



CASE STUDY

# A Large Employer's Center of Excellence Program Delivers 20 Years of Successful Outcomes

**As one of the largest employers in Texas, this company pledged to change the experience for employees and improve cardiovascular care. Ahead of its time, the company worked with CardioVascular Care Providers, Inc. (CVCP) and Cedar Gate Technologies, beginning in 2000, to create a comprehensive value-based program designed to bring providers and payers together to deliver the highest quality cardiovascular care to employees.**

## ESTABLISHING A CENTER OF EXCELLENCE

For large businesses, health care is the second-highest cost after salaries, now equivalent to nearly one-half of a company's after-tax profits. Moreover, a company's investment in employee wellness is crucial since good health leads to better outcomes at home and in the workplace.

More than 20 years ago, this large employer sought to create a new model that contains costs and increases the quality of care for employees by connecting them with the best providers in their market.

Partnering with CVCP, and Cedar Gate, this company created a cardiovascular Center of Excellence (COE)

program that is active today. When employees visit a CVCP network physician at any of the COE locations, the company pays 100 percent of all patient co-pays, deductibles and coinsurance, which means there is no out-of-pocket expenses for plan participants.

The bundled program covers everything from patient outreach, education and outpatient screenings to complex surgeries. Since the COE program is a prospective bundled payment program, the bundled prices are transparent to the company and provide a level of predictability.

This company chose CVCP because of its reputation as a pioneer in the provision of the highest quality bundled



medical services to cardiovascular patients. Founded in 1984 by world-renowned cardiovascular surgeon Dr. Denton A. Cooley, CVCP is a financially and clinically integrated group of physicians offering cardiovascular services under global case rates. This structure provides for shared financial risk among all participating physicians, and therefore incentivizes network physicians to cooperate in controlling costs and improving quality by managing the provision of their services.

To facilitate the COE program, Cedar Gate operates the model using its value-based claims adjudication system, Cedar Gate Bundles Adjudication. Cedar Gate Bundles Adjudication automatically converts fee-for-service claims into a single, bundled claim and subsequently auto-adjudicates, pays all the providers based on agreed-upon contractual schedules, and facilitates management of the shared risk pool among providers of care.

The Cedar Gate Bundles Adjudication platform drives the life cycle of a bundle by directly addressing the data, systems and processes necessary to enable provider organizations, employer groups, and payers sharing risk under prospective, bundled payment arrangements. Cedar Gate Bundles Adjudication was also designed to be interoperable with existing systems to reduce unnecessary technology expense, minimize transaction costs in value-based care, and be non-disruptive to the revenue cycle.

## THE RESULTS

In the COE model, physicians manage their patients relying on extensive experience in their field of practice to determine optimal clinical care. Claims administration, patient navigation and quality improvement are included as part of the packaged offering,

making it attractive from an administrative, as well as a clinical standpoint. Preventive and educational components round out the organization's bundled services, to affect those lifestyle changes that have proven conducive to long-term cardiovascular health.

The result is the delivery of a focused core of services in a physician-created, physician-managed system that rewards operating efficiency and delivers the highest-quality patient care.

- > Spend per patient for cardiac care is **26% lower** than the traditional health plan within its market
- > Hospital utilization is **300% less** within the COE compared to traditional unmanaged health plan marketplace
- > **97% of services** are performed in the office and outpatient settings
- > Between 2017 and 2019, **only 68 or 1.5% of 4376 enrolled members were admitted** for inpatient hospital procedures/care
- > Outcome measures of **zero readmissions** within 90 days and zero mortality
- > Cost avoidance across the care continuum of over **\$11.5M in the last 3 years**

The clinical results have been significant. Compared to the market base of one of the largest insurers in the Houston area, the COE Program demonstrated significantly reduced costs, increased quality and favorable patient outcomes with fewer readmissions and higher surgery success rates.

The COE program was the company's first foray into packaged pricing of specialty health care services delivered through COEs that are growing today. Because of the program's success, the employer is looking to expand the program to other areas, such as oncology and pediatric care.