



Data Integration:

An Optimized View Across Medical and Pharmacy Programs

The Challenge

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.

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.



Figure 1. Client's US-based Locations



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.

Integrating data across benefits programs provides real insights into population cost drivers.

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 Intervention

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

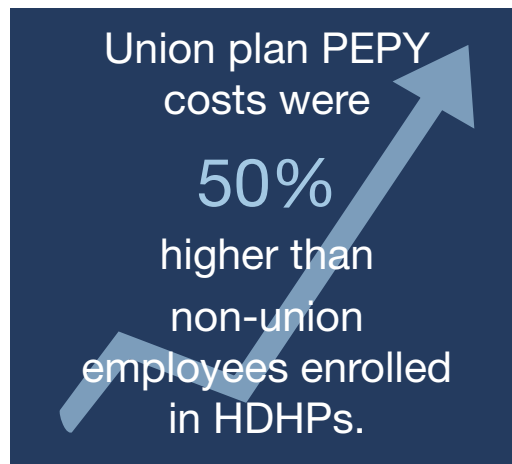
- Costs for medical and Rx non-union high deductible health plans (HDHPs) were 2% lower than for union plans (Figure 2).
- Union plan per employee per year (PEPY) costs were 50% higher than non-union enrollees in HDHPs.
- The client paid more than \$250,000 for 5 members enrolled in HDHPs.
- Frequent 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.

The Future

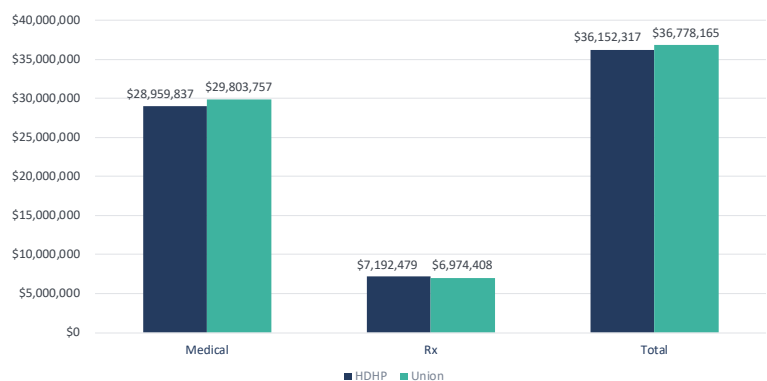
While the client's executives can now see program correlations and issues not previously visible, there is more insight to uncover. Innovu and the benefit advisor's analytics experts are actively mining the data to:

- 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.

Figure 2. HDHP v Union Medical and Pharmacy Costs



About Innovu

Innovu is a data analytics company that empowers its clients to use total rewards and risk data differently to better manage and mitigate business and population risk. By integrating and validating all data sources into a single, secure, cloud-based platform, clients gain control of their data, generating a 360-degree view of their populations. With collaboration built right into the platform, clients can easily work with their advisors and Innovu's benefits, healthcare, and analytics experts, which ensures they have the actionable insights needed to make more informed business decisions. For more information, visit www.innovu.com.