Case Study:
How direct healthcare has saved one auto manufacturer $6 million and counting

Like many U.S. employers, one auto manufacturer's healthcare costs were climbing significantly. Unable to pinpoint the catalyst of these increases, the organization partnered with Premise Health to deliver a direct healthcare solution to their workforce. The result was more convenient and accessible primary care, which ultimately reduced their healthcare costs by a staggering $6 million over five years.

The Challenge

Chronic conditions are among the most significant cost drivers for employers in the U.S., generating an annual bill of $36 billion in lost productivity. If conditions like diabetes, high blood pressure, and obesity go unaddressed, costs can skyrocket. For this auto manufacturer, that's precisely what happened.

As they watched their healthcare costs grow, they had difficulty determining the cause. They needed an inside look into their population's health status, but given their employees had limited access to appropriate care, this proved challenging.

The Solution

To help solve for these rising costs, the auto manufacturer partnered with Premise Health to deliver direct primary care to their eligible population. To identify members who were high-cost and high-risk year-over-year, Premise took a proactive approach using its Care Management solution. This approach leverages powerful data insights to pinpoint population segments that are driving the majority of healthcare costs and develop tailored strategies to get people the care they need.
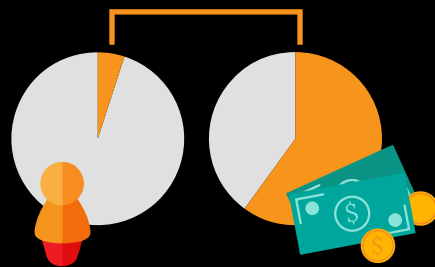
Did you know?

5% of members account for 60% of medical spend each year. However, only **1 out of 5 of these members** will be high cost year-over-year.

Empowered with insights gleaned from multiple data sets, care teams made the critical discovery that the client population had significant rates of undiagnosed chronic conditions such as hypertension, hyperlipidemia, diabetes, and thyroid disease. Within the first two years of being open, Premise providers made 337 new diagnoses that were not being caught in the community.

Taking a proactive and holistic approach to helping members manage their care, provider teams improved access to primary care and chronic condition support by developing personalized treatment plans that improved their health and closed care gaps.

The Outcome

At the start of the study (pre-Premise), most of the members who would become attributed to Premise had underlying chronic conditions that had been undiagnosed. However, the Premise care team was able to identify many previously undiagnosed conditions and begin providing treatment. By the end of the study period, 85% of Premise attributed members were being treated for at least one chronic condition[1].

Premise Health's Care Management solution helped engage members with undiagnosed chronic conditions by utilizing a proactive, data-driven approach that helps members make better decisions about their health while avoiding serious and costly complications (inpatient admissions, emergency rooms visits, or other). Before Premise, members weren't getting the care they needed when they needed it. This may have been due to a lack of access to healthcare services in the community or caused by other known barriers like long wait times to see a provider, inconvenient proximity to home or work, and high costs.

This means that up to **65% of members had underlying chronic conditions** that were going undiagnosed and untreated in the community.

Percent (%) of Members Diagnosed with At Least One Chronic Condition
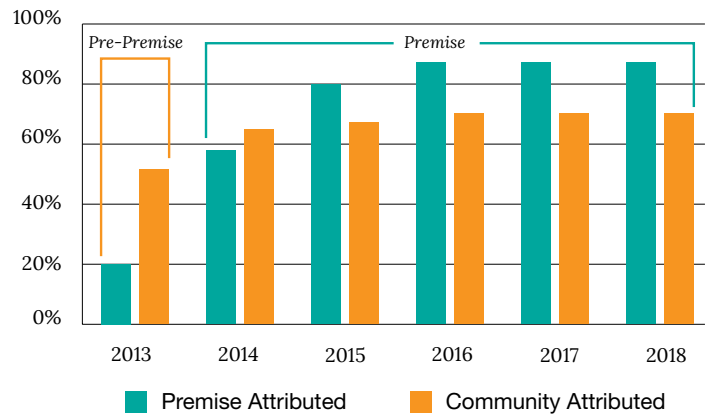
By successfully identifying a high number of chronic conditions and ultimately better managing this population's overall health, **the client realized over $6 million in cost savings over the five-year study period.**

Premise Health.

Members attributed to the
Premise wellness center were

16-28% less expensive

than members who received care
in the community.

One way Premise helped members get their health on track was by facilitating impactful change through evidence-based lifestyle approaches that addressed target behaviors. And by bringing care closer to members, Premise opened the door to healthcare that's helpful, not a hassle – ultimately providing improved outcomes and increased productivity.

Overall, the program was able to:

> Pinpoint the employer's main cost drivers – chronic conditions such as diabetes and hypertension, among others

> Identify and proactively engage members who needed support the most

> Successfully diagnose and manage 337 new chronic conditions

> Provide ongoing support and continued follow-up care

> Track member outreach and engagement

> Report clinical outcomes and financial cost savings

> Improve member healthcare experience, achieving a best-in-class net promoter score of 88.2

Because Premise Health and the auto manufacturer have generated positive outcomes from a health and cost savings perspective, the client has continued to add more products and services throughout their partnership, creating a comprehensive medical home model for their members.

50+ years of fees at risk

Providing high-quality care focused on health improvement and exceptional experiences, Premise empowers members to take an active role in their healthcare journey. Holding strong in the 90th HEDIS percentile for clinical quality, Premise put a portion of their management fee at-risk to prove how effective their industry-leading hypertension, diabetes, and smoking cessation programs were. To date, provider teams have consistently met or exceeded the client's expectations on all clinical quality metrics measured.

In addition, Premise providers are trained in the ART (Access, Respect, and Trust) of Quality of Service which instills in them to use every interaction as an opportunity to create exceptional member experiences that build deeper connections and foster trusted relationships. Teams work day in and day out with members, virtually or in-person, leading to trusted relationships, deeper engagement, and better-quality treatment. Outcome-based healthcare, instead of fee-for-service, encourages more meaningful connections and measurable results.

[1] For the entire period of this study, "attributed members" were required to be consistently attributed to either Premise Health (average age 49.7) or to the community (average age 45.5) for their primary care needs. Attribution is based on the number of members utilizing primary care, and those who did not utilize primary care were excluded. This study took place at the beginning of 2014 (when the health center opened) and ended in 2018.

Let's talk about what you need, and how we can help.

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