



CASE STUDY

A Large National Payer Looking to Reduce Costs and Improve Provider Performance in Value-Based Arrangements

SCENARIO

A large commercial payer with multiple clinically integrated networks engaged Cedar Gate to identify targeted opportunities within specific provider groups and VBC arrangements that display the most savings and quality improvement potential.

Using the Value-Based Care Analytics application, Cedar Gate identified, valued and recommended performance improvement opportunities around four specific areas: Chronic Condition Management, Potentially Preventable Emergency Room Visits and Admissions, and Preferred Provider Referrals.

Through Cedar Gate's Value-Based Care Analytics, the payer was able to drive execution accountability and track the performance improvement of each opportunity.

OPPORTUNITIES

- > Identified a total of **\$182M in targeted savings opportunity**
- > Utilization of PCPs and Specialists with lower costs of episode of care is expected lead to a **savings opportunity of \$35.3M**
- > **45.7 % of ER spend** (\$46.2M opportunity) **is potentially preventable** through increasing care management and access to primary care and ambulatory settings
- > **\$6.2M in savings** could be realized in potentially preventable spinal surgeries through pursuing **conservative care** modalities
- > **\$57.6M cut in costs** could be achieved through the implementation of **Cedar Gate's Preferred Provider Referral Strategy**

