

Healthy X Change

Establishing Benefits for Life



**HEALTHY X CHANGE HEALTH, WELLNESS,
PREVENTION & PENSION PLAN FOR 2005**

**A Health & Wellness Plan Offering a Pension Plan
funded by the Health & Wellness Plan**

**A Health Plan designed to make
you and your employees
Healthy, Wealthy and Wise**



Reduce Cost of Health Plan and Increase Employee Benefits

PROGRAM OBJECTIVES

- Reduce Healthcare Claims by Two-Thirds
- Use half of savings to Reduce Employer Healthcare Costs
- Use half of Savings to provide Employee Pension Benefits
- Help People become Healthy, Wealthy & Wise

THE KEYS TO REACHING PENSION OBJECTIVES

- Use HSA Rollovers as Primary Source of Pension Fund Deposits
- Use Optimal Health Awards to Increase Pension Deposits
- Use Social Security Tax Credits to Increase Pension Deposits--if or when it becomes available
- Use “Magic of Compound Interest” to generate Generous Pension Benefits

The 'Success In Life' Story in Rhyme

- When I was young, I was told,
don't waste your time panning for gold.
- Success was found, to my surprise
in 'early to bed and early to rise'.
- Now we've found another way,
so listen carefully to what I say--
- HSAs encourage Prevention
OHAs reward Intentions
- We start with Diet and Exercise
- Then make you Healthy,
Wealthy and Wise!



Where We Start--Phase I with Health, Wealth and Wisdom

- Health starts with Health Coach Screenings, Identify Imbalances and you make choice of changes in diet and exercise.
- Wealth starts with Health Savings Account Rollovers put into Investments.
- Wisdom starts with taking charge of your body and learning about Self-care.





Phase II of Health, Wealth and Wisdom

- **Healthy X Change offers 2nd Opinion for Chronic Illness or Disease that doesn't go away—Integrative Medicine finds the best solution.**
- **Wealth enhanced with the earning of Optimal Health Awards (OHAs) added to HSA Rollovers for Investment—funds invested by Professional Portfolio Manager for higher return**
- **Wisdom Enhanced with knowledge gained about a variety of Alternative Healing methods for a variety of health problems—Chiropractic, Acupuncture, Homeopathy, Kinesiology, Bio Feedback, Intuitive Healing and more.**



Phase III of Health, Wealth & Wisdom

- **Healthy X Change offers Intuitive Healing via Andreas Moritz and *The Key to Health and Rejuvenation* with phone consultations by Andreas.**
- **Wealth includes Social Security tax pooled with HSA and OHA funds to increase Pension Fund. Lifetime accumulations may exceed \$2,000,000.**
- **Wisdom includes balancing our Masculine and Feminine Natures and Mind, Body and Spirit relationship to each other.**



Wisdom Lesson Number One

- Humans have Brains filled with *Masculine Nature* of Accomplishment
- Humans have Hearts filled with *Feminine Nature* of Love and Joy
- Humans may choose to listen to the brain that tells them that the “bottom line” should be their highest priority, or
- Listen to their Hearts and seek to give happiness, love and joy.
- Wisdom says balance the two—seek to do things that please both the brain and the heart. Why? Because--
- Life’s a boomerang—what you give to others is what you receive.
- Money does not bring happiness and joy—you receive it only by giving love and joy to others.
- Living a Balanced Life of Brain and Heart will give you a life filled with prosperity, happiness, love and joy.

Wisdom Lesson #2

- You don't know what you don't know.
- It's not wise to assume you do.
- In the battle against cancer,
- The body knows the answer.
- Learn about prevention
- Make wellness your intention
- Don't let cancer win the battle
- Or you'll die.





Our Nation's Healthcare is a *Masculine* Function

Healthcare Providers are Motivated by Money

- Western Medicine--Physicians treat symptoms instead of the causes--this compounds the problem
- Drug companies create drugs with side effects that creates the need for more drugs
- Insurance pays inflated charges and raises the premium
- Consumers accept the knife and the pill as long as a third party pays the bill



The Healthy X Change Offers Alternatives with Balance

- Integrative Medicine combines Western Medicine and Alternative Medicine—Health Coaches give compassion, screen bodies for imbalances and make corrections before illness occurs--this is Prevention At Its Best!
- The alternative for Drugs is whole foods and supplements provided by farmers with a respect for the soil and the environment to replace the dependency on prescription drugs
- Health Insurance is replaced with a Self-funded high deductible or self-insured health plan by an Employer that cares for his/her employees.
- HSA Dollars not paid for claims roll over into investments. Member is now paying for healthcare with his own money because if he doesn't use it, he gets it.
- The Member appreciates all the benefits he receives.



Healthy X Change Foundations

- Members enjoy “Freedom of Choice” in selecting illness intervention, provider and prevention programs
- Healthcare costs should be paid with employer’s before-tax dollars— why use 50 cent dollars? (\$1 less FICA, Taxes, Workers Comp & Un-Employment = up to \$.50)
- The Health Savings Account eliminates deductibles, co-pays, and excluded items---all paid with member’s HSA--pre-tax dollars
- A Rand Study found that healthcare costs decreased 30% when people were spending their own money
- A 2nd Study found that only 15% of the population are motivated to make lifestyle changes for the sake of good health whereas 70% would make changes for money

Healthy X Change –The Next Generation of Healthcare

- HSAs, OHAs and Pensions to give the Employees a significant financial incentive to get healthy
- Since HSAs are “own money” costs should be reduced 30%
- OHAs of \$1,000 for Single and \$2,000 for Families should motivate change to Healthy Lifestyles
- Illustration of how reducing claims at early age impacts \$1,000,00 Pension Accumulations is a powerful motivator
- HXC allows Body to be its own Best Healer through Positive Changes in NUTRITION, FITNESS, LIFESTYLE and ATTITUDE
- HEALTH COACHES with options including Bio-Data I, II, III etc.
- HEALTH COACHES counsel, guide, encourage good health habits and monitor achieving good health goals
- CLAIMS MANAGEMENT used to reduce improper claims
- FINANACIAL COUNSELORS help members with Investment Decisions, Retirement and Estate Planning



High Healthcare Costs Hurts the US Economy

- **Shifting high costs to Employees is ineffective—employees pay with after-tax dollars and wages must be increased to provide employees the funds to pay for Out-Of-Pocket expenses**
- **With High Labor Costs Employer must charge consumer more and when employers cannot compete, they lay off employees or go out of business**
- **President Bush wants more good paying jobs—skyrocketing health cares costs make U.S. employers non-competitive in the global marketplace—GM leader says healthcare costs are ruining U.S. economy—it costs \$1,500 for each car it sells.**
- **Healthcare Costs in the USA must be reduced—the Bush HSA is a big step, but Health Coaches and Financial Incentives are needed to motivate acceptance by Employees and Wellness and Prevention Programs are needed to reduce illness**



The Healthy X Change System Really Works!

- The 1st HXC System started Oct 1, 2003 for 200 employees. 50% elected to do screenings and set good health goals with the aid of a Health Coach-- they earned an average of \$1,150 in OH Awards
- Average claims per employee per month \$595
- After 6 months claims were reduced one-third
 - Average claims 3rd quarter reduced to \$404
 - Average claims 4th quarter reduced to \$390
- HXC may not always reduce claims this fast, but what happened was real—they will continue to decrease



HXC HEALTH COACH QUALIFICATIONS

- Health Coaches are a unique and essential part of Healthy X Change—all Plan Members are assigned a certified wellness professional as a trusted, confidential consultant
- Typical Candidates are Nurses, Naturopaths, Homeopaths, Holistic Healers and Health Education Majors with a strong desire to inspire people to become healthy
- Health Coaches receive training in Healthcare, doing Screenings and in the techniques of Coaching to motivate change before becoming Certified by Healthy X Change



Integrative Medicine Reduces High Cost of Healthcare

- **Integrative Medicine program in Highland Park, IL, provides Blue Cross/Blue Shield HMO clients healthier lives through the use of:**
 - Manipulation Acupuncture Homeopathy
 - Herbal Medicine Massage Therapy Ayurvedic Medicine
 - Nutrition Cranio Sacral Therapy Stress Management
 - Traditional Chinese Medicine

- **Significant 1st Year Savings from Integrative Medicine and Wellness**
 - Reduction in Hospital costs – 60%
 - Reduction in Out-patient procedures – 85%
 - Reduction in Pharmaceutical use -- 55%

For verification check out web site: alternativemedicineinc.com

- **Healthy X Change reduces Cost of Healthcare Services**
- **Healthy X Change reduces the Need for Healthcare and Drugs!**



Prevention and Wellness Start With Awareness

- **Body Appraisals Identify 20 Indicators of health and aging:**

- **TEN BIO-MARKERS**

- Your Muscle Mass
- Your Basal Metabolic Rate
- Your Aerobic Capacity
- Your Cholesterol/HDL Ratio
- Your Bone Density

- Your Muscle Strength
- Your Body Fat Percentage
- Your Body's Blood Sugar Tolerance
- Your Blood Pressure
- Ability to Regulate Internal Temp

- **TEN BODY SYSTEMS**

- Your Immune System
- Your Elimination System
- Your Nervous System
- Your Urinary System
- Your Structural System

- Your Digestive System
- Your Circulatory System
- Your Respiratory System
- Your Endocrine System
- Your Lymphatic System

- **BioMarkers and Body Systems monitored annually**

- **BioData Appraisals are paid as an Administrative Expense—no Health Savings Account (HSA) deduction**



Healthy X Change Reduces the *Need* for Medical Care

- BioData Appraisals identify body imbalances that if not corrected contribute to illness
- Health Coaches help members identify body imbalances and establish and attain health goals
- HXC believes the Body is its own Best Healer and offers the 2nd Opinion Program for choices of Integrative Medicine
- Optimal Health Programs provide seminars on how the body functions focusing on issues relevant to members



BioData Option 1 – The 1st Step to Optimal Health

The BioData Appraisal takes about 1 hour, is administration expense, no charge to Member.

The tests include:

- BODY COMPOSITION
- Orthostatic BLOOD PRESSURE/PULSE
- CHOLESTECH LIPID PANEL
- HEART RATE VARIABILITY / COHERENCE
- MICROFIT—PHYSICAL FITNESS

BioData Option 2—A Urine Test of Biochemical Markers

Test done by mail—no charge to Member

- Adrenal Stress
- Digestion
- Oxidation Reduction
- Vitamin C
- Calcium
- Electrolytes
- Total Sugars
- Cell Debris
- Ammonia
- Nitrates
- Chemstrip Test





Option 3 – Kinesiology—Health Coach & Employer Approved

- **Applied Kinesiology (AK) is a form of analysis using muscle testing to determine how the body is functioning and best form of therapy.**
- **The practitioner finds a muscle that tests weak and determines why.**
- **Practitioner applies therapy that eliminates the weakness.**
- **Therapies can include joint manipulation, myofascial therapies, cranial techniques, meridian therapy, clinical nutrition, dietary management and reflex procedures.**
- **The examiner may test for environmental or food sensitivities with a strong muscle to find what weakens it.**

Option 4 –Bio-Feedback for Insight Into Member’s Health

- The Bio-Feedback equipment such as Electro Dermal Screening (EDS) and QXCI gathers information from the body to increase awareness of stressors.
- The evaluation provides insights into the internal environment, physical, mental, spiritual and emotional factors.
- Bio-feedback is used for stress detection and stress reduction.
- Bio-Feedback gathers detailed information on nutritional needs, imbalances within organ systems, emotional stressors, exposure to toxins, as well as insight into the causes of the lack of wellness.
- The Member achieves health and healing through appropriate lifestyle changes specific for that individual.





Option 5 – NutraBalance Blood & Urine Test

- A Physiological Analysis performed by a sophisticated computer program that can determine the most subtle metabolic imbalances
- The analysis identifies underlying causes of disease or health problems before they develop into pathology
- The program identifies specific vitamins, minerals, amino acids, herbs, and other nutrients that can help bring the body into optimal health.
- A standard physical exam may be give if needed.



Good Health Goals – Next Step to Optimal Health

Frequently Recommended Lifestyle Changes

- ADD MORE FRUITS & VEGETABLES TO DIET
- REST MORE—GET ADEQUATE AMOUNT OF SLEEP
- DRINK MORE WATER—6-8 GLASSES PER DAY
- EXERCISE MORE—STRETCHING, YOGA
- STRENGTH TRAINING TO CONVERT FAT TO MUSCLE
- WALK VIGOROUSLY—AT LEAST 3 TIMES A WEEK
- LEARN STRESS MANAGEMENT TECHNIQUES
- CONTACT YOUR HEALTH COACH EVERY MONTH



Win the “HXC 500”– Earn \$500 ‘Lifestyle Change’ OHA

Earn \$1 OHA Credit for each Healthy Thing you do—select 5 to 10 items to do daily for 50 to 100 days—may do 5 days per wk.

- **1-Eat 5 servings of different fruits and/or vegetables each day**
- **2-Today avoid eating or drinking 5 items you often use like diet coke (other sodas), coffee, French fries, potato chips, sweet treats like doughnuts, cake, rolls, pie, candy, or high sugar foods you select.**
- **3-Walk or run ½ hour to 1 hour per day**
- **4-Do 30 minutes of strength training—convert fat to muscle**
- **5-Get 8 hours (or as much as you need) sleep per night**
- **6-Drink as much water as your body needs—6-8 glass per day**
- **7-Practice stress management techniques—use positive attitudes**
- **8-Meditate, think Good Health continually, or have Prayer Time daily**
- **9-Say a kind word to at least one person each day**
- **10-Read Good Health literature for at least 15 minutes daily**
- **Establish other goals with aid of Health Coach—report to her weekly**

The Magic of Compound Interest:

**\$5,000 annual deposit at 10% interest
grows to \$1,015,286 in 32 yrs**

	6%	8%	10%	10%	10%	10%
Year	\$1,000	\$1,000	\$1,000	\$2,000	\$3,000	\$5,000
20	\$36,967	\$46,107	\$57,887	\$115,773	\$173,660	\$289,433
25	\$55,107	\$73,613	\$99,332	\$198,664	\$297,996	\$496,660
30	\$79,383	\$114,029	\$166,080	\$332,161	\$498,241	\$830,402
32	\$91,255	\$135,083	\$203,057	\$406,114	\$609,172	\$1,015,286

HXC Pension Plan Benefit in 30 years

'HSA' + OHA - Claims = \$1,158,504 at 10%

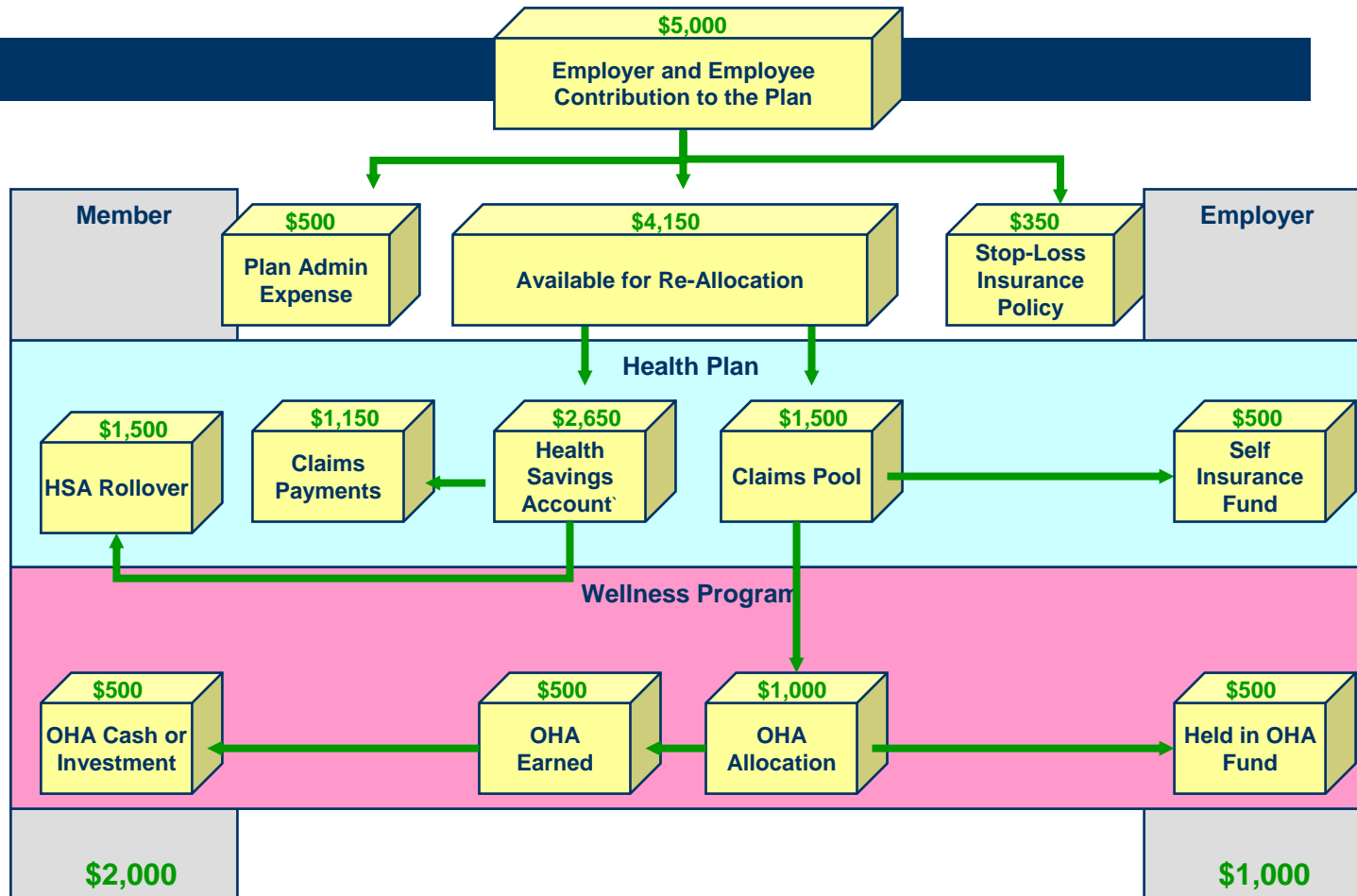
K [F Uhwihp hqwSdq		HSA Claims \$1000		OHA	Low Claims \$1,000		\$2,000	\$3,000
		Illness Claims	HSA Rollover	OHA Earned	HSA+ OHA	HSA+OHA Balance	HSA+OHA 10%	HSA+OHA 10%
Yrs	HSA Max \$5,150							
1	\$5,250	\$1,750	\$3,500	\$1,500	\$5,000	\$5,000	\$1,750	\$1,500
10	\$6,260	\$1,000	\$5,260	\$2,000	\$7,260	\$101,659	75,641	61,472
15	\$6,900	\$1,000	\$5,900	\$2,000	\$7,900	\$210,207	162,201	133,277
20	\$7,609	\$1,000	\$6,609	\$2,000	\$8,609	\$389,168	305,749	253,061
25	\$8,387	\$1,000	\$7,387	\$2,000	\$9,387	\$681,947	541,494	450,535
30	\$9,249	\$1,000	\$8,249	\$2,000	\$10,249	\$1,158,504	926,199	773,602
32	\$9,617	\$1,000	\$8,617	\$2,000	\$10,617	\$1,423,879	1,140,689	953,947
35	\$10,194	\$1,000	\$9,194	\$2,000	\$11,194	\$1,931,549	1,551,313	1,299,450

Magic of Compound Interest--Long & Short Term Investment Results

		Yr	1	2	3		49	50	1 Year		Generated
		Age	16	17	18		64	65	Increase		By Tax \$\$
Age	Yr	Wages	\$3,000	\$3,250	\$3,500		\$90,088	\$91,890	\$91,890		Invested
16	1	TotTax\$	\$186	\$387.50	\$604.50		\$162,532	\$168,229	\$173,927	Age 65	15.9%
17	2	% of	\$201	\$202					TotalDeposit	Age 66	15.2%
18	3	Wages	\$217	\$218	\$217						
19	4	Invested	\$234	\$235	\$234						
20	5	6.2%	\$253	\$254	\$253						
21	6	Amt Pd	\$273	\$274	\$273						
22	7	Invested	\$295	\$296	\$295						
23	8	at 8%	\$319	\$320	\$319						Pension
										AGE	Fund
62	47		\$6,412	\$6,432	\$6,414					Age 62	\$851,867
63	48	Percent	\$6,925	\$6,947	\$6,927					Age 63	\$925,492
64	49	Growth	\$7,479	\$7,502	\$7,481		\$5,585			Age 64	\$1,005,117
65	50	4343%	\$8,077	\$8,102	\$8,079		\$6,032	\$5,697	\$1,091,223	Age 65	\$1,091,223

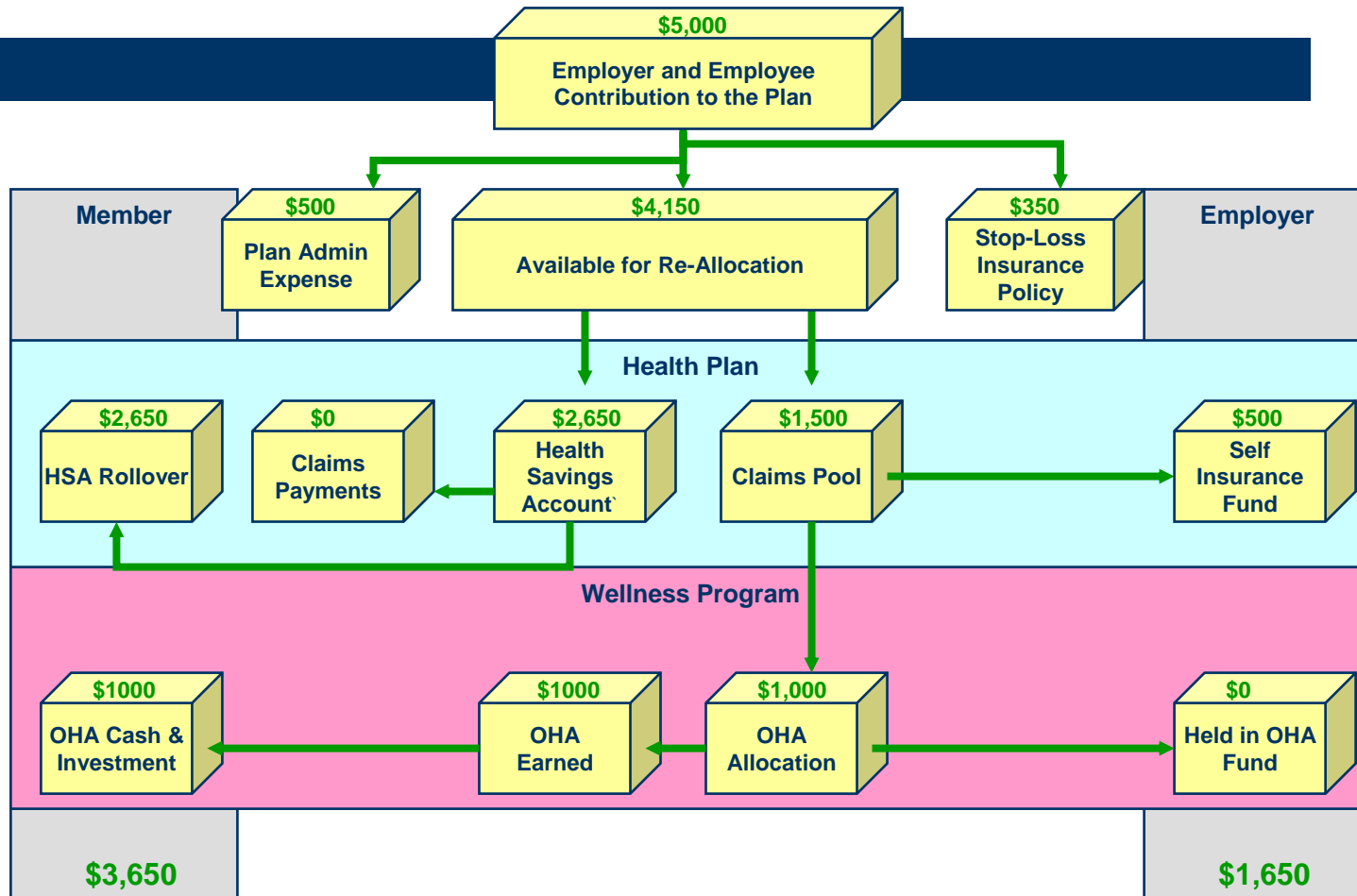
Single Member Plan

HSA \$2,650
 Claims \$1,150
 OHA Allocation \$1,000
 OHA Earned \$500



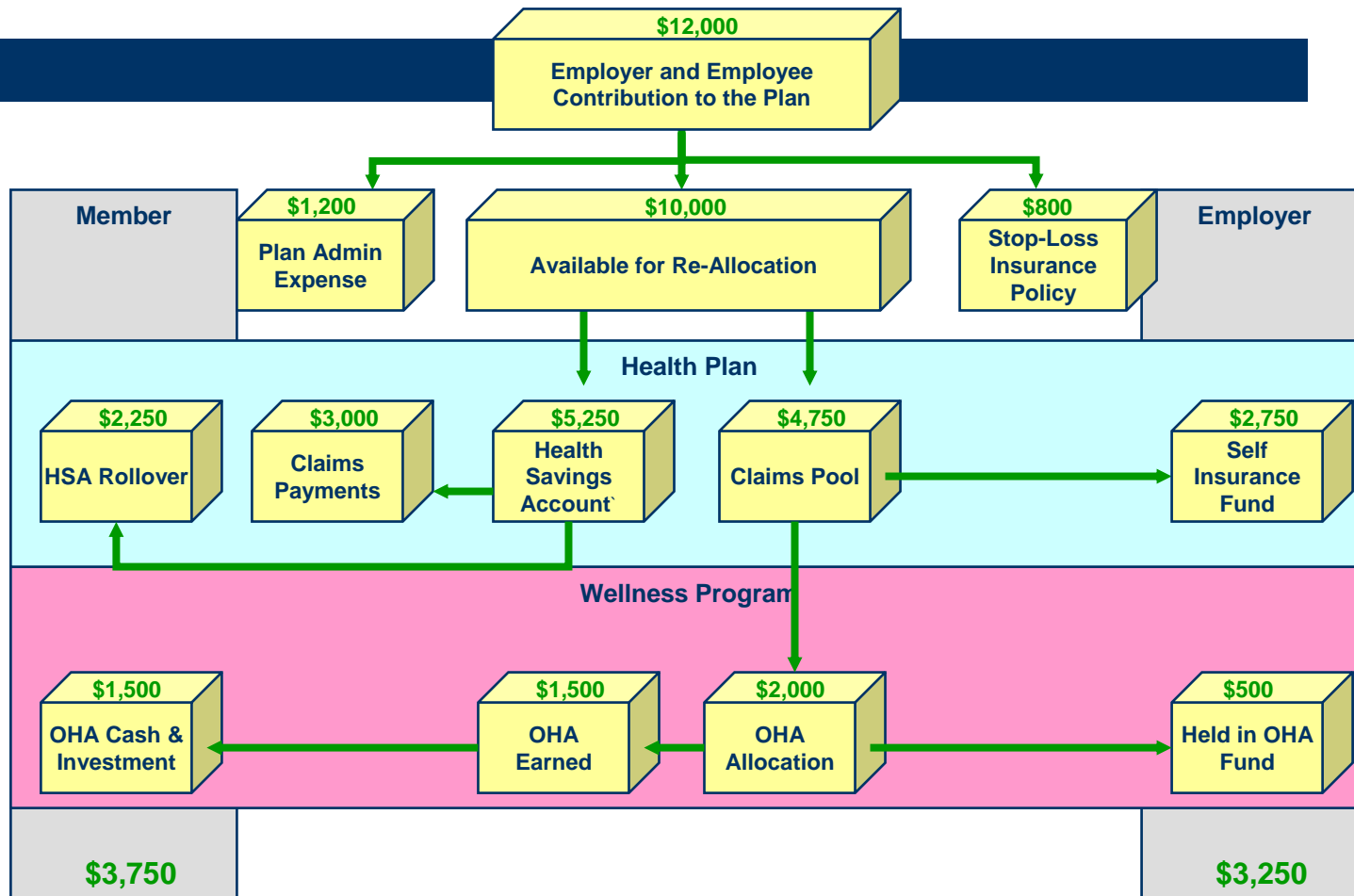
Single 'Get Smart' Plan

HSA \$2,650
 Claims \$0
 OHA Allocation \$1,000
 OHA Earned \$1,000



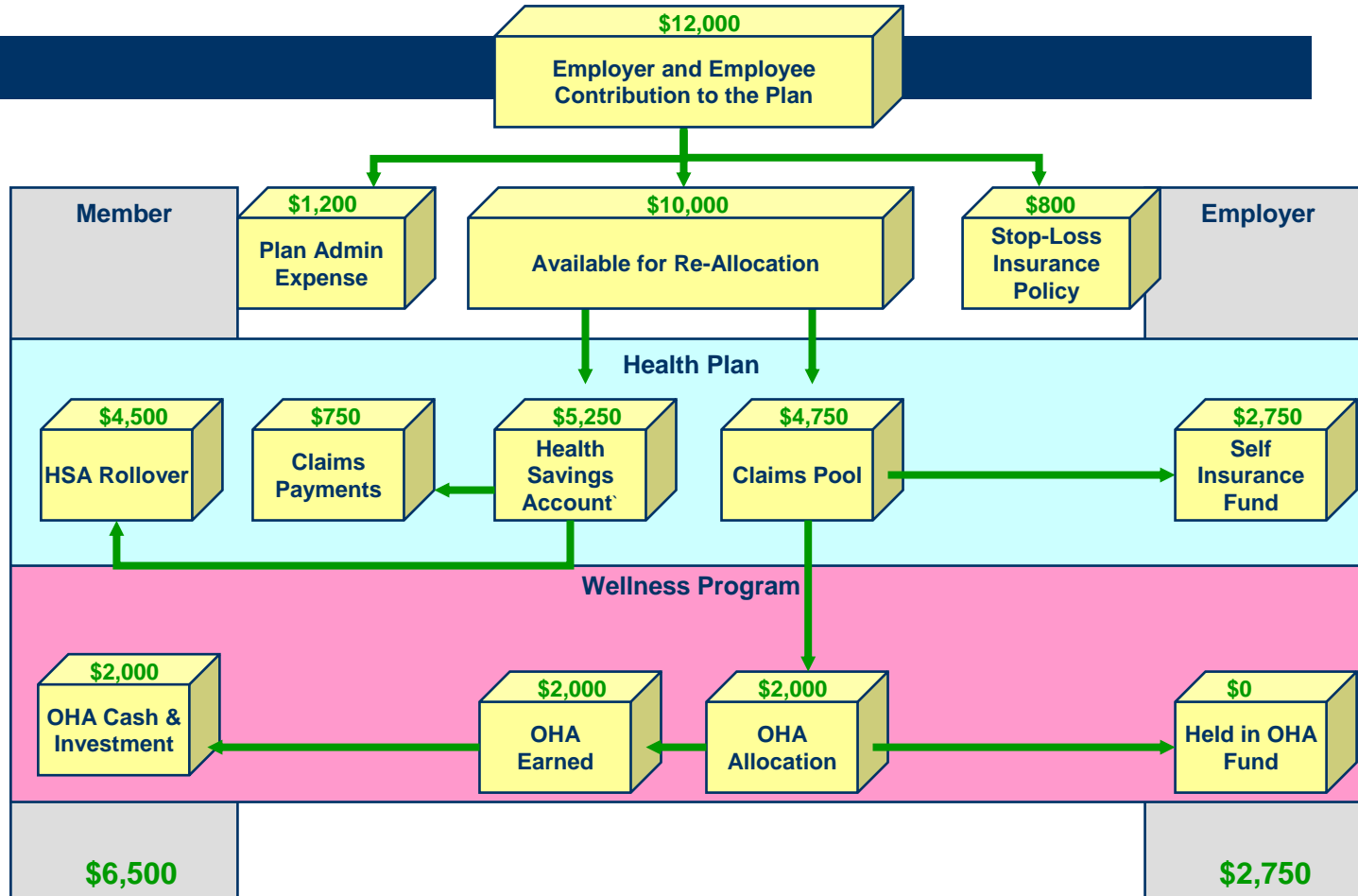
Family Member Plan

HSA \$5,250
 Claims \$3,000
 OHA Allocation \$2,000
 OHA Earned \$1,500



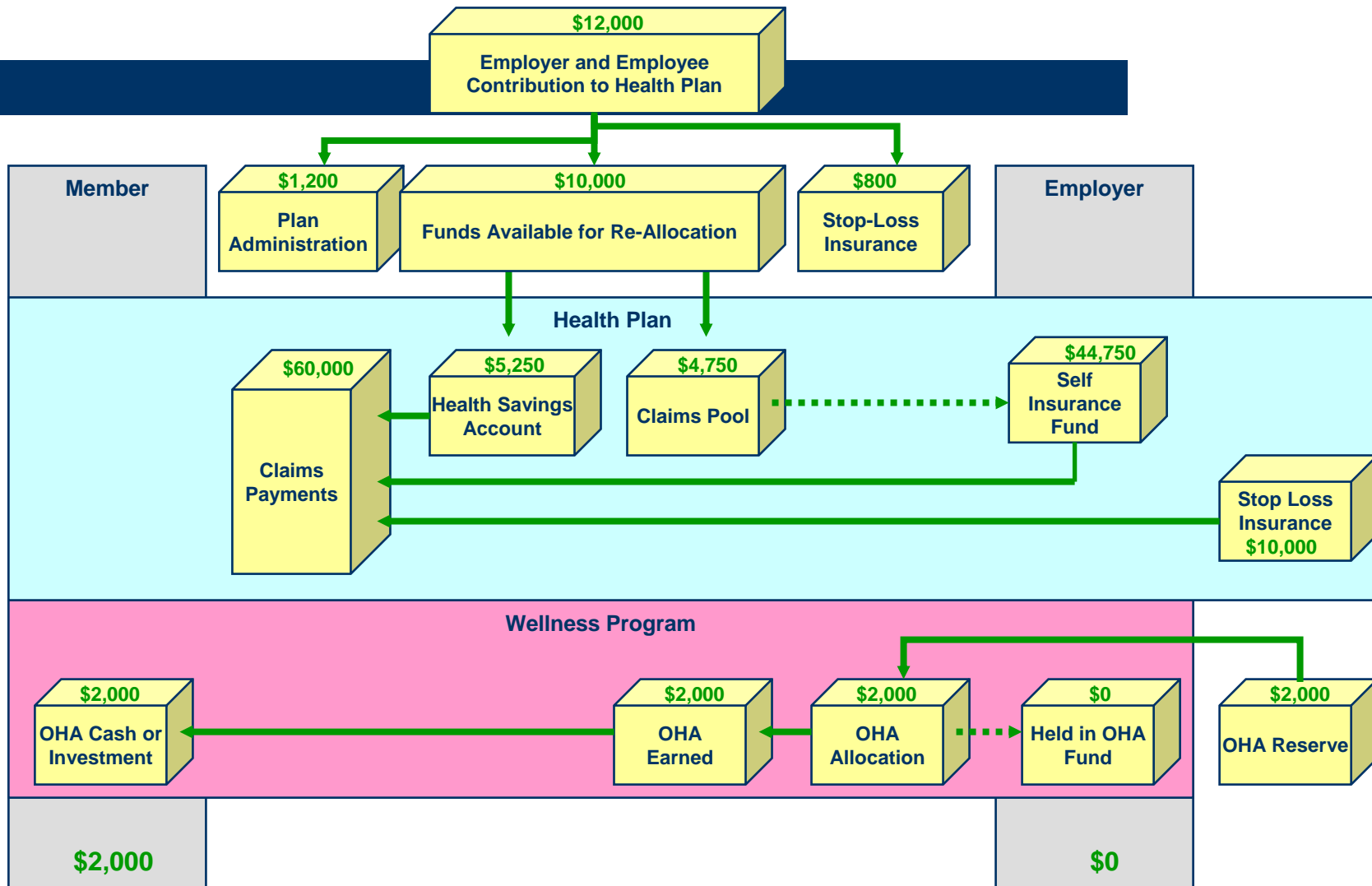
Family 'Get Smart' Plan

HSA \$5,250
 Claims \$750
 OHA Allocation \$2,000
 OHA Earned \$2,000



Family 'Big Claim' Plan

HSA \$5,250
 Claims \$60,000
 OHA Allocation \$2,000
 OHA Earned \$2,000



Case Study: Financial Incentives Lower Claims

Actual annual results of a similar health plan IRS Section 105 plans

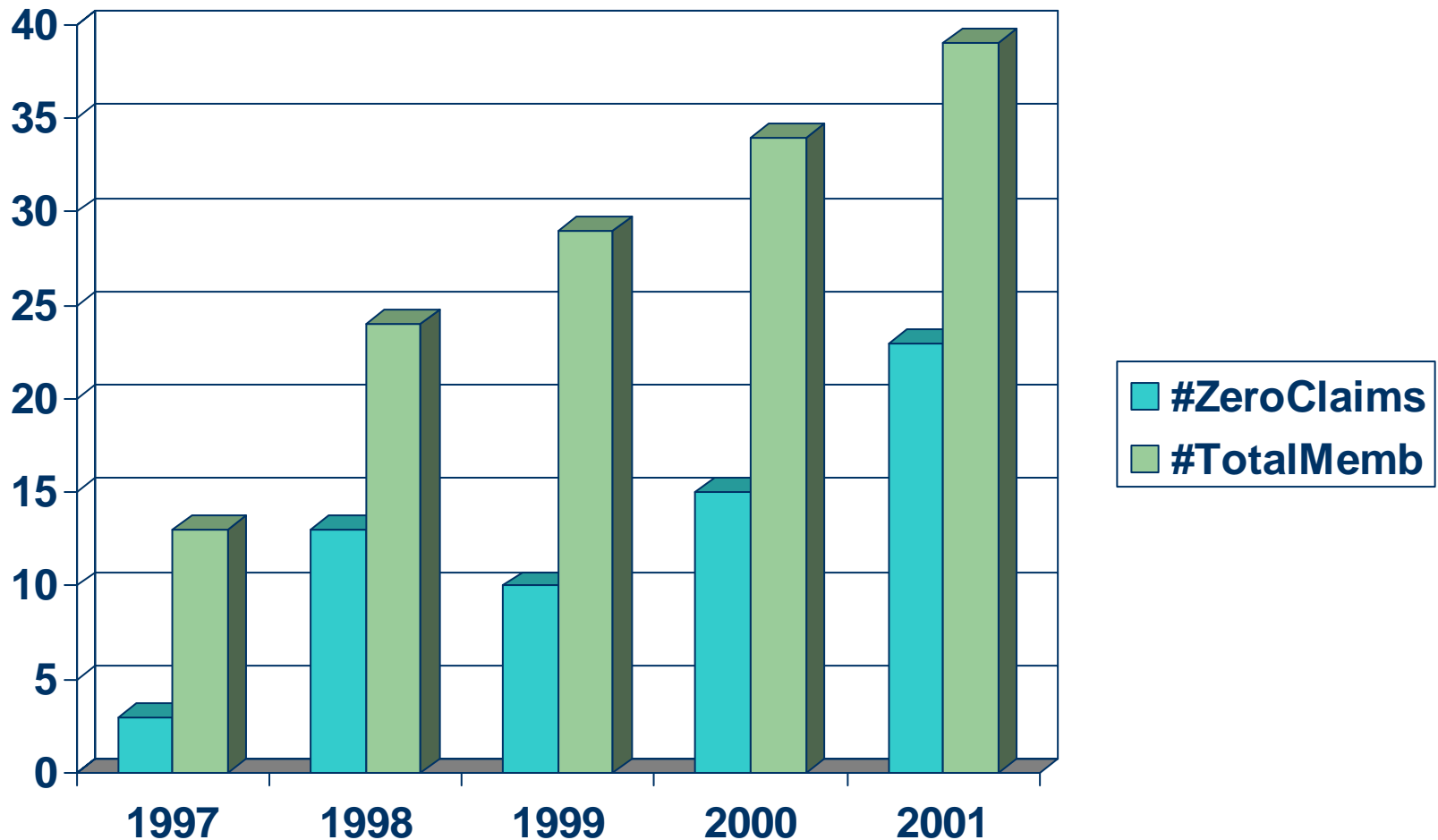
Year	# of Plans	Enrollment #	Actual Cost	Mkt Prem	Savings	Average % of Savings
1997	5	226	\$724,762.11	\$861,276.40	\$136,514.29	15.9%
1998	8	273	\$825,066.64	\$1,045,316.40	\$220,249.97	21.1%
1999	13	193	\$416,524.69	\$538,516.31	\$1,121,991.62	22.7%
2000	14	197	\$417,125.13	\$537,128.09	\$120,002.00	22.3%
2001	17	371	\$1,162,904.00	\$1,499,461.00	\$336,557.00	22.4%
	57	1260	\$3,546,382.57	\$4,481,698.20	\$935,315.63	20.9%

25 - 40% reduction in health care costs realized for plans in effect for more than 3 years

5 year average for all plans is **21% reduced cost**

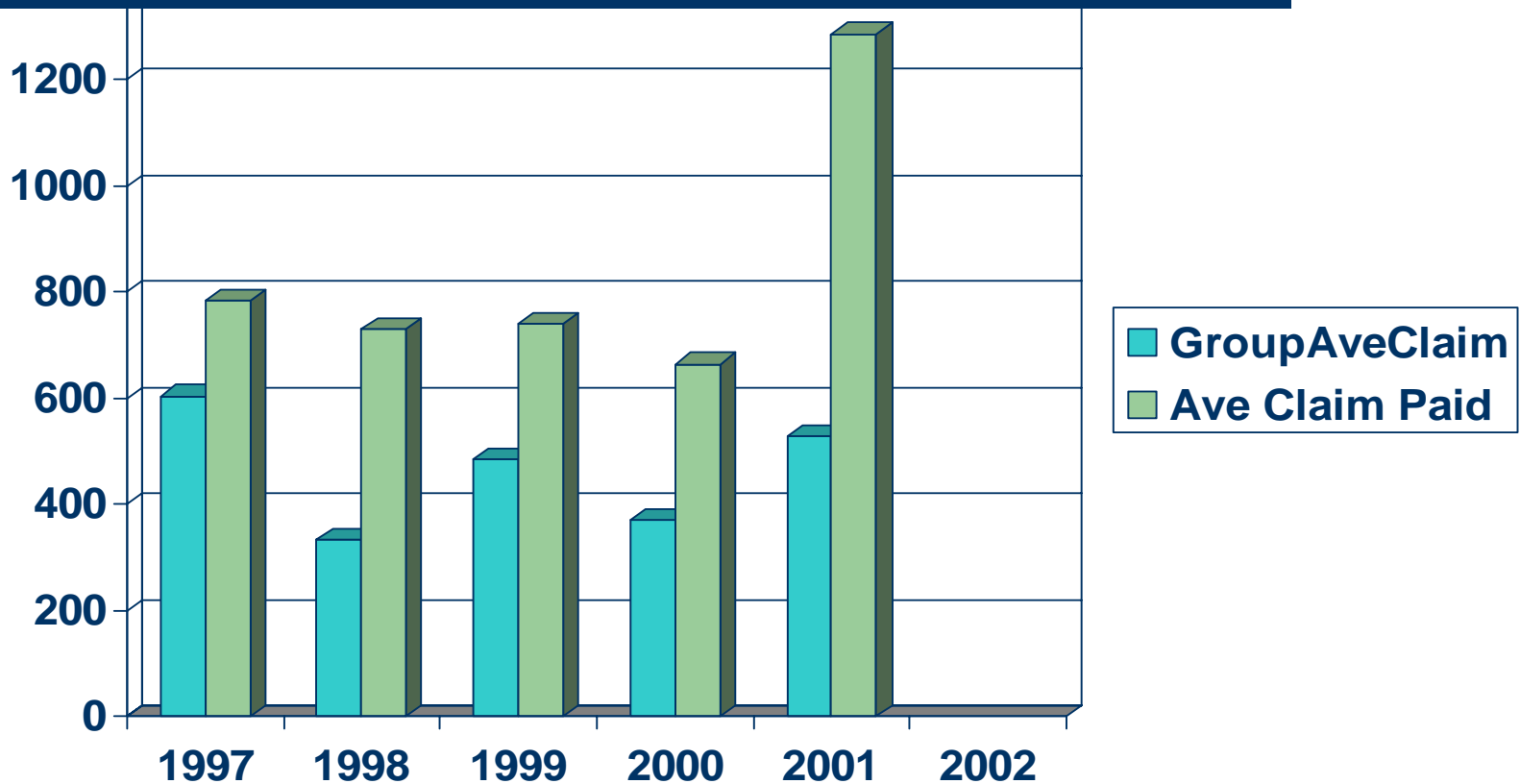
Impact of Financial Incentive on Zero Claims

Year Five-2001: 23 out of 39 Members had Zero Claims



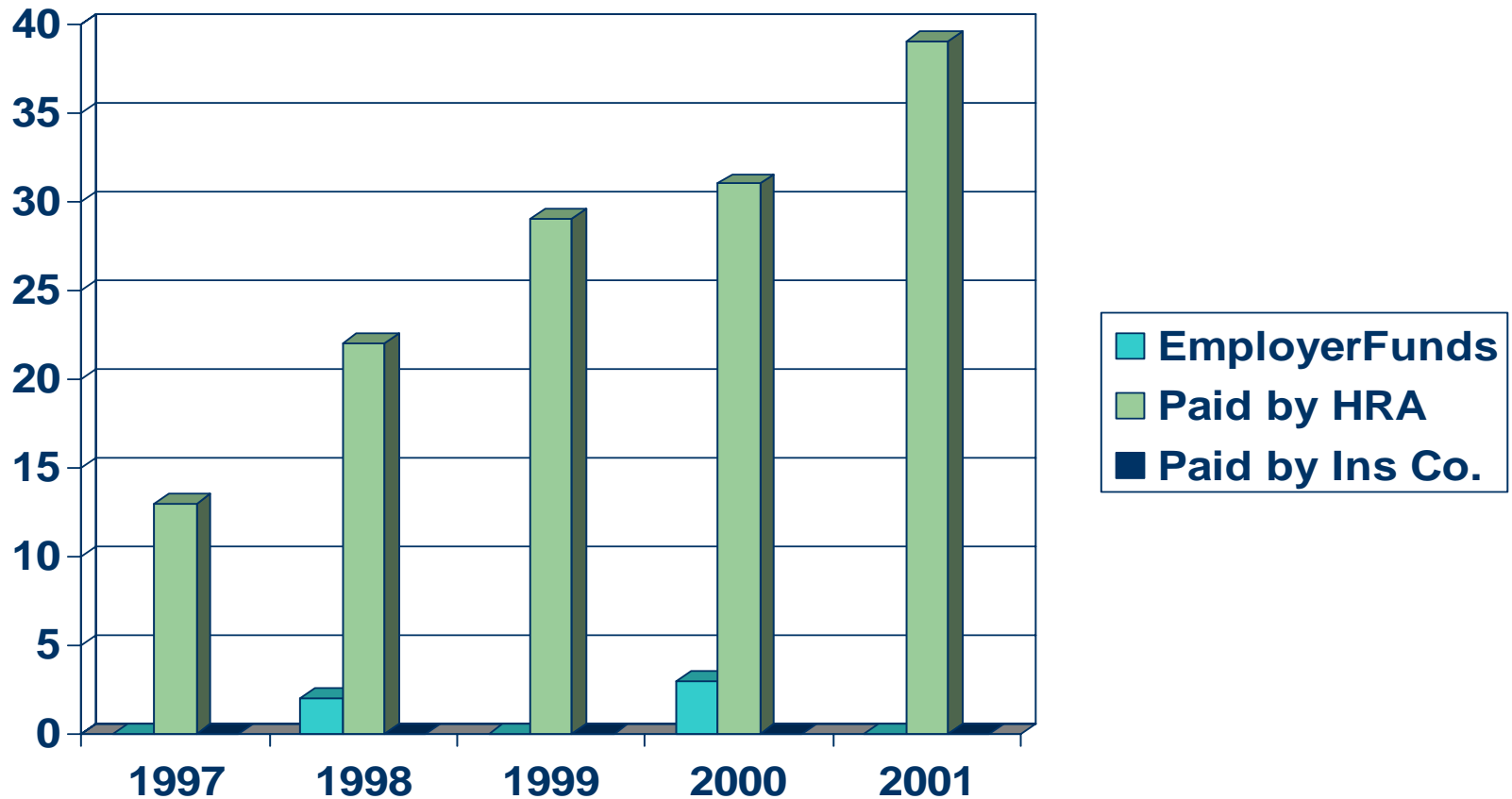
Group Average Claims for 2001 was \$528

Average for Claims actually Paid was \$1,528



Source of Payment of Employee's Claims

Employer paid little, Insurance Company paid \$0



Healthy X Change Benefits Summary

- Promotes Wellness with changes in nutrition, exercise, lifestyle, and attitude
- Health Coach provides encouragement and guidance
- BioData Appraisals appraise employees' health
- Optimal Health Program provides Health Education
- Integrative Medicine provides correct treatment at lower claims cost
- HSA & OHA motivate healthy changes and the accumulated funds create Financial Security
- Members and Employer enjoy reduction in cost
- Reduced Stress at Work & Home gives Peace of Mind

The Time is NOW for Healthy X Change

- The HEALTHY X CHANGE plan is to Empower the Consumer by giving him control of the healthcare dollars, help him become responsible and focus on wellness
- A Google website search shows the tremendous interest, and it is growing rapidly. The number of websites dealing with these issues 2 years ago and the number today follows.

	<u>2002</u>	<u>2004</u>	<u>% Increase</u>
- Wellness only –	3,890,000	14,900,000	238%
- Wellness and Nutrition –	744,000	2,220,000	198%
- Wellness, Nutrition and Exercise –	286,000	1,140,000	299%
- Wellness, Nutrition, Exercise & Lifestyle	101,000	449,000	345%
- Wellness, Nutrition, Exercise, Lifestyle, Attitude	6,290	50,300	441%

- It's simple logic to solve the high cost of healthcare by dealing with the problem in its very early stages before medical services are required

The Next Generation of Healthcare

The End? No,

it's just the Beginning!

- I need Wisdom to gain Health and Health to gain Wealth—it starts with getting smarter!

Tell Me More!

- It really starts with DESIRE!
- What do You Want?

Where do we Start?

- Do YOU want to become Healthy, Wealthy and Wise? ___Yes ___No. If the answer is Yes, go to the next question. If answer is No, what is your reason?
- Do you want to help others become Healthy, Wealthy and Wise? ___Yes ___No. If answer is yes, will you help your employer adopt a self-funded HSA and OHA plan? If answer is no, what is your reason?

Are You Ready for a Healthy Nutrition, Exercise, Lifestyle and Attitude plan?

- That's a lot all at once, so let's put most of that on the shelf and start with one, and add the others later.
- Where would you like to start?
 - ___ Nutrition
 - ___ Exercise
- Would you like a Health Coach?
- We will add Lifestyle and Attitude Changes later
- Would you like this to be part of your Health Plan?

Help Your Employer Adopt the Plan

- Help the HR Department Staff “Get Smart”
- Help Insurance or Benefits Committee Learn about HSAs, OHAs, Health Coaches, 2nd Opinion, Integrative Medicine, Wellness, Prevention and that Wonderful Pension Plan!
- Let's get started now!
 - **THIS IS THE END OF THIS PRESENTATION**