

## New Value-Based Agreement Between Blue Cross and Blue Shield of Minnesota and Medtronic Leverages Diabetes Technology to Drive Positive Outcomes

*Agreement Focuses on the Guardian Connect Smart CGM System, Improved Member Engagement and Measuring Time in Range*

MINNEAPOLIS and DUBLIN - April 8, 2019 - Blue Cross and Blue Shield of Minnesota and Medtronic plc (NYSE:MDT), the global leader in medical technology, services and solutions, announce a new outcomes-based agreement that provides members of the Blue Cross and Blue Shield of Minnesota plan who live with diabetes improved access to the Guardian(TM) Connect smart Continuous Glucose Monitoring (CGM) system. The system will also now be made available through a member's pharmacy benefit, improving speed of delivery and may lower costs for members who use the device. Using the amount of time spent in a healthy glucose range as a key metric, value-based payments will be tied to the percentage of Time in Range achieved using the Guardian Connect system.

In addition, Medtronic is providing Blue Cross and Blue Shield of Minnesota members on the Guardian Connect system or the MiniMed(TM) 670G insulin pump system the opportunity to participate in the Medtronic Inner Circle SM program. Medtronic Inner Circle is a patient engagement program that uses gamification - the application of game design elements - to help people living with diabetes to achieve better health outcomes through education, motivation and inspiration. Members who choose to participate in the program have the opportunity to earn points by completing certain activities or achieving monthly Time in Range goals.

"This partnership is great example of how we are working together to improve health," said Mark Steffen, interim chief medical officer at Blue Cross, "Through this value-based program, we are creating a better experience for our members by making it easier to access CGM technology from Medtronic through the pharmacy benefit, lowering the cost of care, and ultimately helping people better manage diabetes which is a win for everyone. We are excited to be the first health plan partner for Medtronic in which our members that enroll in the Inner Circle program can use earned points to offset out-of-pocket costs."

The agreement between Blue Cross and Medtronic will help both companies continue to improve care for those living with diabetes and ensure that patients have the support they need to reach their best possible outcomes.

Time in Range (TIR) is a standard measurement in diabetes management that tracks the amount of time a

person's glucose is in their target range with 70-180 mg/dL being the standard range. Spending more Time in Range helps minimize both short- and long-term health complications<sup>1</sup> from going too high or low. Results from an analysis of people who used the predictive alerts<sup>1</sup> feature on the Guardian Connect system showed that they experienced fewer high events 39 percent of the time (vs. 10 percent without alerts) and fewer low events 60 percent of the time (vs. 33 percent without alerts). See infographic [here](#).

The Guardian Connect system is the first smart<sup>2</sup> standalone CGM system to help people on multiple daily injection (MDI) therapy improve their management of high and low glucose events. People using the Guardian Connect system also have exclusive access to the groundbreaking Sugar.IQ(TM) smart diabetes assistant, an app that continually analyzes how an individual's glucose levels respond to their food intake, insulin dosages, daily routines, and other factors, and shares insights with personalized, timely notifications. The new IQCast(TM) feature from the Sugar.IQ app provides a personalized trend forecast for potential low glucose events in the next 1-4 hour window, empowering people to help them manage their diabetes.

"With this new agreement, we're excited to show how an innovative partnership between a health plan and a medical device company can work together to improve diabetes care," said Suzanne Winter, vice president, Americas Region in the Diabetes Group at Medtronic. "Making our Guardian Connect system more easily available to members of Blue Cross and Blue Shield of Minnesota will provide people with diabetes with the tools to help them achieve their best possible outcomes, so they can focus on living their life without constantly worrying about their glucose levels."

#### About Blue Cross and Blue Shield of Minnesota

Blue Cross and Blue Shield of Minnesota, with headquarters in the St. Paul suburb of Eagan, was chartered in 1933 as Minnesota's first health plan and continues to carry out its charter mission today: to promote a wider, more economical and timely availability of health services for the people of Minnesota. A nonprofit, taxable organization, Blue Cross is the largest health plan based in Minnesota, covering 2.9 million members in Minnesota and nationally through its health plans or plans administered by its affiliated companies. Blue Cross and Blue Shield of Minnesota is an independent licensee of the Blue Cross and Blue Shield Association, headquartered in Chicago. Go to [bluecrossmn.com](http://bluecrossmn.com) to learn more.

#### About the Diabetes Group at Medtronic ([www.medtronicdiabetes.com](http://www.medtronicdiabetes.com))

Medtronic is working together with the global community to change the way people manage diabetes. The company aims to transform diabetes care by expanding access, integrating care and improving outcomes, so

people living with diabetes can enjoy greater freedom and better health.

#### About Medtronic

Medtronic plc ([www.medtronic.com](http://www.medtronic.com)), headquartered in Dublin, Ireland, is among the world's largest medical technology, services and solutions companies - alleviating pain, restoring health and extending life for millions of people around the world. Medtronic employs more than 86,000 people worldwide, serving physicians, hospitals and patients in more than 150 countries. The company is focused on collaborating with stakeholders around the world to take healthcare Further, Together.

Any forward-looking statements are subject to risks and uncertainties such as those described in Medtronic's periodic reports on file with the Securities and Exchange Commission. Actual results may differ materially from anticipated results.

1Cohen O, et al. ePoster presented at: 11th International Conference on Advanced Technologies & Treatments for Diabetes; February, 2018; Vienna, Austria. Abstract ATTD8-0288.

2 Smart CGM predicts future high and low sensor glucose events up to 60 minutes in advance and provides access to Sugar.IQ insights that can inform users of clinically relevant glucose patterns.

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