

Analytic insight examples

Benefits Analytic Manager



Table of contents

The following content provides examples of how Optum has helped customers by leveraging their integrated results using Benefits Analytic Manager to inform strategic changes to plan design, develop or measure wellness strategies and identify cost savings opportunities.

Page	Analytic focus
3	Questionable and costly out of network lab services
4	Using risk factors to manage population health
5	Evaluation of effectiveness of health and wellness programs
6	Social Determinants of Health
7	Disease progression
8	Impact of cancer
9	Impact of depression on cost and utilization of services
10	High Performance Formulary (HPF) impact
11	Increased adherence and cost effective closure of gaps in care

Questionable and costly out of network lab services



ANALYTIC STUDY

A national transportation company with 71,000 lives looked into the top out-of-network providers and questioned why there were multiple “Independent Labs” with high costs and few claimants.



GOALS

- Understand out-of-network utilization and drivers of high laboratory cost
- Determine possible cost savings for in-network options

SOLUTION



- The study populations included all active members for the past five years.
- Using Benefits Analytic Manager and custom reports, medical and drug claims for the members who utilized out-of-network lab services were analyzed.



KEY FINDINGS

Two of the top three service providers were identified as out-of-network independent labs

The independent labs were located in CA and FL, common substance abuse treatment centers

Each independent lab received payments that totaled hundreds of thousands of dollars for 1 or 2 claimants for frequent* urinalysis and drug screenings

**often daily or weekly*

OUTCOME



- The client asked their health plan vendor to investigate the findings.
- They have since recognized savings in the thousands of dollars range.
- The client will continue to monitor these types of services to determine if plan design changes are warranted.

Using Risk Factors to Manage Population Health



ANALYTIC STUDY

A large manufacturing company needed Optum's assistance to evaluate their population's clinical conditions, cost, and utilization using a risk classification cohort based on biometric screening results, health survey responses, and prescription drug claims.



GOALS

Provide insights for benefit strategy; identify areas for additional review; and provide recommendations for managing the health and wellness of the targeted population.



APPROACH

Optum creates client specific risk factor cohorts within Benefits Analytic Manager leveraging results from the Symmetry® episode-based risk assessment methodology.

- Create six (6) new reportable and filterable attributes within Benefits Analytic Manager based on the results of their biometric screenings, survey responses and maintenance drug utilization.
- Identify the clinical conditions linked to specific screenings, survey responses, and medication adherence
- Identify the underlying population segments with current and potentially future health risks
- Identify cost and use variances between the client risk factor cohort groups including individuals who didn't participate in a screening or health survey

KEY FINDINGS



- 5% of individuals with a biometric screening were considered to be pre diabetic



- 32% of individuals on a maintenance drug for a chronic condition saw a decrease in Plan Paid PMPY



- Individuals who didn't participate in the biometric screenings or health survey had a 12% higher Symmetry risk score than those who did



- Individuals with the highest client defined risk were more likely to have cardiac related conditions

RESULTS



Benefit plan strategy recommendations to manage costs:

- Review/consider catastrophic coverage limits within established guidelines
Phased coverage approach (deductible, initial coverage, catastrophic)

Other Considerations:

- Focused engagement with pre-diabetic individuals based on their biometric results and established guidelines
- Confirm medication adherence
- Implement a healthy heart program

Evaluation of effectiveness of health and wellness programs



ANALYTIC STUDY

Benefits Analytic Manager: Health promotion and wellness program effectiveness for large technology company

GOALS

Optum was asked to evaluate the effectiveness of their health improvement program based on:

- Cost
- Ability to reach the right employees
- Improved health outcomes

The company also sought quality metrics to help consumers make informed health care decisions

Two percent of the company's workforce was generating forty percent of the health care costs. In addition to those direct costs, there were also indirect costs resulting from lost productivity in this less healthy population.

Optum applied a data warehouse solution, as well as the built-in evidence-based medicine reporting capability.

- Rigorous analysis of the data was undertaken. To provide a baseline and a comparison pool, two distinct clinically and demographically comparable groups were established: health management program participants and non-participants
- Descriptive and statistical analyses identified initial and future potential return on investment, reduction in program participants' health care consumption, and employee populations that need better outreach.
- Financial metrics were calculated and tracked for 12 months pre-program and then 12 months post-program. Afterward, ROI analyses were applied to calculate the value of the program.

KEY FINDINGS

59% increase of the number of people participating in a regular exercise program

50% of participants in the back pain program reported reduced back pain

30% of cardiac condition management program participants lost weight

40% of smokers who participated in cardiac condition management program quit smoking

16% decline in costs experienced by health management programs participants vs. 2% decline by non-participants

Social Determinants of Health



ANALYTIC STUDY

A large international employer needed Optum's assistance to evaluate their population's social determinants of health and the impact on their benefit cost and utilization.



GOALS

Provide insights for benefit strategy; and, provide recommendations for managing the health and wellness of the population impacted by the social health index.



APPROACH

- Create four (4) new reportable and filterable cohort attributes within Benefits Analytic Manager based on the results of their social isolation determined by the social determinants of health index.
- Leverage Symmetry Episode Risk Groups to identify the current and future risk of the different cohorts.
- Analyze correlation of benefit utilization, specifically Emergency Department, Urgent Care and Physician of Visit, of the specific cohorts.
- Evaluate cost impact in specific service categories between the different cohorts.

KEY FINDINGS



- 29% of the study population was found to be “highly isolated”



- The not isolated cohort had the highest **benefit utilization of 95%**, compared to **88%** of the **highly isolated** cohort



- Cost per claimant in the highly isolated cohort was **20%** higher than the not isolated cohort



- The highly isolated cohort had **12%** higher visits per 1,000 Emergency Department utilization than the moderately isolated cohort

RESULTS



- Focused engagement with socially isolated individuals based on their higher cost, but lower utilization of services.
- Encourage higher utilization of onsite clinics through targeted messaging.
- Evaluate need to expand services at existing onsite clinics.

Diabetes and Obesity Disease Progression



ANALYTIC STUDY

Based on the results of a large manufacturing employer's annual study, Optum proposed a deeper dive into the diabetic and obese population to understand the impact of disease severity and progression over time on cost and utilization.



GOALS

- Assess the migration of Active population from one disease category to the next as it relates to obesity and diabetes
- Identify clinical drivers of the migrating population

The Optum Analyst used Symmetry Clinical Conditions in Benefits Analytic Manager to identify and create member level cohorts based on condition severity and severity progression.

The Optum Analyst:

- Analyzed the population profile of the progressing conditions cohorts, focusing on current risk and demographics
- Identified the top clinical cost drivers, using Clinical Conditions, of each cohort.
- Explore potential cost savings if disease progression is slowed.
- Understand cost impact of members who progressed in severity vs. those who did not.

KEY FINDINGS



\$1.7M



A 10% slowdown of members migrating to a more severe condition would equate to **\$1.7M** in savings

95%



Individuals migrating from Diabetic+ to Cardiovascular+ had a cost increase of 95%

9.3%



The highest migration of severity was 9.3% of Early Risk members progressing to a more severe condition

25%



Orthopedic and rheumatology cost per episode increased 25% from least severe cohort to most severe

RESULTS



Plan design strategy recommendations to reduce costs:

- Targeted communication to engage lower severity cohort individuals to improve health and wellness and prevent progression
- Encourage use of onsite clinic resources with all cohorts
- Engage current wellness vendor to encourage medication adherence for members in all cohorts

Impact of cancer on the population



ANALYTIC STUDY

Optum partnered with the client and their consultants to assess the prevalence of top Cancer conditions and potentially avoidable cancer conditions in the client population

GOALS

- Identify key drivers of cost trends by service category and specific cancer.
- Examine demographics, risk scores and health risk factors of individuals with cancer.
- Review the top comorbidities of individuals with cancer.
- Analyze the relationship between severity level and cost.

SOLUTION

- The study focused on individuals with selected cancer conditions, determined by the client.
- Optum leveraged the Optum Symmetry® Clinical Conditions episode detail to:
 - Identify the study population and assign to a specific cancer cohort
 - Analyze treatment service categories and specialty prescription drugs for the cohorts
- Key components of the analysis were:
 - Evaluation of medical and pharmacy services provided to the study population
 - Understand the associated cost and utilization trend
 - Analyze correlation between health risk factors and cancer severity and cost

KEY FINDINGS

56% Top 5 Cancer Claimants are enrolled in PPO plans



Outpatient Drugs Allowed per Claimant for Breast Cancer is **56%** higher than the norm and is **18%** higher than the prior period



Of individuals with the top 5 cancers **52%** have a **hypertension** comorbidity, and **23%** have a comorbidity of **diabetes**.



Cancer episodes with a severity level 3 cost twice as much as severity level 1 episodes



Breast cancer accounted for **50%** of the top 5 cancers, but only **26%** of the costs. Whereas Leukemia and Multiple Myeloma accounted for **10%** with **20%** of the costs.

Impact of depression on cost and utilization of services



ANALYTIC STUDY

Review the impact of depression on cost and utilization within an international professional firm serving companies, governments and financial institutions.

GOALS

- Analyze the impact of depression on the population.
- Identify areas within the organization where a implemented program would have an impact on reducing costs.

Results from the Optum® Symmetry® clinically based analytic methodologies was used to identify the individuals with depression and their associated overall health risk. The claims experience for the study population was then evaluated to understand the impact.

The Optum analyst:

- Examined demographics, risk scores and costs of patients with depression, compared to the overall population
- Reviewed the top comorbid conditions of patients with depression
- Analyzed the relationship between condition severity level and cost

KEY FINDINGS

- Individuals with depression have a **total*** PMPY two times greater than the rest of the population.
- Older female individuals with depression have a health risk twice as high as the rest of the population.

**includes medical + drug claims*



Individuals with depression make up **5%** of the population, driving **10%** of overall spend.

Based on the results of this study, the client took the following **actions**:

- Developed a business case for employing an **on-site psychologist**.
- Established an **on-site mental health program** for one of its largest employee locations.

Next Step: Evaluate the value of the on-site mental health program.

High Performance Formulary (HPF) impact



ANALYTIC STUDY

The client engaged Optum® to assess the financial impact and cost savings achieved by implementing a High Performance Formulary (HPF). The client's annual spend on prescription drugs was approximately \$166 million, accounting for 22 percent of their total medical spend.

GOALS

- Conduct an assessment of HPF for cost savings and provide recommendations to the client
- Ensure implementation of HPF would not adversely affect the member population
- Evaluate prior formulary utilization, including utilization trends across multiple time periods and projected trends if there was no change to the formulary
- Evaluate utilization trends post-implementation of new HPF program

SOLUTION

Optum consultants leveraged integrated medical claims, drug claims and eligibility data to evaluate and quantify the costs/savings impact of a large change to membership benefits.

The team utilized additional trend and industry analysis in their assessment, including:

- Aggregated drug rebate details
- Formulary information and benefit design
- PBM predictive analysis and pharmacy network effectiveness
- Utilization management analytics
- Member selection analytics

KEY FINDINGS

The client's findings concluded that the High Performance Formulary achieved savings and reduced drug spend through the interplay of these factors:

- High Performance Formulary and benefit designs
- Drug mix: new brands, new generics, drug costs
- Patient population and provider network



with applied average drug trend percentage increase of

12%

estimated overall savings for re-enrolling members increased from
2.9% TO 3.3%

re-enrolling members who converted to formulary drugs (brand and generic) saw a decrease in

member
cost-sharing

Increased adherence and cost effective closure of gaps in care



ANALYTIC STUDY

Benefits Analytic Manager: Improving the quality of care for its employees while holding down costs for Fortune 100 transportation client with ~80.000 employees.

GOALS

To ensure that the money it spent on health care for its employees was used as wisely as possible, and that its employees received the highest-quality care, this client sought a partnership to:

- Build a comprehensive data warehouse for all health-related data.
- Improve the quality of care for its employees.
- Hold costs to a minimum
- Use data to make more strategic health-related business decisions

SOLUTION

- Optum merged enrollment, medical, prescription, disability and workers' compensation data into a single data warehouse for health care analytics, reporting, and decision-making
- Together, Optum and this clients analyzed costs and identified a number of programs to improve patient care for a variety of common conditions and procedures

KEY FINDINGS

“Our relationship with Optum helps us analyze our trends and utilization capability on a far more granular level. With their help, we will be able to improve the care our employees receive, while making the best use of our health care investment.”

-Client executive

This client has developed innovative strategies as a result of the Optum analytic findings:

- Analyzed the benefits of instituting a wide variety of programs, including advanced end-of-life care and reducing readmissions
- Performed detailed financial modeling and forecasting related to health care cost trends
- Determined when it should — and when it should not — consider new reimbursement strategies. For example, the client was considering reference-based pricing for colonoscopies, and after an in-depth analysis of the data, discovered that it would not be cost effective to implement that type of procedure change into its plan design.
- Analyzed health care services and tests to determine where there may be additional opportunities to bring greater transparency to consumers, including review of MRI and CT services