

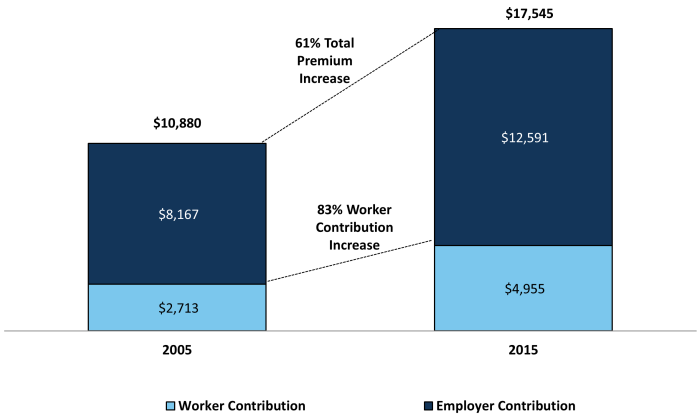


**Solutions to Manage  
Rising Benefits Costs**

# Benefits costs continue to rise.

# What is a 1, 3, or 5% savings in benefits costs worth to you?

Exhibit A:  
Average Annual Health Insurance Premiums and Worker Contributions for Family Coverage, 2005-2015



SOURCE: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005-2015.



BENEFITS SPEND by COMPANY SIZE								
Average Cost of Benefits = 31.4% of Salary								
AVERAGE SALARY		NUMBER OF EMPLOYEES						
		300	500	1,000	1,500	2,000	2,500	3,000
\$	30,000	\$2.826 M	\$4.71 M	\$9.42 M	\$14.1 M	\$18.8 M	\$23.5 M	\$28.2 M
\$	50,000	\$4.71 M	\$7.85 M	\$15.7 M	\$23.5 M	\$31.4 M	\$39.2 M	\$47.1 M
\$	70,000	\$6.59M	\$10.99 M	\$21.9 M	\$32.9 M	\$43.9 M	\$54.9 M	\$65.9 M

Source: Bureau of Labor Statistics; December 9, 2015



# Novarus Overview

- ✓ Novarus Healthcare partners with companies and networks to **lower benefits and healthcare costs** *without switching providers or brokers, sacrificing quality, or changing benefits offerings.*
- ✓
- ✓ Our two **Benefits Cost Management** solutions— BERT and EmployeeConnect— save clients money, are simple to implement, and provide control of benefits spend.
- ✓ Our time and money saving solutions are designed to require **minimal involvement from HR and IT.**

# Novarus BERT

Discover billing and compliance errors  
resulting from technology gaps

## FILE UPLOAD

Customers securely send  
HRIS data + monthly  
benefit invoices (e.g.  
medical, dental, life).



## RULES ENGINE

Files are automatically  
fed into the custom-built  
BERT logic engine.



## REPORTING

BERT finds all of the  
errors for you.



## SAVINGS

Happy BERT customer  
saving money + time.



# Common Financial + Compliance Errors BERT Can Solve

**Employer implemented new short and long term disability program.**

Carrier billed incorrect premiums for 2 years, resulting in \$150,000 in overcharges.

**Company neglected to add new employee to health plan.**

Employee had major illness. Carrier refused coverage resulting in large professional liability claim.

**Multiple employees remained on carrier plans years after they left the company.**

Hundreds of thousands of excess expenses incurred.

**Company dropped a benefit offering but neglected to notify employees or stop payroll deduction.**

Payroll deduction for non-offered benefits is a felony in many states.

# Novarus EmployeeConnect Mobile App

Affordable. Quick to Implement. Easy to Update.

**Our custom app is a central hub for all of your company programs.**

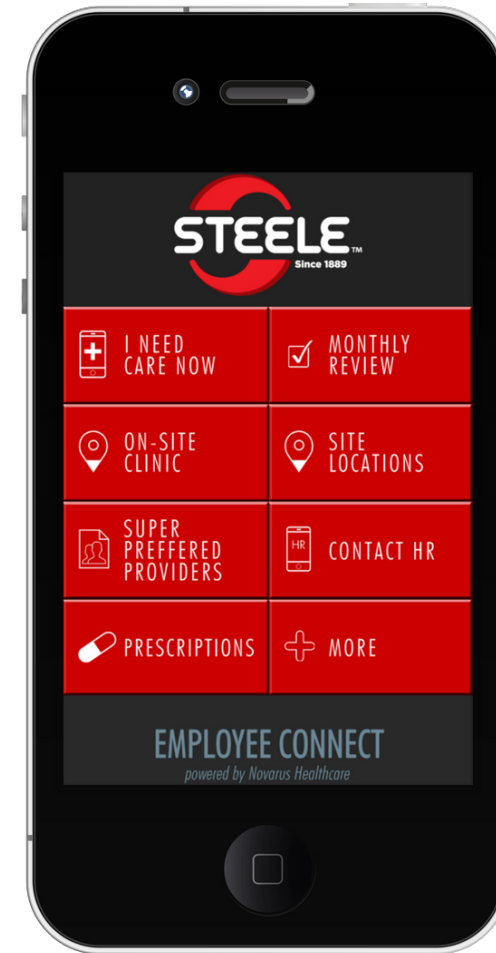
**The app gives you power to lower your benefits costs by**

- ✓ Driving participation rates in cost-savings programs
- ✓ Navigating employees to cost-effective care before claims are incurred

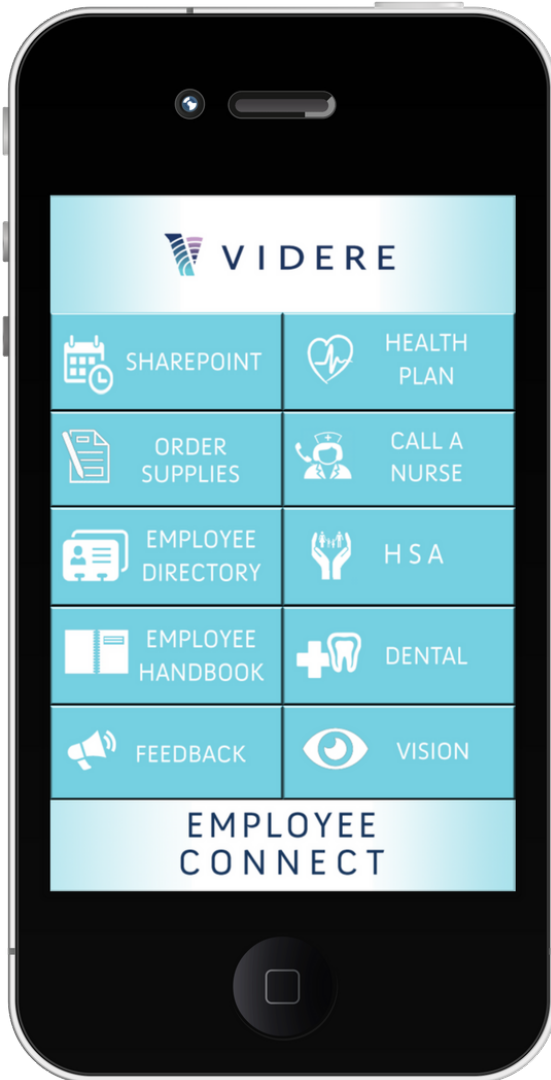


# Powering Claim Reduction

- ✓ Increase participation rates in strategic programs (e.g. care navigators, on-site clinics, telemedicine, on-line pharmacy, wellness).
- ✓ Eliminate unnecessary ER visits by directing employees to urgent care, telemedicine, and nurse hotlines.
- ✓ Steer employees toward lower cost quality providers by powering preferred networks



# Increase Employee Engagement



**Companies with engaged employees are 22% more profitable.**

- ✓ Enhance corporate communication by using text, push notifications, video messaging, and an easily accessible directory.
- ✓ Engage with employees across multiple sites and those working remotely.
- ✓ Recognize and reward employees/ teams using app features .



# Our Leadership Team



**Tom Hearn**  
*Managing Principal*

- 30+ years as Healthcare Executive
- Helped grow MedCath from \$30M to \$1B in revenue
- Extensive experience developing technology for healthcare



**Chris Robertson**  
*Chief Information Officer*

- Former IT Executive for healthcare, retail, and financial services industries



**Michael Funderburk**  
*Business Development*

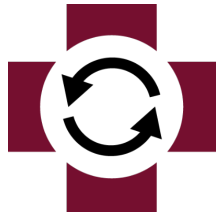
- Former development/analytics leader for Ally, Meineke, and Red Ventures



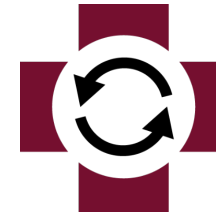
**Julia Jackson**  
*Marketing and Customer Experience*

- 17 years leading consulting firm focused on marketing, project management, and strategic planning

**Founded in 2011**



**Portfolio company of Dioko  
Ventures, an early stage  
investor in healthcare and IT.**





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