

Low Utilization Got You Down?

How Partner's Can Connect to Create Meaningful Value

A Case Study with Northrop Grumman + Aflac + Sword Health

Moderator: Kara Coutu

Panelists: Aflac, Northrop Grumman, Sword Health



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Who We Are



Kara Coutu

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Sword Health

Welcome & Objectives

Today's Focus How integrated data insights helped Northrop Grumman make strategic benefits decisions to support their workforce

Key Themes:

- ✓ **Data-Driven Consulting** Explore how data insights sparked a strategic partnership to address musculoskeletal claims
- ✓ **Shared Client Value** Examine the role of integrated vendor collaboration
- ✓ **Health & Absence Integration** Share outcomes and strategies for driving engagement and reducing claims

Northrop Grumman Background

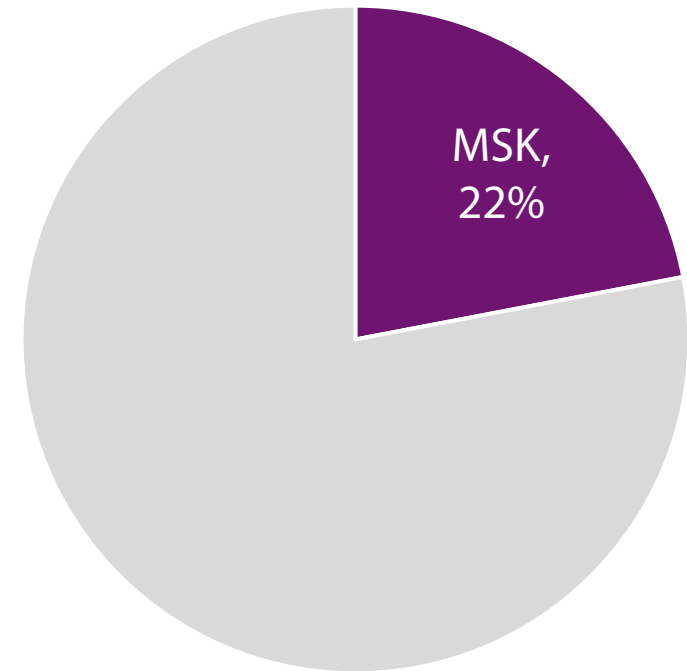
- Northrop Grumman is part of the Aerospace and Defense industry employing more than 100,000 employees across the US and internationally
- Value-driven benefits strategy, focused on innovation, workforce well-being and member experience
- Complex benefits ecosystem where vendor partners collaborate on:
 - Creative ideas and solutions to enhance the employee experience
 - Program referrals and warm transfers
 - Consistent message and voice throughout communications
 - Ongoing reporting structure to identify successes and opportunities



The Insight That Sparked Change

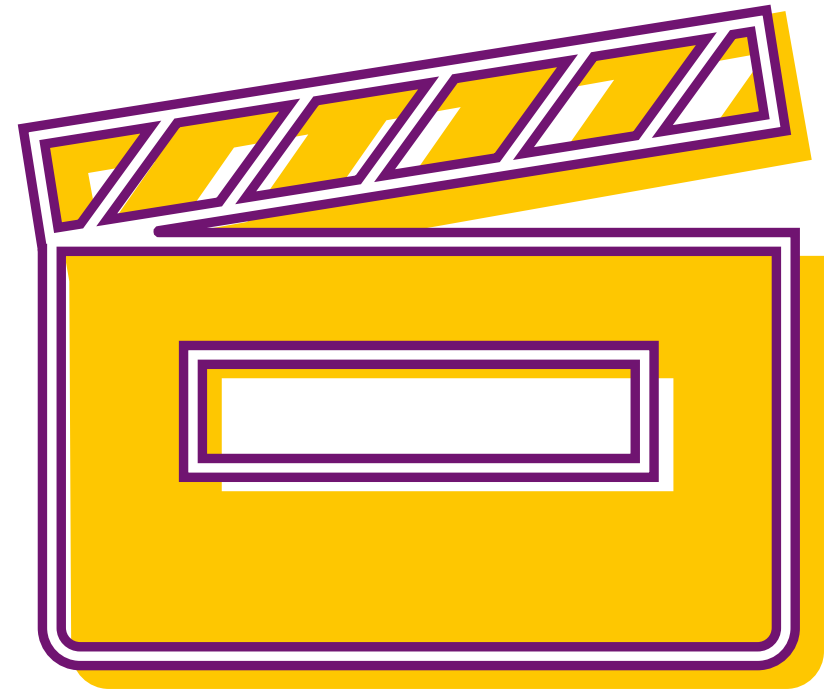
- **Musculoskeletal disorders (MSK) were consistently the top cause of short-term disability (STD) claims:**
 - **22% of STD claims**
 - **25% of STD costs**
- **Insight presented during annual stewardship reviews, consistent trending year over year**
- **The impact reaches across multiple generations and tenured groups**

Leading Diagnostic Category



From Insight to Action

- Spring 2022: Aflac raised concerns about the growing impact of musculoskeletal conditions and initiated discussion around targeted interventions
 - *What supports exist today for musculoskeletal?*
 - *What's missing?*
- Northrop Grumman shared similar trending with their Medical carrier
- Discussed solutions for musculoskeletal conditions
- Opportunity identified to address musculoskeletal with proactive programming



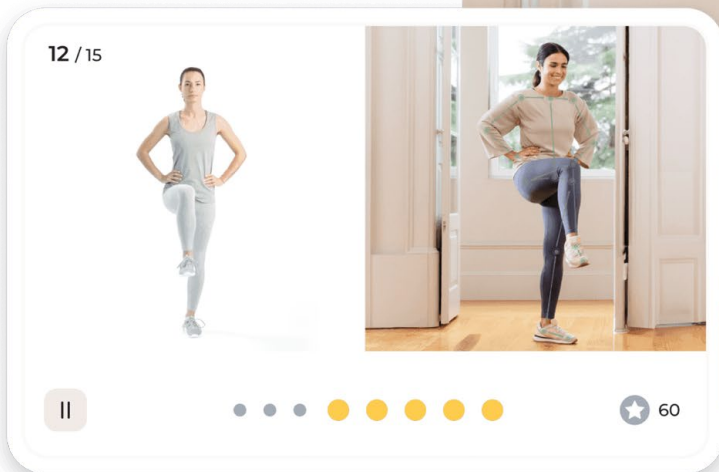
Solution: Sword Health Partnership

Launched: October 2022

Offering: Digital physical therapy and women's pelvic health.

Goal:

- **Improve employee access to MSK support**
- **Reduce Surgical Intervention and healthcare costs**
- **Reduce time away from work**
- **Support well-being and functional recovery**



Data Collaboration Begins



Late
2023

Aflac received it's first dataset from Sword, focusing on engagement



March
2024

Aflac integrated Sword's engagement data with its STD claims data, uncovering additional insights but identifying a need for additional information



Summer
2024

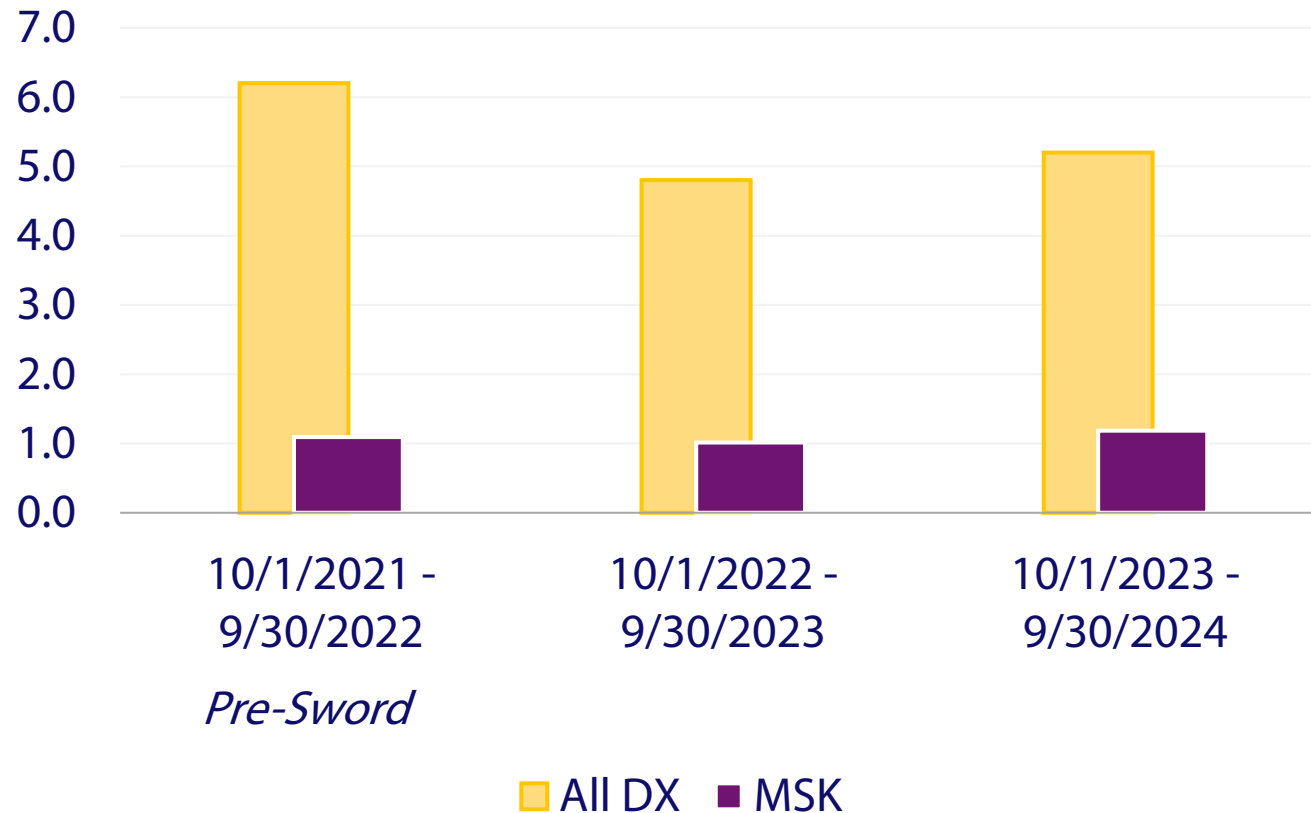
Sword provided a second data set with additional fields, allowing for a more comprehensive analysis



Fall
2024

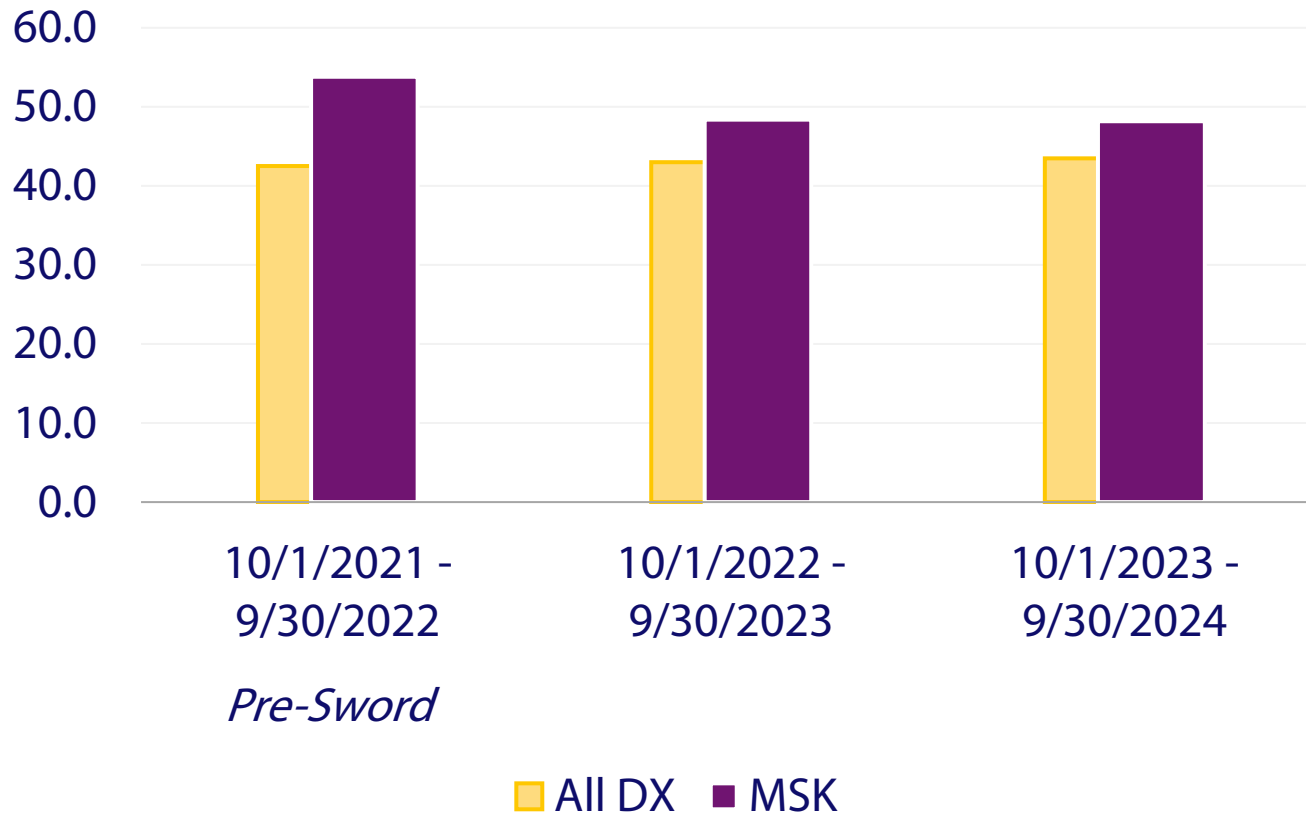
Aflac identified potential synergies and opportunities for collaboration with Sword

Early Insights Claim Volumes



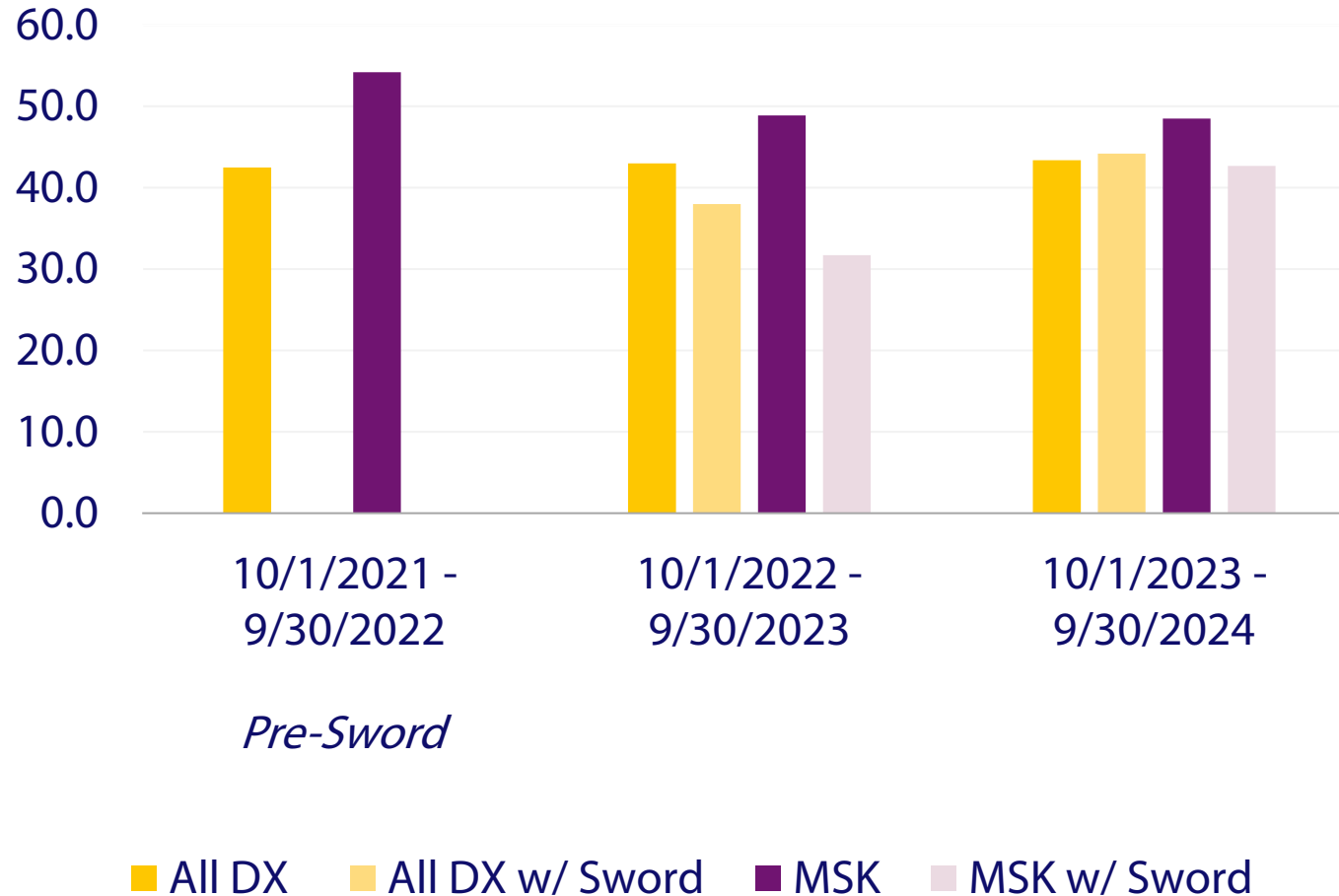
- While the initial analysis assumed a lower incidence rate, we saw a slight increase from 2022 to 2024.
- A deeper look shows this is due to Northrop Grumman's growing population – more employees typically means more claims.

Early Insights Claim Durations



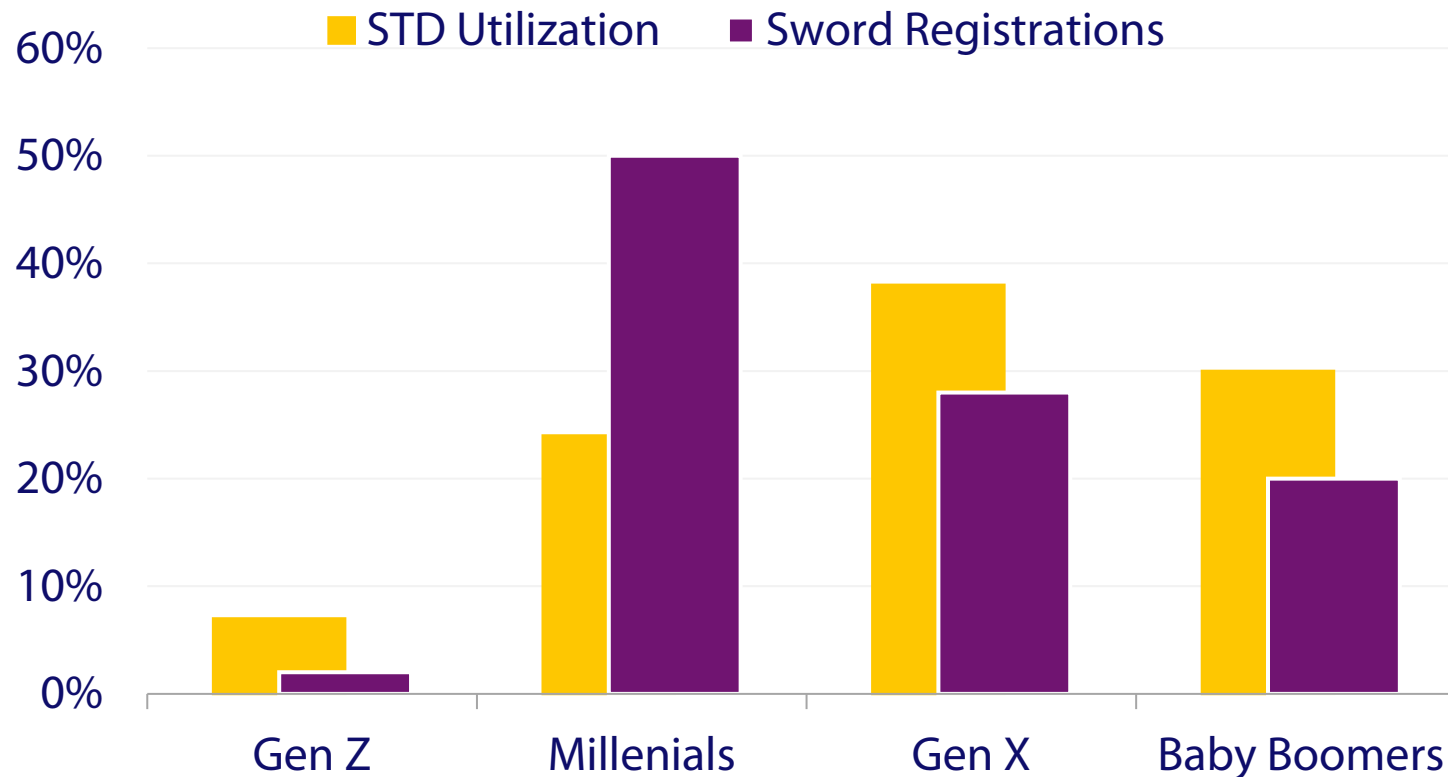
- Despite an increase in approved claim volume over the last few years, the overall average closed claim duration has remained steady.

Early Insights Claim Durations



- Employees with a short-term disability claim, who are enrolled in Sword Health, experienced a **shorter claim duration** on average, when compared to those who are not enrolled – demonstrating a **positive impact of the Sword Health program**.

Early Insights The Who



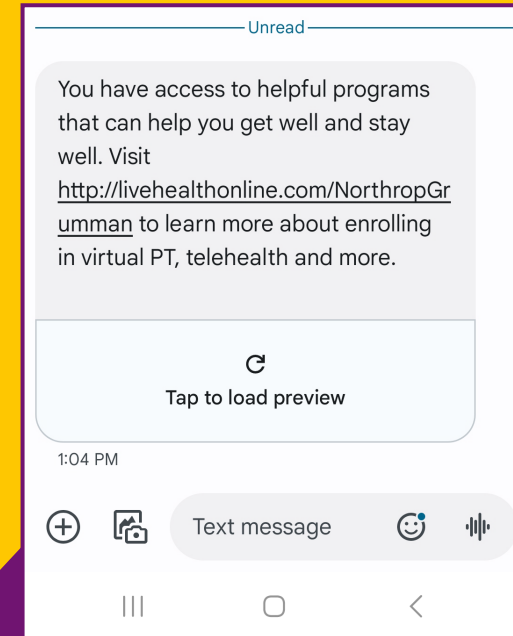
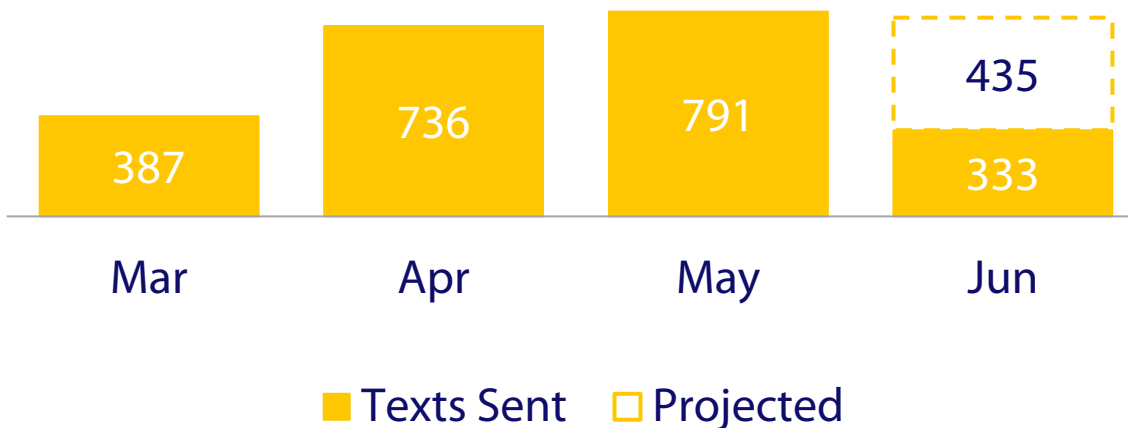
- **Gen X & Baby Boomers** account for the highest utilization of short-term disability claims.
- **Millennials** show strong engagement – representing over 50% of portal users and Sword Health participants.
- Opportunity to **close the gap** – we identified a population with high claim activity but low engagement in available programs – indicating an opportunity to connect and provide additional support.

Targeted Action: Boosting Awareness

Aflac implemented **Text Messaging Campaigns** and a **Portal Banner Notification** to promote awareness and engagement with Sword Health.

2,247

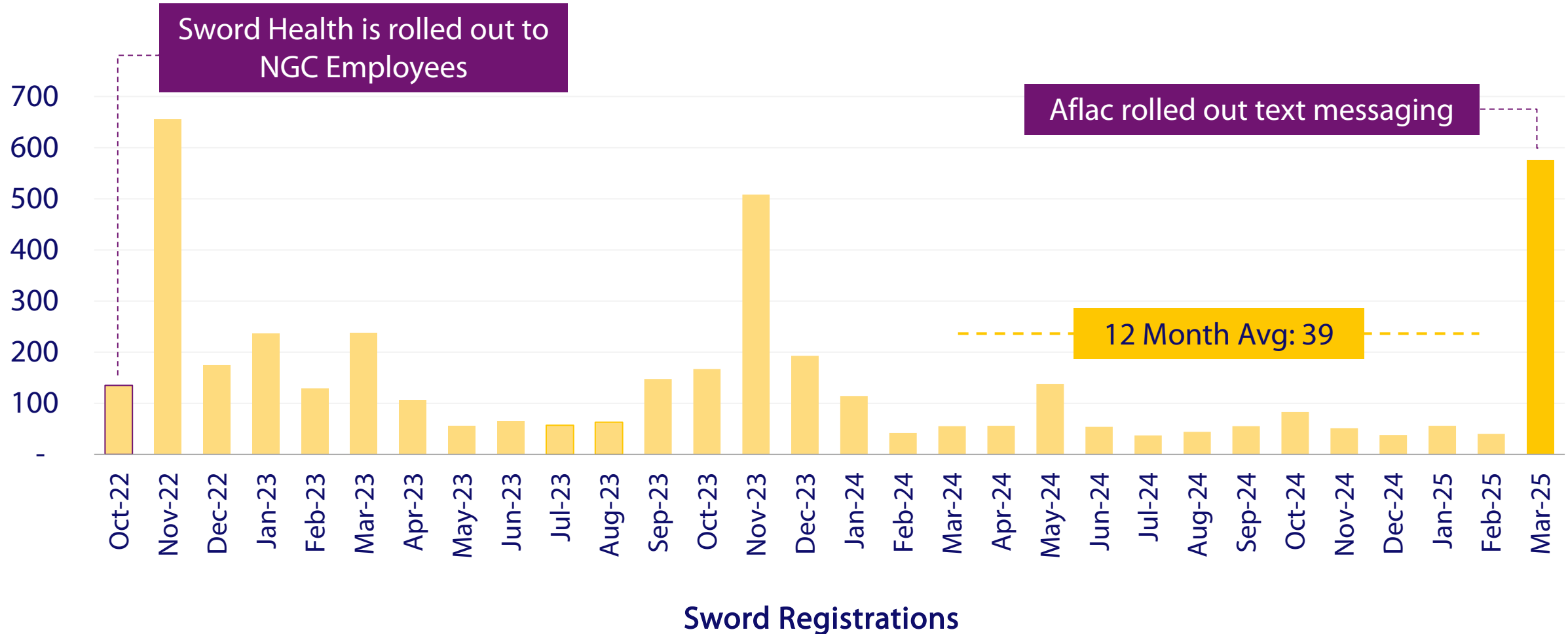
Text messages were sent to Northrop Grumman Claimants between 3/1/25 through 6/13/25



88%

of NGC Disability Claimants opt-in to text messaging

Latest Data Engagement



Latest Data Engagement

The **millennial** generation drove the largest increase in registration in 2025

37%

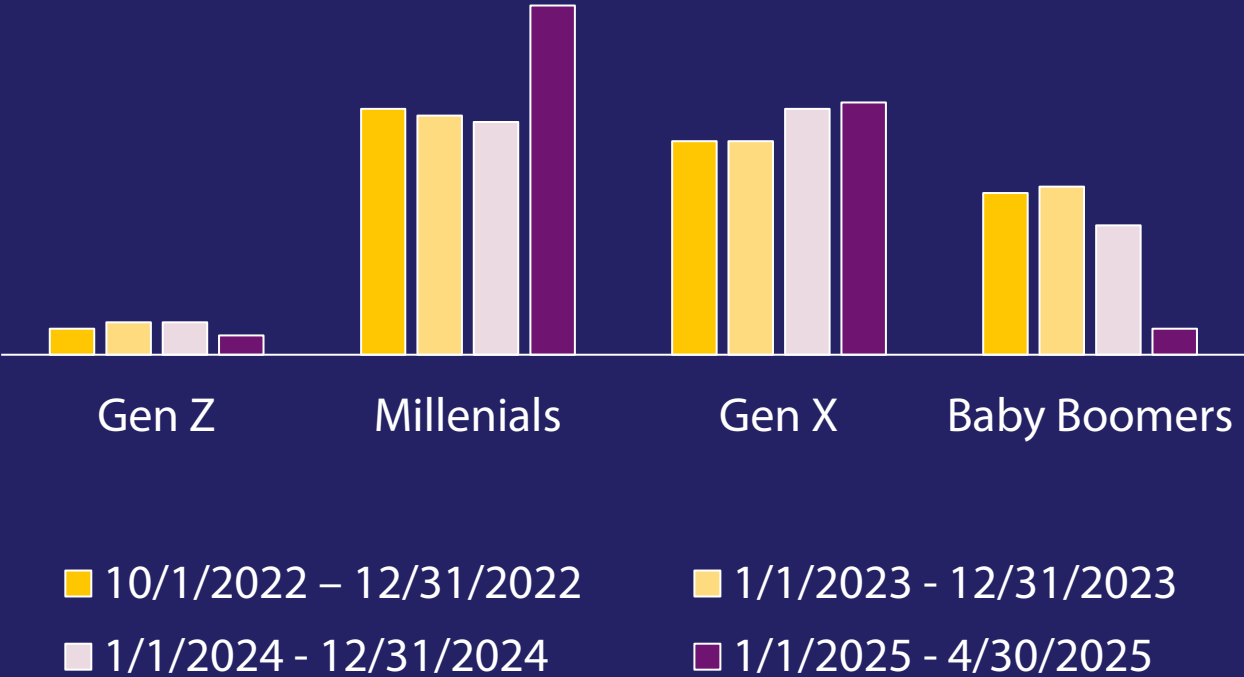
October 2022 –
December 2024

54%

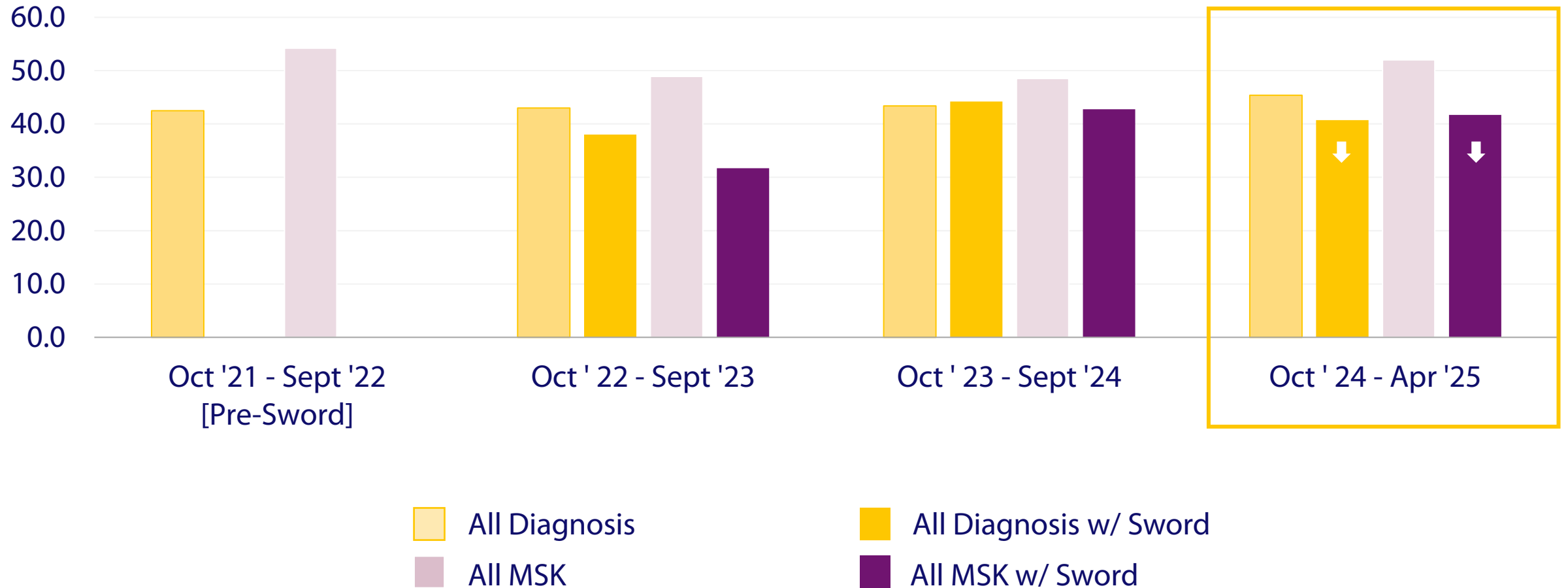
January 2025 –
April 2025

Gen X also saw a slight increase in registration – up to 39%

Sword Health Registration



Latest Data Impact on Durations



Latest Data & Future Exploration

- ❑ Analyze Long Term Disability (LTD) Trends
- ❑ Deep-Dive into Demographics or Sub-Groups
- ❑ Cost Impact Analysis
- ❑ Identify Actionable Insights & Measures

Lessons Learned



Annual reviews uncover hidden trends



Collaboration drives greater insight



Employee engagement is key



Meeting people where they are, with resources when they need them most



Targeted, data-informed interventions make a measurable impact



Scalable framework for future initiatives

+405%

*Sword Health
Employee engagement
after adding SMS &
portal promotions*

-20%

*reduction in
Musculoskeletal
claim duration*

Turning Insights into Action

Benefits Strategy and Employee Support



Using This Model Beyond MSK

- Mental Health
- Diabetes
- Cancer
- Obesity



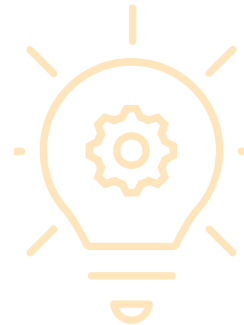
Targeted Benefits Strategy

- Customize your benefits strategy
- Targeted communication campaigns
- Strengthen Employee Support
- Increase loyalty, satisfaction and retention.



Power of Vendor Collaborations

- Enable a more complete view of utilization and outcomes
- Shared Clients = Shared Solutions

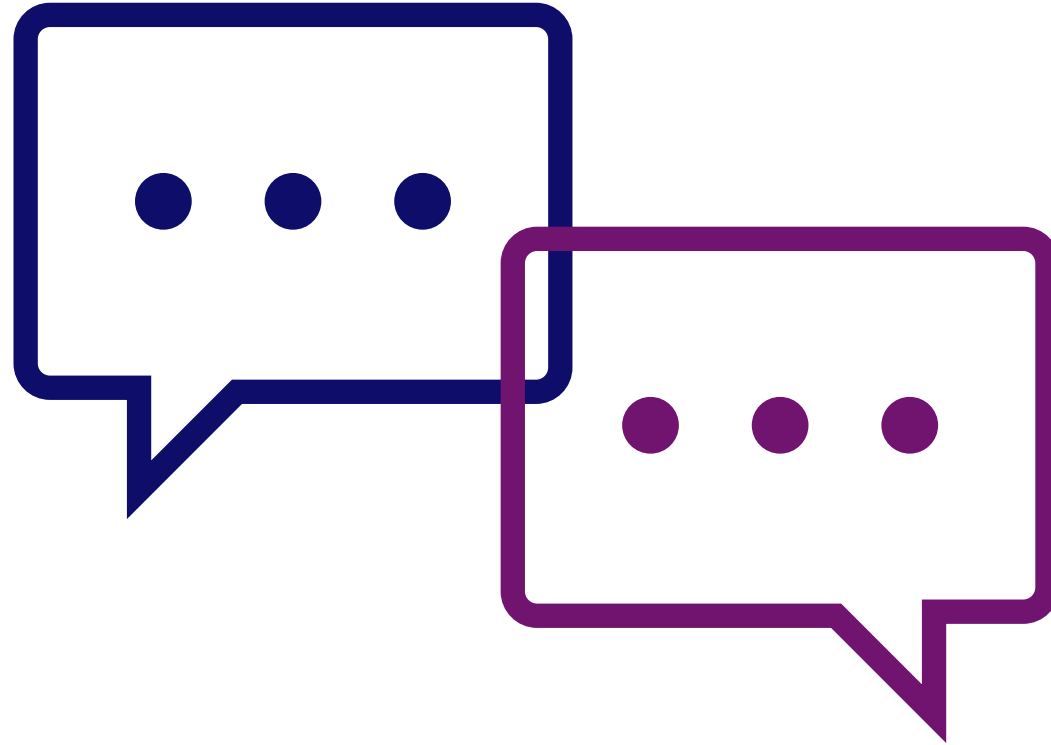


Takeaways

- Produce measurable results
- Enable ongoing
- Maximize health and financial outcomes



Q&A



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Thank You.

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