



## REGENEXX Executive Summary

### What is Regenexx?

**MEDICALLY:** Regenexx is a medical procedure that uses orthobiologics (a person's own cells, platelets, growth factors, and cytokines) to help treat orthopedic conditions and in many instances fully replace orthopedic surgery.

**INSURANCE CONSULTANT PERSPECTIVE:** Regenexx is an innovative Orthopedic Cost Reduction Strategy your Self-Funded clients can use to significantly lower the trajectory of their overall healthcare spending.

**SELF-FUNDED EMPLOYER (SFE) PERSPECTIVE:** Regenexx is a benefit that can be added to your health plan that has a significantly positive economic impact on healthcare spending while providing employees an alternative to surgery where none previously existed at no cost to the employer.

### THE REGENEXX VALUE PROPOSITION

**“SFEs offering Regenexx procedures as a benefit see up to a 70%<sup>1</sup> reduction in orthopedic surgical spending, because when given an alternative to invasive orthopedic surgery, employees choose this option more than 90% of the time with ultimately better outcomes.”**

**What are the Risks of Invasive Surgery?** Orthopedic surgery was invented because joints and musculoskeletal structures don't have access to the orthobiologics and blood flow that can aid healing. Surgery comes with risks such as:

- Opioid Addiction & Absenteeism
- Heart Attack & Infection
- Poor results, Revisions & Progression
- Blood Clots & Stroke
- Non-completion of difficult Physical Therapy
- Nerve Damage & Death
- Harms healthy intact tissues to access injured tissues
- **More than 50% of orthopedic surgeries are proven to be ineffective**

### Benefits of Regenexx for Self-Funded Employers:

- Employees can avoid invasive surgery with little absenteeism
- Significantly less costly than surgery (Regenexx intervenes on approximately 70% of all orthopedic surgeries)
- Largest Safety Paper in the world proving safety of Regenexx procedures
- Pioneers of Interventional Orthopedics with 16 patented technologies & procedures
- Amplifies the body's ability to heal without damaging healthy intact tissue to access the existing condition
- Treatments are customized to the individual and the condition
- Risks are minor and similar to that of a blood draw
- Only national regenerative clinical network offering standardized care and telemedicine support
- **Only regenerative clinical network in the USA recognized by the FDA as "FDA Compliant"**
- **Most recognizable Insurance Carriers, TPAs, and Reinsurers are already paying Regenexx claims**
- **Most Plan Designs can incorporate Regenexx coverage such as Traditional, HDHP, HSA, FSA, PPO**
- **Existing Regenexx SFEs have more than 6 Million Corporate Covered Lives accessing Regenexx as a benefit in a health plan**

1. Up to 70% savings range is based on the mix of procedure types experienced by an employer in addition to utilization strategies.

### **Prevailing for Self-Funded Employers**

Currently, regenerative procedures are considered 'investigational' by insurance providers. This simply means that the procedures have moved beyond the 'experimental' phase by having passed safety tests and are considered effective, but don't have enough annual procedures completed compared to the number of orthopedic surgeries performed each year to be considered 'prevailing'. This is a discretionary judgment and SFEs have the ability to include these procedures in their health plan through a simple amendment because they are "prevailing" in their circumstance.

### **Who Can Utilize Regenexx Procedures?**

Due to the current investigational label by insurance carriers, SFEs have an advantage over fully insured employers in that they are able to add these procedures to their benefit packages. SFE's may deem Regenexx NOT investigational.

### **What is the Regenexx Corporate Program?**

To add Regenexx procedures, employers amend their Summary Plan Descriptions. Regenexx provides the legal language that is valid in all 50 States and does not open a plan to other 'experimental' or 'investigational' treatments. Regenexx works with TPAs so the employee experience is the same as with other covered in-network benefits. There is no liability to the employer because Regenexx procedures are a choice in care made by the employee at time of treatment. Pre and post care are already covered in-network.

### **Providing Standardized Care**

As a program to treat corporate patients on a national basis, Regenexx is built to provide standardized care. Only physicians are allowed to provide Regenexx procedures and they are vetted and tested on skill sets, pathology diagnosis, and are trained specifically by joint to provide more than 80 different Interventional Orthopedic procedures. This practice is supported by an ongoing assessment and education of physicians while our R&D department, staffed only by PhD's, works on improving Procedures and Protocols after new innovations have been proven safe and effective.

### **How are SFEs Maximizing Savings Through Utilization?**

"Step Therapy" is a common strategy that more and more companies utilize. Step Therapy is essentially the delineation of actions a potential patient may take to receive coverage for a Regenexx procedure or a surgery. For example, with some companies, high cost surgeries (such as spinal fusions) may require a Regenexx consultation before a surgery would be approved and covered. Additionally, companies are using an array of incentive strategies such as lowering or eliminating deductibles and co-pays for Regenexx procedures.

### **What are the Costs?**

There are no administration costs to add Regenexx procedures to an employer's plan. The program's cost occurs when services are utilized at the time of treatment which is significantly less than the surgery it replaced. Many employers incentivize use by offering employees lower deductibles and cover medical travel because of the savings achieved. Most stop-loss insurers will cover Regenexx procedures or Regenexx also offers a stop-loss policy an employer may purchase.

### **How Does Regenexx Engage Employees?**

Surgery has been the go-to norm in orthopedic care because there were no alternatives until the advent of regenerative medicine. Given orthopedic events are sporadic, educational reminders are needed regarding alternatives to surgery. In addition to utilization strategies, Regenexx provides education on Interventional Orthopedics benefits and access, communication promoting awareness, benefit card for employees, annual enrollment and wellness education, seminars, print materials, employer specific benefits website and phone contact, and integration with third party healthcare utilization tools.