



Making Healthcare **Better For You**

2021 ANNUAL REPORT

TML Health
Benefits Pool



Table of Contents



Letter from the Chair

4 • Focus on Transition to BCBSTX and Other Partners



TML Health Board of Trustees

5 • Plan Year 2021-2022



A Year in Pandemic

6 • Intro
7 • Membership Snapshot
9 • TML Health Employer Groups
10 • Industry Leading Partners



Making Healthcare Better for You

12 • Intro
13 • Blue Cross and Blue Shield of Texas
13 • Navitus
14 • EyeMed
14 • TML Health Online
15 • New Wellness Programs
19 • Medical Coverage for Post-65 Retirees



Finance and Underwriting

20 • Intro
21 • Renewal Credits
21 • Underwriting Claims Reports
22 • Key Cost Components
23 • TML Re
23 • COVID Impact and Looking Ahead



Managing Costs

26 • Intro
27 • Utilization Management
27 • Preauthorization
27 • Holistic Health Management
28 • Maternity Health
29 • Navigate
29 • Wellness Tools and Resources
30 • Centers of Excellence
31 • Changes in Cost Management



Key Performance Indicators

32 • Intro
34 • Financial Performance
35 • Marketing
36 • Administrative Performance
37 • Organizational Performance



Closing Letter

40 • From the Executive Director





Letter from the Chair

Despite the unexpected changes and long-term fallout the ongoing pandemic has had on our medical claims spending and our very way of working in Fiscal Year 2020-2021, the important things didn't change: TML Health's board and employees still ensured that the people who take care of our communities could also take care of themselves.

While Texas public servants work day in and day out to ensure that city services, resources, and amenities are available for all their residents, TML Health provides those local government employees with good healthcare plans, by leveraging the power of multiple municipalities sharing the risks and rewards in the same benefits pool. We build and tend a solid healthcare foundation for the people who build our roads, keep us safe, and ensure that we have the services we need in our communities.

Our organization was conceived to give Texas cities and public entities better opportunities to care for their employees using the power of the Pool to offer exceptional benefits at a cost employees could afford. When we first began over 40 years ago, our model broke new ground in the healthcare and benefits arena. Over time, like all successful mission-driven organizations, we evolved so that we could meet new challenges in the field while maintaining our members and their health as our top priority.

Today, we find ourselves facing new challenges. Not just the pandemic, but the changing shape of the healthcare landscape. Commercial carriers have leveraged subsidies from the federal government to invest in new technology, better analytics, and new programs to help manage the burden of chronic disease. They've developed value-based care arrangements to

help move the industry away from fee-for-service—where profit is driven by multiple visits to the doctor—toward a payment model that pays more when doctors actually help their patients become healthier. These arrangements also pay less when providers are high cost without high results.

In order to bring our members the best of these market reforms, we realized that we needed to evolve once again to meet the current challenges of the day. In the previous fiscal year, we transitioned to a transparent Pharmacy Benefits Manager with Navitus to reduce pharmacy costs without sacrificing service. Some of our new initiatives to bring improved benefits to our members this year included:



Partnering with Blue Cross and Blue Shield of Texas to deliver the largest PPO network in Texas at discounted rates.



Upgrading to our streamlined online enrollment system with TML Health Online.



Offering new benefits including vision with EyeMed and telemedicine with MDLIVE.

Through all these changes, who we are stays the same—we are a self-insured risk pool. We do our own underwriting and rate setting, our members can benefit from good claims experiences through our renewal credit programs, and we will continue to provide the dedicated account service that our members love. We are Texans serving Texans, and together we can keep making healthcare better. Thank you for joining us on the journey.

Warm regards,

Blake Petrash
Board Chair, TML Health

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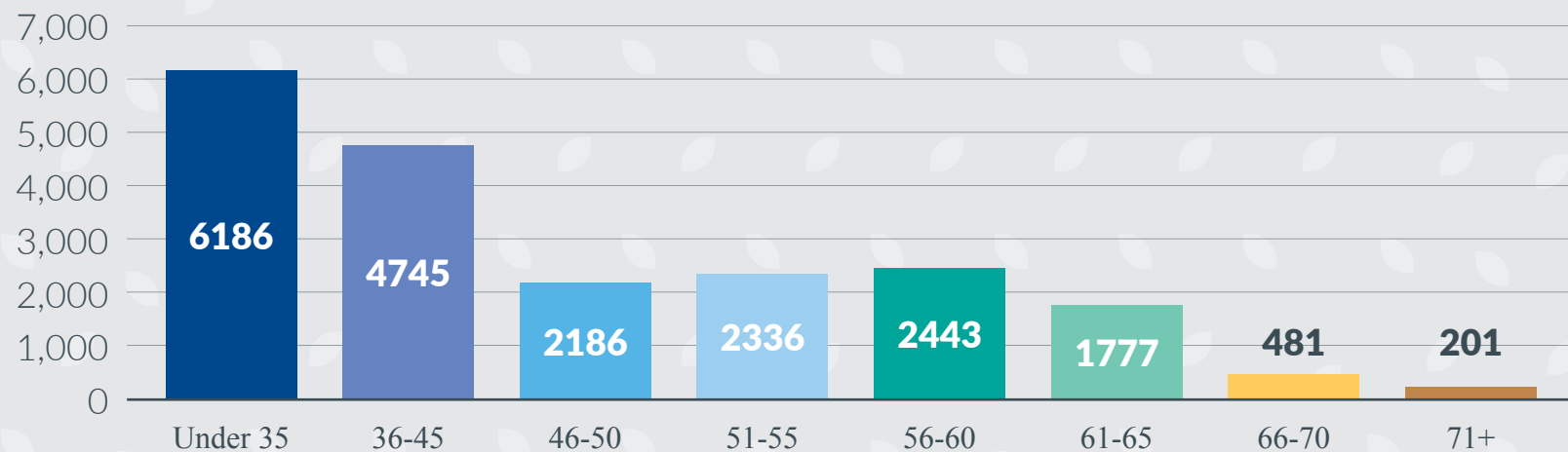
A Year in Pandemic

2021 was our first full year in a pandemic. The Delta surge threatened to overwhelm hospitals, and many of our members were affected. COVID costs were a significant factor in this year's medical loss ratio. With effective vaccines available, we may have reasons to be optimistic.

Membership Snapshot



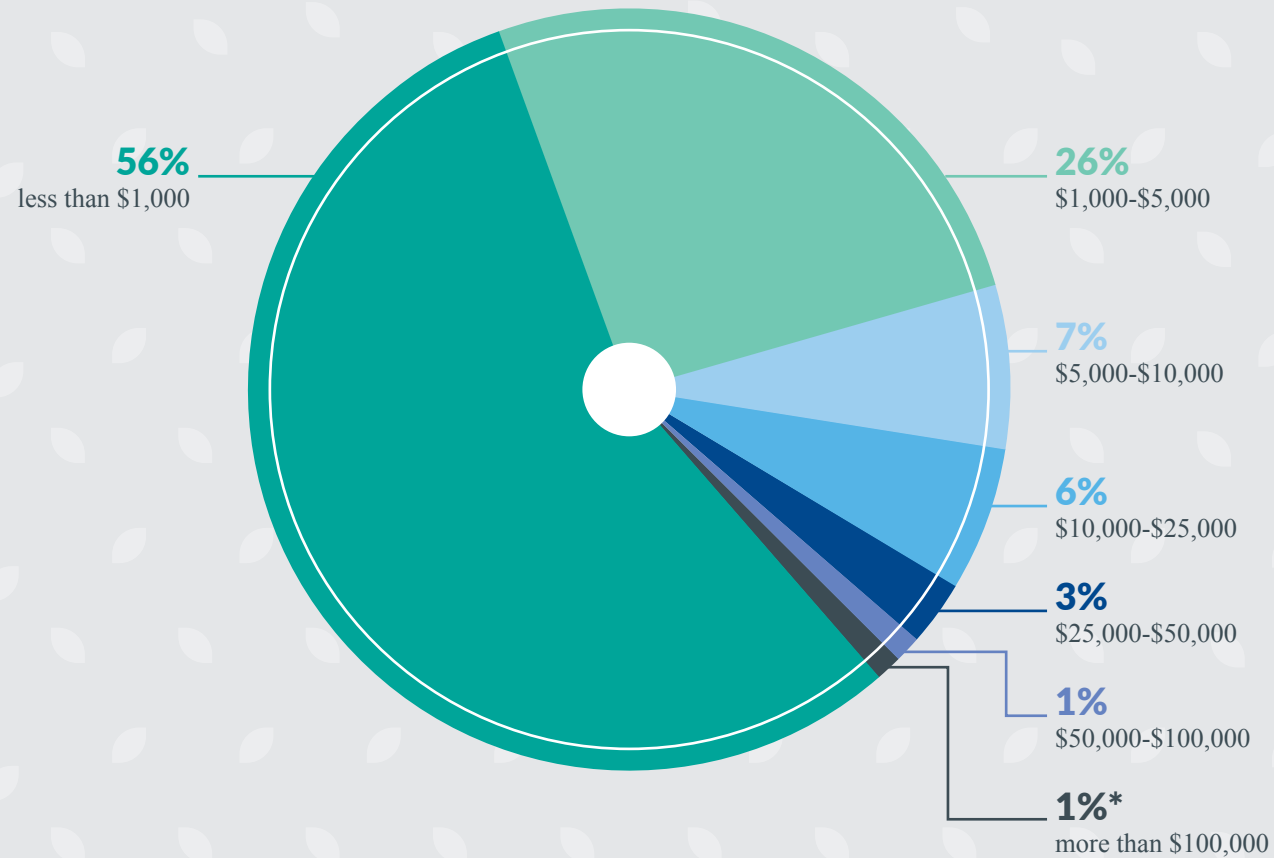
OUR POOL MEMBERS BY AGE





TOTAL MEDICAL CLAIMS PER MEMBER IN 2020-21 PY

Based on our average total members for the year



*

.6%
\$100,000-\$200,000
167 members

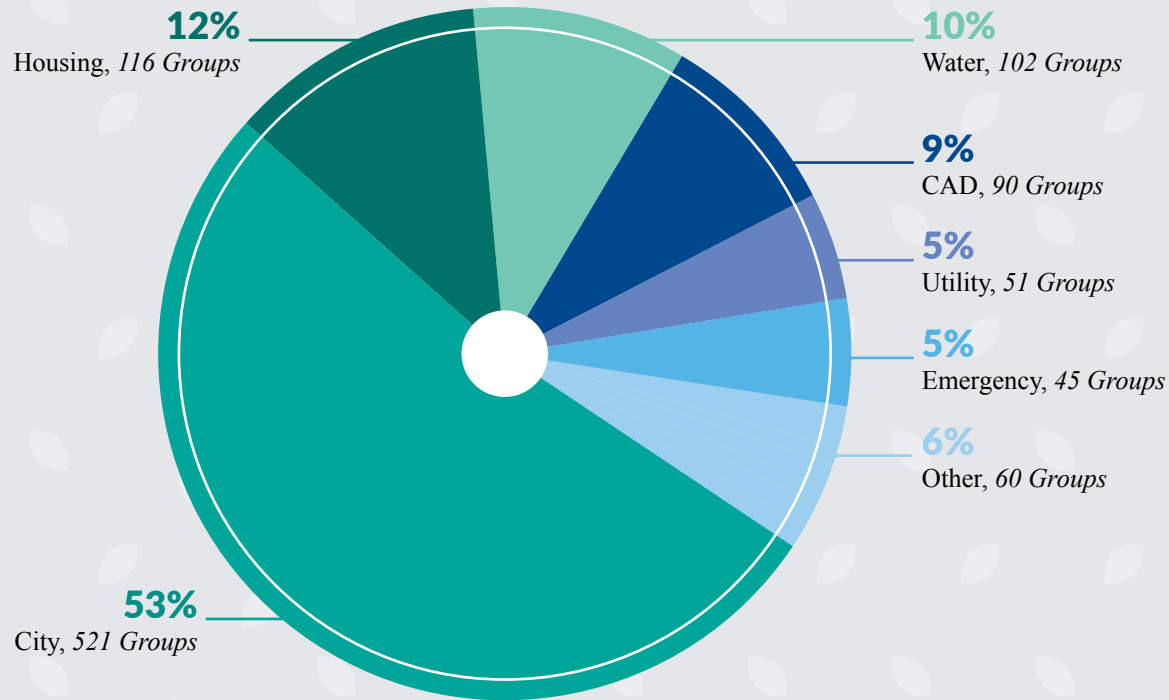
.1%
\$200,000-\$300,000
39 members

.1%
\$300,000-\$500,000
26 members

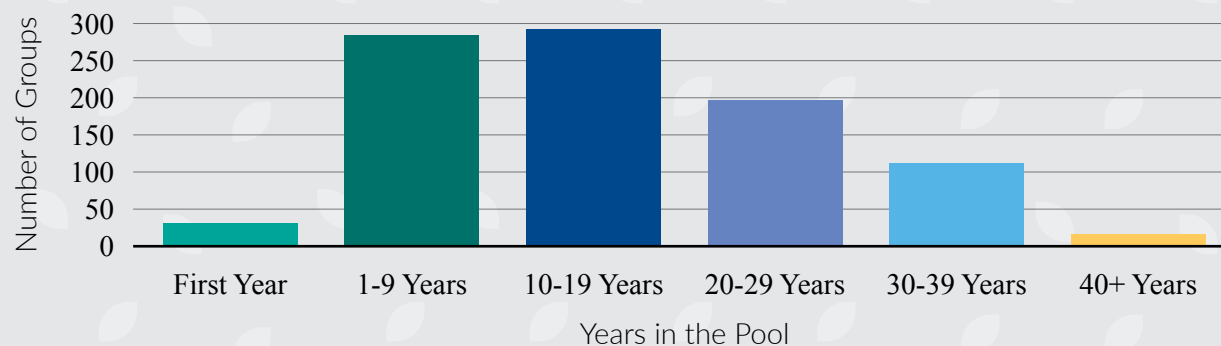
.04%
\$500,000-\$1,000,000
13 members

.01%
\$1,000,000+
4 members

TML Health Employer Groups



HOW LONG HAVE OUR GROUPS BEEN IN THE POOL?





Industry Leading Partners

TML Health brings together the best networks and service providers in healthcare, to provide quality benefits at an affordable price. By negotiating contracts for our 35,000+ member pool, we can provide the benefits of a large employer to small districts, towns, and other public entities.

NAVITUS

- Our new pharmacy benefits manager
- Focus on transparent prescription costs
- Saved the Pool \$5 million in 2021



DEER OAKS

Employee Assistance Program

- Our increased focus on mental health support
- Now included FREE for all our Pool members



BLUE CROSS AND BLUE SHIELD OF TEXAS

- Our new medical benefits network
- The largest PPO network in Texas
- Well onTarget program and access to Benefit Value Advisors



BlueCross BlueShield
of Texas

EYEMED

- Our new vision provider
- Offering a network for the first time
- Copays and discounts



TML HEALTH ONLINE

- Our new online enrollment system
- A faster, streamlined, and paperless option for members







Making Healthcare Better for You

This year we completed our Making Healthcare Better for You initiatives, transferring all our groups to:

- ✓ The broadest provider network in Texas, with Blue Cross and Blue Shield of Texas (BCBSTX)
- ✓ BCBSTX claims processing with 24/7 customer service and Benefit Value Advisors to help compare providers and reduce out-of-pocket costs
- ✓ Pharmacy benefits through Navitus
- ✓ Vision benefits through EyeMed
- ✓ An all-new member portal with TML Health Online
- ✓ And our post-65 retirees to new health and prescription benefits through Amwins.



BLUE CROSS AND BLUE SHIELD OF TEXAS

As of January 1, 2022, we have transitioned all our member groups from UnitedHealthcare to Blue Cross and Blue Shield of Texas. By making this transition, we've opened up access for our members to the widest healthcare provider network in Texas.

Blue Cross and Blue Shield of Texas also brings access to 24/7 member service, new wellness programs, easy access to benefits through the Blue Cross and Blue Shield of Texas Blue Access for Members portal, cost saving Benefit Value Advisors, and the largest network discounts.



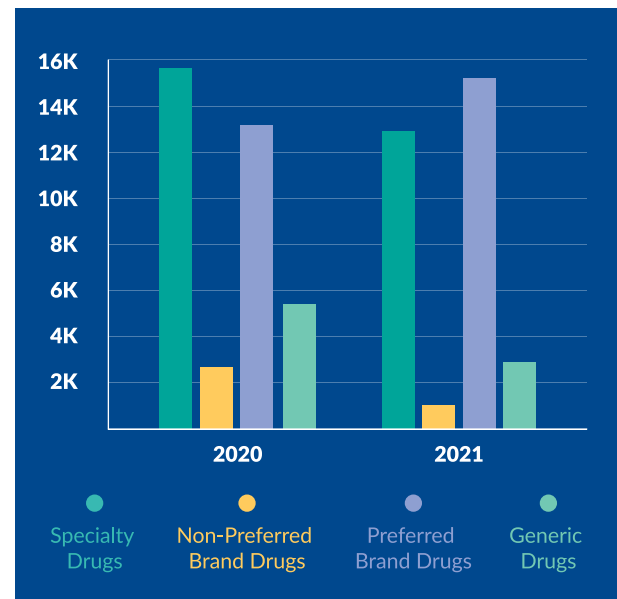
NAVITUS

As of January 1, 2021, all our employee groups have transitioned their prescription benefits to Navitus. Transferring prescription benefits management to Navitus has saved the Pool \$4,852,110 year over year compared with 2020.

In addition, Navitus offers the pool complete transparency in pricing and a 100% pass through reimbursement model. Navitus doesn't mark up the costs of drugs, and the pool pays exactly what the pharmacy is paid. Navitus has also committed to passing through 100% of all rebates and administrative fees they receive from pharmaceutical manufacturers. This is unlike many pharmacy benefit managers, who retain these dollars and profit at the expense of patients and payers.

Members can access complete information about their pharmacy benefits by logging into the Navitus Member Portal or the Navitus App. They can also contact the Navitus Customer Care center and speak to a live agent 24/7.

TOTAL NAVITUS SAVINGS: \$4,852,110.00



11%
Average amount saved
per member, per month

\$203.1K
Amount Pool Members
saved out-of pocket in 2021



EYEMED

Starting in February 2021, TML Health began to transition all groups to EyeMed. EyeMed provides access to a wide network of vision providers, a \$0 copay for eye exams, and affordable copays for frames, lenses, and contacts. EyeMed's national network of vision providers includes names our members will know and trust, like TSO, Eyemart, Target, Lenscrafters, Pearle Vision, and many local providers.



TML HEALTH ONLINE

This year, we migrated all our members to TML Health Online, a new benefits enrollment system powered by Businessolver, a rules-based system that uses technology and live support to make the open enrollment process intuitive and easy for our members.

We are working with Businessolver to resolve ongoing issues, including formation of a Billing Task Force to address billing difficulties.

This new member portal allows our members easy online enrollment in benefits, and access to their claims and benefits information.

New Wellness Programs

In addition to our popular TML Well challenges, we've added all-new wellness programs for our members.

oviahealth™

OVIA HEALTH

for Women's and Family Health

For the first time, we are able to offer our members support from Ovia Health's complete app suite. The apps provide maternal support from pre-pregnancy to delivery all the way through parenting. Ovia Health includes support for maternal health, including postpartum depression, and for children's health.



Livongo™

LIVONGO

for Diabetes and Hypertension Management

Diabetes and hypertension are conditions that can feel mild but lead to numerous complications and high costs down the road. They're also quite prevalent in our member population:

**PERCENTAGE OF OUR
POOL AFFECTED BY...**

Diabetes: **10.8%**

Hypertension: **26.6%**

Livongo representatives reach out to members living with diabetes or high blood pressure to invite them to participate in a program designed to help our members take control of their health.

Members who choose to participate receive digitally connected glucose monitors, scales, and/or blood pressure cuffs that monitor and transmit their health data in real time to their own personal Livongo coach, who will help them manage their condition.



WONDR HEALTH

Weight loss of just 3% can reduce risk factors for metabolic syndrome by 41%, along with the risk of high blood pressure, high cholesterol, prediabetes and diabetes, thus decreasing the overall cost of healthcare. Our popular weight loss program, Naturally Slim, has rebranded as Wondr Health, to encompass so much more than weight loss. Wondr Health offers a 10-week behavioral health approach to losing weight that changes participants' relationship with food to help them lose weight without painful dieting and sacrificing their favorite foods.

In 2021, we offered 2 sessions of Wondr Health

633

members started
the program

2377

pounds
lost

279

members earned
the \$150 incentive

Wondr Health's weekly video learning program starts with the smallest change in how participants think about meals, and progressively builds healthy habits that stick. Wondr Health is available at no cost to TML Health members, who can log in to the program on their computer or mobile device and participate on their own schedule, wherever they are.

Wondr Health is available free to all eligible adult members covered by TML Health plans. Eligible members:

- ✓ Are older than 18
- ✓ Have a BMI greater than 25 and two risk factors or a BMI of greater than 30
- ✓ Are covered by TML Health's medical plan



CATAPULT

As promised last year, this year (2021) we began offering Catapult Health Virtual Biometric Screening to all our groups, as well as continuing Catapult Onsite Screenings.

Catapult Virtual Screenings give participants a biometric checkup with lab-accurate blood tests from just a finger stick, with private virtual or in-person consultations with a Nurse Practitioner (NP), who reviews their results and helps the participant to develop an action plan for improving their health.







The screenings include vital signs (height, weight, BMI, blood pressure), a series of blood labs (total cholesterol, HDL, LDL, triglycerides, and HgbA1C), the completion of a medical history questionnaire, and a depression screening. Catapult screens each participating member for

metabolic syndrome (a precursor to diabetes and cardiovascular disease), high blood pressure, high cholesterol, prediabetes, and diabetes.

Participants who are identified as high risk or emergent receive a follow-up call from a TML Health wellness coordinator who can provide assistance addressing their health issues.

The Pool saves money when members learn of their medical conditions and follow up with a provider before the condition becomes more serious and harder to treat. Results of the Population Health Report are also reviewed with Benefit Coordinators of groups large enough that data can be anonymized, so they can work with their employees to set local wellness goals.

Preventive Health Screenings by Catapult Health for 2021

 Onsite Screenings	 Virtual Checkup	 Metabolic Syndrome	 High Blood Pressure & Hypertension	 Blood Sugar	 Lipids
34 events 63 groups participated 1561 members participated	1946 kits ordered 1615 members completed the process 350 groups participating	41.5% 3 or more risk factors	26.4% normal blood pressure 20.3% controlled blood pressure 34.5% newly assessed with high blood pressure	56.0% normal blood sugars 6.0% controlled blood sugars 3% newly assessed with diabetes 7.1% uncontrolled blood sugar 28% prediabetes	65.8% acceptable or good HDL 90.1% controlled, good, or optimal LDL 64.9% have normal triglycerides 79.7% have desirable total cholesterol



DEER OAKS Employee Assistance Program

This year, we expanded mental health, work/life, and skills development services through Deer Oaks to all TML Health employee groups and their families, at no additional cost. Deer Oaks Employee Assistance Program offers 24/7 live access to a nationwide network of mental health professionals.



TML WELL

Even with all new wellness support for our members, TML Health still offers our original TML Well programs. Members can still earn the popular \$150 Incentive Program, get biometric screenings, utilize the video-based behavioral weight loss program, and get their flu shot at traditional pharmacies or flu shot clinics.

\$150 INCENTIVE PROGRAM

The TML Health Wellness incentive program gives members a cash incentive for taking an active role in their own health and wellness. Members can earn the incentive by completing a Wellbeing Survey along with any of four options:

- OPTION

- 1

Preventive Care Screening (*Biometrics*)
+ Wellbeing Survey
 - 2

Quarterly Challenge (*4-6 weeks in length*)
+ Wellbeing Survey
 - 3

2 Personal Challenges (*nutrition or physical activity category*) + Wellbeing Survey
 - 4

Wellness Your Way Challenge (*offered by your employer*) + Wellbeing Survey

In 2021, we had **20.4%** participation in the incentive program.

Medical Coverage for Post-65 Retirees



AMWINS

Our retirees have completed their transition from UnitedHealthcare to Amwins smoothly. Feedback provided by our member groups has been positive. Retirees appreciate the customer service and responsiveness that Amwins offers and most are paying less this year! The power of the Pool helps to negotiate the best prices possible for our members and retirees.

Post-65 Retiree Membership Profile

89

enrolled with
Humana Medicare
Advantage plans

324

enrolled with
Transamerica Medicare
Supplement plans

249

enrolled with Retiree
RxCare prescription
drug plans

Programs managed by Amwins

- Medicare Advantage Group PPO Plan through Humana
- Medicare Supplement Group Retiree Medical Plan through TransAmerica
- Medicare Part D Group Retiree Prescription Drug Plan through RxCare





3

Finance and Underwriting

COVID continues to have a heavy impact on TML Health's Finances and Underwriting. Despite the large expenses of COVID, with the fiscal strength of the Pool, we were able to issue renewal credits to our members this year, and continue to help them reduce their own financial impacts from COVID.



RENEWAL CREDITS

Members of the TML Health Pool benefit from savings realized by the organization as a whole. The Board consults an actuary and determines a target equity amount for the organization. That target equity amount is the reserves and savings that the pool maintains to ensure it can maintain its financial integrity and pay claims even in the event of unexpected high-cost claims, such as the ongoing COVID pandemic.

Each year, the Board reviews the equity level and if it exceeds the target, the Board determines what can be returned to the members, and how it will be

distributed. In the 2020-2021 fiscal year that ended on September 30, 2021, we were able to issue \$4 million in equity to our renewing members. Largely due to pandemic expenses, this is \$2M less than we were able to offer last year.

UNDERWRITING CLAIMS REPORTS

The target loss ratio for the TML Health Benefits Pool is 85%, meaning 85% of our revenue is spent on healthcare and prescription drugs for our members, with the remaining 15% of revenue going toward operating costs such as claims adjudication, utilization management, wellness programs, stop loss coverage, IT systems, and TML Health salaries, building expenses, and general administration.

Driven by COVID claims, the medical loss ratio was 95% this year and the dental loss ratio was closer to target, at 81.12%.

In the past, we have reported vision claims, but these are now handled by EyeMed, as our members have a vision network for the first time!

CLAIM RESERVE

The pool maintains reserves sufficient to cover all claims that have been incurred, but not yet reported, known as IBNR. There is commonly a delay between when a member sees a doctor or has a hospital stay, and when the provider submits the bill.

The Pool estimates the amount of IBNR based upon historical payment information and other factors considered relevant by management. The unpaid claims liability is based on the ultimate cost of settling those claims. This ultimate cost is affected by medical trend, network discounts, and other ongoing cost savings measures.

This year the IBNR increased to \$20,763,000.

KEY COST COMPONENTS

The key cost components for TML Health Benefits are medical claims, prescription drugs, and vision and dental claims.



MEDICAL

*The pandemic has driven an increase in medical claims compared to last year, at \$167 million, **up 30%** from \$128 million in 2020.*

In 2020, the Board of Directors chose to completely cover any medical costs attributed to COVID from the pool's equity rather than passing on higher rates to our members. They also elected to cover COVID-related medical care at 100% with no member out-of-pocket for in-network care.

This year in 2021, TML Health began covering COVID-related medical treatment including hospitalization as an ordinary medical expense, subject to the same benefits as other health conditions. The vaccine and COVID testing remain at 100% coverage and \$0 out-of-pocket to our members.



VISION

Claims were very near last year's costs this year, at \$1.223 million, up 0.5% from \$1.217 million last year.

This year, the last member groups transitioned to vision care through EyeMed. This means during Fiscal Year 2020-2021, some members were reimbursed with a fixed-reimbursement only model, while others received network discounts and additional benefits such as \$0 copays for eye exams.

In the upcoming fiscal year, all members will receive vision benefits through EyeMed.



PRESCRIPTION

*Prescription drug claim costs **decreased by 11%** in Fiscal Year 2020-2021.*

The annual total costs decreased from \$36.6 million to \$33 million. On average, that means our members went from paying \$102.41 per month to \$90.72 per month.



DENTAL

*Costs for dental claims **increased 14%** from \$5.5 million in 2020 to \$6.3 million in 2021.*

This increase is likely due to members returning to delayed elective procedures and preventive care.



TML RE

Stop loss premiums have increased sharply over the last several years, posing a challenge to continue offering the most affordable coverage. To avoid the steep rate increase, and to create the opportunity to reduce costs over the long term, the Board voted to create TML Re, our new captive reinsurer.

TML Re was created with an initial capital investment of \$4 million from the Pool's rate stabilization fund. It was funded in September 2021, and we began making stop loss premium payments to it in October 2021.

Commercial market stop loss premiums would have been at least \$1 million higher than the premiums TML Health is able to pay by having created the captive. The captive consequently allows TML Health to more responsibly steward its resources.

With good loss experience and investment earnings, as the capital accumulated in the captive grows above the minimum requirements, the surplus may be returned to the Pool in the form of a dividend or a premium reduction.

Stop loss carriers commonly have a 25-30% profit margin in their rates; so over the long run we would expect to have similar profit margins in the captive. These retained earnings will be used to lower future rates.



COVID Impact and Looking Ahead

In FY21, we paid \$12,840,470 in COVID claims, with 264 members needing hospital inpatient treatment and 9189 members needing outpatient treatment for COVID.

Total COVID claims included \$339,166.42 in vaccinations for our members, which will reduce COVID-related hospitalization costs overall, and \$1,106,681 in COVID testing.

Looking ahead, federal mandates for health benefits to cover at-home COVID testing at 100% will continue to drive up COVID spending. TML Health expects to spend \$3,739,251 paying COVID claims for the upcoming Fiscal Year 2021-2022 plan year. However, new federal mandates and the recent Omicron surge could drive that number much higher.

COVID TRACKING BY THE NUMBERS

As of end of Fiscal Year 2021

Total Pool Paid:

\$12,840,470.65

Total Pool Vaccine Costs:

\$339,166.42

Pool Inpatient Care:

\$8,474,696.56

Pool Outpatient Care:

\$5,252,112.49



OUR CONTINUED SUPPORT OF MEMBERS THROUGH COVID-19

Though we discontinued 100% coverage of COVID treatment once the vaccines became widely available, we continued to support our members through other means, including:

- Over \$12 million in covered COVID costs through Fiscal Year 2021
- Reimbursed telemedicine visits during the height of the pandemic as though they were in-person visits to preserve healthcare access for members
- FREE virtual checkups for at-home screening with **Catapult Health**
- Regular updates on vaccines via newsletters

And we intend to help our members stay safe and healthy... whatever the next wave brings.



4

Managing Costs

With the transition to Blue Cross and Blue Shield of Texas (BCBSTX) as our TPA, our members also gain access to a wealth of new benefits designed to help reduce the cost of care. In addition to the usual utilization management, this includes new wellness programs, an all-new maternity health program, and health coaching. We've also kept our original Wellbeing Services from Navigate through the transition, while ending programs that were not serving our membership.

UTILIZATION MANAGEMENT

As of January 1, 2022, all our member groups have moved from utilization management through UnitedHealthcare to utilization management through Blue Cross and Blue Shield of Texas (BCBSTX).

BCBSTX's utilization management program ensures the safety, efficacy, and appropriateness of the care members receive while minimizing unnecessary care and combating fraud, waste, and abuse. BCBSTX utilization management includes inpatient admission review, concurrent review, specialty drug review, network redirection, transitions between levels of care (such as inpatient versus observation), proactive hospital discharge planning, and pre-admission/post-discharge calls for members with high risk of readmission. 100% of inpatient admissions require precertification except for routine maternity care.

We also perform standard prior authorization of selected elective clinical services and procedures to help protect our members from low value and unnecessary care.

PREAUTHORIZATION

BCBSTX uses preauthorization (precertification) to ensure high-priced care is necessary and appropriate. Preauthorization guidelines are determined using internal medical policies and MCG care guidelines to determine medical necessity and appropriateness of the procedure or admission, place of service, length of stay, appropriateness of preoperative days, and assignment of next review date. Referral to medical directors for review is available for requests not meeting guidelines.

HOLISTIC HEALTH MANAGEMENT

BCBSTX offers TML Health further cost management through its Holistic Health Management Program, which reaches out directly to members who are at risk for becoming high-cost claimants or are high-cost claimants.

Triggers for clinical outreach and engagement include: increased likelihood of hospital readmission, comorbid chronic disease progression, high-stage oncology diagnosis, and frequent ER utilization. These referrals also come from utilization management requests, 24/7 Nurseline, integrated partnerships, and customer service.

Members may also reach out to BCBSTX directly for guidance and clinical support for themselves or their family members.





MATERNITY HEALTH

Our maternity-focused benefits got an upgrade in 2021, with a mobile-first solution, our partner, Ovia Health®, aimed at improving clinical outcomes, reducing costs, and helping parents to return to work. The program helps members navigate benefits from fertility to pregnancy to parenting while delivering personalized guidance.

Ovia Health Offers 3 Mobile Apps

designed to meet members wherever they are on their maternity journey



Ovia Fertility®



Ovia Pregnancy®



Ovia Parenting®

These apps prompt member engagement through personalized messaging and prompts clinically backed by evidence-based resources such as the American College of Obstetricians and Gynecologists (ACOG).

For example, if Ovia Pregnancy® knows that a member has been prescribed progesterone, the app will send a daily or weekly prompt depending on the prescription to aid medication adherence.

Maternal health support through Ovia Health also includes in-app one on one coaching with a nurse who will provide ongoing customized support throughout the member's pregnancy. Members receive guidance on everything from understanding healthy weight gain during pregnancy to breastfeeding support, infant sleep coaching, and real-time information about preterm birth risks, to assistance in finding the right provider for them.

Navigate Wellbeing Solutions

NAVIGATE

Wellbeing Solutions

Navigate is our partner for the TML Well Dashboard, which displays results for the \$150 Incentive Program. The TML Well Dashboard includes personal challenges; a tracker that allows members to track weight, sleep, steps, and hydration; wellness resources available to members; and video courses to address special wellness needs during the COVID-19 pandemic. The ongoing pandemic may have contributed to this year's decline in challenge participation, particularly group challenges.



WELLNESS TOOLS & RESOURCES

As of January 1, 2022, all members have access to a new suite of wellness tools and resources to help them engage with their health and manage their healthcare dollars. These include:



Online Well onTarget Portal: Includes an array of health and wellness tools, resources, educational content, videos, and podcasts. Well onTarget includes wearable and app integration, fitness program discounts, and digital self-management programs which include a collection of recommended activities, tools, and content through self-paced, individualized, behavior change programs on chronic illness topics including diabetes management and prevention, CAD, CHF, COPD, asthma, stress management, financial wellbeing, nutrition, and improving sleep.



Premium Fitness: Members ages 18 and older have also gained access to discounted rates at a nationwide network of fitness centers. Members pay a one-time enrollment fee and recurring monthly fee based on the membership tier of gyms they select, for access to a network of gyms within their chosen tier.



Health Coaching: Members can get one on one help to meet specific health goals by working with a health coach by phone. Throughout the coaching process, the coach works with the member to develop a personalized action plan, provide appropriate educational content, measure progress, navigate roadblocks, and hold the member accountable to their action plan. According to BCBSTX, historically, comparing highly engaged members to those with low levels of engagement, 16.3% more members engaged in health coaching quit using tobacco and 3.3% more lost weight.



Blue PointsSM: Members can earn points for completing healthy activities like taking a Health Assessment, enrolling in a self-management program, joining the Fitness Program, or using a fitness tracker. They can then redeem those points for merchandise, giving an extra incentive for healthy activities.



CENTERS OF EXCELLENCE

The TML Health Centers of Excellence program ensures that the institutions our members use for bariatric surgery and organ transplants have an exceptionally high concentration of expertise, resources, and high rates of successful outcomes. Ensuring that our members are being treated in Centers of Excellence saves valuable time and also provides cost savings for both the patient and TML Health.

With the change to claims processing through Blue Cross and Blue Shield of Texas, TML Health began using Blue Distinction Centers for Bariatric and Transplant as Centers of Excellence for savings and quality assurance for Pool and our members.

CHANGES IN COST MANAGEMENT WITH THE SWITCH TO BCBSTX

PROGRAM	UMR	BLUES
Maternity	✓ through Medical Management	✓ Ovia Health
Hypertension and Diabetes Management	✗	✓ Livongo
Musculoskeletal	✓ face to face network provider	✓ Airrosti (programs avail in addition to being Network provider)
Fitness Programs	✗	✓ Well onTarget
24/7 Nurseline	✓	✓
Focus on Mental Health Care Management	✗	✓
Weight Management	✓ WondrHealth (formerly Naturally Slim)	✓ WondrHealth (formerly Naturally Slim)
Telehealth	✓ Teladoc	✓ MDLIVE
Mental Health External Programs	✓ Deer Oaks (select groups)	✓ Deer Oaks (all Pool groups)
Video Library	✗	✓
Cost Management - Fraud and Waste Abuse	✓	✓
Digital Self Management Programs	✗	✓
Medical Management	✓ Utilization management, case management, disease management and maternity management, and integration with your selected wellness vendors	✓ Wellbeing Management
Centers of Excellence for Bariatric and Transplant	✓	✓
Disease Management Programs	✓ Asthma (children and adults), chronic obstructive pulmonary disease (COPD), heart failure (HF), coronary artery disease (CAD), diabetes (type 1 or 2) (children and adults), hypertension, depression	✓ Program triggers for clinical outreach and engagement, triggers for behavioral health, and BCBSTX offers support through digital health partners for members with a chronic condition or who are at risk for a chronic condition. Programs are offered for general maternity, diabetes, hypertension, metabolic syndrome, and obesity related to chronic conditions.



5

Key Performance Indicators

Pandemic-related costs and a TPA changeover increased both costs and member service wait times this year. With the major changeovers of vendors and software completed, TML Health can look forward to a more stable year to come.



MEDICAL LOSS RATIOS

Medical loss ratio was much higher than expected, at 97%. TML Health generally tries to keep medical loss ratio near 85%.



CALL SERVICE LEVELS

Call service levels dropped significantly this year, from last year's 83% to 17% this year. This was due to a combination of a staffing shortage, changeover of customer service calls from in-house to Blue Cross and Blue Shield of Texas, and high call volume due to the transition to the Blue Cross and Blue Shield of Texas network.



MEMBER SATISFACTION

Despite the wait times, members remained largely satisfied with the service they received from their representatives, and overall satisfaction with TML Health's benefits remains high. **TML Health maintains over a 99% retention rate.**



MEMBER GROWTH

The pool grew by 4% this year, with target growth of 25% by 2025. New business can be pursued with less disruption now that the PBM and network changeover are complete.



CLAIM PROCESSING TIMELINES

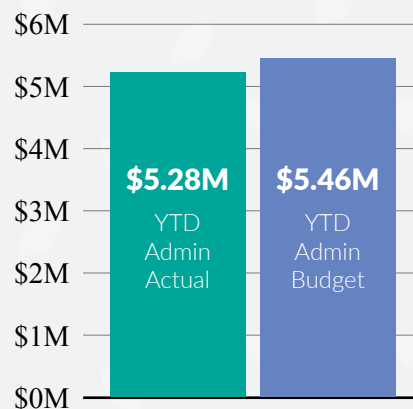
90% of TML Health's medical claims and all dental claims were paid within 10 business days. These processing times are superior to the standard 80% to 85% of claims processed within 14 calendar days standard established by other claim processors.





Financial Performance

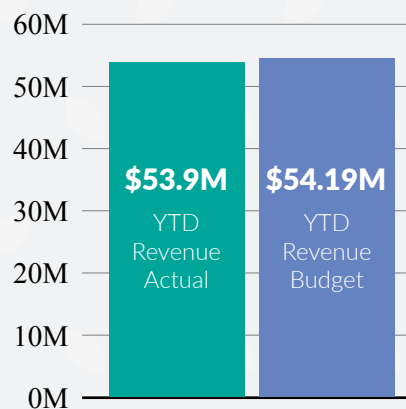
YTD ADMINISTRATIVE EXPENSE
ACTUAL & BUDGETED



December 2021

\$178.09K NET ADMIN

YTD REVENUE & BUDGETED



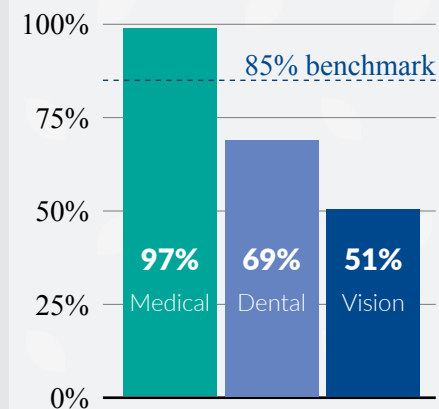
December 2021

\$289.7K NET BUDGET

YTD NET INCOME

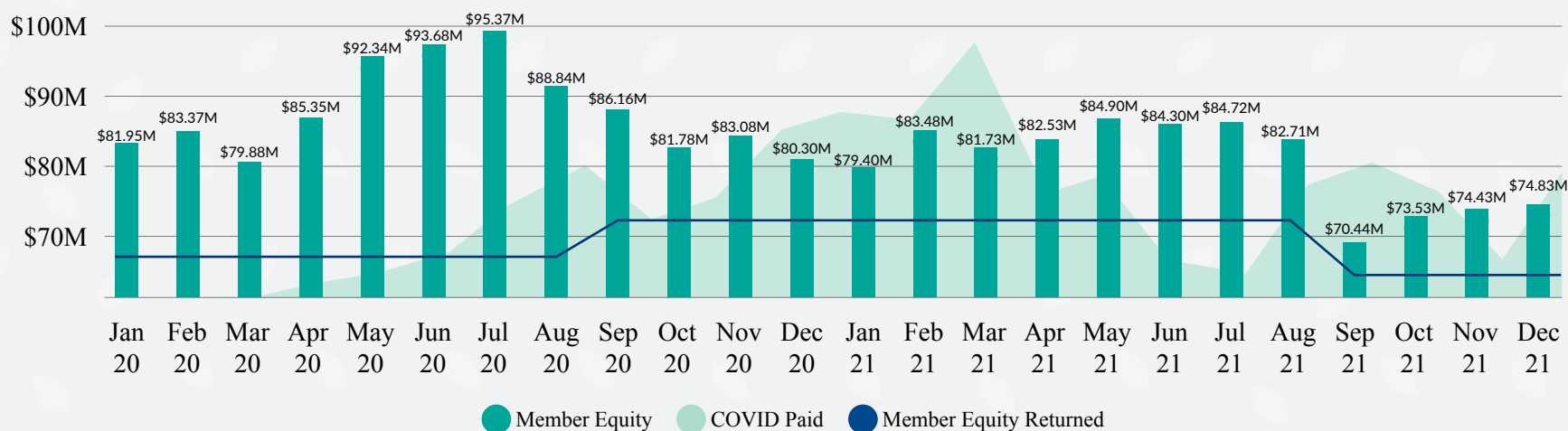
357.68K

YTD LOSS RATIO

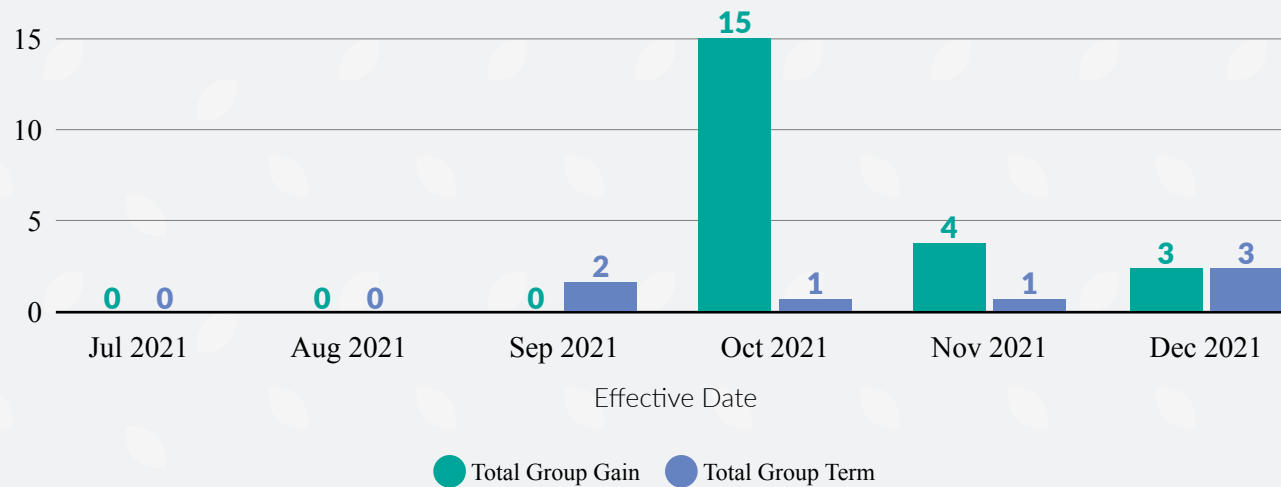


LOWER IS BETTER

MEMBER EQUITY OVER TIME



MEMBERSHIP CHANGES: GROUPS

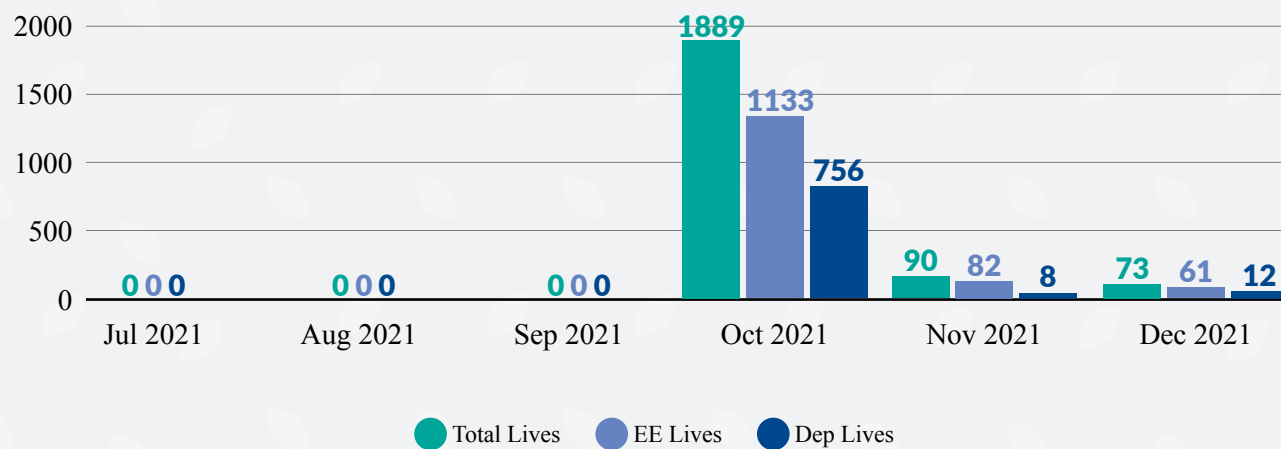


YTD RETENTION RATE

99.29%

**BENCHMARK 98%
HIGHER IS BETTER**

MEMBERSHIP GROWTH FROM NEW GROUPS

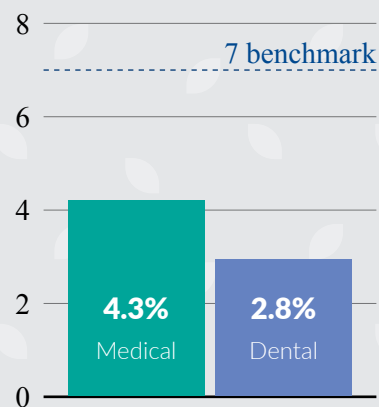


Termed Groups	Total Group	Retention Rate
7	986	99.29%



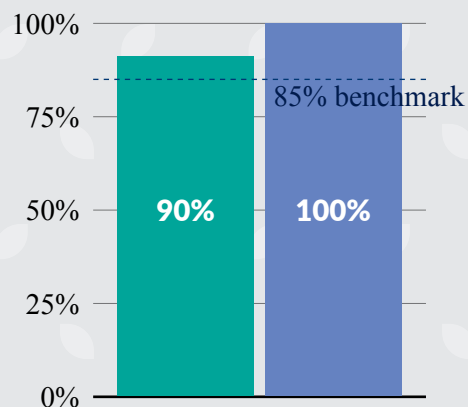
Administrative Performance

AVERAGE CLAIM
TURN AROUND TIME
In Days



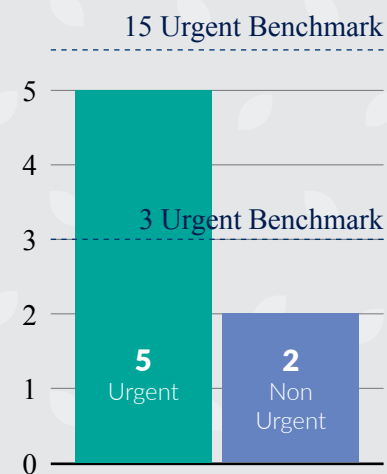
LOWER IS BETTER

AVERAGE PERCENT OF
CLAIMS PAID WITHIN
10 BUSINESS DAYS



HIGHER IS BETTER

CLINICAL REQUEST
TURN AROUND TIME

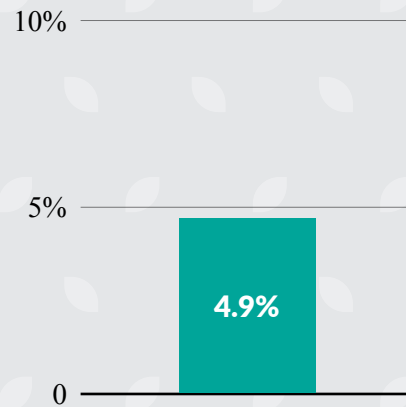


LOWER IS BETTER

Organizational Performance

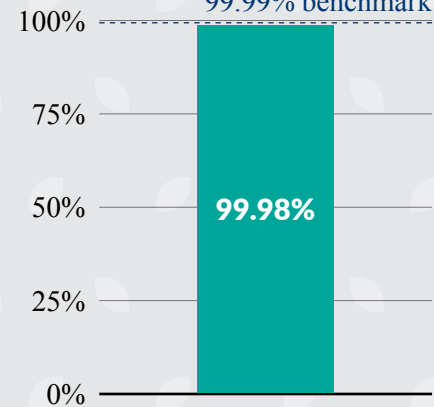
YTD EMPLOYEE TURNOVER RATE

12 Bureau of Statistics benchmark



MONTHLY AVERAGE SYSTEM PERFORMANCE

99.99% benchmark





Letter from the Executive Director

On behalf of our entire staff, I want to express our gratitude for your partnership with TML Health over these last few years. The healthcare landscape is always changing, and TML Health has taken these challenges head-on. In the past couple of years, we have made substantial changes, all with the goal of keeping healthcare affordable and accessible for the dedicated public employees who take care of our communities day in and day out.

Over the past year, we've expanded our network size and saved millions on prescription drugs, all while providing expanded complementary wellness services like take-home preventive screening kits and mental health resources. We're proud of how you've responded. We're proud of how we've responded.

As we begin the third year of the pandemic, we are learning how to live with COVID as part of our new reality. Through vaccination and natural immunity, as well as with new oral medications, we are optimistic that the most severe cases are behind us. But in the wake of this pandemic, we're also beginning to see its lasting impact. Stress has taken a toll on

the mental health of our employees and their families and over time this will cause more physical illness as well. TML Health is proud to be able to offer a free Employee Assistance Program to our Pool members. We know that Texans are fiercely independent, so we've also introduced new online tools and resources to support mental health and healthy behaviors that our members can take advantage of independently. By joining together as a Pool, we can offer greater benefits to more people.

TML Health continues to invest in improving operations, developing new services, and finding creative ways to help our members live healthier lives and have more affordable coverage. Everything we've done, we've done with our members in mind. And we're proud to continue that, looking ahead to next year. Thank you for your partnership with TML Health!

Healthy regards,

Jennifer Hoff
Executive Director

“From day one, our focus has never been on profit, but the service and lives of our members.”

Jay Stokes, *TML Health Board Member*

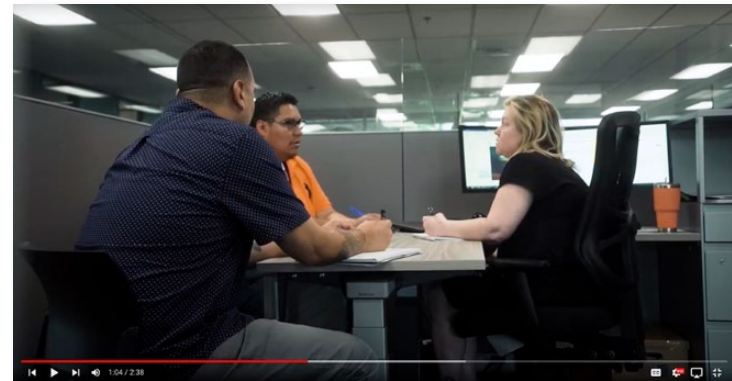
Want to know more about TML Health and what we were up to in 2021? Scan here for our video playlist.



WE SAVED TAFT \$37,000!



WE CARED FOR OUR MEMBERS



WE SPOKE WITH OUR BOARD



WE PRIORITIZED PREVENTIVE HEALTH



...and more!





TML Health
Benefits Pool

