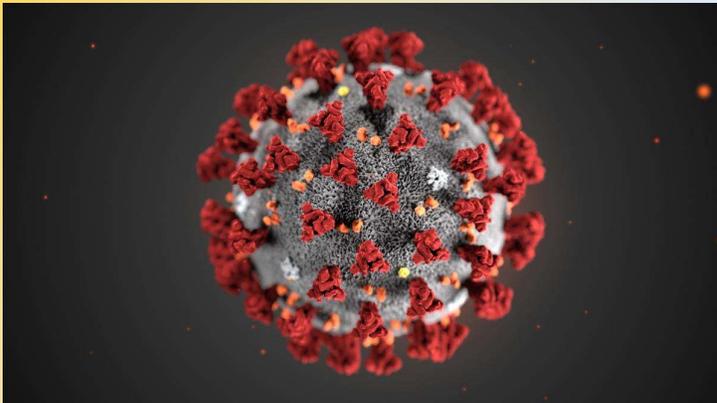


How do we plan an effective strategy for 2020 and 2021 to address COVID-19?
How do the key characteristics of our population affect our risk profile?
How will testing and treatment for the Corona Virus effect my health plan costs?
What will be the effect due to the change in demand for other health care services?

MorningStar Actuarial Consulting can help answer these questions. We have developed a sophisticated actuarial model to assess risks COVID-19 has on a specific populations, including the cost of testing and treatment as well as the change in demand for health care services due to the related social distancing policies. The analysis will aid in developing an affective strategy around people management, budgets, reserves, and health plan design for 2020 and 2021.



Health Organization, the Center for Disease Control and Prevention, Johns Hopkins University, and numerous other credible sources. These assumptions include (but are not limited to):

- Infection Rates;
- Testing Rates;
- Rates of Hospitalization and ICU usage, and;
- Costs associated with testing an treatment.

Additionally, the model analyzes population risk factors associated with COVID-19 (age, geography, health status, etc.) and can help effect appropriate people management and communication strategies within the organization.

The model allows for alternative scenarios to assess how critical assumptions can effect results and establish a range of outcomes. These analyses provides critical information at a time when key decisions are required for effective management.

The model addresses the cost implications of testing and treatment for the disease a well as the effect of the change in demand for services due to physical (social) distancing policies. The model utilizes a benchmark database containing millions of lives and billions of dollars in claims and the results can be tailored to any health plan using plan-specific claim utilization and costs, population characteristics (age, gender, geographical location, relative health risks), and plan design information. This helps health plans assess how they may be effected and adjust budgets and reserves accordingly as well as strategic planning for this year and next.

In addition to population and plan-specific information, the model provides critical assumptions for the expected cost and utilization related to testing and treatment of COVID-19 developed from various studies from organizations like the World



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