



ValidationInstitute

2021 Validation Report

Review for: MedEncentive

**Validation Achieved: Level 1 - Savings
Level 2 - Outcomes**

Valid through: December 2022



Company Profile

Category:	Health Literacy
Website:	https://www.medencentive.com/
Public or Private:	Private
Year Established:	2005
CEO:	Jeffrey C. Greene
Company contact:	Jim Dempster / jdempster@medencentive.com



Description:

MedEncentive offers a health-improvement, cost-containment service to employers, insurers and governments, based on the Company's web-based and mobile-enabled incentive system. This patented system, called the Mutual Accountability and Information Therapy (MAIT) Program, has been proven to improve health and health care, and lower costs, an objective often referred to as the "Triple-Quadruple-Quintuple Aim." What makes the MAIT Program unique is how it offers financial incentives to both patients and doctors for holding each other accountable for assimilating "information therapy," a process that mitigates the ill effects of inadequate health literacy.





Claim Assertion for Validation

The **MedEncentive** Mutual Accountability and Information Therapy (MAIT) Program strives to nudge patient and doctor behavior in a manner that improves health and healthcare, lowers costs, and provides fulfillment to doctors and patients (i.e., Triple/Quadruple/Quintuple Aim). This patented, web-based system accomplishes these objectives by employing "aligned financial incentives," which are offered by health insurers to both doctors and patients for engaging one another in an educational and motivational process called "information therapy."

The program uses a unique, patient-doctor, aligned-incentive mechanism that incorporates proven industrial psychology because it has been found to be more effective at improving compliance than traditional and unilateral incentive methods.[1] The program incorporates information therapy to mitigate the ill effects of inadequate patient health literacy, which studies have shown is associated with higher rates of hospitalizations [2] and preventable emergency department visits,[3] as well as greater medical costs. [4]



The MAIT Program claims to be one of the first, if not the only, innovation to have peer-reviewed and validated proof of improving health and producing net cost savings, in a full and normally distributed population, an accomplishment referred to as the Quintuple Aim. To achieve the Quintuple Aim, which is considered health reform's ultimate objective, a solution must simultaneously:

1. improve health;
2. improve healthcare;
3. produce net cost savings;
4. be fulfilling to patients and doctors;
5. satisfy a set of viability criteria.

To fulfill the viability component, the solution must be simple, scalable, fast-acting, and sustainable; able to advance health literacy; able to offer aligned incentives for patients, providers and insurers; applicable to full and normally distributed populations; and proven effective by scientific evaluative methods.



Method / Calculation / Examples

A study of the program's effectiveness, entitled "Reduced Hospitalizations, Emergency Room Visits, and Costs Associated with a Web-Based Health Literacy, Aligned-Incentive Intervention: Mixed Methods Study," was published in the peer-reviewed Journal of Medical Internet Research [2019; 21(10)].[5] The study employed a mixed methods, single within-group, pre-post, descriptive design. Quantitative data was analyzed using pre-post mean utilization and cost differences, summarizing the data via descriptive statistics. Qualitative data was analyzed using open-ended electronic survey items to collect descriptive data, which was evaluated by means of thematic content examination.

Validation Institute's examination of the **MedEncensive** Program was based on this study. We tested for self-selection bias, proper adjustment for inflationary factors, consideration of other variables, and plausibility.



Findings & Validation

Emergency room visits per 1000 decreased 14%, or 31.3 visits per 1000, from the 2014 baseline period to the 2015 - 2017 post-implementation annual average, while hospital admissions per 1000 decreased 32%, or 26.5 visits per 1000. The plan's net average annual per member expenditures decreased 11%, or \$675 dollars, from the 2013-14 pre-implementation period to the 2015-17 intervention period, which was 7.5 times the \$90 annual per capita cost of the program.

The patient and doctor participation rates in the program were over 70% and 40%, respectively. Patients rated the helpfulness of the educational content at 4.4 out of 5 (n=15,260), and reported their level of adherence to health recommendations at 4.7 out of 5 (n=15,186). These results could be interpreted as supporting the impact of the program.

After a thorough examination of the study and the program, Validation Institute certifies that the **MedEncitive Mutual Accountability and Information Therapy (MAIT)** Program is one of the first, if not the only, innovation to have peer-reviewed and validated proof of improving health and producing net cost savings, i.e., achieving the Quadruple Aim, in a full and normally distributed population.

Limitations

The study focused on a health system employer that was able to embed the **MedEncentive** Program into the electronic health records system that served a majority of the members. The providers' ready access to the program may have created an advantage that other employers would not be able to replicate. However, other validated and non-validated studies have shown similar results with other types of employers, without electronic health record integration.[6] [7]

Validation Institute has reviewed the data, and has no grounds to dispute the program's claim of satisfying the Quintuple Aim. However, the sample size is too small, and the elements of the fifth component, "viability," are too numerous, to reach the level of certainty.

Conflicts of interest for two study authors were properly disclosed, while the other three authors did not have conflicts.

Works Cited

1. Asch, DA et al. Effect of financial incentives to physicians, patients or both on lipid levels: a randomized clinical trial. JAMA 2015 Nov 10; 314(28):1926 - 1935.
2. Baker DW et al. Functional health literacy the risk of hospital admission among Medicare managed care enrollees. American Journal of Public Health. 2002 Aug; 92(8):1278-83.
3. Balkakrishnan et al. The Association of Health Literacy with Preventable Emergency Department Visits: A Cross-Sectional Study, Journal of Academy of Emergency Medicine, 2017 Sep;24(9):1042-1050.
4. Haun et al. Association between health literacy and medical care costs in an integrated healthcare system: a regional population-based study. BMC Health Services Research 2015; 15:249
5. Greene JC, Haun JN, French DD, Chambers SL Roswell RH. Reduced Hospitalizations, Emergency Room Visits, and Costs Associated with a Web- Based Health Literacy, Aligned-Incentive Intervention: Mixed Methods Study. J Med Internet Res 2019;21(10):e14772
6. Keene N, Chesser A, Hart TA, Twumasi-Ankrah P, Bradham DD. Preliminary benefits of information therapy. J Prim Care Community Health 2011 Jan 01;2(1):45-48.
7. Parke DW. Impact of a pay-for-performance intervention: financial analysis of a pilot program implementation and implications for ophthalmology (an American Ophthalmological Society thesis). Trans Am Ophthalmol Soc 2007;105:448-460



Validation and Credibility Guarantee

The **MedEncentive MAIT Program** achieved level 1 validation for savings and outcomes. Validation Institute is willing to provide up to a \$25,000 guarantee as part of its Credibility Guarantee Program. To learn more, visit <https://validationinstitute.com/credibility-guarantee/>

The MAIT Program qualifies for the Validation Institute’s Credibility Guarantee for all four components of the Quadruple Aim.

Level 1 - Savings

Can produce a reduction of health care spend including the cost of the provider. Product/solution has produced, and replicated a lower cost for healthcare overall or a specific component of healthcare

Level 2 - Outcomes

Product/solution has measurably “moved the needle” on an outcome (risk, hba1c, events, employee retention, etc.) of importance.

Level 3 - Contractual Integrity

No outcomes or savings has been shown, but vendor is willing to put a part of their fees “at risk” as a guarantee

Level 4 - Metrics

Claim is made that – with sourced, overridable assumptions linked to peer-reviewed or government sources





Validation Expiration: December 2022

CERTIFICATE OF VALIDATION

Applicant:

MedEncentive

755 Research Parkway, Suite 440

Oklahoma City, OK 73104

Product:

The MedEncentive Mutual Accountability and Information Therapy (MAIT) Program

Claim:

Improve health and healthcare, lowers costs, and provides fulfillment to doctors and patients (i.e., Triple/Quadruple Aim)

Validation Achieved:

Level 1 - Validated for Savings

Level 2 - Validated for Outcomes

Validation Award Date:

December 2020

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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.