



## TRANSFORM RAW DATA INTO BUSINESS INTELLIGENCE TO:

- Proactively mitigate risk
- Improve the organization's fiscal health
- Ensure long-term sustainability of a self-funded plan

## Case Study: **Evaluating the Effectiveness of a Self-Funded Benefit Plan**

EBMS worked with a K-12 public school district comprising 32 schools in a medium-sized metropolitan area. Because this client self-funds its health benefit plan, which covers 1,826 employees and 3,025 total members, it needs a way to monitor costs and outcomes.

### THE CHALLENGE

With rising healthcare costs, the client wanted to evaluate its district-wide health plan on financial measures and various utilization metrics. Often this is done by analyzing plan data and comparing the results to national benchmarks. However, the demographics of school district employees often don't track with those of the general population.

### THE SOLUTION

After investing in the miInsights Premium solution, the client received a full analysis of every aspect of its health plan. The resulting 49-page report was based on three years of data within the miInsights platform. To create a meaningful subset of data for comparison purposes, an EBMS analyst created an Education Benchmark. This benchmark includes the data of 31 self-funded school districts for which EBMS administers benefits.

## THE RESULTS

Through detailed plan analysis, the client gained a better understanding of plan effectiveness in several key areas, including both the clinical and financial.

**From a financial perspective,** the client learned it has a lower average claim cost and lower per-member-per-month (PMPM) costs than the education benchmark clients, across all three years analyzed.

**From a clinical perspective,** the client learned its members had higher rates of chronic conditions than the education benchmark. The top six conditions in 2017 were hypertension, depression, hyperlipidemia, asthma, osteoarthritis, and diabetes. Each of these conditions were then analyzed separately to determine whether quality of care metrics were being met, and where there were gaps in care.

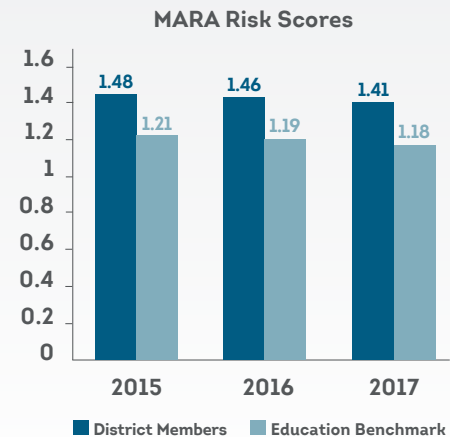
Through data analysis, the EBMS on-staff analyst found opportunities to decrease unnecessary ER visits by promoting telemedicine as an alternative. The analyst also made recommendations for future programs the client could consider. This included opportunities to add care management programs for 19 members who were in the top 1% of cost drivers, yet had no current care management interventions.

In each year we studied, the **top 5% of spenders** accounted for **more than half of all health care dollars.**

- The Health Care Cost Institute, in a 2018 issue brief.

## The value of knowing your MARA score

In recent years, the risk-adjustment process has replaced traditional medical underwriting in many instances. Milliman Advanced Risk Adjusters (MARA) uses medical and prescription drug claim history to predict an individual's relative healthcare cost risk as compared to an average population risk. Each year, this client saw a decrease in its average total risk score, which indicates a positive trend for expected health costs and outcomes.



## What can miInsights Premium do for YOU?

Whether you're hoping to validate a business decision you made or looking for areas in which your plan might improve, we've got you covered. Find out YOUR population's risk score. Gain insights into how your plan is being utilized. Get started today!



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## Case Study: Evaluating the Effectiveness of an Employer-Sponsored Health Center

A state-chartered credit union headquartered in the Pacific Northwest has been an EBMS client since 2015. In 2016, it opened a miCare Health Center, administered by EBMS, to reduce overall costs to its self-funded benefit plan.

### THE CHALLENGE

After two years of operating the miCare Health Center, the client wanted to measure the clinic's overall effectiveness in terms of cost, quality, and specific health metrics. The client wanted to determine which clinical factors were driving spending, as well as overall return on investment.

### THE SOLUTION

After investing in the miInsights premium solution, the client obtained a detailed analysis of its miCare Health Center in the form of a 55-page report. The report included two separate analyses:

**A side-by-side analysis** of two cohorts of members—those who use the clinic and those who don't. Utilization and health metrics were compared between the two groups.

**A before-and-after analysis** of members who had used the miCare health center and had been on the benefit plan prior to the health center opening. This was used to specifically gauge the health center's impact.



## THE RESULTS:

Through detailed data analysis, the client gained a better understanding of the impact the miCare health center has had on various financial and clinical metrics. It also identified opportunities where further savings could be realized. For example, the analysis found that in 2017, miCare users had fewer ER visits than non-users. Since reduction of ER costs was a cost-containment goal, this was a desirable outcome.

However, an analysis of clinical factors revealed that 75 percent of the time, these ER visits were potentially avoidable. The analysis concluded that "this is likely an opportunity to promote Wellvia, the telemedicine solution provided in conjunction with miCare."

Other metrics detailed in the analysis provided a picture of the quality of care received, by reporting on the percentage of users and non-users that obtained key preventive services. The report found that, once engaged with the health center, miCare users were more compliant than non-users in preventive care measures.

Clinical analysis revealed that the miCare staff had identified 85 members with untreated chronic conditions – and the assumed benefit of managing these conditions is significant.

## FINANCIAL ANALYSIS REVEALED:

The **annualized cost** of miCare users and non-users

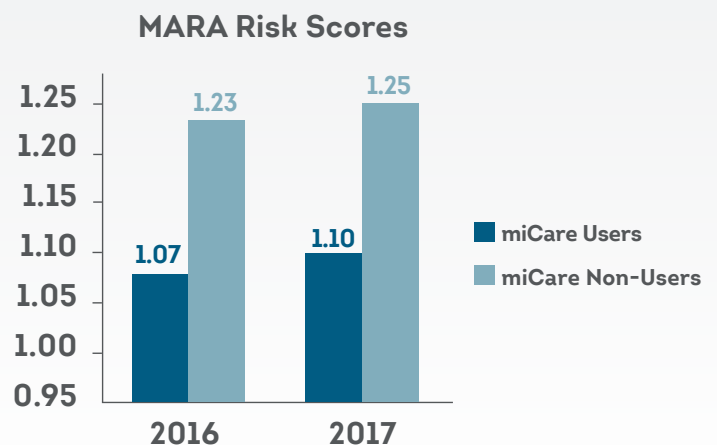
**Annualized return on investment**

**A 35% decrease in medical plus pharmacy costs, per member per month**

**A 53% reduction in average cost per claim**

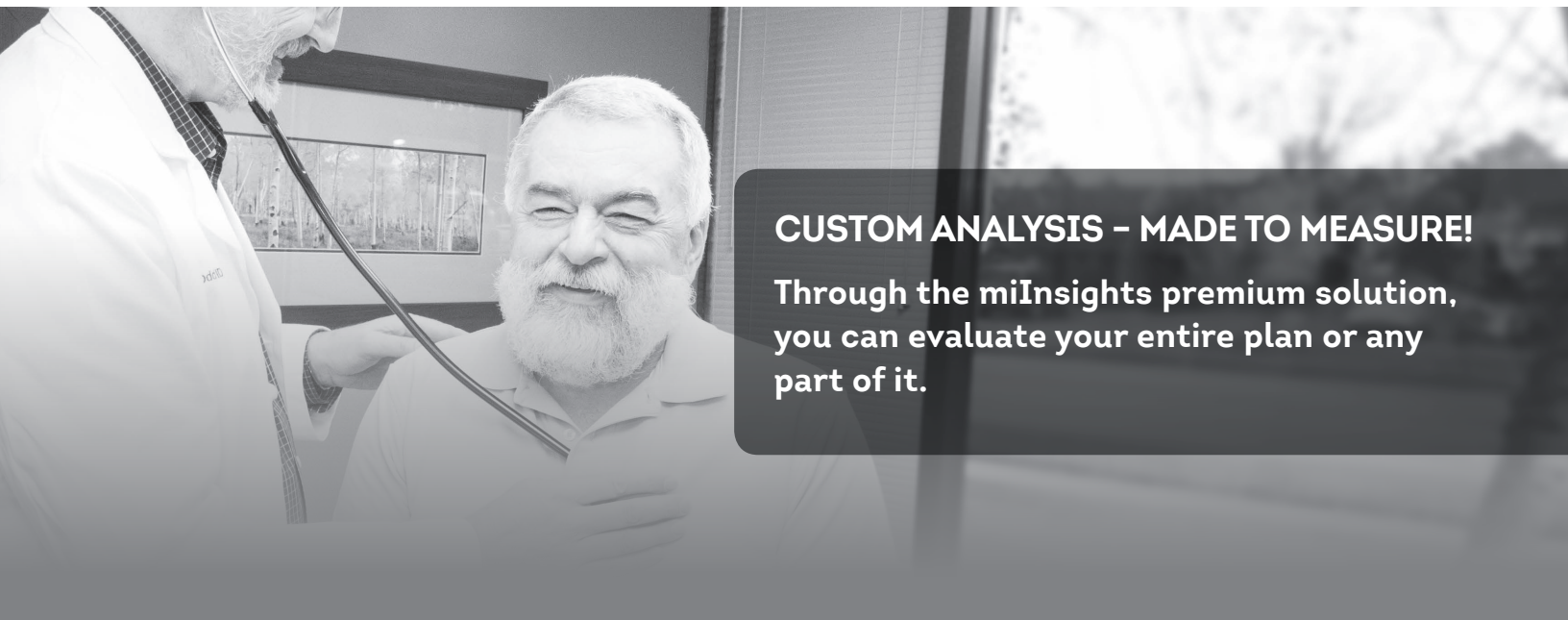
## The value of knowing your MARA score

In recent years, the risk-adjustment process has replaced traditional medical underwriting in many instances. The Milliman Advanced Risk Adjusters (MARA) tool uses medical and prescription drug claim history to predict an individual's relative healthcare cost risk as compared to an average population risk. As a reference point, the EBMS book of business 2017 MARA Risk Score for employees is 1.19.



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## CUSTOM ANALYSIS – MADE TO MEASURE!

Through the miInsights premium solution, you can evaluate your entire plan or any part of it.

## Case Study: Evaluating the Effectiveness of a Workplace Wellness Program

An international energy services company contracted with an outside vendor to run an employee wellness program. The program was voluntary, allowing employees to undergo a health evaluation and set a personal health goal, with the incentive of a substantially discounted premiums when the goal was reached.

### THE CHALLENGE

After the program had been in place for several years, the client wanted to evaluate the impact it was having on employee wellness. Specifically, it hoped to measure the program's effect on ER and urgent care utilization, overall health risk scores, per-member-per-month (PMPM) costs, use of preventive health services, and overall return on investment (ROI). However, the client and its wellness program vendor lacked the capability to perform such a complex data analysis.

### THE SOLUTION

The client invested in the miInsights Premium solution, which includes the services of an EBMS on-staff healthcare informatics analyst. The analyst compared two cohorts of employees: those who participated in the wellness program and those who did not. Four years' worth of data went into the analysis, including data from the wellness program vendor and another third-party administrator. Only the wellness program was evaluated, rather than the entire benefit plan.

## THE RESULTS

A detailed analysis of the wellness program revealed a pattern of more appropriate healthcare utilization among wellness program participants. The participants also had lower overall risk scores, and incurred lower PMPM costs in the most recent three years (out of five years studied). They had closer adherence to care quality metrics, which means they were getting the care they needed in a manner that most effectively protects and/or restores their health.

### Specifically, wellness program participants had:

- Fewer ER and urgent care visits across all years studied
- More overall office visits and preventive services visits
- Fewer inpatient hospital admissions across all years but one

The analyst discovered that, a certain point in the years studied, several care quality and financial metrics began to point to a more favorable outcome for program participants. It is likely a sound conclusion that this can be attributed (at least in part) to program design and effectiveness.

## FINANCIAL ANALYSIS OF THE WELLNESS PROGRAM REVEALED:

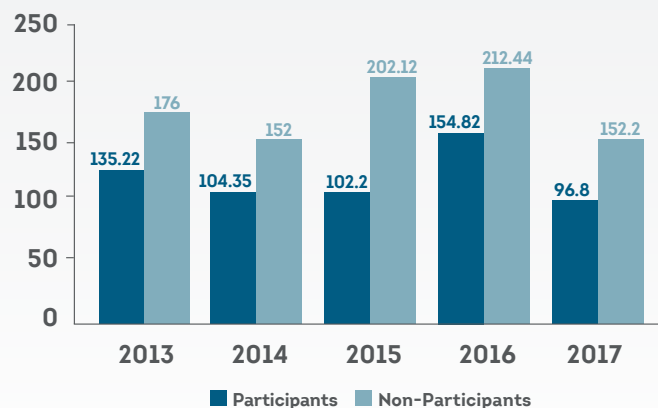
TOTAL ROI:

**303.22%**

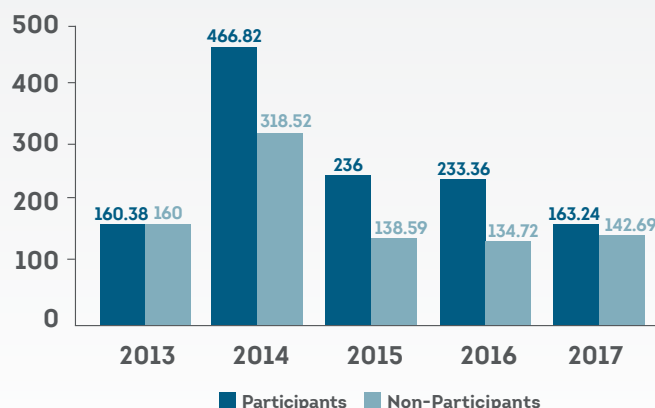
ANNUALIZED ROI:

**59.17%**

ER Visits (per 1,000)



Preventive Office Visits (per 1,000)



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