

CASE STUDY



Optimizing Value in the Care Continuum: A Real-World Claims Analysis

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Overview

Value-based stakeholders continue to experience unique regulatory changes and margin pressures, impacting both reimbursement and members' quality and cost of healthcare. CVS Health and Humana's shares recently plunged as higher medical costs squeeze the company and the broader U.S. insurance industry. ^{1,2,3}

Industry experts are calling on healthcare stakeholders to focus on value optimization as costs continue to rise and outcomes decline. A recent analysis published by Trilliant Health revealed that low-cost care settings can drive the best value. ⁴

Inbound Health operates several transitional care program platforms that enhance some of the most vulnerable phases in the care continuum, including the Elevated Care at Home (ECH) program with Allina Health, a Minneapolis based healthcare system.

Allina Health developed ECH as an alternative to extended hospital stays and post-acute care services in 2020 to address capacity constraints during the COVID-19 pandemic. The health system created Inbound Health in June 2022 as a spin-off company to further address capacity and cost of care challenges. Now the two organizations operate ECH.

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Overview - cont.

The ECH program enables early hospital discharge to home for patients who have acute medical and skilled needs and would ordinarily be discharged to a skilled home health (SHH) program or a skilled nursing facility (SNF). Patients admitted to the program are often diagnosed with multiple chronic conditions that require active and careful oversight. Research published by the Centers for Disease Control and Prevention (CDC) suggests that patients with multiple chronic conditions account for overall higher total medical expenditure, albeit expenditure varies by disease combination.⁵ There have been few real-world studies to evaluate the impact of early hospital discharge programs on costs.

A recent 3-year claims-based analysis found that the ECH program reduced medical costs and improved outcomes in a Minnesota-based patient population. Based on a methodology validated by an independent actuary firm, utilization and medical care costs were evaluated across Medicare Advantage (MA) beneficiaries in a Minnesota-based payer population admitted to ECH. Clinical outcomes and costs were compared between ECH program members and non-program members with the same diagnoses who were discharged to SHH or SNF.

A recent 3-year claims-based analysis found that the ECH program reduced medical costs and improved outcomes.

Reduction

Results

Lower costs:

Inpatient costs were lower among the ECH program members vs. non-program members, most notably for patients diagnosed with respiratory-related infections and heart failure. The average post 30-day spend per member decreased by 22% for program members vs. non-program members. Lower post 30-day spend was primarily attributed to a reduction in utilization, including ER visits, high-cost imaging, durable medical equipment, and outpatient services.

Average post
30-day spend

↓ **22%**

Better outcomes:

Patients admitted to the ECH program had a 46% relative reduction in all-cause 30-day hospital readmissions compared to the comparator cohort. The greatest reductions were observed amongst patient populations with an index hospital stay attributed to sepsis (37%), heart failure (33%), and total joint replacement (68%).

Relative reduction in
all-cause 30-day
hospital readmissions

↓ **46%**

Fewer services utilized:

By enabling early discharge from the hospital, ECH members' acute hospital length of stay (LOS) was on average 2.4 days shorter when compared to patients discharged to a traditional SHH program or SNF.

Average
Length of Stay

↓ **2.4**

Days shorter

Conclusion

These findings suggest that diverting eligible patients into the home could yield promising savings for MA stakeholders. Novel in-home care models enable payers to benefit from lower medical costs attributed to the reduction of preventable adverse health events and a lower-cost site of service. Payers may also benefit from additional value levers, including more clinically appropriate, accurate risk coding and enhanced patient satisfaction. Learn how Inbound Health is pioneering solutions to drive better outcomes and lower costs for health stakeholders.

Sources

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5. Centers for Disease Control and Prevention. (2015, June 15). Chronic condition combinations and health care expenditures and out-of-pocket spending burden among adults, Medical Expenditure Panel Survey, 2009 and 2011. Centers for Disease Control and Prevention. [https://www.cdc.gov/pcd/issues/2015/14_0388.htm#:~:text=health%20care%20expenditures,Adults%20with%20all%20%20conditions%20had%20the%20highest%20average%20total,7%2C117\)%20\(Table%202\).](https://www.cdc.gov/pcd/issues/2015/14_0388.htm#:~:text=health%20care%20expenditures,Adults%20with%20all%20%20conditions%20had%20the%20highest%20average%20total,7%2C117)%20(Table%202).)