

Evolving to Deliver More for Our Customers

Today's consumers expect more from their health care. To make the future of health care happen for our members, we need to accelerate investments that will allow us to be more responsive to our customers' needs by improving health care quality, cost and convenience.

UNSUSTAINABLE RISE IN COSTS

In New Jersey, consumers' health care expenses have increased much faster than their paychecks.

\$6,200

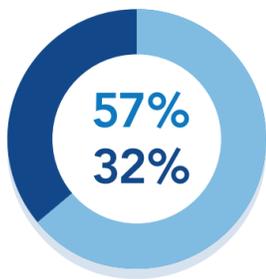
Health expenditure costs per capita in New Jersey 2016
5th highest per-person spending in US¹

1%

Rise in paychecks (2009-2014)
6th slowest in US²

CONSUMERS ARE IN CHARGE

While today's consumers expect a more personalized experience, they also want to manage their health from the palm of their hands.



Where consumers turn first for health-related information³



THE INTERNET



THEIR DOCTORS

325K

mobile health apps available in 2017⁴



65%

Estimated percentage of interactions with health care facilities via mobile devices⁵

DATA IS EVERYWHERE

With the potential to save billions in spending, health-related data is exploding beyond electronic health records.

40 trillion gigabytes

of health-related data estimated in 2020⁶

NEW SOURCES OF HEALTH DATA



POPULATION HEALTH



PERSONALIZED MEDICINE



WEARABLES



ADVANCED ANALYTICS

89%

of providers currently use predictive analytics or plan to in next five years⁷

UP TO

17%

in reduced health care spending from use of big data⁸

How can Horizon BCBSNJ keep pace with our members' expectations?

We must evolve our company's legal structure, which was built for another time. Today's health care needs are changing fast. Modernizing our corporate structure gives us the strategic and operational flexibility to better position us to make health care work the way our members want it to.

Becoming a not-for-profit mutual will allow us to continue working, as we always have, to make the future of health care happen. That's how Blue works for you.

To learn more, visit www.HorizonForYou.com.



Sources

- 1 Health Care Cost Institute. 2017.
- 2 "The Burden of Health Insurance Premium Increases on American Families." Executive Office of the President. Sept. 22, 2009.
- 3 "Consumer Health Online 2017 Research Report." dotHealth. 2017.
- 4 "Health App Economics 2017." Research 2 Guidance. November 2017.
- 5 "Top Five Digital Transformation Trends in Health Care." Forbes. March 7, 2017.
- 6 "Five distinct trends are converging to determine how artificial intelligence (AI) and robotics will define New Health." PwC. 2016.
- 7 "2017 Predictive Analytics in Healthcare Trend Forecast." Society of Actuaries. 2017.
- 8 "The big-data revolution in US health care: Accelerating value and innovation." McKinsey. 2013.