



CASE STUDY

Neurological Center of Excellence Delivers Better Outcomes for Patients

As healthcare costs for employers rise, businesses are grappling with how to navigate benefits plans to increase the quality of care for their employees and contain costs. A health system in the Mid-South is addressing these concerns by transitioning to a value-based approach through bundled payments and a Center of Excellence (COE) program. By bringing regional businesses, payers and providers together, this health system has improved the quality of care and significantly lowered out-of-pocket costs for some of the most common and costly brain and spine issues.

Back pain results in 83 million lost workdays each year with spinal issues on the rise and that's just one of the neurological issues that affect millions of Americans. In addition, employers are suffering with higher benefits costs and employees are often left with fragmented, costly benefits plans. A leading health system in the mid-south embarked on a value-based care plan, through its brain and spine program, that has relieved these mounting pressures for employers and employees throughout the mid-south region.

Operated by Cedar Gate's Managed and Consulting services, the COE program brings high-quality neurological care to employees in the mid-south while containing costs for employers through bundled, transparent pricing and delivering care in the appropriate settings.



BUNDLED PAYMENT MODEL DELIVERS EXCELLENCE

The health system partnered with Cedar Gate to design, implement and monitor the program with these goals in mind:

- > Provide employees and their families with easy access to care and manage coordination for the best care in the region
- > Establish consistent and predictable costs for medical services
- > Enable utilization shift to lower cost places of service and less invasive treatments
- > Increase avoidance of unnecessary surgical procedures through early detection diagnostics and alternative treatment capabilities
- > Create sustainable and favorable economics

To create the program, Cedar Gate first conducted a market analysis using its Value-Based Care Analytics application. It utilized health system claims, contract, eligibility, attribution and other data to model distinct episode bundles and create value-based bundled portfolios.

After creating the bundles, Cedar Gate deployed a full suite of operational and administrative capabilities leveraging iClaims, to administer prospective bundled payments. Then, to maintain and monitor the program, Cedar Gate leverages its analytics application to provide insights on the performance of the bundle program allowing the health system to identify and make sustainable ongoing improvements.

PATIENTS WIN WITH BETTER CARE

In just two years, the health system has outperformed the market while addressing costs through conservative treatment and transparent pricing.

Through its network of high-quality providers and the use of patient navigators/concierge services, the COE program has delivered positive outcomes for patients, in conjunction with controlled costs, demonstrating the value of a prospective bundled payment program that works together for the benefit of providers, employers, payers and ultimately- patients.

Results of the program include:

- > **81% of patients** who received an evaluation for spinal surgery **required no further intervention** or went on to conservative care treatment
- > **Only 17% of patients evaluated progressed to an outpatient surgical setting** and less than 3% were recommended for inpatient surgery
- > Program utilization of surgical intervention in the inpatient is **85% below expected market utilization** while utilization of evaluative services to identify appropriate care is 40% above
- > The health system's COE is drawing people from across a tri-state area; suggesting ability to market program broadly
- > The health system has experienced a positive net financial margin

Looking ahead, the health system will continue to offer regional employers similar options so they can reduce the administrative burden on employers and their health plan members through customized and seamless care coordination and predictable, transparent bundled pricing.