



ValidationInstitute

2022 Validation Report

Review for: Somatus

Validation Achieved: Savings

Valid through: March 2023



Company Profile



Category:	Kidney Care
Website:	www.somatus.com
Public or Private:	Private
Year Established:	2016
CEO:	Ikenna Okezie, MD, MBA
Company contact:	571-992-0600

Description:

Somatus is the nation's leading and largest value-based kidney care company, focused on delivering personalized, in-person care to people with kidney disease. The company's vertically integrated clinical services and technology delay or prevent disease progression, improve quality and care coordination, and increase the use of home dialysis modalities and rates of kidney transplantation. Founded in 2016, **Somatus** has established value-based partnerships with leading nephrology and primary care groups, health plans, and health systems to provide integrated care, helping more patients with kidney disease live better lives.

For more information visit www.somatus.com





Claim Assertion for Validation

Medicare members with kidney disease who improve their Patient Activation Measure (PAM) score decrease their per member per month medical costs.



Method / Calculation / Examples

A group of 735 high risk kidney disease patients took a baseline Patient Activation Measure (PAM) assessment upon entering Somatus's care management program; PAM was administered repeatedly over the next four to six months, with improvement calculated using the follow-up PAM score closest to six months after baseline. Allowed medical costs were tracked for a six-month period before the baseline PAM (pre-period), and for six months afterward (post-period). To be included in the analysis, the member had to have coverage for both of the six-month pre- and post-periods, and have a baseline PAM level of 1 or 2.

Per member per month (PMPM) allowed medical costs in the post-period were divided by pre-period PMPM allowed medical costs to calculate pre-post trends for each level of PAM score improvement. PAM has four levels of activation; see Table 1 below.

The summary of changes in PAM scores and PMPM allowed medical costs was compared to the same measures from a published study (Lindsay, Hibbard, Boothroyd, Glaseroff, & Asch, 2018) of a high risk Medicare population, similar to the Somatus group, which focused on high-cost Medicare plan enrollees with kidney disease aged 65-100 years. Direction and magnitude of pre-post trends observed were compared to the Lindsay et al study estimates, in order to validate and quantify in individuals with kidney disease the expected benefits of programs that increase activation as measured by PAM.



Method / Calculation / Examples

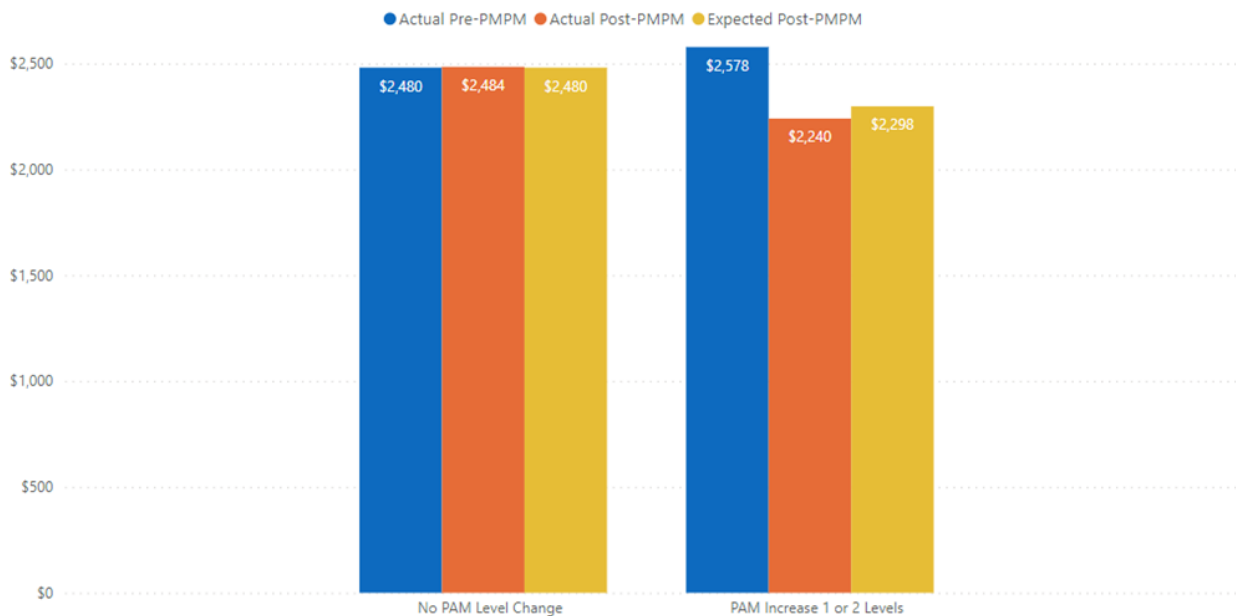
Level	Score range	Description
1	≤ 47	not believing activation is important
2	47.1 - 55.1	lacking knowledge and confidence to take action
3	55.2 - 67.0	beginning to take action
4	≥ 67.1	taking action

Table 1: Patient Activation Measure Scores - Activation Levels



Findings & Validation

- A savings of \$338 PMPM, or 13% total medical cost reduction was observed among Somatus patients who have increased activation by 1 or 2 levels up to 6 months after initial assessment.
- Because there were fewer than 20 members whose score had gone down a level or whose score had improved by three levels, these were omitted.
- The actual change in PMPM allowed medical costs was similar to the estimated change, that is the change expected based upon the members' change in patient activation.



Graph 1: PMPM Allowed Medical Costs by Change in PAM Level



Findings & Validation

Graph 1 shows the pre- and post PMPM allowed medical costs. The actual post PMPM allowed medical costs are shown, along with the estimated post costs. Estimated costs are based upon the published study (Lindsay, Hibbard, Boothroyd, Glaseroff, & Asch, 2018), which provided the percentage change in medical costs for each level of PAM score change.

PAM Score Change	# of members	PMPM Reduction	Savings (6 mos.)
No change	370	(\$4)	(\$8,313)
Improved 1 or 2 levels	365	\$338	\$739,588
Total	735		\$731,275

Table 2: Summary of Savings

Table 2 summarizes the pre-post PMPM changes in allowed costs and calculated post-period savings over six months for the population observed.





Limitations

These findings show that increasing PAM can lead to savings over time in kidney populations. As with any observational study, the change in allowed medical costs may have been affected by factors that are beyond the analysis's scope, such as seasonality. Out of the 735 eligible individuals with 12 months of data, a sensitivity analysis was conducted of pre-post costs a year prior to the initial PAM date in a subsample of 543 individuals with 24 months of data. Costs were observed to have been increasing from the year-over-year pre- to post-period by 7%. The sensitivity analysis confirms that improving population PAM levels can help better control rising costs in patients with kidney disease.





Works Cited

Lindsay, A., Hibbard, J., Boothroyd, D., Glaseroff, A., & Asch, S. (2018). Patient activation changes as a potential signal for changes in health care costs: cohort study of US high-cost patients. *J. Gen Intern Med*, 2016– 2112.

Greene, J. & Hibbard, J. H. Why does patient activation matter? An examination of the relationships between patient activation and health-related outcomes. *Journal of general internal medicine* 27, 520–526 (2012).





Validation and Credibility Guarantee

Somatus High Risk Member health coaching 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 2023

CERTIFICATE OF VALIDATION

Applicant: **Somatus, Inc.**
1861 International Drive, Ste 600
McLean, VA 22102

Product: Somatus High Risk Member health coaching

Claim: Medicare members who have kidney disease and use Somatus' health coaching services decrease their per member per month allowed medical costs and improve their Patient Activation Measure (PAM) score.

Validation Achieved: **Validated for Savings**

Award Date: August 2022

Linda K. Riddell, MS
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Validation Institute

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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.

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.

