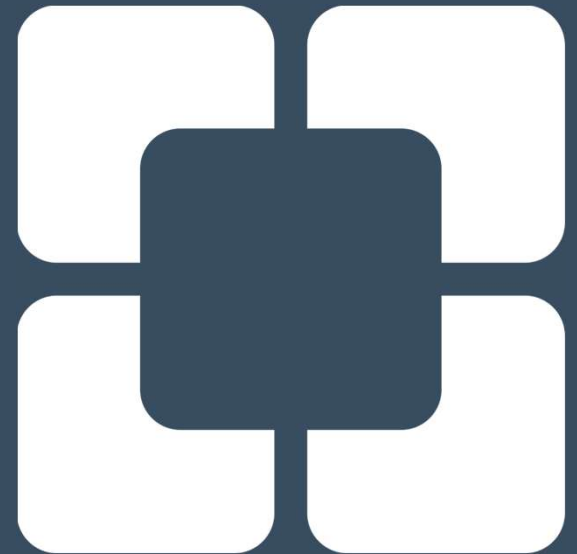


# Cleveland Clinic + Oscar: Three-Year Growth Strategy

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Synapse Strategies  
April 2019



Current State

Strategy

Expansion

Diversification

Development

Implementation

### STRONG PARTNERSHIP



Oscar Consumer  
Experience  
+  
CC Expertise & Quality

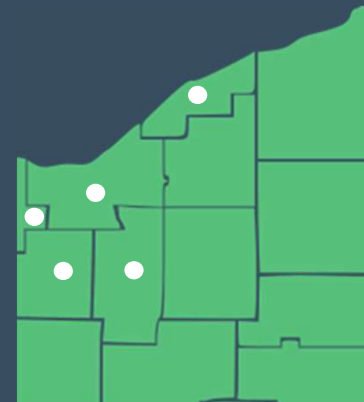
### CURRENT SUCCESS IN OHIO



15% Market Share  
in 5 Counties

11,000 New  
Members

### DESIRE TO EXPAND



● Existing CC+Oscar

Opportunity in NE Ohio

Insufficient Network  
Adequacy

Current State

Strategy

Expansion

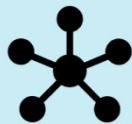
Diversification

Development

Implementation



### 1 MARKET EXPANSION



Achieve network adequacy in *Trumbull* and *Mahoning* counties through affiliation and new construction

### 2 DIVERSIFICATION



Offer new group insurance product to small businesses in *Geauga* County

### 3 PRODUCT DEVELOPMENT



Promote member engagement and improve chronic disease management in *all counties*

Current State

Strategy

Expansion

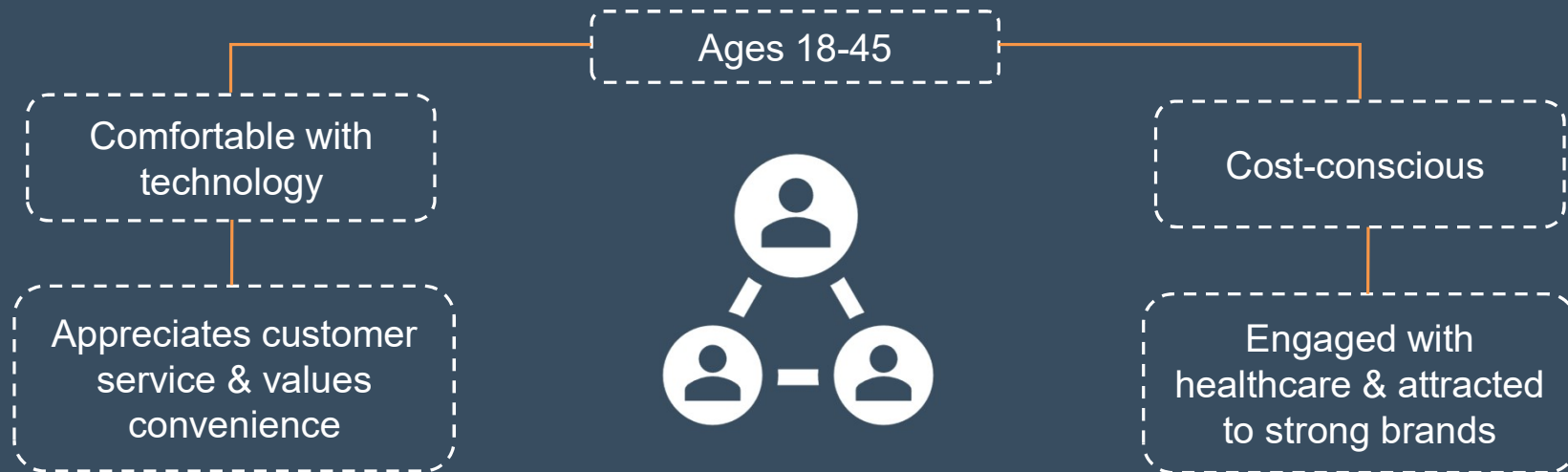
Diversification

Development

Implementation

## 1 MARKET OPPORTUNITY

After segmenting by geography, demographics and psychographic profile, CC+Oscar should seek to target this market:



32% of the total population  
of Trumbull & Mahoning Counties  
**130,000 individuals**

Current State

Strategy

Expansion

Diversification

Development

Implementation

## 1 MARKET EXPANSION – SPECIALTY CARE

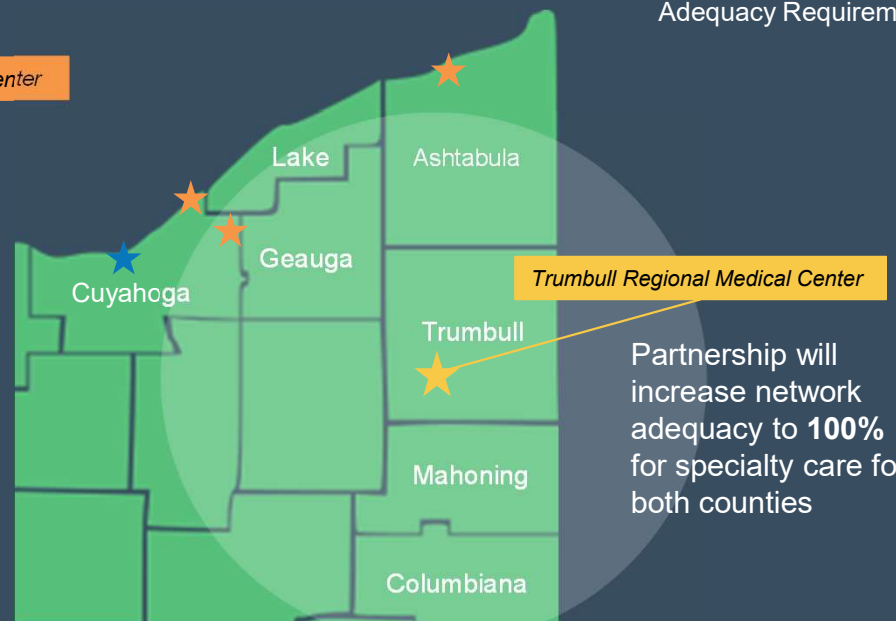
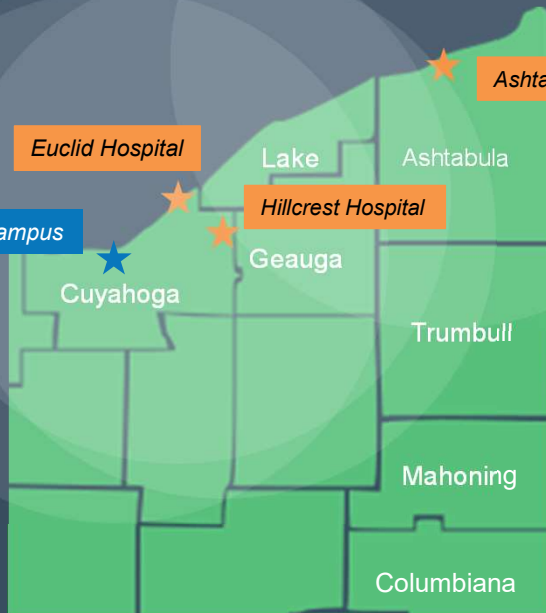
*Strategy: Partner with Trumbull Regional Medical Center*



Specialty Care Services Network  
Adequacy Requirement

✓ *Specialty Care Network Adequacy Achieved*

Inadequate  
Network  
Coverage: **30%**  
of Trumbull County  
and **8%** of  
Mahoning County  
for Specialty Care



Partnership will  
increase network  
adequacy to **100%**  
for specialty care for  
both counties

Current State

Strategy

Expansion

Diversification

Development

Implementation

## 1 MARKET EXPANSION – SPECIALTY CARE

### *Why Trumbull Regional Medical Center?*



Specialty Care Services Network  
Adequacy Requirement

#### Aligned Values

Value-based  
Patient-centered  
Population health approach

#### Network Synergy

Physician-led  
Recognized for quality  
Reciprocal learning  
opportunities



#### CC+Oscar Benefits

Geographic footprint  
Revenue & referrals  
Relationship with Steward  
Health

#### Trumbull Benefits

Brand association  
Affiliate advantages  
Quality Alliance

Current State

Strategy

Expansion

Diversification

Development

Implementation

# 1 MARKET EXPANSION – PRIMARY CARE

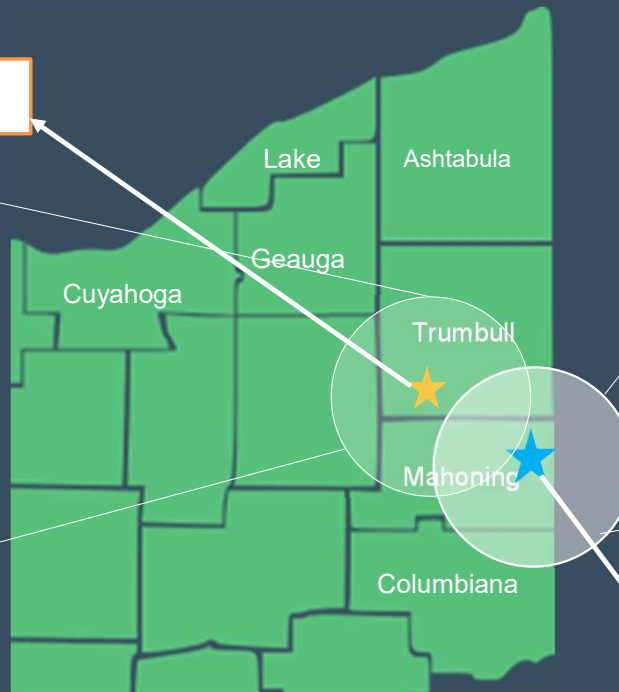
*Strategy: Build CC+Oscar Wellness Center*



Primary Care Services Network  
Adequacy Requirement

City in Trumbull County	Percentage of Population
Warren	38%
Niles	11%
Leavittsburg	3%
Total	51%
<b>Meets PCP Network Adequacy (50%)</b>	<b>Yes</b>

Trumbull Regional Medical Center



City in Mahoning County	Percentage of Population
Youngstown	70%
<b>Meets PCP Network Adequacy (50%)</b>	<b>Yes</b>

CC+Oscar Wellness Center

Prior to Expansion Network Coverage: 0% of Trumbull County and 0% of Mahoning County for Primary Care Services

✓ *Primary Care Network Adequacy Achieved*

Current State

Strategy

Expansion

Diversification

Development

Implementation

## 1 MARKET EXPANSION- PRIMARY CARE

*Strategy: Build CC+Oscar Wellness Center*

Co-locating primary  
care and wellness  
services

Facilitates easy  
enrollment & member  
engagement

Tech-enabled care  
experience &  
telemedicine hub

Strengthens brand  
presence



CC+Oscar Wellness Center



Current State

Strategy

Expansion

Diversification

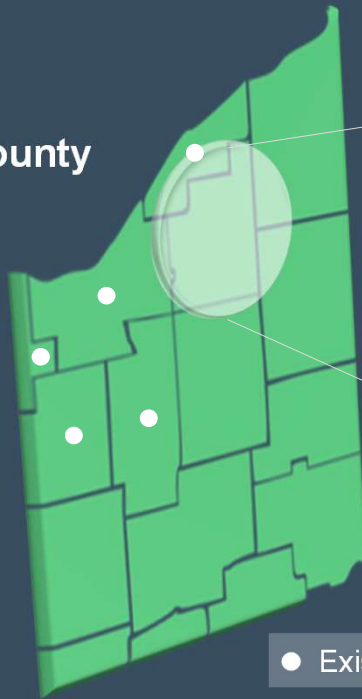
Development

Implementation

## 2 DIVERSIFICATION

*Strategy: Enter Small Business Insurance Market*

Geauga County



● Existing CC+Oscar

- ✓ Highest % of small business employees in NE Ohio
- ✓ Meets network adequacy
- ✓ Sparse current options
- ✓ Proven model

*Given the following estimates...*

**2,712** total businesses in Geauga County

**678** businesses with 2-50 employees

**474** of these small business are uninsured



**71** businesses (**1,424** individuals) can be reached by **CC+Oscar Plan**

Affordable

Accessible

Consumer  
Friendly

Healthy  
Workforce

Current State

Strategy

Expansion

Diversification

Development

Implementation

### 3 PRODUCT DEVELOPMENT: Introducing **MySatellite**

#### WHAT

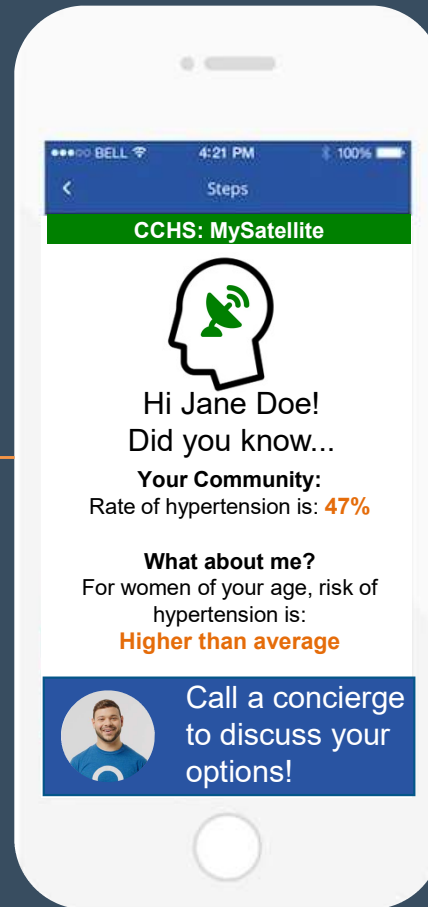
Contextualizes patient data related to the population

#### HOW

Leverages existing data analytic capabilities of Cleveland (IBM Watson) + human-centered design of Oscar

#### WHY

Engages patients in self-management of chronic disease



Alerts users to indices that apply to them

Uses plain language text

Provides option to act quickly using concierge

Current State

Strategy

Expansion

Diversification

Development

Implementation

## Strategy

2019

2020

2021

Affiliation with  
Trumbull

Negotiation with Trumbull Regional

Trumbull Affiliation Operational

CC+Oscar  
Youngstown

Identify Building Site

Build CC+Oscar

Fully Operational

Staff Training and Recruitment

CC+Oscar  
Plan

Open Enrollment

CC+Oscar  
Small Business  
Plan

Regulatory Approval

Community Engagement and Promotion

Broker Contracting

Launch

MySatellite

Software Development

Launch

Staffing

Software Clinical Testing

All

Marketing

Evaluation

10

Current State

Strategy

Expansion

Diversification

Development

Implementation

## FINANCIAL IMPLICATIONS

### Market Expansion

#### Sources of Revenue:

Affiliation dues from Trumbull  
Growth in membership

#### Sources of Cost:

Construction of CC+Oscar Center  
Marketing Campaign

### Diversification

#### Sources of Revenue:

Growth in membership

#### Sources of Cost:

Broker fees  
In-house administration of new enrollees

### MySatellite

#### Sources of Revenue:

Shared savings from effective  
prevention and management of chronic  
disease

#### Sources of Cost:

Software development

(In millions)	Year 1	Year 2	Year 3	Year 4	Year 5
Final Revenue	\$ 1.81	\$ 11.18	\$ 23.85	\$ 25.16	\$ 26.47
Total Cost	\$ 5.49	\$ 11.58	\$ 20.53	\$ 21.57	\$ 22.62
Cleveland Contribution (60%)	\$ 3.29	\$ 6.95	\$ 12.32	\$ 12.94	\$ 13.57
Oscar Contribution (40%)	\$ 2.20	\$ 4.63	\$ 8.21	\$ 8.63	\$ 9.05
Net Profit	\$ (3.68)	\$ (0.39)	\$ 3.32	\$ 3.59	\$ 3.86
Yearly ROI	-67%	-3%	16%	17%	17%
Cumulative ROI	-67%	-24%	-2%	12%	17%

Positive yearly ROI by Year 3, Profit by Year 4

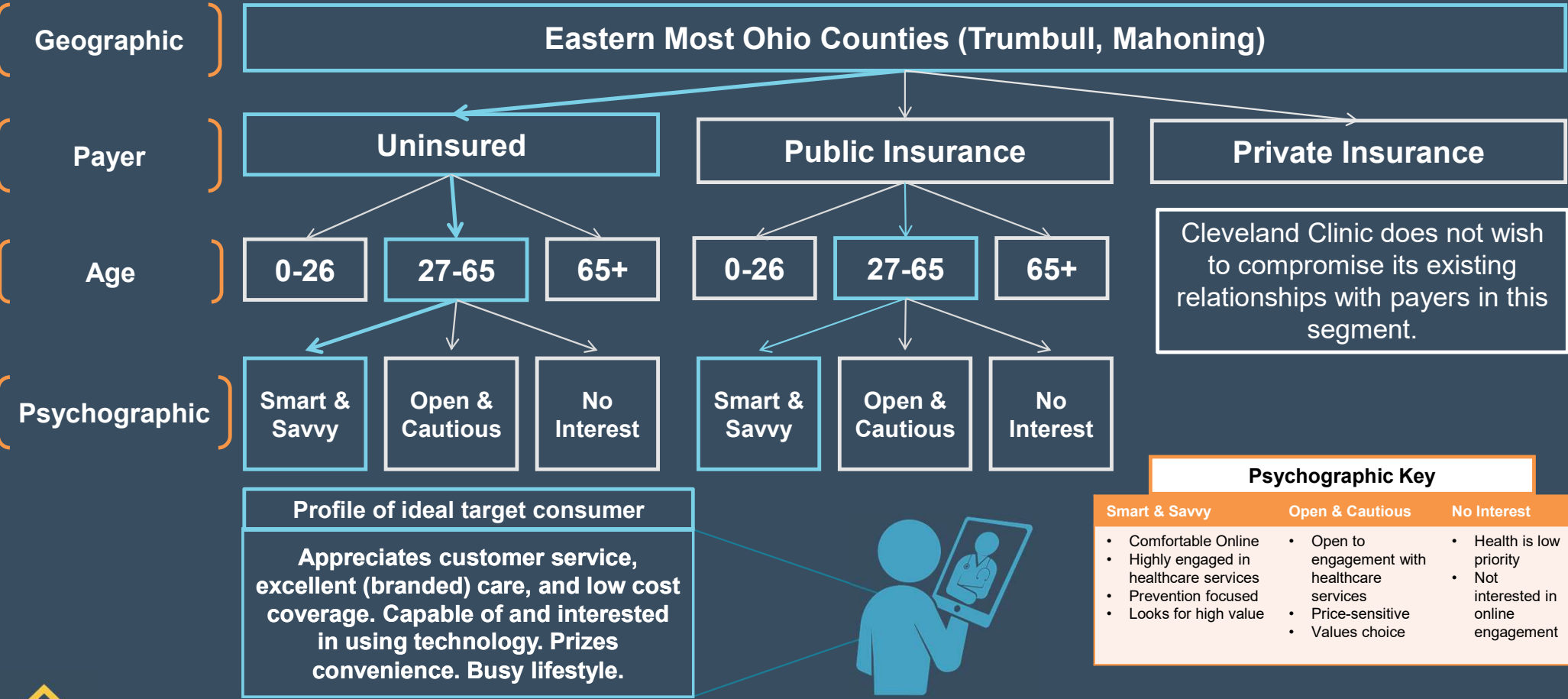
**Expanding** network adequacy  
**Diversifying** the CC+Oscar offering  
**Developing** MySatellite

Together these bring high value patient-centered care to Northeast Ohio and keep **Patients First**

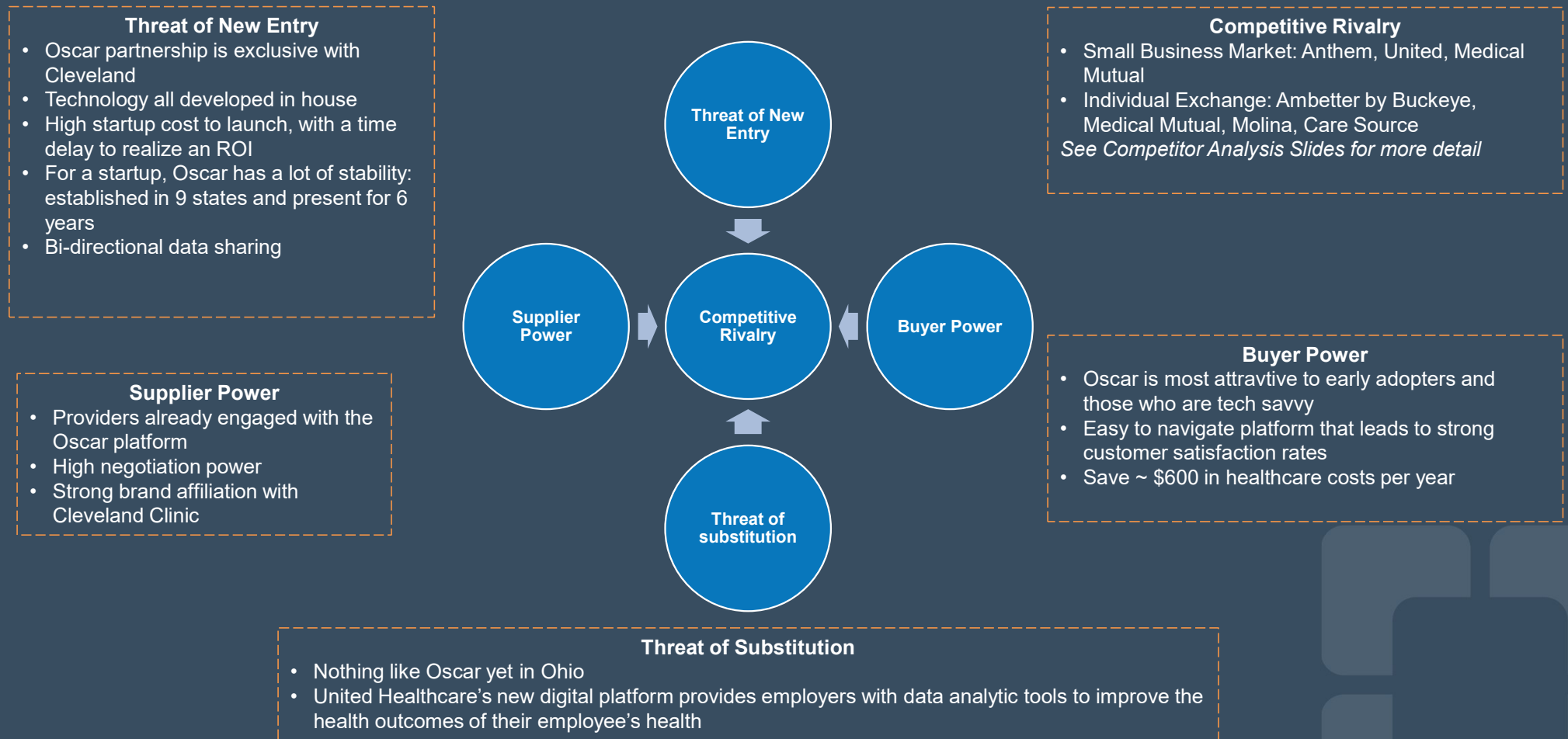
# Appendices

- A. [Segmentation, Targeting and Positioning for Market Expansion](#)
- B. [Porter's 5 Forces](#)
- C. [Northeast Ohio Network Adequacy Fulfillment](#)
- D. [Why Trumbull Regional](#)
- E. [Population Density in Trumbull and Mahoning Counties](#)
- F. [Oscar Wellness Center – NY](#)
- G. [Small Businesses by County](#)
- H. [Competitor Analysis](#)
- I. [Marketing Considerations for CC+Oscar](#)
- J. [Market Expansion Cost](#)
- K. [Market Expansion Revenue](#)
- L. [Diversification Cost & Revenue](#)
- M. [MySatellite + Overarching Costs](#)
- N. [Financial Assumptions References](#)
- O. [Projected Growth of Uninsured Population – Trumbull & Mahoning](#)
- P. [Sensitivity Analysis](#)
- Q. [Projected Population by Age in Mahoning County & Trumbull Counties](#)
- R. [Projected Payer Mix in Mahoning County & Trumbull Counties](#)
- S. [Evaluation](#)
- T. [SWOT Analysis](#)
- U. [Assumption & Resources](#)

# Appendix A: Segmentation, Targeting and Positioning for Market Expansion



# Appendix B: Porter's 5 Forces





# Appendix C: Northeast Ohio Network Adequacy Fulfillment

County	Network Adequacy Fulfillment for Specialty	
	No	Yes
Ashtabula County	0.00%	100.00%
Columbiana County	100.00%	0.00%
Cuyahoga County	0.00%	100.00%
Geauga County	0.00%	100.00%
Lake County	0.00%	100.00%
Mahoning County	91.67%	8.33%
Summit County	0.00%	100.00%
Trumbull County	69.57%	30.43%
Grand Total	37.61%	62.39%

County	Network Adequacy Fulfillment for Primary	
	No	Yes
Ashtabula County	28.57%	71.43%
Columbiana County	100.00%	0.00%
Cuyahoga County	0.00%	100.00%
Geauga County	30.00%	70.00%
Lake County	0.00%	100.00%
Mahoning County	100.00%	0.00%
Summit County	0.00%	100.00%
Trumbull County	100.00%	0.00%
Grand Total	51.28%	48.72%



# Appendix D: Trumbull Regional Information



- Located in Warren
- Multispecialty medical center including cardiac care, cancer care and gynecology
- 346 beds
- Level III trauma center
- Trumbull County's only accredited Chest Pain Center
- Blue Distinction Center for several specialties
- Part of Steward Health Network (36 hospitals in the US and Malta, physician-led, receives awards for Quality and Safety)





# Appendix E: Population Density in Trumbull and Mahoning Counties

City in Trumbull County	Percentage of Population
Bristolville	1.63%
Brookfield	1.85%
Burghill	0.82%
Cortland	8.42%
Farmdale	0.82%
Fowler	0.87%
Girard	7.55%
Hubbard	7.34%
Kinsman	1.57%
Leavittsburg	2.62%
Masury	2.30%
Mc Donald	2.15%
Mineral Ridge	2.44%
Newton Falls	5.08%
Niles	10.61%
North Bloomfield	1.27%
Southington	1.75%
Vienna	1.86%
Warren	37.12%
West Farmington	1.91%
<b>Grand Total</b>	100.00%

City in Mahoning County	Percentage of Population
Beloit	1.67%
Berlin Center	1.10%
Campbell	3.37%
Canfield	9.76%
Lake Milton	1.15%
Lowellville	1.58%
New Middletown	1.77%
New Springfield	0.72%
North Jackson	1.35%
North Lima	1.15%
Petersburg	0.42%
Sebring	2.01%
Struthers	4.61%
Youngstown	69.33%
<b>Grand Total</b>	100.00%

# Appendix F: New York Oscar Wellness Center

"The Oscar Center houses a full-service primary care practice exclusively for Oscar members."

## Staff:

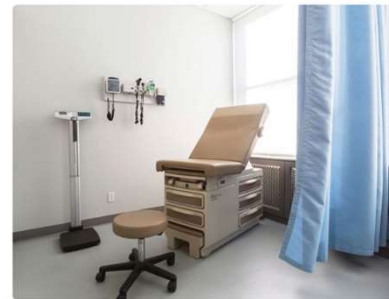
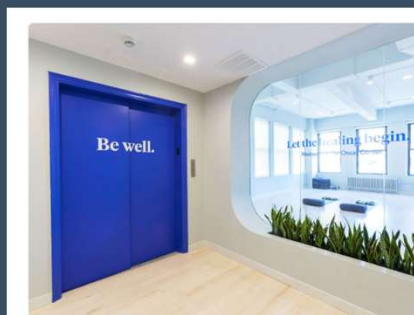
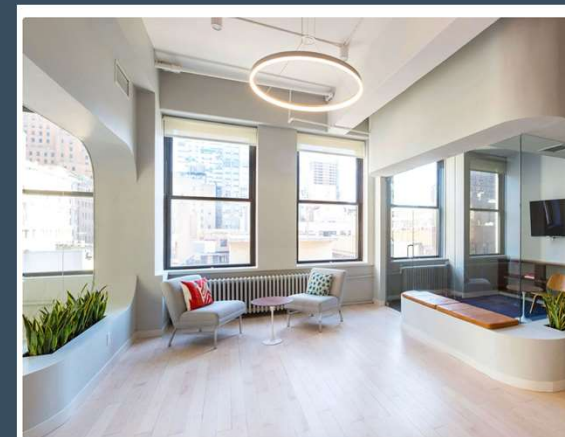
- Physicians
- Nurse Practitioners
- Physician Assistant
- Behavioral Health Specialist
- Office Managers
- Medical Assistants
- Office Staff

## Services:

- ❖ Walk-In Hours
- ❖ Telehealth
- ❖ Vaccination & Flu Shots
- ❖ STI Screening
- ❖ Phlebotomy & EKG
- ❖ Well Women Visits
- ❖ Short-Term Counseling

## Wellness Event Examples:

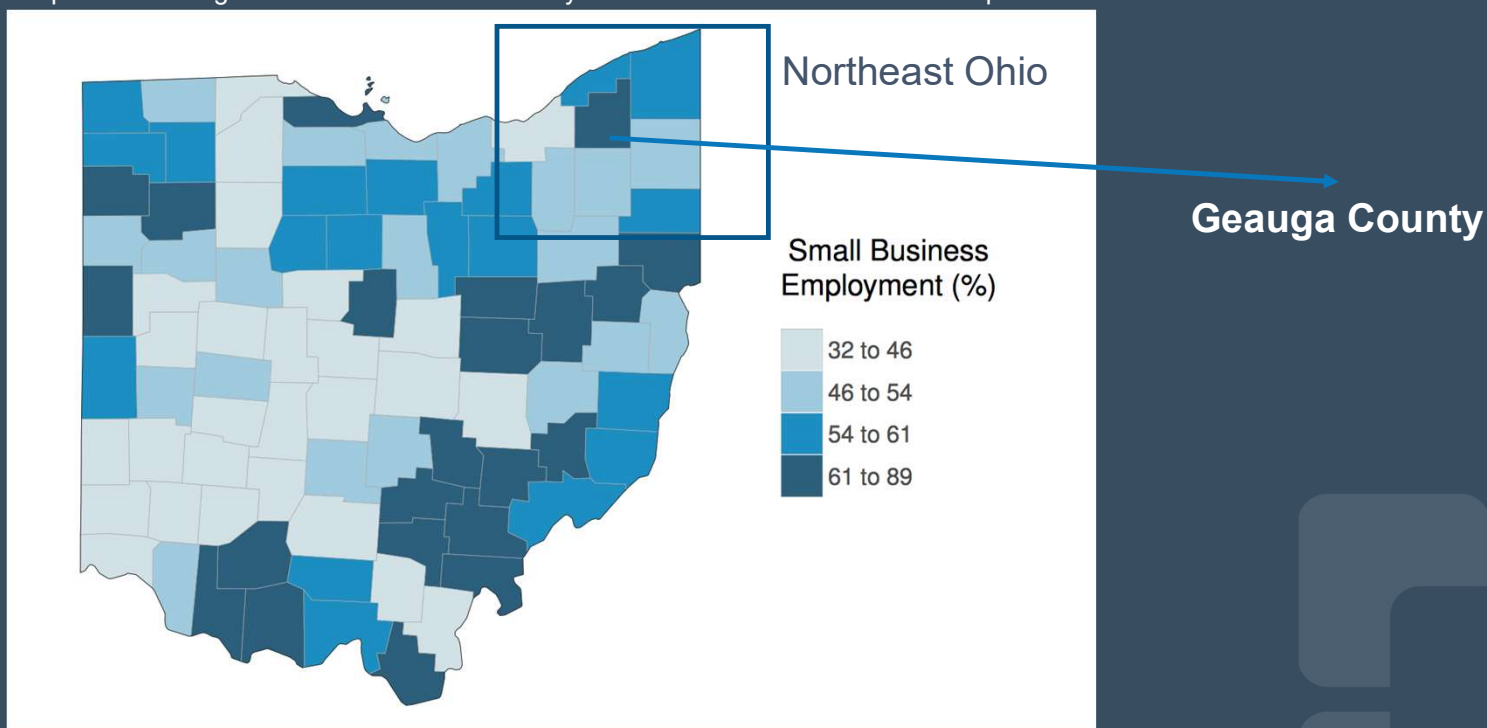
- Yoga
- Anxiety Management
- Stress Management
- Cooking Classes



<https://www.hioscar.com/center>

# Appendix G: Small Business Presence in Ohio by County (2015)

<https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-OH.pdf>



# Appendix H: Competitor Analyses

## Points of Parity and Differentiation

### Individual Exchange in Trumbull and Mahoning County

Plans in the Exchange:	Ambetter by Buckeye	Medical Mutual	Molina	Care Source	Oscar
Accepted at Cleveland Clinic	✓	✓	✗	✓	✓
Telemedicine	✓	✓	✗	✓	✓
NPS Score (Consumer Satisfaction Score)	12	-3	-6	-3	66
Mobile App	✗	✓	✗	✓	✓
Concierge Service	✗	✗	✗	✗	✓
Health Maintenance Rewards	✓	✓	✓	✓	✓
Health Plan Type	PPO	HMO	PPO	HMO	EPO

### Small Business Market in Geauga County

Plans in the Exchange:	Anthem	United Healthcare	Medical Mutual	Oscar
Social Capital	👎	👎	👎	👍
User Friendliness	👎	👎	👎	👍
NPS Score (Consumer Satisfaction Score)	16	1	-3	66



# Appendix I: Marketing Considerations for CC+Oscar

Target Market: 27-65, smart and savvy, confident with technology, appreciates customer service

## Product:

- User friendly interface
- Emphasis on intuitiveness and simplicity
- Humanized support
- No gatekeeper
- Strong provider brand
- Paperless
- Doctor on Call + Telemedicine
- Health maintenance incentives (ex. Step tracker)
- My Satellite – new!

## Price:

- Cheaper than most PPO and EPO plans
- Up to \$600 in healthcare costs paid per year
- Tiered plans

## Place:

- All digital
- On-site enrollment at our physical Wellness Center

## Promotion:

- Hiring marketing teams to manage digital and print advertising
- Employing brokers to facilitate connection with potential members
- Utilize internal tech and marketing forces to promote Oscar to digital and social media platforms, particularly during open enrollment
- In Gauga, target Small Business Development Centers



## Drivers of demand

- Frustration with current complexity of healthcare market
- Inadequacy of current affordable insurance options
- Limited access to center of excellence [Cleveland]
- Word of mouth – network of contacts engaged with Oscar



# Appendix J: Market Expansion Cost

	Strategy 1: Market Expansion	Year 1	Year 2	Year 3	Year 4	Year 5	Assumptions
Cost	Affiliation with Trumbull: Dues to affiliate	\$ 1,286,190	\$ 1,311,914	\$ 1,338,152	\$ 1,364,915	\$ 1,392,213	<ul style="list-style-type: none"> <li>- Fixed: Initial negotiaton</li> <li>- Variable: Clinical &amp; Technological Administrative support. Including data sharing, education and training of physicians, managing telemedicine</li> <li>- 2018 unaudited financial statements showed that CCHS paid 14,291k in affiliate dues out of 10 obligated affiliates</li> <li>- By affiliating with Trumbull, total # of affiliated beds is 3,758</li> <li>- Trumbull represents 9% of those beds, therefore we can roughly assume that Cleveland will pay 9% of affiliation fees</li> <li>- 2% increase per year</li> </ul>
	CC + Oscar Center: Construction + Equipment	\$ 2,000,000	\$ 2,000,000	\$ -			<ul style="list-style-type: none"> <li>- 6,000, sq foot clinic</li> <li>- Medical equipment, furniture, utilities</li> <li>- Project Management &amp; Administration</li> </ul>
	CC + Oscar Center: Operations (Facilities + Staff)			\$ 1,301,000	\$ 1,327,020	\$ 1,353,560	<ul style="list-style-type: none"> <li>- Clinical, support, administrative</li> <li>- assume salary range of 80,000-180,000 for non-clinical vs. clinical staff or average of 130,000</li> <li>- Assume staff of 10 (using Oscar center in New York as proxy)</li> <li>- Assume monthly utilies 1,000</li> <li>- Assume 2% increase per year</li> </ul>
	<b>Total Cost</b>	<b>\$3,286,190</b>	<b>\$ 3,311,914</b>	<b>\$ 2,639,152</b>	<b>\$ 2,691,935</b>	<b>\$ 2,745,774</b>	







## Appendix K: Market Expansion Revenue

	Strategy 1: Market Expansion	Year 1	Year 2	Year 3	Year 4	Year 5	Assumptions
Revenue	Affiliation with Trumbull: Yearly Fees (dues from affiliates)	\$ 1,812,240	\$ 1,848,485	\$ 1,885,454	\$ 1,923,164	\$ 1,961,627	<ul style="list-style-type: none"> <li>- For Mayo/CCCHS affiliation, CC charges hospital affiliates For an intital screening and an annual fee for expertise in cardiac care</li> <li>- 2018 unaudited financial statements showed that CCHS received \$20,136k in affiliate dues out of 10 obligated affiliates</li> <li>- By affiliating with Trumbull, total # of affiliated beds is 3,758</li> <li>- Trumbull represents 9% of those beds, therefore we can roughly assume it will pay 9% of affiliation fees</li> <li>- 2% increase per year</li> </ul>
	Affiliation with Trumbull: Number of Total new Enrollees	1,598	1,766	1,934	2,102	2,270	Population of uninsured in Trumbull, adjusting for age group and market share. Adjusting for yearly growth of membership
	Affiliation with Trumbull: Number of Total INDIVIDUAL enrollees	1,199	1,325	1,451	1,577	1,703	- Assume 25% are families, 75% are individuals
	Affiliation with Trumbull: Number of Total FAMILY enrollees	400	442	484	526	568	- Assume 25% are families, 75% are individuals
	Revenue from enrollment of new individual membership	\$ -	\$ -	\$ 6,710,776	\$ 7,293,652	\$ 7,876,528	<ul style="list-style-type: none"> <li>- Assuming 34% enroll in bronze, 58% enroll in Silver, 7% enroll in gold tier</li> <li>- Individual: \$330 for Bronze, \$400 for silver, \$590 Gold</li> </ul>
	Revenue from enrollment of new family membership	\$ -	\$ -	\$ 5,731,868	\$ 6,229,719	\$ 6,727,570	- Families: \$720 Bronze, \$1,100 for silver, \$1,500 Gold
	<b>Total Revenue</b>	<b>\$ 1,812,240</b>	<b>\$ 1,848,485</b>	<b>\$ 14,328,098</b>	<b>\$ 15,446,535</b>	<b>\$ 16,565,725</b>	

# Appendix L: Diversification Cost & Revenue

	Strategy 2: Portfolio Development	Year 1	Year 2	Year 3	Year 4	Year 5	Assumptions
Cost	Broker Fees	\$ -	\$ 280,072	\$ 285,674	\$ 291,387	\$ 297,215	- assume 3% broker commission from revenue of premiums
	Administrative Team	\$ 1,244,765	\$ 373,430	\$ 380,898	\$ 388,516	\$ 396,286	- Enrollment of new members - managing relationship with broker - assume 4% administrative costs from revenue of premiums
	<b>Total Cost</b>	<b>\$ 1,244,765</b>	<b>\$ 653,502</b>	<b>\$ 666,572</b>	<b>\$ 679,903</b>	<b>\$ 693,501</b>	
Revenue	Estimate # of small businesses who will join CC + Oscar	71	73	74	76	77	- 2,712 businesses in Gauga County - 25% are small businesses under 50 employees - 70% do not currently offer insurance - 15 % of those uninsured will enroll in CC + Oscar
	Estimate # of employees per business	1,424	1,452	1,481	1,511	1,541	- Assume average 20 employees per small business
	Estimate number of employees who are INDIVIDUALS	1,068	1,089	1,111	1,133	1,156	- Assume 25% are families, 75% are individuals
	Estimate number of employees who are FAMILY	356	363	370	378	385	- Assume 25% are families, 75% are individuals
	Revenue from enrollment of new individual membership	\$ -	\$ 4,975,933	\$ 5,075,452	\$ 5,176,961	\$ 5,280,500	- Assuming 34% enroll in bronze, 58% enroll in Silver, 7% enroll in Gold tier - Average cost \$370 for bronze,\$390 for Silver,\$410 for gold Oscar EPO per month
	Revenue from enrollment of new family membership	\$ -	\$ 4,356,828	\$ 4,443,965	\$ 4,532,844	\$ 4,623,501	- Assume monthly premium for family of 4 is \$1,000
	<b>Total Revenue</b>	<b>\$ -</b>	<b>\$ 9,335,738</b>	<b>\$ 9,522,453</b>	<b>\$ 9,712,902</b>	<b>\$ 9,907,160</b>	



# Appendix M: MySatellite + Overarching Costs

	Strategy 3: MySatellite	Value					Assumptions
Cost	My Satellite	400,000	408,000	416,160	424,483	432,973	- App development - 5 software developers approximately 80,000 - 2% salary increase for inflation
	Across All Strategies						
Cost	Public Marketing Campaign	\$ 560,144.31	\$ 671,053	\$ 1,431,033.09	\$ 1,509,566.21	\$ 1,588,373.12	Digital Adverstisement (TV/Radio/Internet) Print Advertisement (Billboard, etc) - Assume 6% of revenue spent on marketing
	MLR for patient care given revenue from Premiums		\$ 6,532,933	\$ 15,373,442.23	\$ 16,263,223.10	\$ 17,155,669.40	



# Appendix N: Financial Assumptions References

Assumption Source
2018 Unaudited Financial statements Cleveland Clinic
<a href="https://nypost.com/2016/12/08/josh-kushners-health-startup-opens-trendy-brooklyn-clinic/">https://nypost.com/2016/12/08/josh-kushners-health-startup-opens-trendy-brooklyn-clinic/</a>
Average salaries for ohio physicians and clinical staff
<a href="https://www.advisory.com/daily-briefing/2015/10/06/cleveland-clinic-and-mayo-clinic-partnerships">https://www.advisory.com/daily-briefing/2015/10/06/cleveland-clinic-and-mayo-clinic-partnerships</a>
<a href="https://www.kff.org/health-reform/state-indicator/marketplace-enrollment-by-metal-level/?dataView=1&amp;currentTimeframe=0&amp;sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D">https://www.kff.org/health-reform/state-indicator/marketplace-enrollment-by-metal-level/?dataView=1&amp;currentTimeframe=0&amp;sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D</a>
<a href="https://www.census.gov/quickfacts/fact/table/geaugacountyohio/PST045217">https://www.census.gov/quickfacts/fact/table/geaugacountyohio/PST045217</a>
<a href="https://aede.osu.edu/sites/aede/files/publication_files/Swank-Small-Biz-Entrepreneurs.pdf">https://aede.osu.edu/sites/aede/files/publication_files/Swank-Small-Biz-Entrepreneurs.pdf</a>
<a href="https://www.kff.org/other/state-indicator/firms-offering-coverage-by-size/?currentTimeframe=0&amp;selectedRows=%7B%22states%22:%7B%22ohio%22:%7B%7D%7D%7D&amp;sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D">https://www.kff.org/other/state-indicator/firms-offering-coverage-by-size/?currentTimeframe=0&amp;selectedRows=%7B%22states%22:%7B%22ohio%22:%7B%7D%7D%7D&amp;sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D</a>
<a href="https://www.kff.org/health-reform/state-indicator/marketplace-enrollment-by-metal-level/?dataView=1&amp;currentTimeframe=0&amp;sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D">https://www.kff.org/health-reform/state-indicator/marketplace-enrollment-by-metal-level/?dataView=1&amp;currentTimeframe=0&amp;sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D</a>
<a href="https://www.kff.org/health-reform/state-indicator/marketplace-enrollment-by-metal-level/?dataView=1&amp;currentTimeframe=0&amp;sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D">https://www.kff.org/health-reform/state-indicator/marketplace-enrollment-by-metal-level/?dataView=1&amp;currentTimeframe=0&amp;sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D</a>
<a href="https://www.glassdoor.com/Salaries/ohio-software-developer-salary-SRCH_IL.0.4_IS2235_KO5.23.htm">https://www.glassdoor.com/Salaries/ohio-software-developer-salary-SRCH_IL.0.4_IS2235_KO5.23.htm</a>
<a href="https://www.agencynation.com/plan-agency-marketing-budget-2017/">https://www.agencynation.com/plan-agency-marketing-budget-2017/</a>
<a href="https://www.modernhealthcare.com/article/20180515/NEWS/180519948">https://www.modernhealthcare.com/article/20180515/NEWS/180519948</a>



# Appendix O: Projected Growth of Uninsured Population - Trumbull & Mahoning

<b>Projected Growth of Uninsured Population</b>				Current # of uninsured	53,274
Trumbull & Mahoning Country				Yearly growth estimated	1,680
Age range: 18-45 (30% of total uninsured pop)					
	<b>Year 1</b> ▼	<b>Year 2</b> ▼	<b>Year 3</b> ▼	<b>Year 4</b> ▼	<b>Year 5</b> ▼
Uninsured Population*	15,982	17,662	19,342	21,022	22,702
Oscar 10% of market share	1,598	1,766	1,934	2,102	2,270
Worst case 5% market share	799	883	967	1,051	1,135
Best case 15% market share	2,397	2,649	2,901	3,153	3,405

Used to calculate market growth among the individual market

# Appendix P: Sensitivity Analysis

Worst Case

- Market share capture lower in Trumbull and Mahoning - 10% → 5%
- Fewer businesses enroll in Oscar - 15% → 7%

Base Case

- Forecast as outlined in slide number 13

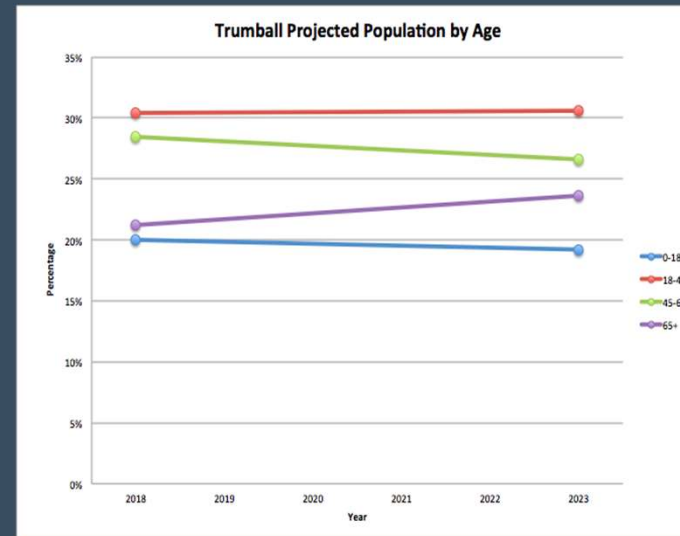
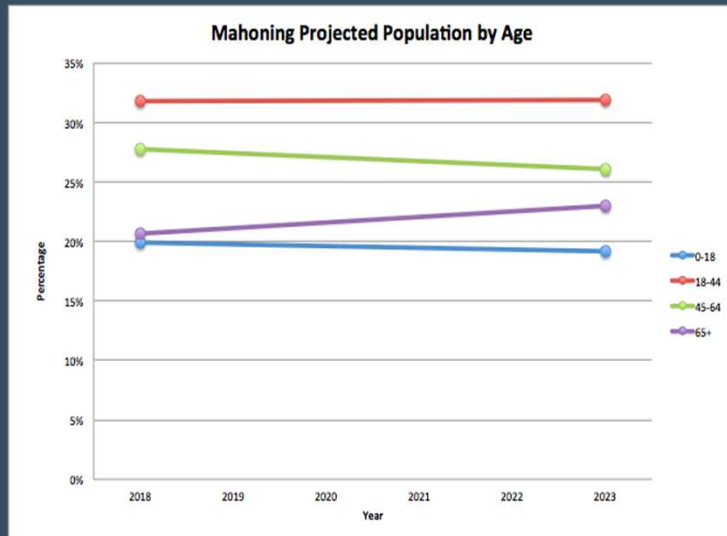
Best Case

- Market share capture higher in Trumbull and Mahoning - 10% → 15%
- More businesses enroll in Oscar - 15% → 20%

	Year 1	Year 2	Year 3	Year 4	Year 5
Worst Case	-65%	-17%	8%	9%	9%
Base Case	-67%	-3%	16%	17%	17%
Best Case	-68%	1%	19%	20%	20%

Yearly ROI

# Appendix Q: Projected Population by age in Mahoning & Trumbull Counties (County Comparisons)

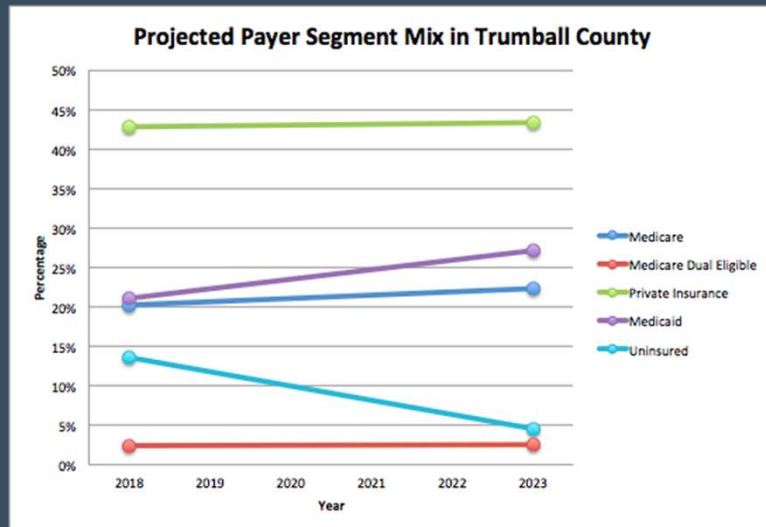


County	18-64 Year
Ashtabula County	6%
Columbiana County	3%
Cuyahoga County	41%
Geauga County	5%
Lake County	15%
Mahoning County	14%
Summit County	4%
Trumbull County	12%
Grand Total	100%

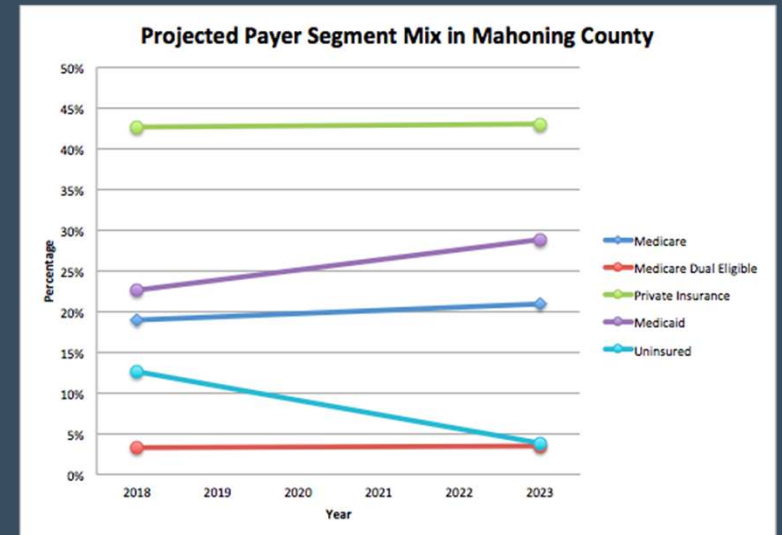
Year	0-18	18-44	45-64	65+
2018	20%	32%	28%	21%
2023	19%	32%	26%	23%

Year	0-18	18-44	45-64	65+
2018	20%	32%	28%	21%
2023	19%	32%	26%	23%

# Appendix R: Projected Payer Mix in Trumbull & Mahoning Counties



Year	Medicare	Medicare Dual Eligible	Private Insurance	Medicaid	Uninsured
2018	20%	2%	43%	21%	14%
2023	22%	3%	43%	27%	5%



Year	Medicare	Medicare Dual Eligible	Private Insurance	Medicaid	Uninsured
2018	19%	3%	43%	23%	13%
2023	21%	3%	43%	29%	4%



# Appendix S: Evaluation



## Innovation

- MySatellite utilizes AI to optimize patient outcomes and experience
- Optimized application of bi-directional data sharing
- Successful synergistic match of IBM Watson and CC+Oscar

## Patient Engagement & Experience

- Maintain consumer satisfaction scores
- Engagement in CC+Oscar Wellness Center
- MySatellite delivers personalized care
- Increased touchpoints with CC services (ie. Wellness Center, MySatellite)

## Quality

- MySatellite promotes of healthy behavior
- Reduction in uninsured
- # of physicians joining the quality alliance (Trumbull)
- Improved national quality metrics

# Appendix T: SWOT Analysis

## Strengths

- Proven success of CC+Oscar in Ohio
- Strategy addresses two different markets, spreading risk
- Proven models that are successful
- Leverages technology capabilities
- Brand strength and recognition

## Opportunities

- Lack of insurance options for small businesses
- High numbers of small businesses in Geauga
- Steward Health's recent acquisition of Trumbull Regional

## Weakness

- New start up competing in an insurance market with established competitors
- Lack of information on Trumbull Regional Medical Center capacity
- Proven model of Oscar Center is in a different state (different population demographics, regulatory environment)

## Threats

- Steward's recent acquisition of Trumbull Regional
- Unstable, unpredictable political climate
- Affordable Care Act Mandate Status Unknown
  - Ohio has applied to remove individual mandate (employer mandate unknown)

# Appendix U: Additional Assumptions & References

- 33% of firms with fewer than 50 employees do not offer health insurance to employees (Kaiser Family Foundation)
- 95% of firms with greater than 50 employees offer health insurance to employees (Kaiser Family Foundation)
- Anthem, United Healthcare, and Medical Mutual are the other competitive small business insurers in Geauga County
- <https://www.kff.org/other/state-indicator/firms-offering-coverage-by-size/?currentTimeframe=0&selectedRows=%7B%22states%22:%7B%22ohio%22:%7B%7D%7D%7D&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>
- <https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-OH.pdf>