

## Self-Insured Employer Analytics

Are you underwhelmed by the quarterly and annual reports produced by your health insurance broker, provider network, TPA/ASO contractor, PBM, and wellness and care management vendors? We are. Although the reports have dozens of pages of colorful graphics and no one disputes the reality of healthcare overspending, the reports provide little actionable information as to where you may be overspending. Most of the pages provide non-interpreted statistics or infomercials for the additional management services that you have bought or may buy in order to generate big savings – savings that seldom make it to your bottom line.

Most, maybe all, of your current vendors make their money by supporting the healthcare status quo, wrapping themselves in price non-transparency, and selling more feel-good services. Furthermore, their customer-facing teams don't have the data skills or incentives to perform analyses specific to your account; their goal is to sell.

We work for you to find specific actionable hot-spots of overpricing, ineffective interventions, fraud, waste, and abuse – the things that cause you to spend more than you should. Our experts identify overspending and how it came about and give you the information you need to disrupt the status quo. We will bring you findings that will lead to meaningful discussions and negotiations with your vendors, corrective actions, and long-term strategic changes. You don't need to sign a big or ongoing contract with us. We are ready to start small, win your confidence, and then maintain your confidence, one finding at a time. We ask that you have a management team that is willing to ask challenging questions and engage in change.

Although more data is always better for our analyses, we will work with the data that you have available. If you only have the standard reports from your vendors, we will start there. Alternatively, we will work within the platform provided by your health analytics vendor, accept "raw" claims and enrollment data into our HIPAA-secure analytics environment, or introduce you to our preferred analytics vendor.

### ***Case Study: Some trends are not normative***

A client of ours received a standard quarterly report from their national PBM which showed exceptionally high non-specialty drug trends in the first several pages, followed many pages celebrating the success of the PBM's special programs. The report was passed with no observations concerning unusual costs or trends.

We were able to determine that the high trends were the result of the employer being charged in excess of \$2,000 per 30-day prescription for several generic drugs, each drug with a normative value of less than \$50 per prescription. These drugs alone were 4.2% of the client's quarterly drug spend and there was simply no reason for the client to be paying for them. The client, however, needed to point this out to the PBM.

### **Now is an ideal time for self-insured employers to take increased ownership of their healthcare spending.**

Covid has disrupted normal healthcare routines and created new opportunities for fraud, waste, abuse – opportunities that are being grabbed. Furthermore, you have unprecedented access to data. Until recently employers have not had good access as a result of the confidentiality provisions within their contracts with their ASO/network providers and PBMs. The "Increasing Transparency by Removing Gag Clauses on Prices and Quality Information" section of the federal Consolidated Appropriations Act, 2021, signed December 2020, prohibits such confidentiality provisions.