



# HEALTHCARE WASTE REDUCTION

Delivering the right care, in the right place



Almost \$1 of every \$3 spent in healthcare is wasted on services that have little or no clinical benefit, are potentially harmful, or are delivered in unnecessarily high-cost settings. Blue Health Intelligence® (BHI®) identifies how eliminating low-value care and making site-of-service changes for specific populations reduces healthcare waste for plans, providers, employers, and brokers.

## BHI'S DIFFERENTIATED VALUE EQUATION: The Best Data + Industry Expertise = The most IMPACTFUL Insights

Most waste calculators end up understating healthcare spending due to the data limitations of their analysis. Our unique access to the most comprehensive healthcare database in the U.S.\* lets us dig deeper into claims information to identify additional opportunities for cost savings that might have been overlooked.

Working with BHI, health plan leaders can easily compare individual accounts against national benchmarks and track relevant measures over time. Our proprietary predictive and prescriptive models accurately predict future impacts and provide intervention recommendations for optimizing site-of-service and reducing low-value care.

BHI's analytic consultants and data scientists are multi-degreed professionals with years of combined healthcare experience spanning analytics, clinical practice, health plan operations, epidemiology, statistics, employer consulting, benefits support, predictive modeling, and financial and business analysis.

### Data-driven Healthcare Waste Reduction Strategies



#### Cut Medical Spend by Redefining Appropriate Sites of Care

Our analytics showed a large employer how to save 7% of total medical spending by shifting sites of service for their top five procedures.



#### Eliminate Unneeded Care

Our common measure library has identified more than \$1 billion in unnecessary healthcare expenditures that highlight opportunities for cost savings and improved patient care for health plans.



#### Redefine Low-Value Care

We use machine learning, artificial intelligence, and out-of-the-box thinking to target less obvious low-value care drivers like opioid use in anxiety patients, overutilization of colonoscopies, recurrence of sleep studies, and same-day discharge for elective procedures.

### \* THE POWER OF BHI DATA

**200M+** UNIQUE MEMBERS AND GROWING  
REFRESHED MONTHLY

**20B** CLAIMS AND CLIMBING  
COVERAGE FOR EVERY 3-DIGIT ZIP CODE IN THE U.S.

**10+** YEARS OF HISTORIC DATA  
CONFORMED UNIFORMLY

# OUR PROVEN WASTE-REDUCTION ANALYTIC CAPABILITIES



Our waste methodology involves the development of clinically reviewed measures to fit our clients' needs. We can further refine results by geography, plan, account, or any other parameter required.

## Identifying Site-of-Service Savings for a Large Employer Account

Our consultants reviewed costs and utilization patterns for claims incurred over one calendar year, red-flagging procedures with excess costs by diagnosis compared to benchmark data from approximately 40 million BCBS members. Procedures were ranked by total excess cost and evaluated for clinical necessity.

# OF PROCEDURE TYPES INCLUDED IN ANALYSIS AND COSTS	# OF PROCEDURE TYPES MORE EXPENSIVE THAN RISK-ADJUSTED NORMS	AVOIDABLE SPENDING REALIZED BY CHANGING SITE-OF-SERVICE	
1,368	196	<b>\$56.4M</b>	
<b>TOP FIVE PROCEDURES WITH THE HIGHEST AVOIDABLE COSTS</b>			
CHEMOTHERAPY	<b>\$15M</b>	IMAGING	<b>\$4M</b>
RADIATION THERAPY	<b>\$8M</b>	CARDIAC TESTS	<b>\$3M</b>
REHABILITATION THERAPY	<b>\$4M</b>		

## Identifying and Tracking Low-Value Care Services

Our consultants evaluated claims and cost data for all qualified commercial members from January to December 2017 to identify services that were overutilized, potentially harmful, and/or created unnecessary costs for plans and patients.

	# OF MEMBERS WHO HAD UNNEEDED SERVICES	AVOIDABLE SPENDING
DIAGNOSTIC TESTING AND IMAGING BEFORE LOW-RISK SURGERY	<b>202K</b>	<b>\$48M</b>
IMAGING FOR LOW-BACK PAIN WITHIN SIX WEEKS OF ONSET	<b>548K</b>	<b>\$225M</b>
COMBINED CT STUDIES PERFORMED FOR ABDOMEN AND THORAX	<b>185K</b>	<b>\$203M</b>
HEAD IMAGING FOR UNCOMPLICATED HEADACHES	<b>370K</b>	<b>\$282M</b>

## ARE UNNECESSARY COSTS IMPACTING YOUR PLAN?

Contact BHI to see here you could be saving.

Visit [bluehealthintelligence.com](http://bluehealthintelligence.com) or email [info@bluehealthintelligence.com](mailto:info@bluehealthintelligence.com).