



ValidationInstitute

2023 Validation Report

Review for: Vālenz[®] Health

Validation Achieved: Savings

Valid through: March 2024



Company Profile



Category:	Special Savings
Website:	https://www.valenzhealth.com/
Public or Private:	Private
Year Established:	2004
President:	Robert Gelb
Company contact:	(866) 762-4455

Description:

Vālenz[®] Health simplifies the complexities of self-insurance for employers through a steadfast commitment to data transparency and decision enablement powered by its Healthcare Ecosystem Optimization Platform. Offering a strong foundation with deep roots in clinical and member advocacy, alongside decades of expertise in the validation, integrity and accuracy of claims, and a suite of risk affinity solutions, **Valenz** optimizes healthcare for the provider, payer, plan and member. By leveraging data transparency and delivering an omnichannel approach across the healthcare journey, **Valenz** improves cost, quality and outcomes for employers and their members – engaging early and often for smarter, better, faster healthcare.





Claim Assertion for Validation

Valenz lowers costs for employers with better discounts on healthcare provider's billed charges, and with a specialty drug program that taps into manufacturer and patient assistance sources.





Method / Calculation / Examples

This analysis reviewed one employer with 721 members and calculated what it would have allowed in-network providers with its previous plan. The previous plan's discounts off of in-network billed charges were available. Using this data, the amount that the plan would have allowed (under its previous discounts) could be compared to what the plan allowed with Valenz's contract discounts.

Similarly, the employer's previous out-of-network service provider's discounts from billed charges were available. What the employer would have allowed under its previous plan was calculated and compared to what the plan allowed with Valenz.

The analysis looked at each specialty drug that the Valenz program handled: the contracted/ estimated price, the price the employer paid, and the program fees. To estimate rebates, the contracted price was adjusted by \$1,200 per brand drug filled. The contract price minus estimated rebates was compared to the actual amount paid for drugs and for program fees.





Findings & Validation

Table 1 shows the billed charges incurred during the 12-month period, and estimates what the plan would have allowed (applying their previous network’s discounts). This Pre-Valenz estimate is compared to the plan’s allowed applying Valenz’s discounts. In total, the plan’s allowed amount was 28% less with Valenz.

		Billed Charges	Allowed Amount	
			Pre-Valenz	Valenz
In Network	\$4,210,658	\$2,526,395	\$2,000,367	
Out of Network	\$278,506	\$203,309	\$130,732	
Savings			\$598,606	

Table 1: Comparison of Pre-Valenz to Valenz Allowed Amount



Findings & Validation

Table 2 summarizes the estimated price of the specialty drugs purchased during the time period. The estimated rebates reduce the price to \$609,037. The plan paid fees to the program and paid for part of the drug costs, totaling \$215,726. The difference between what the plan would have paid (estimated net price) and what it ultimately paid (fees and drug costs) was \$393,312. For the drugs handled by the program, the plan paid 65% less than the estimated net price.

	Estimated price of specialty drugs	\$724,237
	Estimated rebates ^	\$115,200
	Estimated net price	\$609,037
	Fees and payments for prescriptions	\$215,726
	Estimated savings	\$393,312

^ \$1,200 per brand name fill; 96 fills

Table 2: Summary of Specialty Drug Costs

Limitations

The estimate of the specialty drugs price net of rebate may be inaccurate based on the estimated rebate calculation. In addition, the PBM serving the group may have lowered the plan's rebates on other drugs since its volume of drugs was lower.

The analysis does not address whether the number of services used from in-network and out-of-network providers changed.



Validation and Credibility Guarantee

Vālenz[®] Health Network discounts + specialty drug 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:

Välenz® Health
23048 N. 15th Ave
Phoenix, AZ 85027

Product:

Network discounts + specialty drug program

Claim:

Valenz lowers costs for employers with better discounts on healthcare provider's billed charges, and with a specialty drug program that taps into manufacturer and patient assistance sources

Validation Achieved:

Validated for Savings

Validation Award Date:

March 2023

Linda K. Riddell, MS
Chief Data 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.