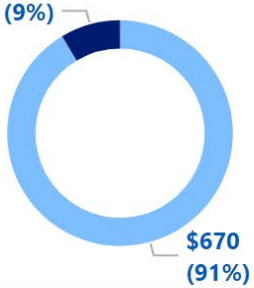
Medical

6.5%

Member trend

8.1%

Plan trend



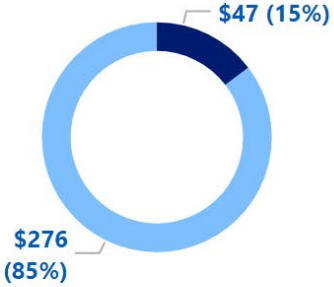
Pharmacy

4.1%

Member Trend

6.7%

Plan Trend



Medical Allowed PMPM

Current period

$732.50

8.0% Trend

$54.05 Change

Pharmacy

Current period PMPM

$323.21

6.3% Trend

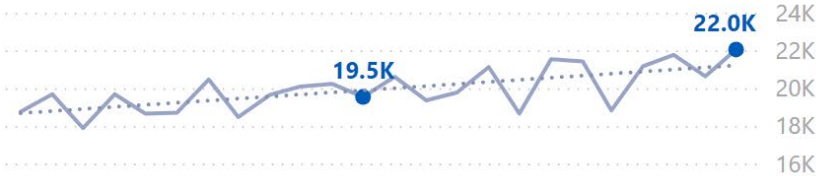
$19.23 Change

30-DS Scripts per 1,000

20,550

6.5%

1.25K



Cost per 30-DS

$188.73

-0.1%

($0.24)

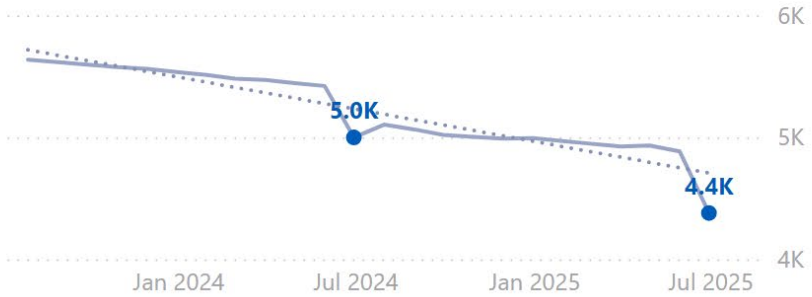
Average Membership

Current Period

4,933

-10.1% Trend

-553 Change

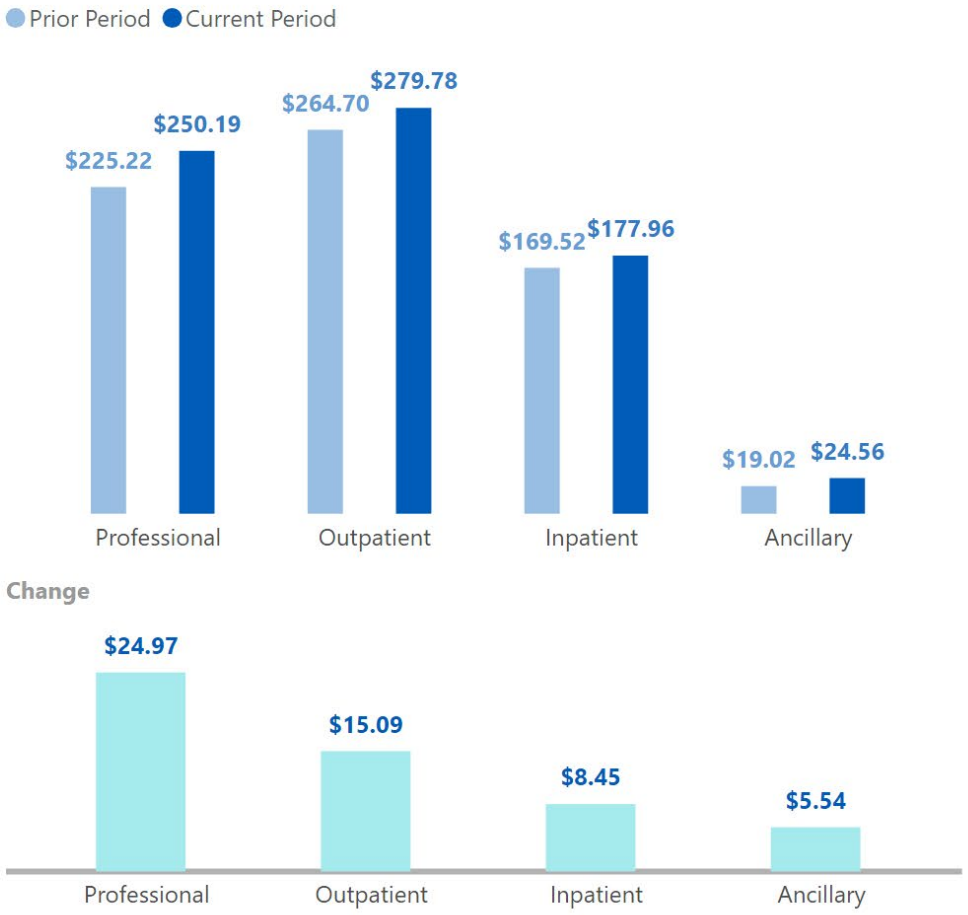


- Medical allowed PMPM rose 8.0% to $732.50, reflecting higher medical utilization and unit costs, and accounting for nearly 70% of total allowed PMPM.
- Pharmacy allowed PMPM increased 6.3% to $323.21, driven by higher utilization (+6.5% scripts per 1,000) while cost per 30-day supply remained essentially flat (-0.1%), indicating utilization as the primary pharmacy cost driver.
- Average membership declined 10.1% (-553 members), with losses spread across nearly all age bands but particularly among older members (60-64: -71).

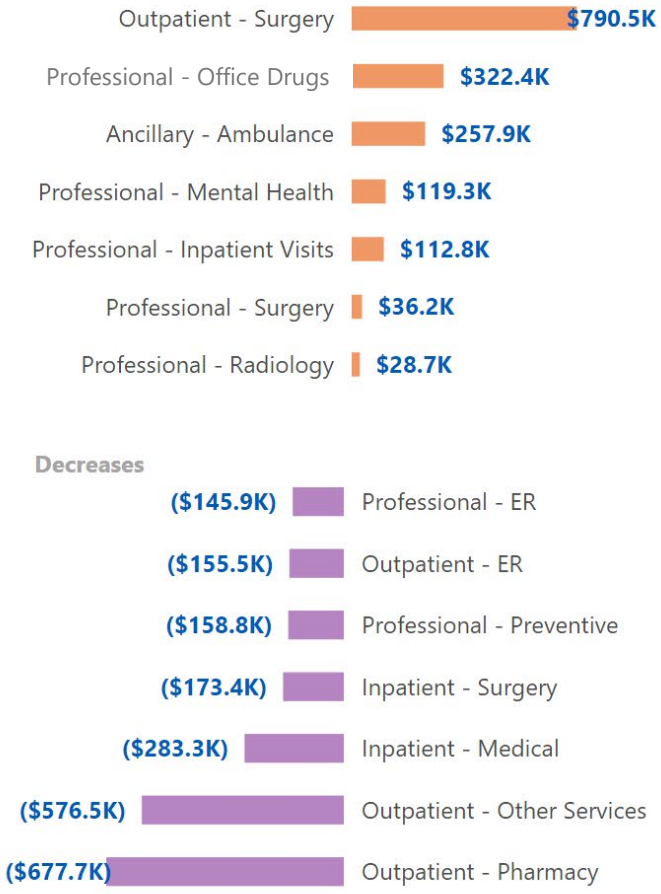
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Total Allowed	Allowed PMPM	% Med Utilizers	% Utilizers - IP	% Utilizers - ER	% Utilizers - UC	% Utilizers - E&M
$43.4M	$732.50	90.7%	4.9%	13.7%	28.4%	83.7%
-2.9%	8.0%	-0.1% pp	0.4% pp	-0.1% pp	1.7% pp	0.2% pp

Allowed PMPM by major service category



Top 7 spend changes by major + minor service



Encounters per 1,000

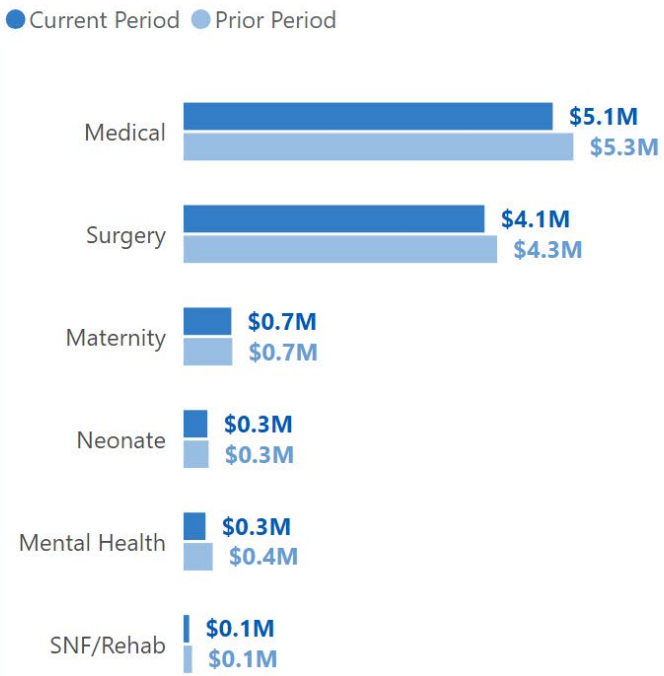
Subcategory	Current Period	Period Over Period Delta
E&M	4,446	295
Urgent Care	499	41
ER	194	-12
Inpatient	65	-2

- Medical allowed PMPM increased to $732.50, the highest across all three plans, with cost growth across all major service categories, despite a slight decline in total allowed (-2.9%) driven by membership losses.
- Cost growth was led by professional (+$24.97 PMPM) and outpatient care (+$15.09 PMPM), with outpatient surgery and office drugs among the top services by cost change.
- ER utilization declined modestly while urgent care utilization rose to 28.4% of membership, the highest rate across all plans. This suggests that members are redirecting some care to lower-acuity settings.

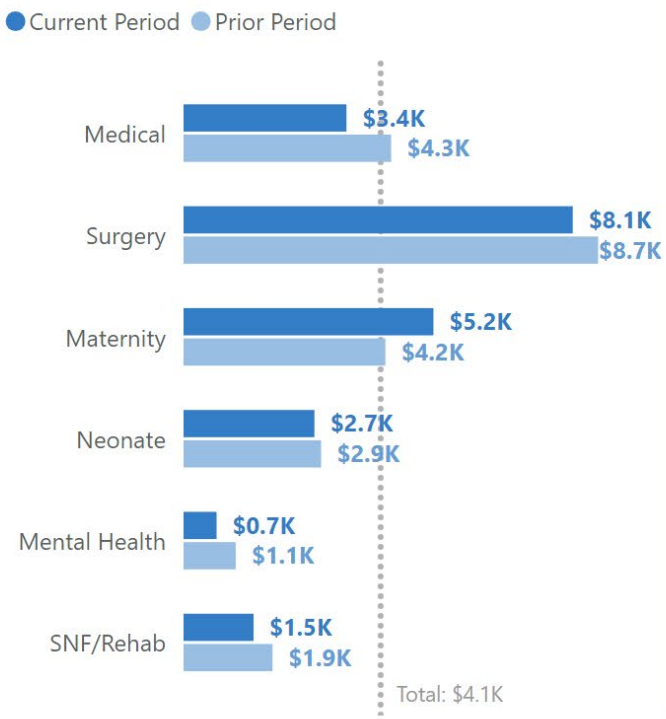
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

Total Allowed	Allowed PMPM	Utilizers	Admissions per 1,000	Allowed per Admission	Average LOS (Days)	% Total Med Allowed
$10.5M	$177.96	263	64.7	$33,023	8.0	24.3%
-5.6%	5.0%	-7	-2.5%	7.7%	21.9%	-0.7% pp

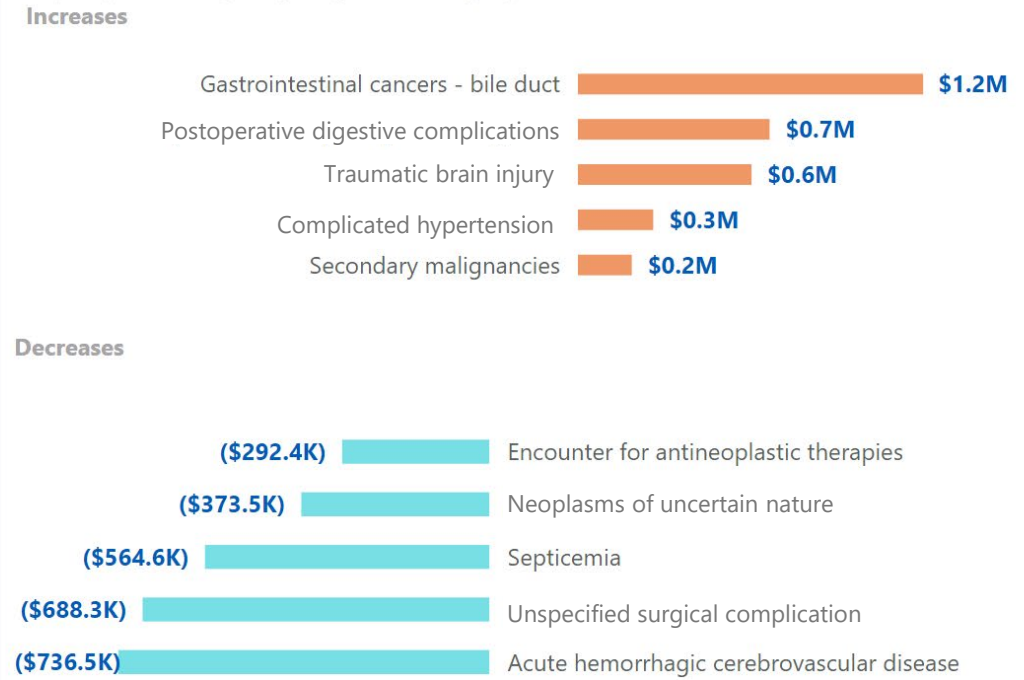
Allowed by service category



Average Allowed Per Day



Top 5 spend changes by diagnostic category



- Inpatient PMPM increased 5.0%, driven primarily by higher cost per admission ($33,023) and a significantly longer average length of stay (8.0 days), pointing to a more complex inpatient case mix period-over-period.
- Gastrointestinal cancers and postprocedural complications were the top inpatient spend drivers, alongside traumatic brain injury, suggesting a shift in acuity toward oncology and complex surgical cases consistent with the larger share of older enrollees (55+) in the EPO population.
- Maternity cost per day increased notably ($1.0K), accompanied by a slight decline in surgical case volume.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

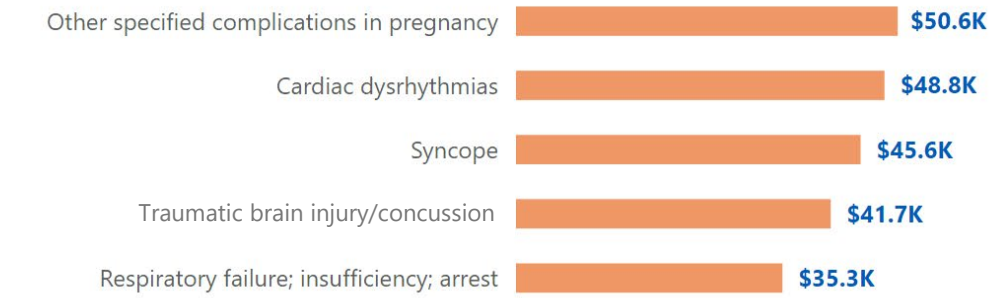
View by: ER

Total Allowed	Allowed PMPM	Utilizers	Visits per 1,000	Allowed per Visit	% Total Med Allowed
$3.5M	$58.48	733	194.2	$3,613	8.0%
-4.3%	6.4%	-89	-5.9%	13.1%	-0.1% pp

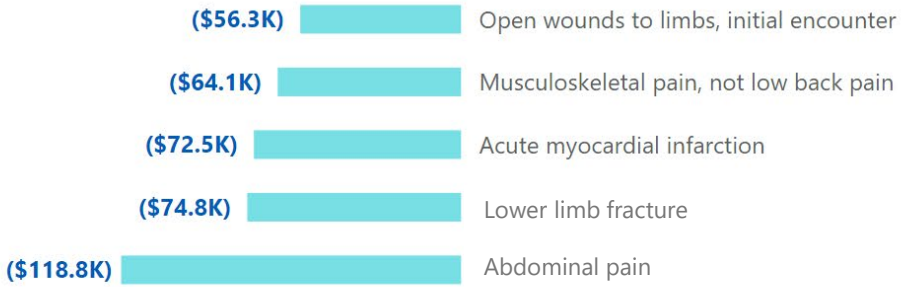
Allowed by service category

Top 5 spend changes by diagnostic category - Allowed change period over period

Increases



Decreases



Detail by: Rendering Provider - Source

Rendering Provider - Source	Medical Allowed	Encounters	Allowed Per Encounter
RENOWN REGIONAL MED	$923,467.84	246	$3,753.93
CARSON TAHOE REGIONAL HEALTHCA	$810,296.70	277	$2,925.26
RENOWN SOUTH MEADO	$481,341.82	116	$4,149.50
NORTHERN NV HOSP	$392,144.25	99	$3,961.05
CARSON VALLEY MED CENTER	$153,063.40	38	$4,027.98

- Pregnancy complications, cardiac dysrhythmias, and syncope were the top ER spend drivers, collectively reflecting a case mix shift toward more serious presentations rather than routine or avoidable ER use.
- TBI/concussion and respiratory failure also contributed to spend increases, further supporting the observation that higher clinical acuity is driving EPO ER costs.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

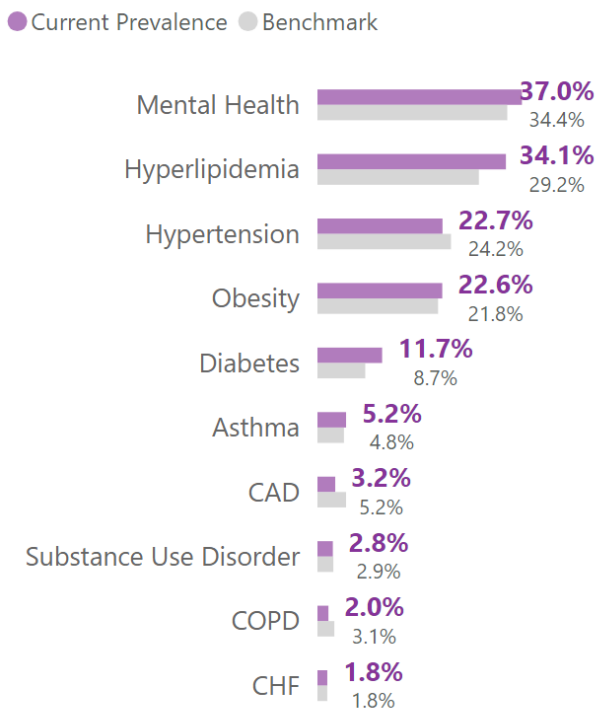
Major Chronic Conditions

Benchmark Type: Public Sector

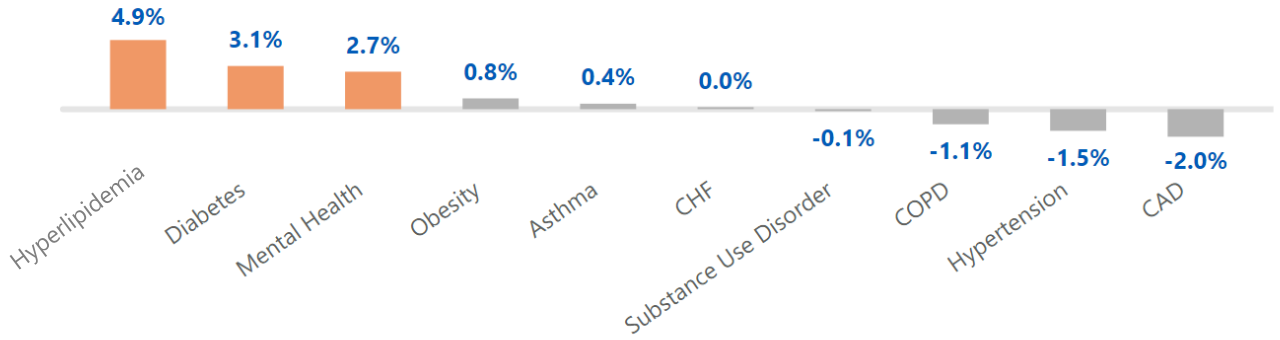
Members
2,854
-320

Prevalence
65.2%
1.7% pp

Chronic Conditions Prevalence - *hover for age band dist.*



Prevalence Variation from Benchmark



Chronic Condition	Members	Member Change	Prevalence Change	Avg Total Conditions	Med PMPM	Rx PMPM
Mental Health	1,622	-170 ↓	1.2% ↑	2.3	$963	$437
Hyperlipidemia	1,495	-132 ↓	1.6% ↑	2.9	$1,083	$573
Hypertension	992	-115 ↓	0.5% ↑	3.3	$1,428	$698
Obesity	990	-116 ↓	0.5% ↑	3.0	$1,177	$547
Diabetes	513	-31 ↓	0.8% ↑	3.8	$1,396	$970
Asthma	227	-45 ↓	-0.3% ↓	2.9	$926	$780
CAD	141	-25 ↓	-0.1% ↓	4.3	$1,641	$739
Substance Use Disorder	122	-22 ↓	-0.1% ↓	3.4	$1,319	$418
COPD	87	3 ↑	0.3% ↑	3.7	$3,529	$1,057
CHF	78	2 ↑	0.3% ↑	4.6	$4,392	$1,130

- Overall chronic condition prevalence was 65.2%, indicating a relatively high chronic burden within the EPO population, with many members having multiple chronic conditions.
- Mental health, hyperlipidemia, and hypertension were most prevalent, with mental health affecting over one-third of members.
- Relative to Segal's Public Sector benchmark, prevalence was higher for hyperlipidemia, diabetes, and mental health, while other conditions were near or below benchmark.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

EPO

Care Gap Compliance

Benchmark Type: Public Sector

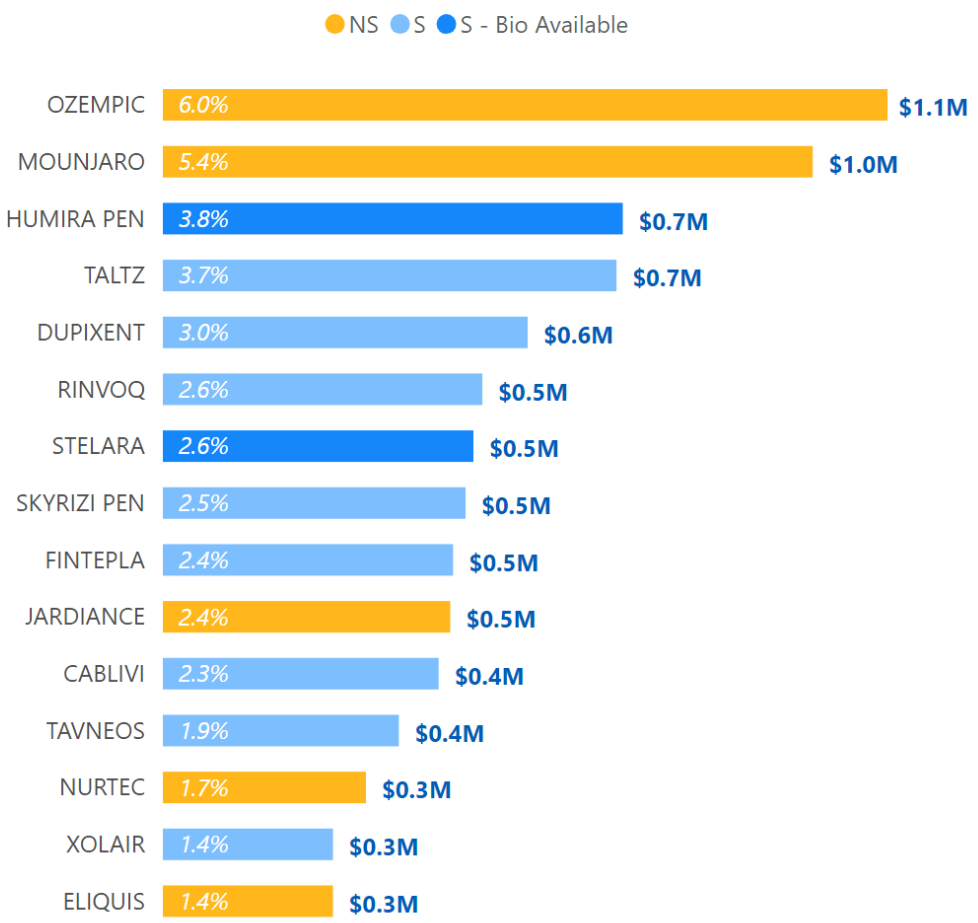
Description	Current	Previous	Change	Benchmark	Variation	
Asthma						
Patient(s) with inhaled corticosteroids or leukotriene inhibitors in the last 12	80.6%	83.1%	-2.5% ↓	84.8%	-4.2% ↓	Declining and Not Beating Benchmark
CAD						
Patient(s) currently taking a statin	74.5%	70.5%	4.0% ↑	71.5%	2.9% ↑	Improving and Beating Benchmark
Patient(s) currently taking an ACE-inhibitor	27.0%	28.9%	-2.0% ↓	22.3%	4.6% ↑	Declining but Beating Benchmark
COPD						
Patients with spirometry testing within the last 12 months	25.3%	28.6%	-3.3% ↓	20.4%	4.9% ↑	Declining but Beating Benchmark
Diabetes						
Patient(s) that had an annual screening test for diabetic nephropathy	63.2%	62.9%	0.3% ↑	64.9%	-1.8% ↓	Improving but Not Beating Benchmark
Patient(s) that had an annual screening test for diabetic retinopathy	40.7%	44.9%	-4.1% ↓	35.0%	5.7% ↑	Declining but Beating Benchmark
Patient(s) that had at least 1 hemoglobin A1C tests in last 12 reported months	87.9%	88.2%	-0.3% ↓	85.3%	2.6% ↑	Declining but Beating Benchmark
Hyperlipidemia						
Patient(s) with a LDL cholesterol test in last 12 reported months	72.6%	74.4%	-1.8% ↓	78.3%	-5.7% ↓	Declining and Not Beating Benchmark
Preventive Screening						
Breast Cancer	72.6%	70.0%	2.7% ↑	72.9%	-0.3% ↓	Improving but Not Beating Benchmark
Cervical Cancer	61.8%	59.9%	1.9% ↑	60.9%	0.9% ↑	Improving and Beating Benchmark
Colorectal Cancer	58.2%	52.7%	5.4% ↑	58.5%	-0.3% ↓	Improving but Not Beating Benchmark
Prostate Cancer	53.8%	49.1%	4.7% ↑	56.2%	-2.4% ↓	Improving but Not Beating Benchmark

- Half of the twelve clinical quality metrics are above benchmark, which indicates good condition management given the high disease burden of this group.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

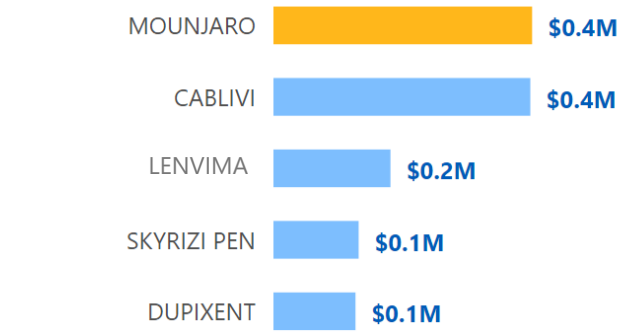
Total Allowed	30-DS Rx per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers	% Utilizing Rx
$19.1M	20,550	$323.21	$188.73	86.9%	4,238	79.0%
-4.4%	6.5%	6.3%	-0.1%	0.3% pp	-369	1.9% pp

Top 15 Drugs - Pharmacy Allowed *(% of Total Pharmacy Allowed)* *

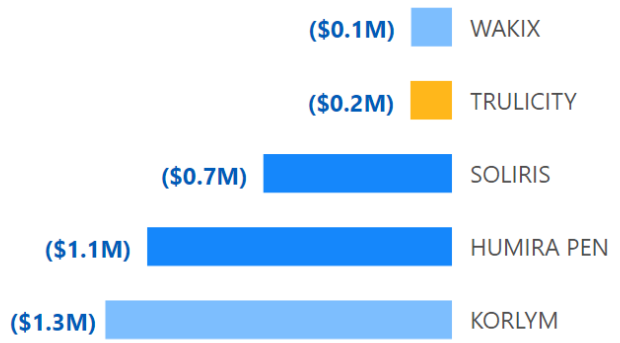


Top 5 spend changes by drug - Allowed change

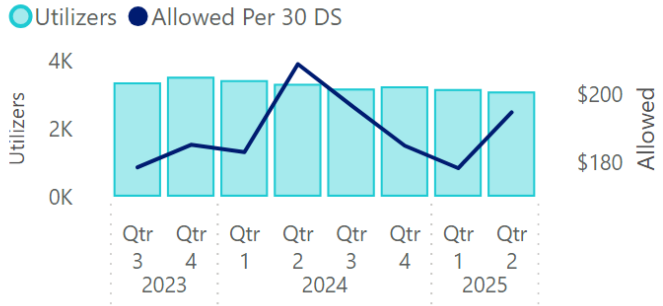
Increases



Decreases



Cost vs. Utilization



- Total pharmacy allowed declined 4.4% to $19.1M, reflecting lower overall spend driven by declining membership, while allowed PMPM increased 6.3%.
- Pharmacy utilization increased 6.5% on a scripts per 1,000 basis, while cost per 30-day supply remained essentially flat (-0.1%), indicating utilization as the primary driver of PMPM growth.
- GLP-1s were the costliest drugs for EPO enrollees, together representing over 13% of total pharmacy allowed. High-cost specialty drugs further concentrated spend among a small number of medications, despite a strong generic fill rate elsewhere.

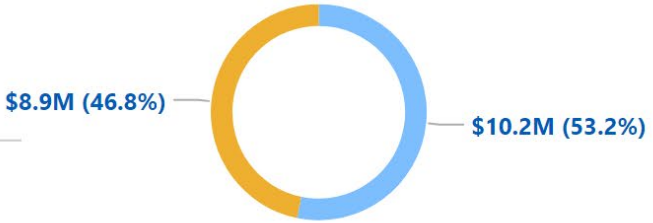
Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

* S = Specialty, NS = Non-Specialty

Current Pharmacy Allowed

Specialty allowed trend
-9.1%

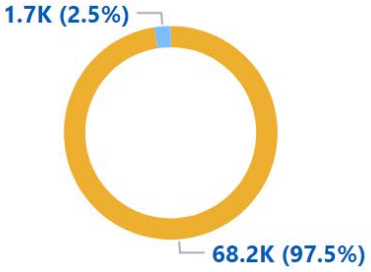
Non-specialty allowed trend
1.6%



Prescriptions

Specialty scripts trend
3.0%

Non-specialty script trend
-5.5%



Average Cost per 30 day supply

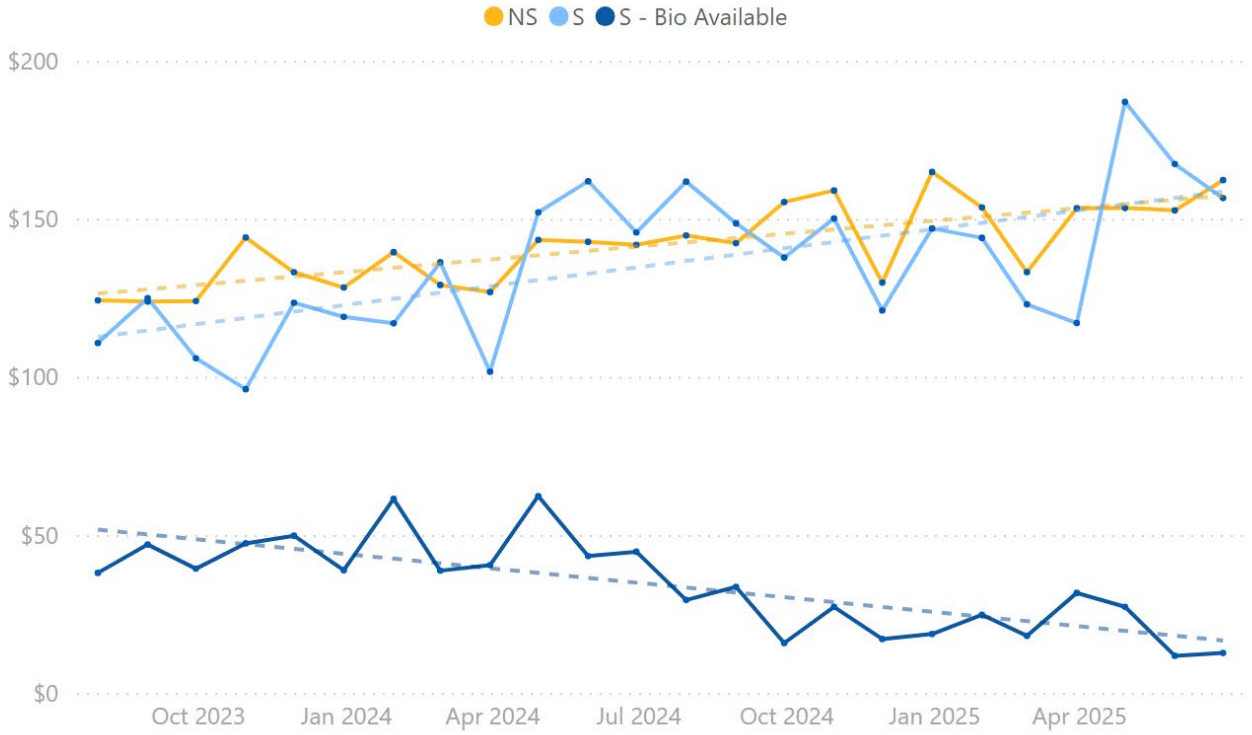
Specialty average cost trend
-15.1%

Non-specialty average cost trend
6.3%

Allowed PMPM Trends

Specialty allowed PMPM
$172.04
1.1%

Non-specialty allowed PMPM
$151.17
12.9%



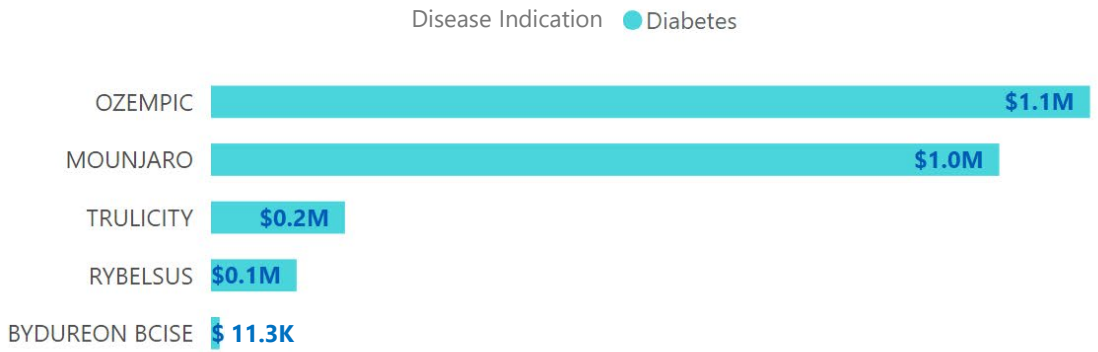
- Specialty drugs accounted for 53.2% of total pharmacy allowed costs while representing only 2.5% of prescriptions.
- Specialty pharmacy performance increased moderately, with allowed PMPM increasing 1.1% and average cost per 30-day supply decreasing 15.1% during the period.
- Non-specialty PMPM increased 12.9%, driven by higher unit costs (+6.3%) despite a decline in prescription utilization (-5.5%).

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

* S = Specialty, NS = Non-Specialty

Total Allowed	30-DS RX per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers
$2.5M	511	$41.69	$978.74	0.0%	279
19.5%	26.9%	32.9%	4.7%	0.0% pp	13

Current pharmacy allowed - Top 5 drugs



Spending changes by drug - Top 5 Allowed change period over period

Prescriptions

Current cost per 30 day supply

- GLP-1 allowed PMPM increased 32.9% to $41.69 — the highest across all three plans — driven as in other groups mainly by higher utilization rather than unit costs. Though cost per 30-days did increase, the change was modest compared to that of utilization (4.7% vs. 26.9%).
- Mounjaro and Ozempic account for over 80% of total GLP-1 spend, as prescribing continues to shift toward newer agents and away from older drugs like Trulicity.

Top 15 Pharmacy Disease Indications

EPO

Total Allowed	30-DS RX per 1,000	Allowed PMPM	Cost per 30-DS	Generic Fill Rate	Utilizers	% Total Rx Cost
$16.0M	5,626	$270.16	$576.23	60.5%	2,831	83.6%
-7.1%	7.1%	3.4%	-3.5%	-0.1% pp	-257	-2.4%

Rank	Disease Indication	Previous Rank	Rank Change	Current Rx PMPM	PMPM Change	Current Utilizers	Utilizer Change	% Total Rx	Generic Fill Rate
1	Diabetes	1	0	$64.02	($10.23) ↓	587	-23 ↓	19.8%	43.3%
2	Autoimmune Disease	2	0	$40.08	($9.55) ↓	77	-5 ↓	12.4%	17.6%
3	Psoriasis	3	0	$35.05	$7.90 ↑	34	3 ↑	10.8%	3.4%
4	Blood Disorders	4	0	$21.15	($0.01) ↓	152	-9 ↓	6.5%	36.5%
5	Oncology	6	1 ↑	$14.99	$2.94 ↑	97	-11 ↓	4.6%	87.8%
6	Skin Disorders	9	3 ↑	$14.05	$5.58 ↑	658	-21 ↓	4.3%	86.6%
7	Asthma/COPD	5	-2 ↓	$13.73	$0.46 ↑	782	-55 ↓	4.2%	80.5%
8	Migraine	7	-1 ↓	$13.71	$3.21 ↑	209	-38 ↓	4.2%	45.2%
9	Seizure Disorder	10	1 ↑	$11.04	$2.99 ↑	487	-38 ↓	3.4%	96.9%
10	Multiple Sclerosis/Neuromuscular Disorders	13	3 ↑	$9.80	$4.75 ↑		1 ↑	3.0%	44.6%
11	Vaccines/Immunizing Agents	11	0	$8.87	$1.93 ↑	1,062	-182 ↓	2.7%	0.0%
12	ADHD/Narcolepsy	8	-4 ↓	$8.63	($1.27) ↓	316	2 ↑	2.7%	90.3%
13	Viral Infections/HIV AIDS	14	1 ↑	$5.45	$0.57 ↑	24	2 ↑	1.7%	42.8%
14	Mental Health/Neurological Disorders	12	-2 ↓	$4.89	($0.61) ↓	175	-14 ↓	1.5%	84.8%
15	Diabetic Supplies/Monitoring	15	0	$4.70	$0.10 ↑	112	-12 ↓	1.5%	0.0%

- The top 15 disease indications accounted for $16.0M in allowed costs and 83.6% of total pharmacy spend.
- Diabetes remained the largest pharmacy cost driver at nearly 20% of total pharmacy spend, despite a decline in PMPM (-$10.23) and fewer utilizers during the period.
- PMPM increases were broad-based across the majority of indications, with Psoriasis (+$7.90), Skin Disorders (+$5.58), and Multiple Sclerosis (+$4.75) among the largest contributors, partially offset by declines in Diabetes and Autoimmune Disease.

Current Period : Incurred 7/1/2024 - 6/30/2025 : Active + Non-Medicare Retirees

A Word About Privacy

- Data presented has been “de-identified”, which means it does not contain names or SSNs, etc.
- Specific medical conditions are identified.
- If the plan administrator knows the identity of individuals with a specific condition, that information is considered PHI.
- PHI is subject to the HIPAA Privacy Rule’s protections, which means it must be kept confidential and cannot be used for any reason other than health plan administration (e.g., using it for employment purposes, or by other benefit plans, is prohibited).

GLP-1 Experience Monitoring

Methodology and Limitations

- A review of experience for members utilizing Glucagon-like-peptide-1 (GLP-1) prescription drugs was performed to monitor user adherence and drug efficacy.
  - Members enrolled in Medicare are excluded from the analysis
- The cost impact analysis includes members who initiated GLP-1 therapy between January 2023 and December 2024.
  - Medical claims data through March 2026 was included. December 2024 was used as the cutoff to ensure users had at least 12 months of experience with a GLP-1 and three months of claims runout.
  - Members must have been enrolled for at least 6 months prior to GLP-1 initiation and at least 12 months after initiation.
- Certain claims unrelated to GLP-1 utilization were excluded from the cost impact analysis.
- GLP-1 medications often have target doses for effectiveness; this is not accounted for in medication adherence, which only considers receipt of drug treatment.
- We have provided a list of medical claims detail by service category for adherent and nonadherent members separately.

GLP-1 Analysis – Methodology & Limitations

- Medication adherence is measured based on the proportion of days covered (PDC) methodology, which is the standard used by the Pharmacy Quality Alliance and Medicare. PDC accounts for the total days of therapy available to an individual (days covered) within a standardized window. For members receiving refills prior to the end of a previous prescription, days are "shifted" to account for this overlap. For example, a member filling a 28-day supply of Ozempic on Jan 1, 2023 and again on Jan 25, 2023 would have 4 days of overlap since the first prescription would end on Jan 28, 2023. Therefore, the second prescription is "shifted" to begin on Jan 29, 2023 and end on Feb 25, 2023. In this scenario, 56 days would be counted for the member.
  - If a member begins a GLP-1 medication, but later fills a different GLP-1 medication, days are not shifted if an overlap occurs, but instead the remaining days on the first prescription are not counted. Ex: Member fills a 28-day supply of Ozempic on Jan 1, 2023 and a 28-day supply of Mounjaro on Jan 25, 2023. Ozempic's days counted are Jan 1 – 24 and Mounjaro's days counted are Jan 25, 2023 through Feb 21, 2023. In this scenario, only 52 days would be counted for the member.
  - PDC is typically calculated within a specific time period, typically a calendar year. Here, we calculated PDC starting with the date of a member's first prescription and through 1 year. Any days supply after the end of 1 year are not counted, which caps a PDC value at 100%. For example, if a member's first fill is Jan 1, 2023 then the last day counted would be Dec 31, 2023 (1 year since the first prescription). If the member fills an 84-day supply on Dec 30, 2023, then only 2 days (Dec 30 and 31) are included in the calculation.
  - An illustrative exhibit on how PDC was calculated is included in the Appendix.
- Members with a PDC of 80% or greater are considered "adherent" and less than 80% considered "non-adherent".
- All exhibits reviewing adherence requiring members to be enrolled for at least 12 months following GLP-1 therapy initiation, which limited the exhibits to users who initiated therapy by December 2024. Additionally, we've only included participants who initiated therapy on or after January 2023.

Condition-Specific Program Analysis

- Segal requested participation lists from the various programs from UMR and Nevada Business Group on Health
- Participants were then matched to the claims in the SHAPE data warehouse with claims paid through February 28, 2026
  - Current Year: July 1, 2024 through June 30, 2025 (Incurred)
  - Previous Year (Muti-Year Analysis): July 1, 2023 through June 30, 2024 (Incurred)
- To get the eligible population, we applied our standard logic to identifying those with either diabetes or obesity
- While some participant sample sizes were small, observations were summarized on each slide
- Overall, the industry is moving towards whole-person health versus programs specific to certain conditions