



ValidationInstitute

2025 Validation Report

Review for: Lantern Surgery Care

SurgeryPlus is now Lantern. New name, same trusted team.

Validation Achieved: Savings

Valid through: February 2026



Company Profile



| | |
|---------------------------|---|
| Category: | Special Savings |
| Website: | https://lanterncare.com/ |
| Year Established: | 2011 |
| Public or Private: | Private |
| CEO: | John Zutter |
| Company contact: | (855) 200-2099 |

Description Provided by the Company:

Lantern is the specialty care platform connecting people with the best care when they need it most. By curating a Network of Excellence comprised of the nation's top specialists for surgery, cancer care, infusions and more, **Lantern** delivers excellent care with significant cost savings to employers and their workforces. **Lantern** also pairs members with a dedicated care team, including Care Advocates and nurses, for the entirety of their care journey, helping them get back to good health, back to their families and back to work. With convenient access to specialists nationwide, **Lantern** means quality care is within driving distance for most. **Lantern** is trusted by the nation's largest employers to deliver care to more than 6 million members across the country.





Company Profile

Surgery Care is a supplemental surgery benefit that transforms the way employers support their plan participants access to planned medical procedures, with a focus on driving superior outcomes, a better member experience and fair pricing. **Surgery Care** has pre-negotiated bundled rates for thousands of non-emergent surgical procedures with top-quality providers, which brings significant savings for both employers and their employees. With this benefit, members have access to full-service healthcare concierge services and an exclusive national network of 100% board certified physicians representing numerous specialties, including orthopedics, sports medicine, spine, general surgery, gastroenterology, women's health/GYN, bariatrics, ear, nose and throat (ENT), cardiac and more.





Claim Assertion for Validation

The Surgery Care package price for the procedures listed below range from 126% to 153% of Medicare-applicable rates, at a locality-specific and code-specific basis prices (as published by CMS). These are lower than commercial insurers' allowed amount (maximum payment).

Independent, published research shows that commercial insurers pay between 234% and 263% of Medicare's rate for hospital outpatient services; 204% to 231% of Medicare for hospital inpatient care; and 120% to 139% of Medicare for physician services. (Anderson, 2023) (Whaley, 2020) (Johnson, 2020)

Note: this analysis does not address whether an employer's volume of surgeries changed as a result of offering Surgery Care.





Method / Calculation / Examples

Surgery Care prices for the procedures listed below were compared to Medicare rates (source: CMS[LR1] .gov) as of October 2024.

- Total Knee Replacement
- Total Hip Replacement
- Gallbladder removal
- Two-level Anterior Cervical Disc Fusion
- Lap Sleeve Gastrectomy

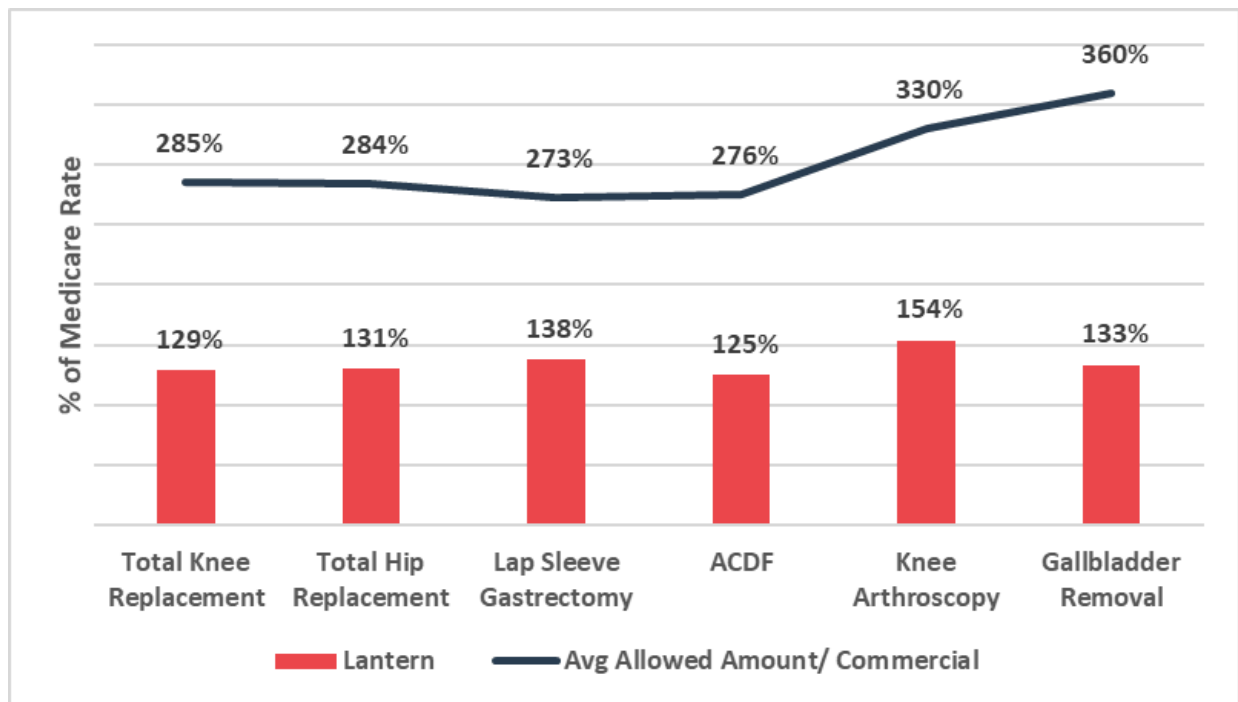
In addition, Surgery Care prices were compared to the average allowed amount from commercial payers in the 24-month period ending June 30th, 2024.





Findings & Validation

The graph below shows Surgery Care price and the average allowed amount by commercial payers; both are shown as a percent of Medicare rates. For example, Surgery Care price for total knee replacement is 129% of the Medicare rate and the average commercial payers' allowed amount is 285% of the Medicare rate.



Graph 1





Limitations

This analysis focused on the most common surgeries. Other Surgery Care prices may or may not be similarly comparable to Medicare or average commercial allowed amounts.

Further, value realized through the Surgery Care program is dependent on utilization. While we were able to validate the pricing associated with Surgery Care's contract rates, we did not evaluate utilization strategies, such as offering patients a financial incentive to use the program. This analysis does not address whether an employer's or plan's spending for surgery changed as a result of offering Surgery Care.





Works Cited

1. Anderson, C. M. (2023). Commercial reimbursement benchmarking. Retrieved from <https://www.milliman.com/en/insight/commercial-reimbursement-benchmarking-payment-rates-medicare-fee-for-service>
2. Fronsdal, T. L. (2020). Variation in Health Care Prices Across Public and Private Payers, Working Paper. Retrieved from www.nber.org/papers/w27490
3. Johnson, B. e. (2020). Comparing Commercial and Medicare Professional Service Prices. Health Care Cost Institute. Retrieved from <https://tinyurl.com/3xux3hzj>
4. Whaley, C. M. (2020). Nationwide Evaluation of Health Care Prices Paid by Private Plans: Findings From Round 3 of an Employer-Led Transparency Initiative. Retrieved from www.rand.org/pubs/research_reports/RR4394.html





Validation and Credibility Guarantee

Lantern's Surgery Care achieved validation for **Savings**. Validation Institute is willing to provide up to a \$50,000 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.





Validation Expiration: February 2026

CERTIFICATE OF VALIDATION

Applicant: **Lantern**
2100 Ross Avenue, Suite 1900, Dallas, TX 75201, US

Product: Surgery Care

Claim: For the majority of employers, Surgery Care prices are significantly lower than what they are otherwise paying.

Validation Achieved: **Validated for Savings**

Validation Award Date: December 2021

Linda K. Riddell, MS
Chief Data Scientist
Validation Institute

Al Lewis
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.

