



ValidationInstitute

2023 Validation Report

Review for: HealthComp
Validation Achieved: Savings
Valid through: March 2024



Company Profile



| | |
|-------------------------------------|---|
| Category: | Care Management |
| Website: | https://healthcomp.com/ |
| Public or Private: | Private |
| Year Established: | 1994 |
| SVP Medical Cost Management: | Justin Tran |
| Company contact: | 800-442-7247 |

Description:

HealthComp is the nation's largest independent benefits administrator for self-funded employers. Our solution brings together concierge-level service, best-in-class operations, powerful analytics and expert medical cost management while integrating seamlessly with any benefits ecosystem. The result is an industry-leading experience that delivers better clinical outcomes for our members and higher savings for our employer partners. **HealthComp** is the parent company of **HealthComp** (Fresno, CA), BAS Health (Homewood, IL), Benefit Assistance Company (BAC) (Ripley, WV), Corrected Care (Lexington, KY), Gilsbar (Covington, LA), and Significa Benefits Services (Lancaster, PA).





Claim Assertion for Validation

Groups that use two or more of HealthComp's care management programs (see list below) have lower per employee per month allowed costs than similar groups that do not use such services.

Case Management: Dedicated nurses, social workers, and a broader holistic care team engage members early in their care journeys and advocate for patients as they use medical services.

Population Preventive Care: High and emerging risk members are invited to the program before they have a hospital stay. The goal is to avoid chronic condition complications, close gaps in care, increase preventive care, and reduce the need for hospital care. Scope encapsulates traditional disease management and population health, but with a higher touch service model.

Utilization Review: Nurses do prospective and concurrent review, applying Milliman Care Guidelines(MCG).





Method / Calculation / Examples

Per employee per month (PEPM) costs for HealthComp groups for the year 2019 were compared to PEPM costs for similar groups. Claims data for similar groups came from a commercial claims database, MarketScan. These groups were in the same metropolitan statistical areas (MSA) as 60% of HealthComp's group; 10 MSAs in the Chicago, Illinois area and 20 MSAs near Fresno, California were included in the analysis. These areas had 1.24 million HealthComp member months during the time period analyzed.

Claims costs were adjusted for risk, so that the commercial and HealthComp groups were comparable. Costs were grouped into four categories: inpatient, outpatient, professional, and other. Pharmacy claims were not included.

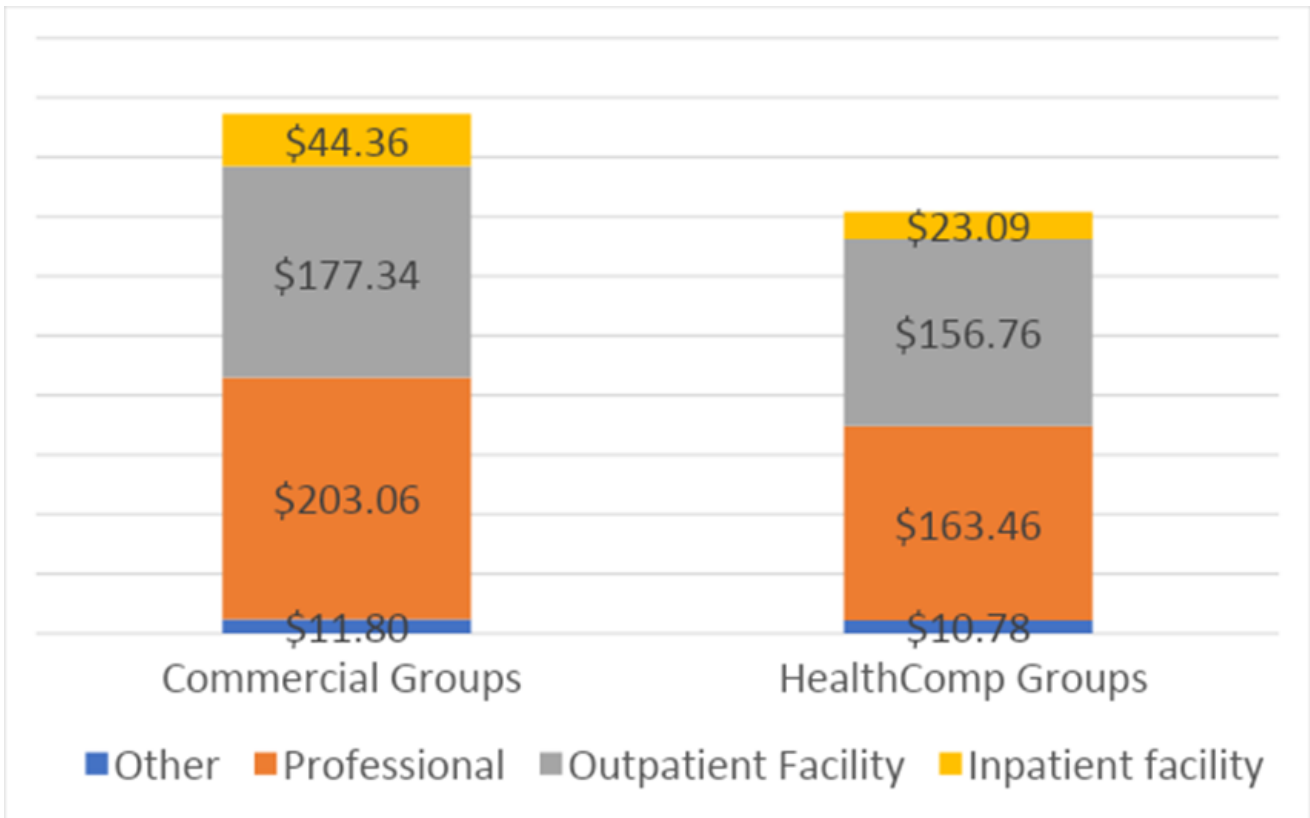
People who had more than \$80,000 in claims were excluded from both groups.





Findings & Validation

HealthComp groups had PEPM costs that were \$82.47 lower than the similar groups in the same metropolitan areas. Nearly half of the difference (48%) came from HealthComp groups' lower use of professional services; the remaining difference was equally from outpatient and inpatient services.



Graph 1: PEPM Breakdown by Category Commercial and HealthComp groups



Limitations

The results may not apply to HealthComp members who live outside of metropolitan areas.



Validation and Credibility Guarantee

HealthComp's Clinical Care Management Program achieved validation for **Savings**. Validation Institute is willing to provide up to a \$25,000 guarantee as part of their Credibility Guarantee Program. To learn more, visit

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

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 is willing to put a part of their fees "at risk" as a guarantee.





Validation Expiration: March 2024

CERTIFICATE OF VALIDATION

Applicant: HealthComp
621 Santa Fe
Fresno, CA 93721

Product: HealthComp's Clinical Care Management program

Claim: Groups that use two or more of HealthComp's Clinical Care Management programs have lower per employee per month allowed costs than groups that do not use HealthComp (analysis risk-adjusted and geographically-adjusted)

Validation Achieved: Validated for Savings

Award Date: April 2022

Linda K. Riddell, MS
VP, Population Health Scientist
Validation Institute

Benny DiCecca
Chief Executive Officer
Validation Institute



About Validation Institute

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.