



**Validation**Institute

# 2025 Validation Report

**Review for: Flagler Health**  
**Validation Achieved: Savings**  
**Valid through: April 2026**



# Company Profile

FLAGLER HEALTH

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<b>Category:</b>	<b>Musculoskeletal Management</b>
<b>Website:</b>	<a href="https://www.flaglerhealth.io/">https://www.flaglerhealth.io/</a>
<b>Public or Private:</b>	Private
<b>Year Established:</b>	2022
<b>CEO:</b>	Albert Katz
<b>Company contact:</b>	help@flaglerhealth.io

## Description Provided by the Company:

**Flagler is the operating system for all MsK providers whether they're in a clinic, health system, nursing home, or ASC.**

Flagler is America's leading comprehensive operating system designed specifically for musculoskeletal (MsK) providers across clinics, health systems, nursing homes, and ambulatory surgery centers (ASCs). It seamlessly triages patients to the proper provider and integrates Care Management services such as Chronic Care Management (CCM), Remote Therapeutic Monitoring (RTM), and Behavioral Health Integration (BHI) into daily workflows, empowering providers to deliver personalized care and supporting patients in achieving improved outcomes.

By proactively identifying patients who require additional support, Flagler addresses significant challenges in MsK care—fragmented patient journeys,



# Company Profile

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inconsistent adherence, and inefficient resource utilization. **Flagler's** solution ensures that each patient receives tailored support exactly when they need it, streamlining the care process and elevating both patient experience and provider efficiency.

## **FlaglerCare:**

1. Proactively identifies and intelligently triages patients needing additional support or intervention.
2. Delivers integrated chronic care management and remote therapeutic monitoring to enhance patient adherence, engagement, and health outcomes.
3. Supports patients through personalized care coordination, targeted education, and timely interventions.
4. Provides a white-glove, personalized patient experience, building trust, satisfaction, and long-term engagement.
5. Equips providers and healthcare organizations with a robust platform to effectively scale their impact, improve clinical outcomes, and reduce avoidable healthcare utilization.

# Method / Calculation / Examples

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Flagler Health's members were matched to non-members on:

- Year of birth
- Gender
- Geography
- Payor (Medicare vs Medicare Advantage vs Commercial)
- Chronic clinical conditions suffered by the patients

The time period was calendar year 2024 for the matching and the outcome comparison. Each group had 10,246 members.

For both groups, the 2024 clinical outcomes were calculated. The analysis calculated the difference between the two groups' patient reported outcome including pain score, mood, activity and sleep levels. The analysis also calculated the highest and lowest difference between the two groups (95% Confidence Interval). We can be 95% sure that this range includes the true difference between the two groups.



# Claims Submitted for Validation

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**Our triage tool finds less expensive services that will effectively treat patients across three main categories: lumbar fusions, knee replacements, and shoulder replacements.**

In each case, there are two things to know.

First, the average cost per patient is a placeholder and is not validated. Yours might be higher or lower. [An interactive spreadsheet provided by Flagler can be accessed by using this link.](#)

Second, the process in each case is as follows, as described by Flagler:

*We reach out to the patient to schedule an appointment with the appropriate provider. We speak to the patient on behalf of the clinic. Meaning the patient is aware that we work for the clinic.*

*We then inform the patient that their provider has recently looked over their chart and noticed that there is a treatment that may assist them with their "insert morbidity here".*

*Patient comes in and provider sees in the patient chart that Flagler recommends xyz treatment.*

*Provider makes ultimate decision.*

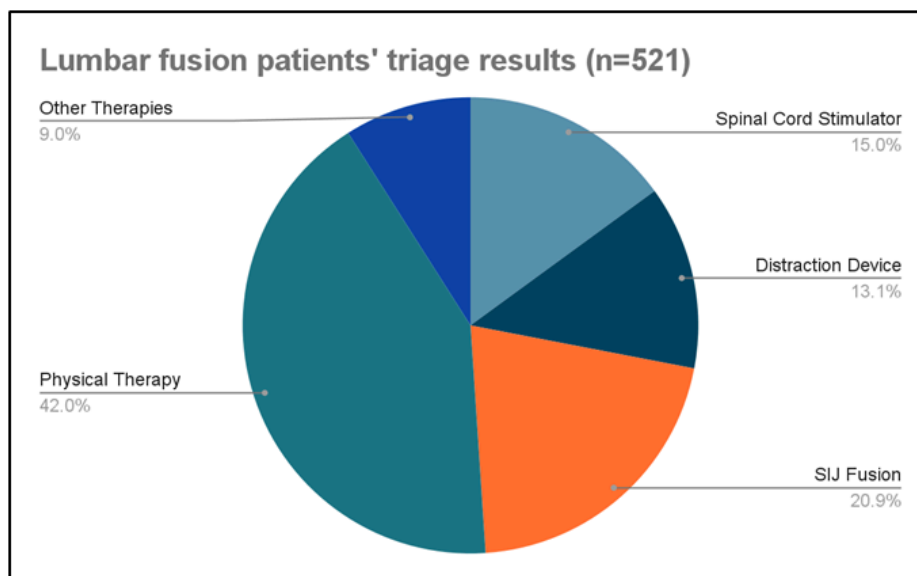


# Claims Submitted for Validation

## Lumbar Fusion: Overview

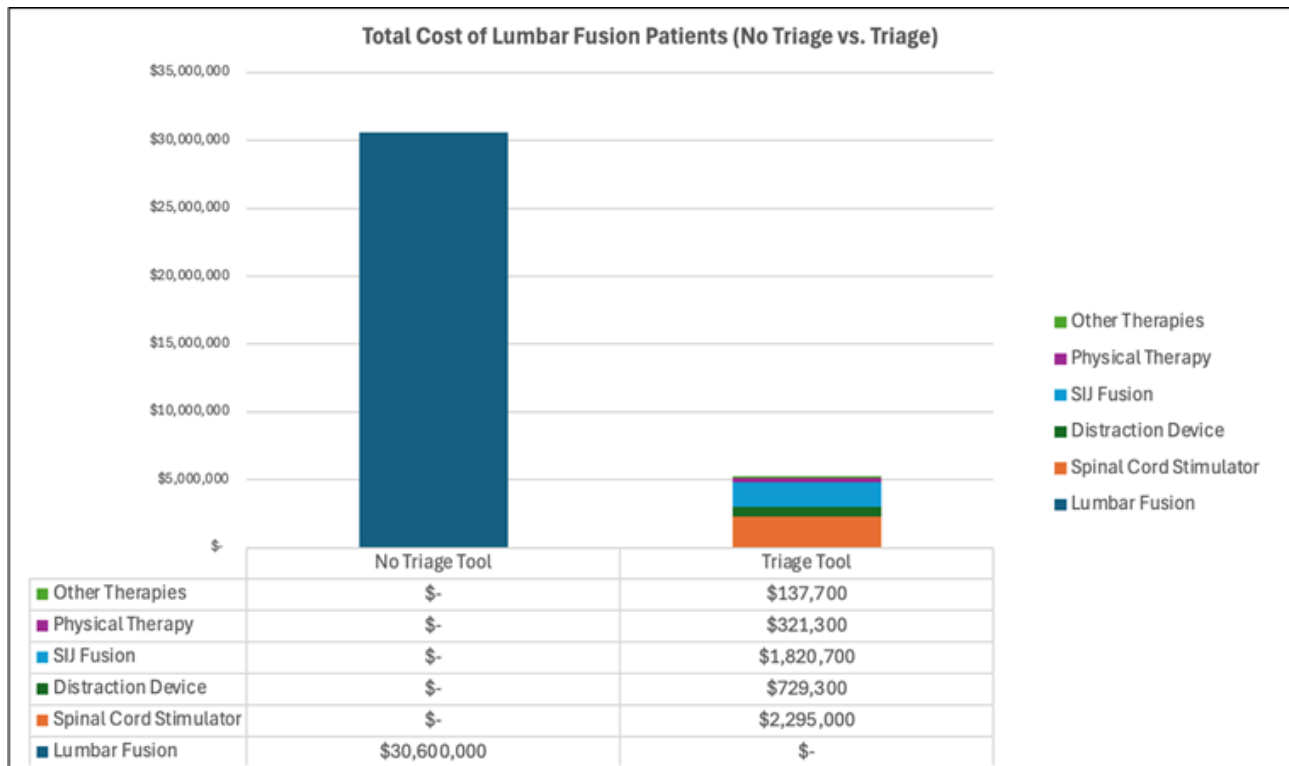
Treatment	Avg Cost per Patient	Avg Savings per Patient
Lumbar Fusion	\$ 60,000	\$ 0
Spinal Cord Stimulator	\$ 30,000	\$ 30,000
Distraction Device	\$ 11,000	\$ 49,000
SIJ Fusion	\$ 17,000	\$ 43,000
Physical Therapy	\$ 1,500	\$ 58,500
Other Therapies	\$ 3,000	\$ 57,000

- Out of 521 sampled patients who were already scheduled to receive lumbar fusions, Flagler’s triage tool identified alternative treatments that would address the patients’ diagnoses and treat their symptoms.



# Claims Submitted for Validation

- Using the average saving rate per procedure, and the number of patients triaged to alternative treatments, a total savings of greater than \$25M was realized across the 521 patients, an average of \$49k in savings per patient.

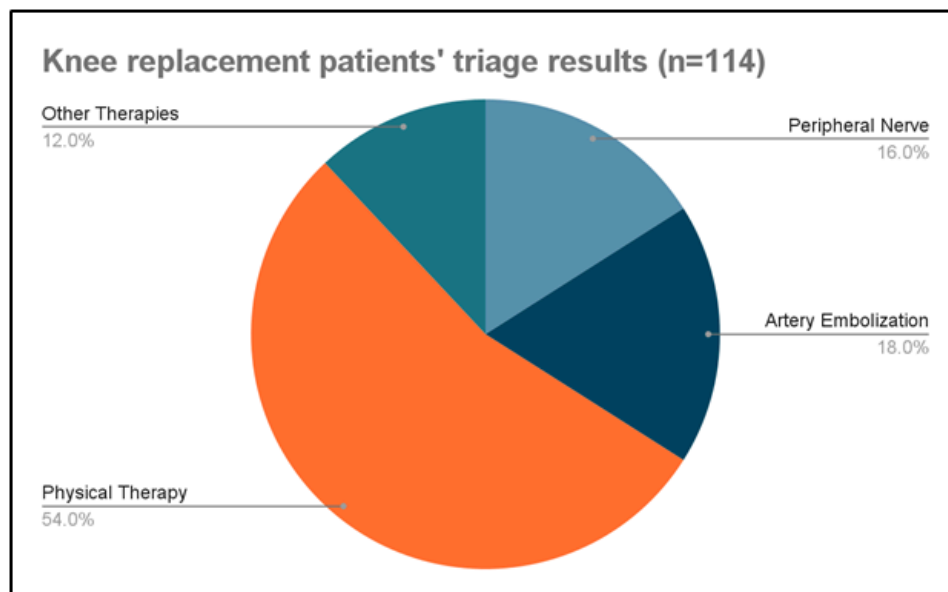


# Claims Submitted for Validation

## Knee Replacements: Overview

Treatment	Avg Cost per Patient	Avg Savings per Patient
Knee Replacement	\$ 25,000	\$ 0
Peripheral Nerve Stimulator	\$ 23,000	\$ 2,000
Artery Embolization	\$ 7,000	\$ 18,000
Physical Therapy	\$ 1,500	\$ 23,500
Other Therapies	\$ 3,000	\$ 22,000

- Out of 114 sampled patients who were already scheduled to receive knee replacements, Flagler’s triage tool identified alternative treatments that would address the patients’ diagnoses and treat their symptoms.

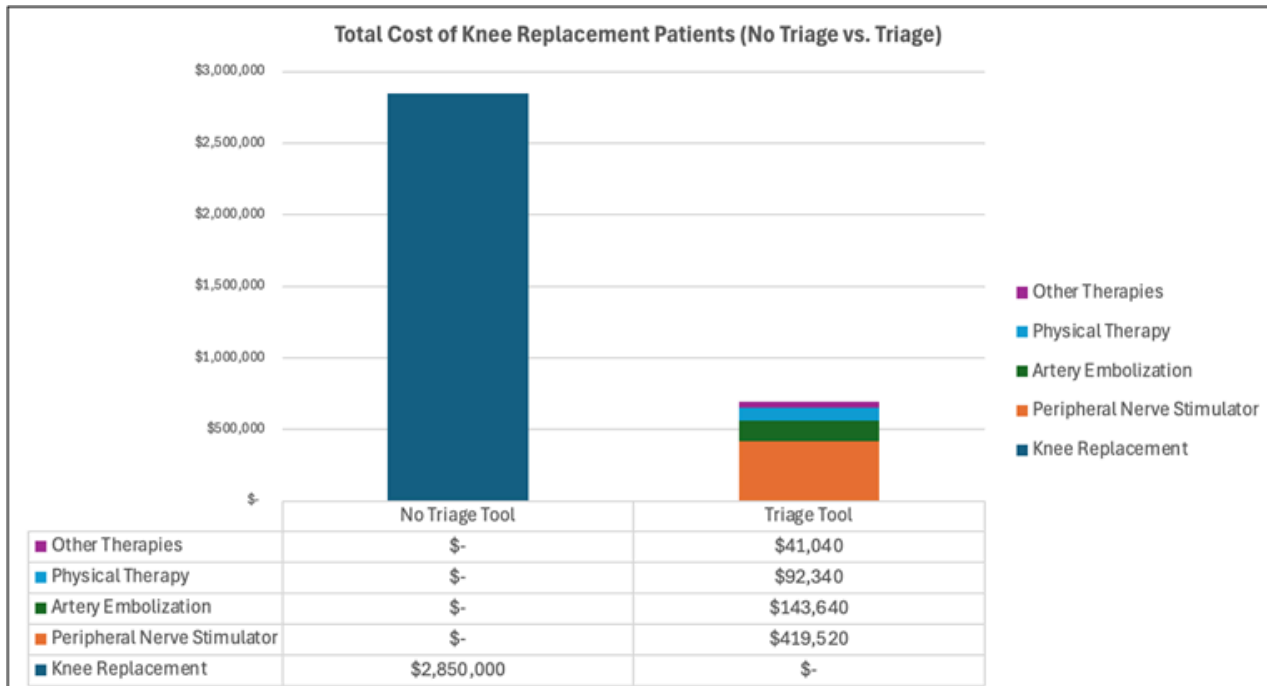






# Claims Submitted for Validation

- Using the average saving rate per procedure, and the number of patients triaged to alternative treatments, a total savings of greater than \$2M was realized across the 114 patients, an average of \$18k in savings per patient.

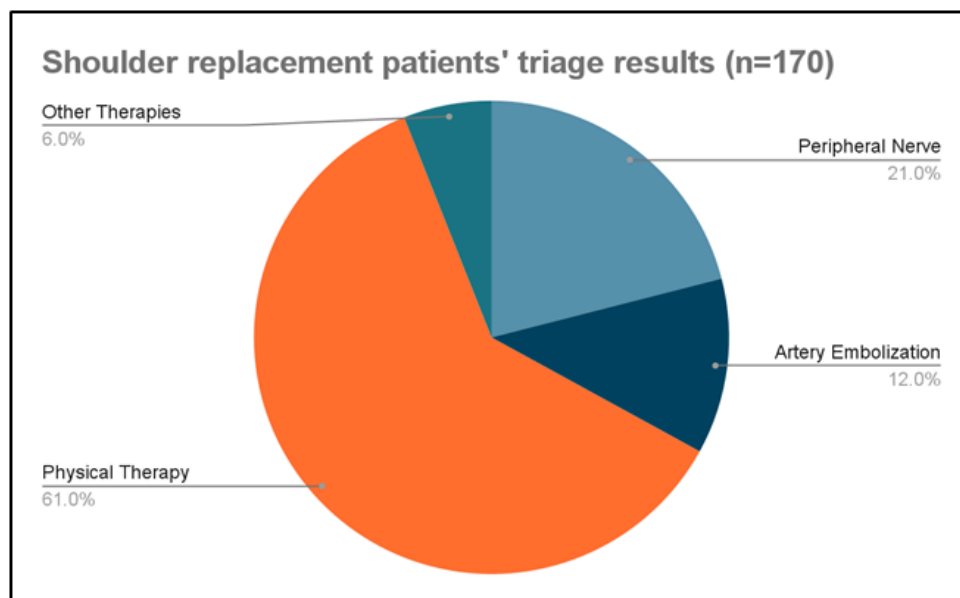


# Claims Submitted for Validation

## Shoulder Replacements: Overview

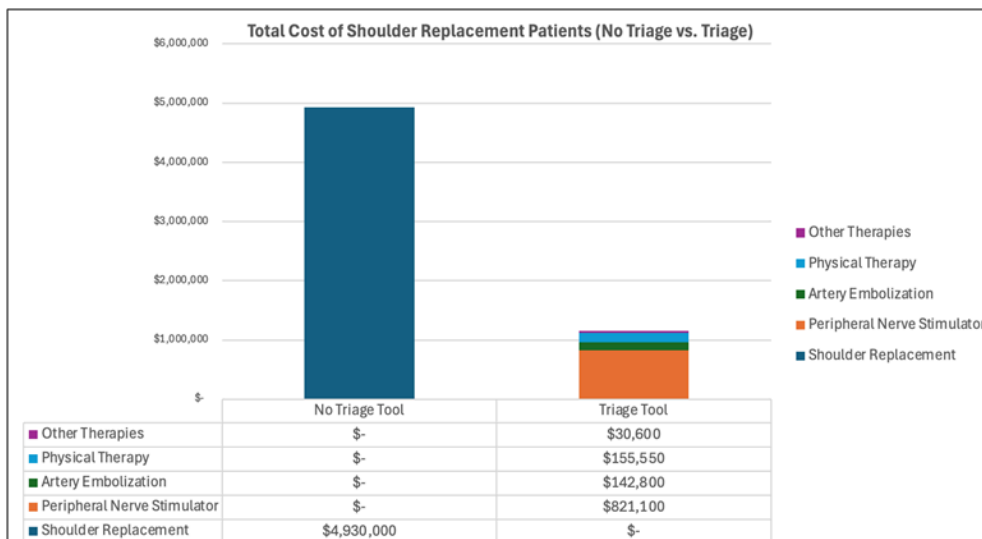
Treatment	Avg Cost per Patient	Avg Savings per Patient
Shoulder Replacement	\$ 29,000	\$ 0
Peripheral Nerve Stimulator	\$ 23,000	\$ 6,000
Artery Embolization	\$ 7,000	\$ 22,000
Physical Therapy	\$ 1,500	\$ 27,500
Other Therapies	\$ 3,000	\$ 26,000

- Out of 170 sampled patients who were already scheduled to receive shoulder replacements, Flagler’s triage tool identified alternative treatments that would address the patients’ diagnoses and treat their symptoms.



# Claims Submitted for Validation

- Using the average saving rate per procedure, and the number of patients triaged to alternative treatments, a total savings of greater than \$3.7M was realized across the 170 patients, an average of over \$22k in savings per patient.





# Codes Measured for Validation

Service Category	CPT	DRG
Joint Replacement Surgery	27447, 27130	469, 470
Shoulder Replacement	27445, 27446, 27447, 27486, 27487	469, 470
Spinal Fusion	22532, 22533, 22534, 22551, 22552, 22556, 22558, 22585, 22610, 22612, 22614, 22630, 22632	453, 454, 455, 456, 457, 458, 459, 460
Lumbar Fusion	22630, 22632, 22633, 22634	456, 457, 459, 460, 471
Physical Therapy	97161, 97162, 97163, 97164, 97110, 97112, 97116, 97140, 97530, 97535, 97760, 97761, 97763	559, 560, 561, 945, 946, 947
MRI	72141, 72146, 72148, 73221, 73721	-
Injections	20605, 20610, 62321, 62323, 64479, 64483, 64490, 64491, 64493, 64494, 64495, 64633, 62310, 62311, 62320, 62322, 64461, 64463	-
Spinal Cord Stimulators	63650, 63655, 63661, 63662, 63663, 63664, 63685, 63688	023, 024, 028, 029, 040, 041, 042





# Codes Measured for Validation

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Service Category	CPT	DRG
Peripheral Nerve Stimulation	64555, 64566, 64568, 64569, 64570, 64575, 64580, 64585, 64590, 64595	040, 041, 042
SIJ Fusion	27279, 27280	456, 457, 459, 460
Distraction Devices	22867, 22868, 22869, 22870	490, 491, 518
Artery Embolization	37241, 37242, 37243, 37244	252, 253, 254



# Limitations

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## **CONTRACTUAL VALIDATION:**

This is a valid way (indeed, the only valid way, absent an RCT) to propose outcomes measurement in a contract. Hence the Contractual Integrity validation is awarded.

Major limitations are:

1. While the provisions of the contract requiring a certain number of member-years should reduce the random variation (“white noise”), it can’t be eliminated.
2. There could be white noise in the baseline year, making it artificially higher or lower. That is why we recommend two years of baseline, if possible.
3. If another program is initiated at the same time, such as a high-deductible plan, it would be difficult to attribute the entire reduction in CPT codes to the Flagler intervention.
4. Absent a detailed actuarial analysis, savings generated by procedure reduction can only be estimated, rather than calculated. The cost avoidance of procedures would differ by venue. We recommend using an average cost for each CPT and then multiplying that cost by the reduction in the number of events vs. the baseline.

# Limitations

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## SAVINGS AND OUTCOMES VALIDATION:

The members self-selected into the groups. Participation bias accounts for an unknown amount of the performance differential.

Some number of people scheduled for surgery who found an alternative through Flagler would have canceled their surgery anyway. [The literature indicates that 17% of elective surgeries are canceled](#). However, only 19% of that 17% (<4% overall) were due to patients not showing up. This figure is understated because it only tallies day of surgery cancellations. The overall cancellation rate would be much higher.

Therefore the Flagler impact may be overstated. However, we are confident in this validation that even were it possible to estimate the total number of decisions to cancel independently (or literature existing on this topic), that Flagler would still have had a major and validatable impact.



# Validation and Credibility Guarantee

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**Flagler Health achieved validation for Savings, Outcomes and Contractual Integrity.** Validation Institute is willing to provide up to a \$100,000 guarantee as part of their Credibility Guarantee Program. To learn more, visit

<https://validationinstitute.com/credibility-guarantee/>

## Program Validation

Program has strong evidence of significant impact on both patient outcomes and on medical costs. Evidence is assessed based upon the certainty it provides that the result is due to the program and not to other factors, such as recruiting people to participate in the program who are most likely to succeed.

## Savings

Can reduce health care spending per case/participant or for the plan/purchaser overall.

## Outcomes

Product/solution has measurably improved an outcome (risk, hba1c, events, employee retention, etc.) of importance.

## Metrics

Credible sources and valid assumptions create a reasonable estimate of a program's impact.

## Contractual Integrity

Vendor's model contract meets Validation Institute standards for transparency.







# CERTIFICATE OF VALIDATION

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**Applicant:** **Flagler Health**  
New York City, NY 10013, US

**Claim:** Flagler's operating system and health coaching are able to identify and intervene with people scheduled for surgeries that are not necessary, and propose lower-cost options that the providers endorse.

Flagler's model contract meets Validation Institute standards for transparency.

**Validation Achieved:** **Validated for Savings and Contractual Integrity**

**Award Date:** April 2025

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**Al Lewis**  
**Chief Executive Officer**  
**Validation Institute**





# Validation and Credibility Guarantee

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The description of and rules for activating the Credibility Guarantee are [available here](#).

One distinction: in the case of Flagler, the Validation Institute (VI) is conferring the \$100,000 Credibility Guarantee with the initial validation. The reason for this is that the guarantee and limitations are written to the exact VI specs.

Please note that the Credibility Guarantee extends only to the methodology used to measure the promised contractual outcome. The actual promise is negotiated between Flagler and its prospective customer.

In a recent Porter Research study, nearly half (47%) of RHCs reported they do not offer their patients a chronic care management (CCM) program, even though it offers \$67/patient/month in much-needed recurring revenue\*. It's a stunning statistic, considering CMS claims data shows patients enrolled in a CCM program cost and spend less on out-of-pocket health expenses.

When CCM is introduced to the patient care journey, claims data shows the average annual cost of a patient with multiple chronic conditions drop by nearly \$900 per year, which equates to a staggering 12% reduction in taxpayer spending.

In the first half of 2023, Ryan Health made an exciting discovery: patients enrolled in their Chronic Care Management (CCM) program were more likely to receive preventative care than patients who were eligible for CCM but didn't enroll.



# About Validation Institute

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**Validation Institute** is a professional community that advocates for organizations and approaches that deliver better health value - stronger health outcomes at lower cost. We connect, train, and certify health care purchasers, and we validate and connect providers delivering superior results. Founded in 2014, the mission of the organization has consistently been to help provide transparency to buyers of health care.

## Validation Review Process

Validation Institute has a team of epidemiologists and statisticians who review each program. The team focuses on three components:

- Evidence from published literature that a similar intervention had similar results.
- The reliability and credibility of the data sources.
- The rigor of the approach to calculating results.

To achieve validation, the program has to satisfy each of these components. VI's team then summarizes the review into a report which is publicly available. Details of VI's review are available with the program's permission.