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FOR IMMEDIATE RELEASE

STUDY PUBLISHED IN HEALTH AFFAIRS FINDS VALUE-BASED INSURANCE DESIGN EFFECTIVE

ActiveHealth Management's CareEngine System Identifies Patients Who Would Benefit Most From Lower Co-pays

NEW YORK — January 8, 2008 — [ActiveHealth Management](#) (ActiveHealth[®]) announced today the publication of a study designed to determine the medication compliance impact of selectively lowering co-pays for certain classes of drugs used in the treatment of chronic medical conditions. The study results showed a significant increase in compliance with four of five drug classes studied. ActiveHealth's patented clinical decision support technology, [CareEngine[®] System](#), reviewed data for two large employer groups and identified clinically appropriate members in the group that would benefit from reduced co-pays for the five drug classes. The study, available today in [Health Affairs](#), is believed to be the first rigorous, controlled trial of a concept called value-based insurance design (VBID).

"This study demonstrates that ActiveHealth's value-based insurance design program can be effective in increasing compliance with important medications, and can complement our disease management program," said Stephen Rosenberg, MD, Senior Vice President for Outcomes Research at ActiveHealth and a study co-author. "This finding is significant, since cost containment approaches that increasingly shift costs to patients can cause decreased compliance with potentially life-saving medications. VBID programs reduce one significant barrier to compliance."

Highlights of Study Results:

- Statistically significant increase in the use of ACE inhibitors/ARBs, beta-blockers, statins and diabetes medications*

The study, jointly designed by researchers from ActiveHealth, Harvard Medical School and University of Michigan, tracked two large employers from 2004 through 2006. In January of 2005, one large employer selectively reduced co-pays for five classes of medications, including ACE inhibitors and ARBs, beta-blockers, diabetes medications, statins, and inhaled steroids. These five classes of drugs were chosen because of the large body of evidence-based literature documenting their cost effectiveness in the treatment of common chronic conditions such as hypertension, heart disease, kidney disease, elevated cholesterol, diabetes, and asthma. Co-pays for generic medications were reduced from \$5.00 to \$0. Co-pays for branded drugs were lowered by 50 percent. Co-pay requirements remained stable for the other large employer.

A unique feature of this study, and one that differentiates ActiveHealth's VBID program from others in the market, is the use of CareEngine System to identify the most clinically appropriate individuals to benefit from co-pay reductions. Using available claims data (diagnoses, procedures, medications, and labs) along with data obtained directly from members involved in ActiveHealth's disease management program and/or via their personal health record, CareEngine compiles continually-refreshed, member-centric electronic medical histories. It then compares these data with a large and expanding set of evidence-based medical algorithms developed and maintained by a team of over 20 full-time clinicians. The result is that, in addition to identifying individuals who were already taking one or more of the five classes of VBID medications, individuals who were not taking these drugs but should be, as per the latest evidence-based guidelines, were also identified. In all instances, CareEngine also scanned for any contraindications to the medications already being consumed in order to exclude these individuals from the VBID program.

Letters are generated to notify each member identified by CareEngine, as well as their prescribing physician, about the co-pay reduction and the importance of the medication (or the potential danger involved if there is a contraindication). In addition, a list of all VBID-eligible members is regularly compiled and transmitted to the pharmacy benefit manager who facilitates the reduced co-pay at the point-of-service. Compliance with the relevant medications is tracked on a quarterly basis.

"It is imperative that the right incentives are in place so that consumers don't face inappropriate financial barriers to accessing needed care," said Lonny Reisman, MD and CEO of ActiveHealth. "ActiveHealth's VBID program offers a unique pairing of fiscal responsibility and clinical precision. Rather than choosing between cost and quality, the goals of all stakeholders are aligned to help improve health and lower costs."

The Health Affairs article, titled "Impact of Decreasing Copayments on Medication Adherence Within a Disease Management Environment," was authored by Michael E. Chernew, PhD, Mayur R. Shah, MA, Arnold Wegh, MS, Stephen N. Rosenberg, MD, MPH, Iver A. Juster, MD, Allison B. Rosen, MD, ScD, Michael C. Sokol, MD, MS, Kristina Yu-Isenberg, PhD, RPh, and A. Mark Fendrick, MD.

* In the treatment group, compared to the control group

About ActiveHealth Management

ActiveHealth Management is a leading provider of health management services, including disease management, clinical decision support and personal health records. The company's solutions, all based on its patented CareEngine® System, help health plans, employers and government payors improve care and reduce medical costs. Nearly 16 million people nationwide benefit from ActiveHealth programs. Founded in 1998 and headquartered in New York City, ActiveHealth is an independent subsidiary of Aetna (NYSE: AET). For more information, please visit <http://www.activehealth.net>.

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