

Medical Management Savings



A 600,000-member health plan was concerned about the effectiveness of its medical management initiatives, and was looking for ways to further reduce costs.

MEDINSIGHT ANALYSIS

The client used MedInsight® to benchmark performance, conduct trend analysis, identify high-cost and high-risk populations, and analyze disease categories. These analyses revealed startling findings:

- Surgical admissions exceeded the benchmark by 20%.
- Emergency room costs per member per month were twice the benchmark—over-utilization was the main driver.
- Physician office services were twice the benchmark—cost per visit was the main driver.
- Radiology was four times the benchmark—one delivery system was responsible.
- Congestive heart failure patients accounted for more than \$11 million per year, and cost per case was increasing nearly 20% annually.

RESULTS

The client identified more than \$38 per member per month in potential savings. It refocused existing medical management activities and implemented new initiatives to target problem areas identified by MedInsight. The system also gave the client credible information to use in modifying emergency room benefits and renegotiating provider contracts.