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HealthView Services and Mercy Launch Joint Venture Company HealthyCapital

HealthyCapital provides health care cost savings and life expectancy data from improved condition management to incentivize healthier behaviors and encourage retirement savings

New White Paper reveals potential for lower health care expenses for individuals and employers and longevity increases for Americans with chronic conditions, including high blood pressure, high cholesterol, Type 2 diabetes, obesity and tobacco use

DANVERS, MA, January 23, 2018 – HealthView Services, the country’s leading provider of health care cost data to financial service firms, and Mercy, recognized as one of the top five performing health systems in the country, today announced the launch of their new joint venture, HealthyCapital.

The company provides data and applications that calculate expected health care costs for individuals based on health condition, age, gender and where they live. The firm’s physician- and actuary-reviewed approach draws upon clinicians, 70 million medical cases, government and economic data, along with HealthView Services’ decade of experience in health care cost projections and Mercy’s extensive experience in population health management.

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HealthyCapital's first White Paper, "Building Wealth Through Wellness: Incentivizing Healthy Behaviors to Reduce Healthcare Costs and Increase Retirement Savings," illustrates how the effective management of chronic conditions can increase longevity and savings, reduce health care costs for individuals and employers, and, if the savings are invested in 401(k) plans, generate substantial income in retirement.

"Half of all adults in the U.S. have a chronic condition, and around 50 percent stop taking prescribed medications within six months of their diagnosis," said Dr. Raymond Weick, chief medical officer, HealthyCapital, and vice president, physician growth and business development at Mercy. "Until now we haven't had access to actuarial data that shows individual patients the financial benefits of health condition management and lifestyle changes. HealthyCapital addresses this need."

The paper shows that an average 45-year-old male with high blood pressure who adheres to his physician's treatment plan and adopts simple healthier lifestyle behaviors (considered *Well Managed*) will gain three years in life expectancy (84 to 87) and pay \$65,000 less in pre-retirement, out-of-pocket health care costs than an average individual who only partially follows treatment protocols (*Average Managed*). These simple behavioral changes include properly taking medications or lowering sodium intake.

An individual who chooses to invest these pre-retirement savings at a 6 percent return would have an additional \$100,348 at retirement. To put this into perspective, this would add 57 percent to the current average 64-year-old's 401(k) retirement savings.

The paper also shows this approach can be applied across conditions. A 45-year-old with Type 2 diabetes, who is in the well managed category, will gain nine years in life expectancy and save an average of \$2,800 annually in out-of-pocket health care expenses before they retire compared to someone who only partially follows treatment protocols.

“We know from research and experience that money is a powerful motivator, but rewards have to be sufficient to drive change,” said Ron Mastrogiovanni, CEO of HealthyCapital and president and CEO of HealthView Services. “The new white paper shows that decisions to follow doctors’ orders and adopt healthier behaviors can have major consequences on a person’s long-term health and wealth.”

The paper also highlights the value of healthier employees for employers. Assuming the national average rate of diabetes of 9.3 percent, a company with 5,000 employees could reduce its annual health care expenditures by more than \$927,000, for this disease alone, through the implementation of an effective condition management program.

Underscoring the benefits of clear financial incentives and condition management support, HealthyCapital will provide support services to help individuals follow treatment protocols and adopt healthier behaviors. The company’s platform offers users the option to sign up for health coaching through a text messaging service, which sends tailored messages based on individual health care goals.

“We believe the integration of HealthyCapital’s health care cost data and condition management solutions into wellness programs will increase their effectiveness,” added Mastrogiovanni. “As individuals realize the financial benefits of healthier behaviors, and how investing these savings can increase retirement income, we see significant opportunities for financial institutions to simultaneously help their clients save for the future while growing assets under management.”

About HealthyCapital

HealthyCapital, a joint venture between HealthView Services and Mercy, draws upon 70 million healthcare cases, and actuarial, government, and economic data to project an individual’s out-of-pocket cost savings from lifestyle changes and condition management. The company’s data and tools incentivize individuals to adopt healthy behaviors to increase life expectancy, reduce personal and employer healthcare costs, and generate additional retirement income.

About HealthView Services

HealthView Services is the leading provider of retirement health care cost data, Social Security optimization, and long-term care retirement planning tools for the financial services industry.

About Mercy

Mercy, named one of the top five large U.S. health systems in 2017 by Truven, an IBM Watson Health company, serves millions annually. Mercy includes 44 acute care and specialty (heart, children's, orthopedic and rehab) hospitals, more than 800 physician practices and outpatient facilities, 40,000 co-workers and more than 2,100 Mercy Clinic physicians in Arkansas, Kansas, Missouri and Oklahoma. Mercy also has outreach ministries in Arkansas, Louisiana, Mississippi and Texas.

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