

CASE STUDY

# Data Integration: An Optimized View Across Medical and Pharmacy Programs



## The Problem

A global manufacturer of technically advanced specialty materials and complex components did not have a comprehensive view of how its medical and pharmacy benefits programs were performing.

Without knowledge of trends and cost drivers, the company was blindly making decision about these programs.

## Benefits Profile

The manufacturer, headquartered in Pittsburgh, provides medical and pharmacy benefits to more than 18,000 US-based members, dependents, and retirees across 14 states (Figure 1). The company's union, non-union, and retiree plans are administered by 5 different vendors.

Each vendor provides a yearly report, but these singular views do little to show executives how their programs are performing holistically or what is driving costs.

Figure 1: Client's US-based Operations



## The Manufacturer is not Alone

Most employers rely on static, dated reports that segment the population. There is no universal language between vendors that unlocks the stories the data is waiting to tell.

The manufacturer could not assess overall plan performance, understand the issues impacting costs, or design more effective programs because they were unable to see the big picture of what was happening across all plans.

## The Solution

Executives didn't grow the manufacturer into a \$3.2 billion company by making decisions in a vacuum. They embrace the power of data every day to make strategic business decisions. These progressive executives recognized the need for a data analytics vendor to effectively manage costs and population health.



The manufacturer searched for a vendor that would:

- Begin the manufacturer's data journey by integrating and analyzing data across all its medical and pharmacy programs, then systematically adding other human capital and risk program data over time
- Provide analytical support to mine the data and uncover true cost drivers and program correlations.

## EmployerLens®

The manufacturer could find only one solution to meet all of its data analytics needs, Innovu EmployerLens. EmployerLens puts employers in control of their companies' benefits and risk program data with actionable insight to improve employee health, control costs, and mitigate risk.

The secure platform integrates, analyzes, and cleanses each client's data, giving them data they can trust to:

- Evaluate overall program performance.
- Identify program correlations.
- Uncover the root causes of issues driving their benefits costs.
- Identify trends and forecast future risk.

## The Outcome

Innovu consolidated the manufacturer's data from 4 of its active employee plans; retirement plan data was not included in the first round of analysis. The data covered nearly 17,000 members across all 14 states in which the manufacturer operates.

After receiving and cleansing data from the 4 vendors, it was immediately accessible to Innovu analysts, the client, and its benefit advisor. Automated alerts, dashboards, and reports focusing on client-identified key performance indicators provided a comprehensive view of plan performance.

## Initial Results

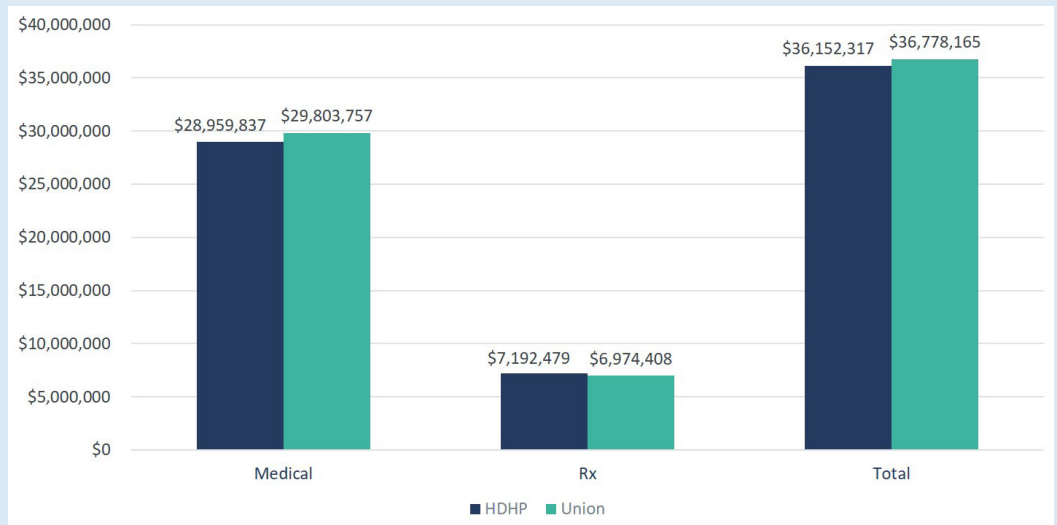
Innovu analyzed the client's paid claims data from January 1 - December 31, 2016. The 360-degree view of medical and pharmacy benefit programs across all active workers was an eye-opener, delivering new insight not previously available through segmented, static vendor reports.

## Data-Driven Insight

- Costs for medical and Rx non-union high deductible health plans (HDHPs) were 2% lower than for union plans (Figure 2).
- Union plan per employee per year (PEPY) costs were 50% higher than non-union enrollees in HDHPs.
- The client paid more than \$250,000 for 5 members enrolled in HDHPs.
- Frequent emergency room (ER) use was a big issue, with 7 members accounting for 87 ER visits, accounting for 12% of the total visits.
- Specialty drug costs accounted for 31% of the total non-union HDHP pharmacy spend.

Innovu's client is using this data-driven insight to work with its insurance plans to educate members regarding appropriate emergency use, and to refer those suffering from chronic conditions to care management programs.

Figure 1: Comparison: Union vs Non-union HDHP Costs



## The Future

While the client's executives can now see program correlations and issues not previously visible, there is more insight to uncover. Innovu and the benefit advisor's analytics experts are actively mining the data to:

- Understand what is causing the performance differences between union and non-union plans.
- Uncover issues impacting each plan's performance.
- Identify trends and issues driving program costs.
- Quantify specialty drug and non-cancer related opioid utilization.
- Assess preventive care utilization.
- Identify member behavior change after switching from a PPO to a HDHP plan.

Executives are using this knowledge to implement targeted interventions and design more effective benefits programs to curb cost and improve employee health. They have also taken the next step in their data journey, asking Innovu to collect additional data sources—wellness, short- and long-term disability, and workers' compensation—to increase understanding of how their entire human capital program is performing.

### About Innovu

Innovu delivers secure, cloud-based data analytic solutions to self-funded and fully insured employers, benefit advisors, and communities (business groups on health and industry associations). By securely integrating benefits and risk data across all programs — medical, Rx, vision, dental, wellness/biometrics, workers' compensation, disability, absenteeism, safety, 401(k), etc. — we create a 360-degree view of their populations. They can use this correlative, never before seen insight to design and measure targeted benefits programs and interventions that improve member health and mitigate business risk.

