MEANINGFUL APPLICATIONS FOR HEALTHCARE AI

NOVEMBER 16TH, 2023

VBCExhibitHall.com
Educational Webinar Series

edifecs

AGENDA

Meaningful Applications for Healthcare AI

- → Introductions
- → Simplifying the Complexity of AI: Algorithms and Applications
- → The Rise of AI in Healthcare
- → Applications That Will Win the Day
- → Employing AI Successfully in Your Organization
- → Edifecs and the Future of AI

TODAY'S SPEAKERS

Edifecs is a trusted partner for leading payers and providers

Chris Lance
Chief Product Officer

edifecs

Niraj Katwala
VP of Technology

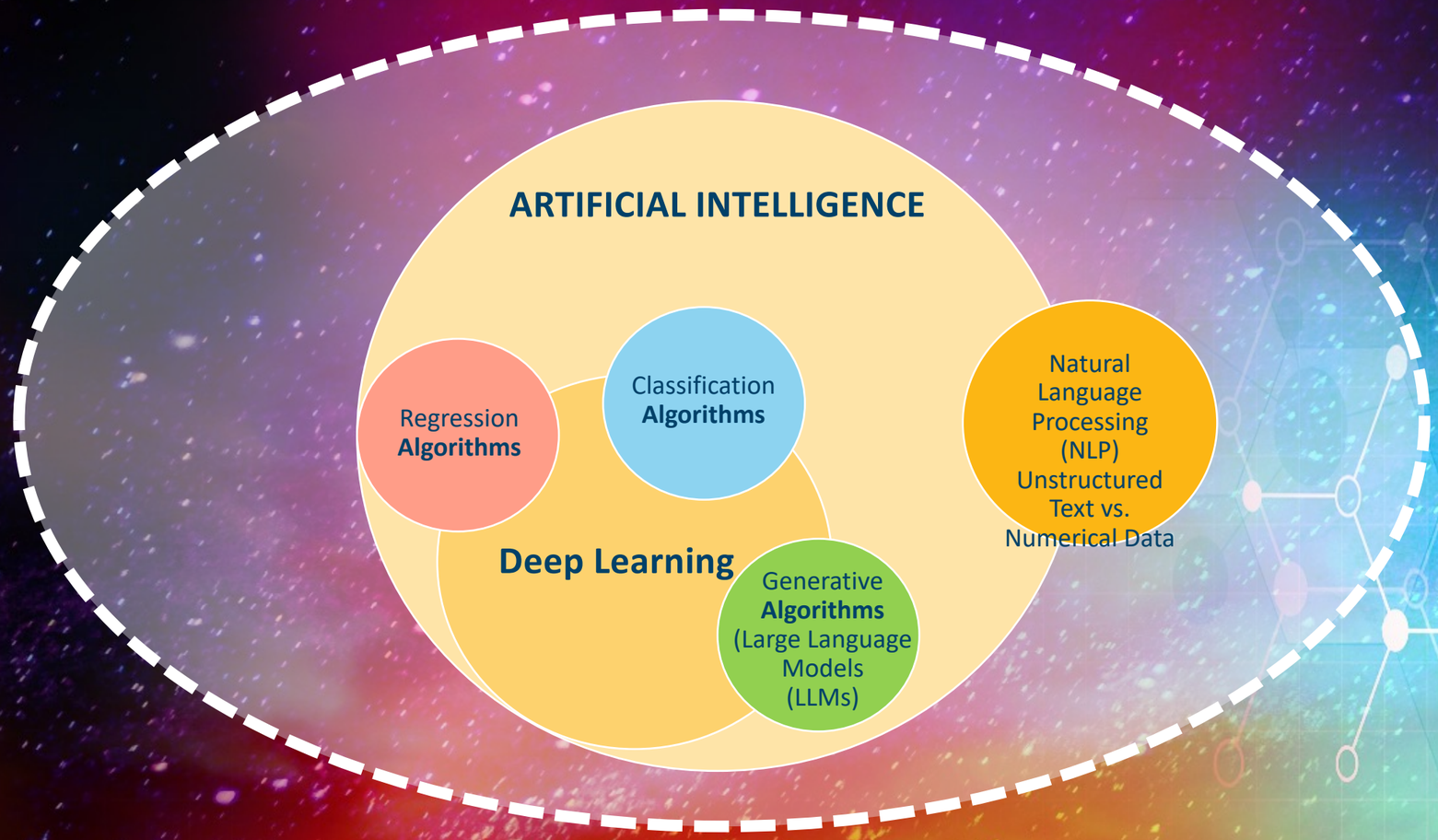
edifecs

Where We Operate

290M	U.S. Lives covered by Edifecs clients
10/10	National Health Plans
27/36	Blues Plan Clients
4/10	Top Provider Plans by Revenue
34/52	State Medicaid Programs

ALGORITHMS AND APPLICATIONS

AI SUBSETS & CAPABILITIES



Machine learning (ML) is **the process** of training an AI model using past data for a specific use case to infer future results.

APPLICATIONS

DEEP LEARNING

Techniques used for enhancing all 3 types of models

- **REGRESSION ALGORITHMS**
  Makes predictions based on data fed into the model: **stock price prediction, house price prediction, treatment/procedure/cost prediction.**
- **CLASSIFICATION ALGORITHMS**
  Suggests one value out of many: **desired email vs. spam; predicts medical conditions; suggests ICD-10 codes to assign to a chart.**
- **GENERATIVE ALGORITHMS (LLMs)**
  Generates original content with statistical models: **language translation; article summaries; JAVA code generation; chemical synthesis, essay and image generation. LLMs have an encoder which converts text to numbers, and decoder that converts numbers to text.**

THE ASCENDANCE OF AI:
STANDING ON THE SHOULDERS OF GIANTS

→ **Mid-2000s:** Infrastructure established via GPU (Graphics Processing Unit) technology

- **Eureka!** NVIDIA makes accidental discovery: GPUs can perform the same machine learning processes **100,000X faster** than traditional CPUs
    - Makes AI scalable, affordable, and capable of processing vast amounts of data quickly

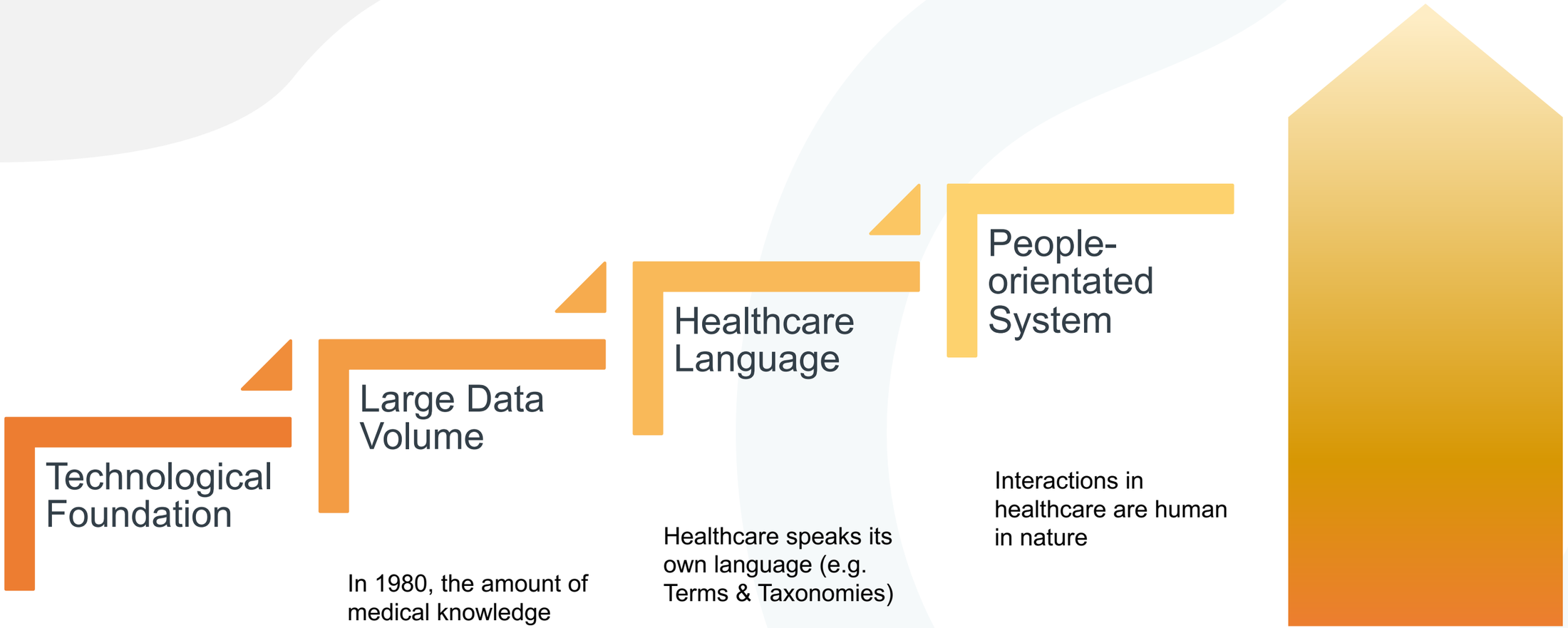
→ **2017:** Google Brain research scientists publish paper "Attention is All You Need"

- Creation of transformer technology (converting words into numbers) leads to generative AI models

→ **November 2022:** ChatGPT brings AI to the masses

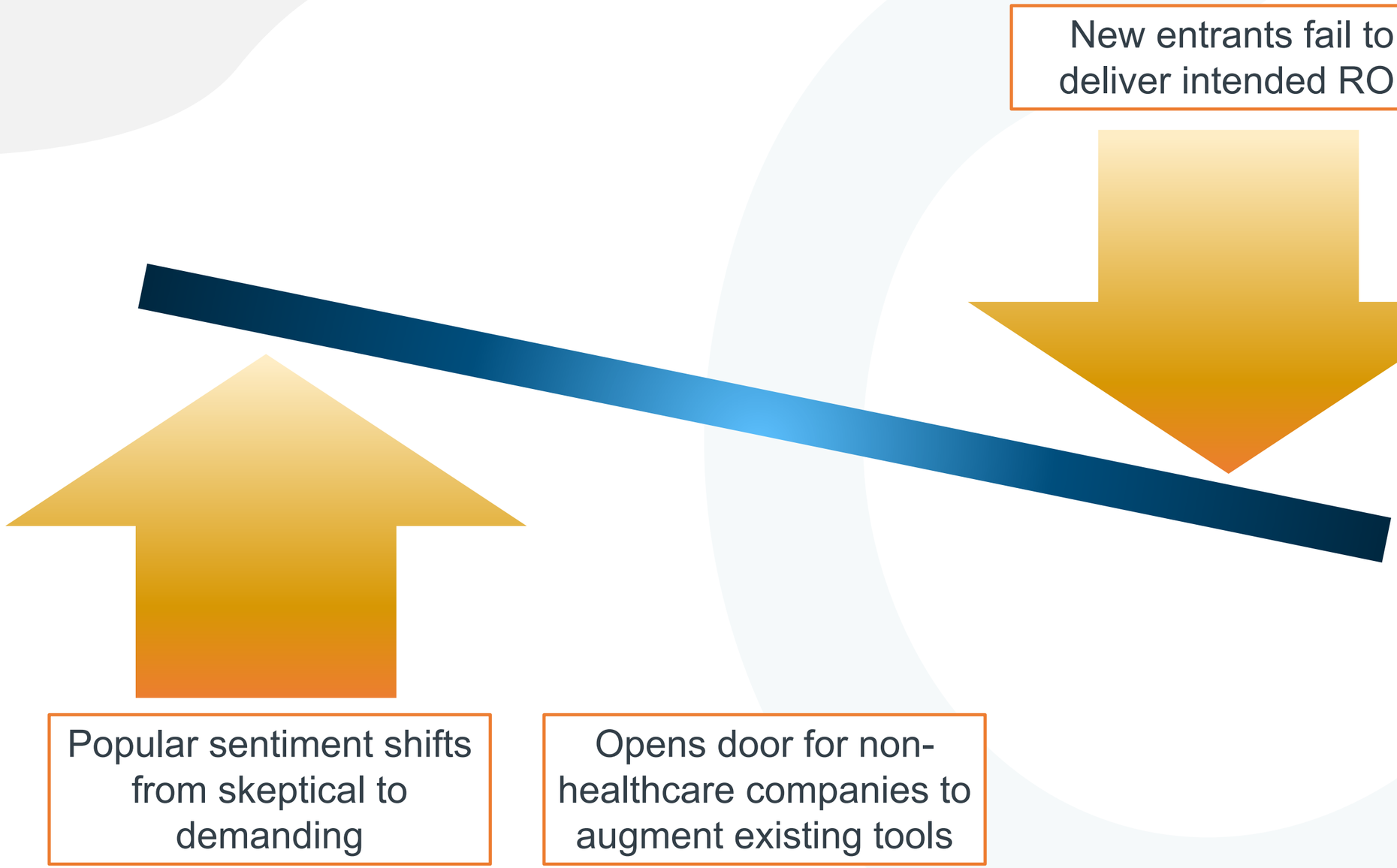
THE RISE OF AI IN HEALTHCARE

AI IS WELL-SUITED FOR HEALTHCARE

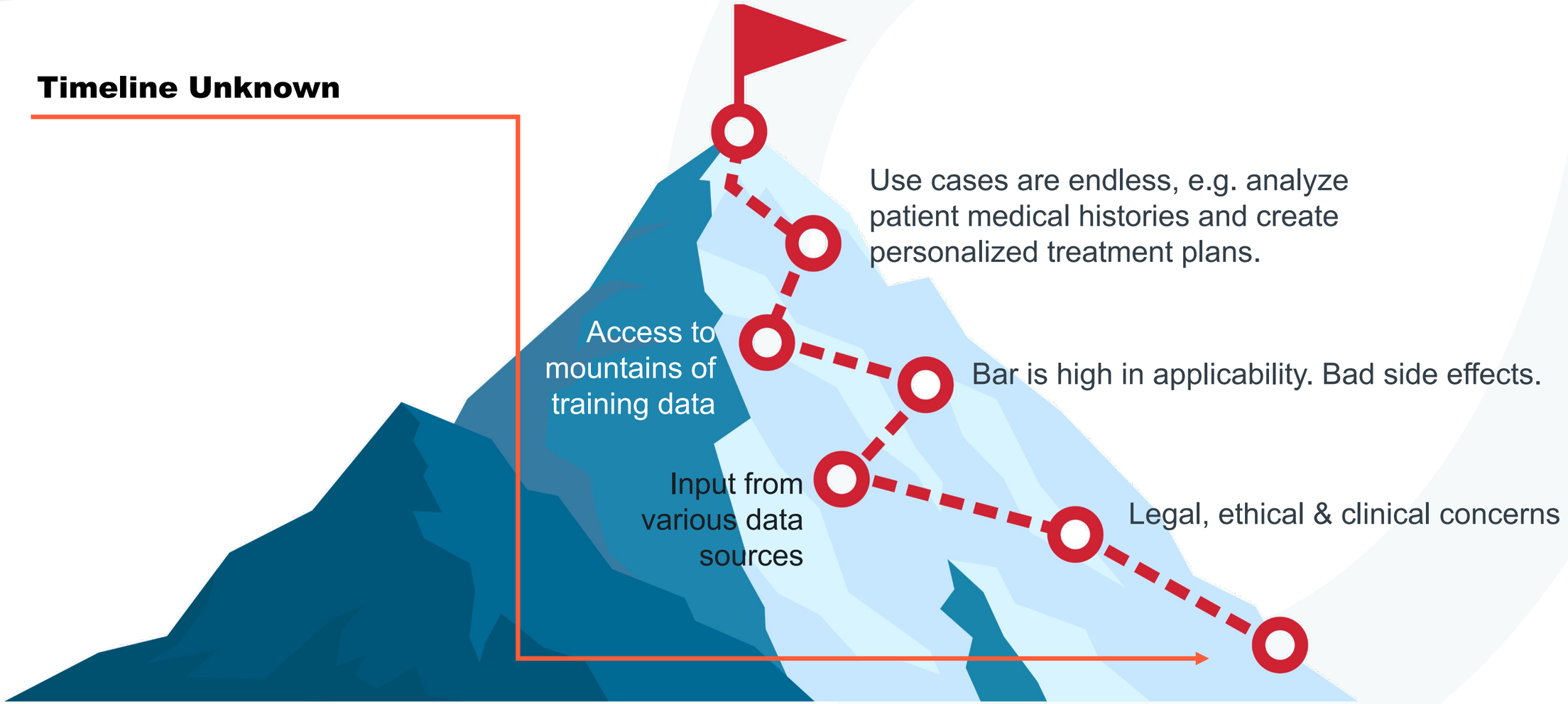


COMPOUNDING FACTORS

Market forces create swirl that leaves many uncertain of path forward



GENERATIVE AI IS PROMISING—BUT HAS CHALLENGING TERRAIN TO TRAVERSE



APPLICATIONS THAT WILL WIN THE DAY

OLD APPROACH

Solve multiple problems at once with multi-purpose applications

- Olive AI: Attempted to address revenue cycle mgmt., finance, accounting, supply chain, human resources and IT
  - $1.5 Billion valuation in 2020, sold off it's remaining assets Oct. 2023

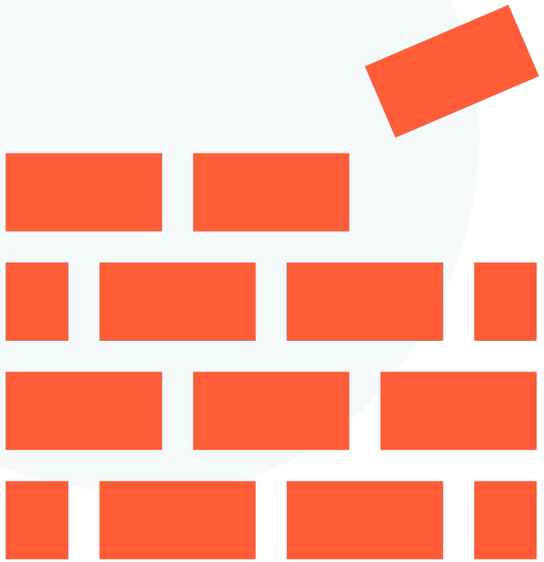
- IBM's Watson Health: Everything from medical imaging to clinical trial recruitment
  - Billions invested, sold in parts in Jan. 2021

WHY?

- Impractical
- Not secure
- Expensive

NEW APPROACH

Every practical AI model is made up of a series of smaller applications

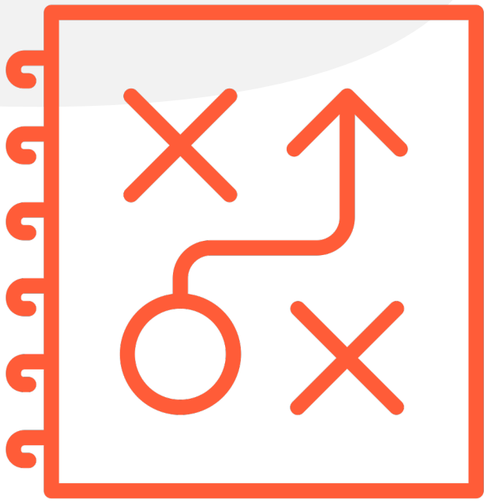


WHY?

- Niche models will prevail with consumer activity driving specialization
- User-specific applications will achieve greatest adoption
  - Generative AI will predict patient IDs
  - Proactive monitoring patient health through wearables, etc.
  - Tools and processes to resolve data quality issues related to Social Determinants of Health (SDoH)

KEYS TO SELECTING AI TECHNOLOGY - 1

Questions to ask the AI's creator



→ *How extensively were your models trained and on what data?*

→ *Was it trained on correct clinical data? Or is it susceptible to intrinsic bias?*

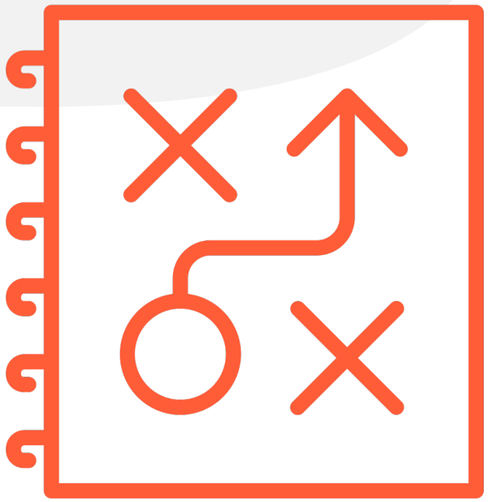
→ *What is your experience in AI? What is your experience in Healthcare? And what is your experience in Healthcare AI?*

→ *How adaptable is the AI to changes to the external environment (e.g. changes to CMS guidelines)*

→ *What are your security and governance policies?*

KEYS TO SELECTING AI TECHNOLOGY - 2

Criteria to determine fit/value/utility to use case



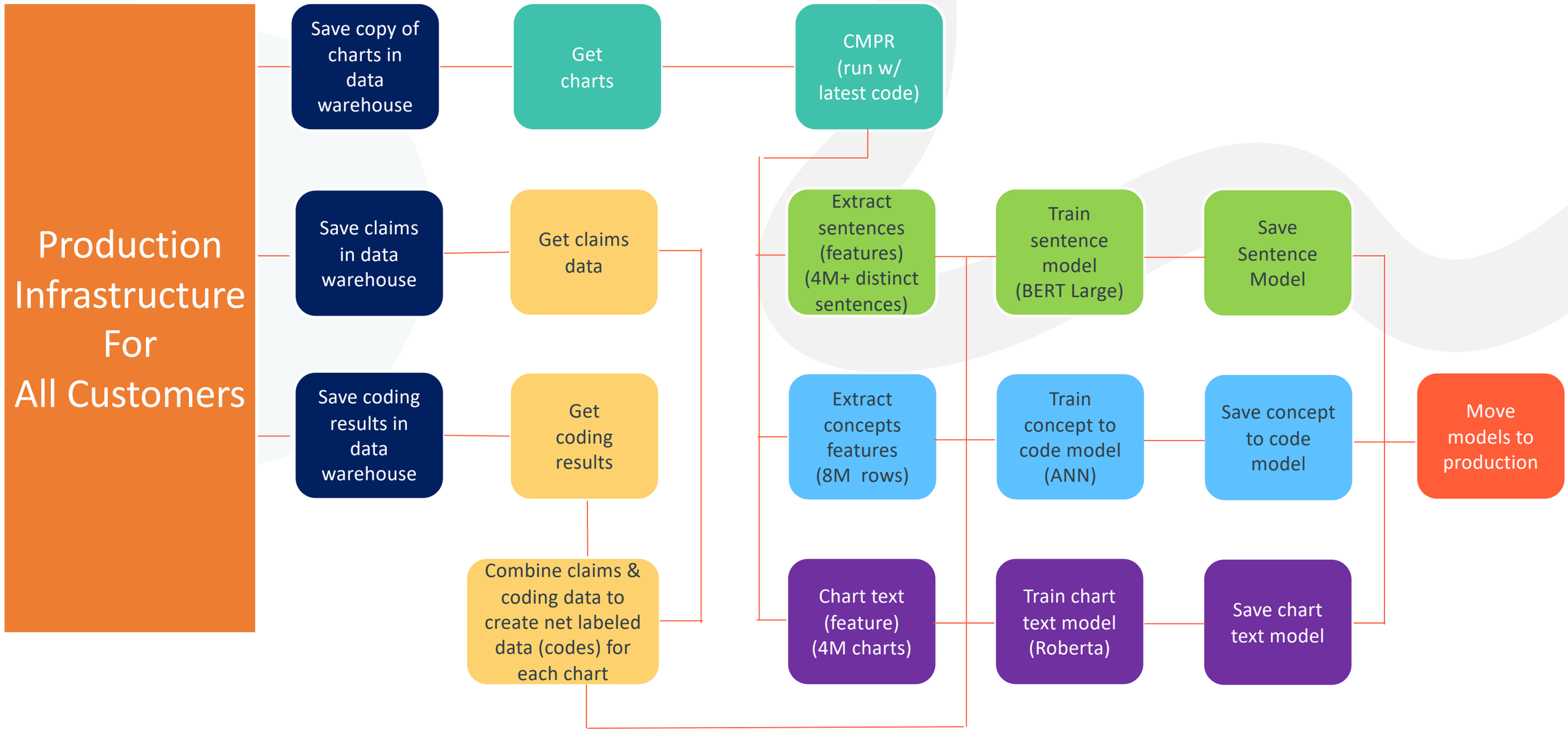
- → Choose business functions or tasks that meet practical needs

- → Ensure the AI model is right for the intended function
  - Generative or Discriminative?

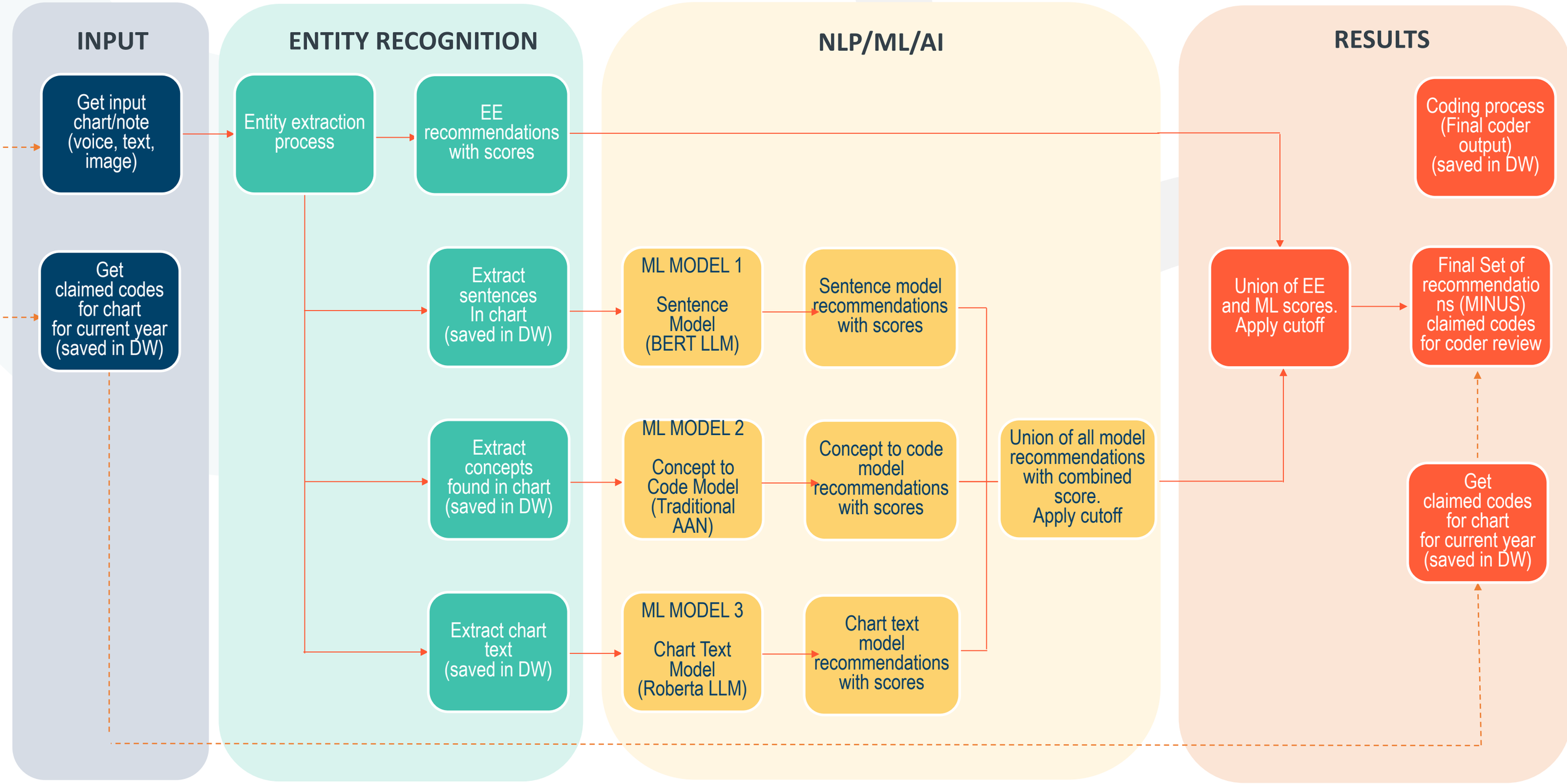
- → Pick winning plays
  - Demand evidence of success
  - Pressure test the hype: ASK! What was it trained on and was that data relevant to me?

EMPLOYING AI SUCCESSFULLY

RISK ADJUSTMENT TRAINING MODELS



RISK ADJUSTMENT INFERENCE FLOW



WHAT TO EXPECT WHEN YOU'RE EXPECTING (AI)

Preparation is critical to success

- → Reframe your expectations and performance measures
  - Errors should be anticipated, and are a natural part of AI
- → Establish goals
  - productivity, ROI, financial performance, throughput, error reduction, etc.
- → Change management strategies should be deployed across the organization
  - Educate users on the value of the technology, how to interact with it, and what to look out for
  - It's not a threat, it's a tool!

IT WILL TAKE A VILLAGE

Healthcare needs to be ready to exploit advancements emerging across industries

- → Healthcare will build on what's clearly valuable, even if it comes from outside healthcare

- → It will continue to be a game of singles

- → Technology incumbents will build the infrastructure
  - The idea of standing up AI programs internally might seem attractive, but it's fraught with complications
    - Data availability and diversity, duration of training time, uncertain ROI, etc.

EDIFECS & THE FUTURE OF AI

A HOLISTIC APPROACH

Prior Authorization

- Automation and integration into EMR
- NLP auto-populates 80% of fields

Risk Adjustment

- NLP-enabled insights to improve coding & diagnosis specificity accuracy
- Leverage NLP to reduce manual chart review volume & prioritize chart reviews
- Utilize NLP to find insights in unstructured data (e.g., chart notes)
- NLP-based insights & ML create better suspect & suggestion accuracy with confidence scoring

Population Payment Management

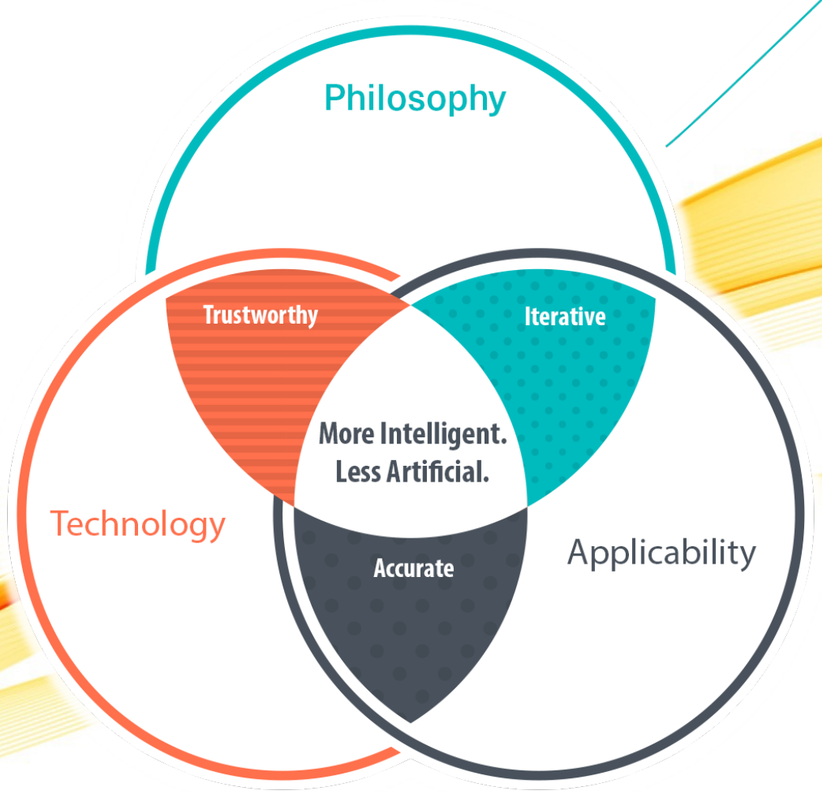
- Real-time analytics on financial, quality, and contract performance
- AI-enabled modeling and predictive insight
- Historical/ongoing VBC program analysis
- Automation of VBC contract management

edifecs

EDIFECS WILL CONTINUE TO LEAD

PHILOSOPHY

- We are guided by practicality, not by hype
- We're focused on the AI applications that will offer maximum ROI for our customers
- We build where necessary, and leverage where qualified



TECHNOLOGY

- We have the experience, infrastructure, and data needed to successfully train AI for healthcare applications
- Database of over 8M patient charts for training and retraining
- Over 10Y of healthcare-specific utilization

APPLICABILITY

- We take a holistic approach across multiple use cases including Risk Adjustment, Value-Based Payment, and Prior Authorization
- Cross-usage drives greater learning in our models and results in broader prediction sets with greater accuracy

edifecs

PLAYING THE GAME OF SINGLES

Creating net-new technology with the maximum ROI for our customers

→ Cross-usage will enable faster and more efficient learning in our models

- broader prediction sets, greater accuracy and faster time-to-market for future AI-enabled solutions

→ Great flexibility in the range of potential future uses via extent of the breadth and depth of our LLM training

→ Continued practical, valuable and sensible technology advancements, strictly for healthcare organizations

ABOUT EDIFECS

edifecs

26 YEARS

A Proven Partner

96% CLIENT RETENTION RATE

300+ HEALTHCARE CUSTOMERS

1000+ EMPLOYEES

BEST IN KLAS — CMS PAYER INTEROPERABILITY — 2023

GEEKWIRE AWARDS — 2022

Great Place To Work. Certified MAR 2022 - MAR 2023 INDIA — 2022

NLP Recall **>95%**

Increase RAF: **5%-20%**

>25% increase in suspected conditions

1 HCC for every 2-5 patients analyzed

ASCX12 · NCPDP · CAQH · HL7 International · wedi · DA VINCI HL7 FHIR · HITRUST CSF Certified

Proven technologies and models, not conceptual untested ideas

Q & A

STOP BY OUR VBCEXHIBITHALL.COM VIRTUAL BOOTH

[Visit the Edifecs exhibit booth]

PARTNERING TO SUPPORT YOUR BUSINESS

To learn more or to schedule a consult with our national thought leaders on best practices to optimize your value-based payment or risk adjustment programs, please contact:

ABBY BILYEU
VP of Sales
Abby.Bilyeu@edifecs.com

THANK YOU!