



Case Study: *International Technology & Manufacturing Company*

Strategic Partnership with CMR Reduces Surgical Rates, Saves Money and Improves Quality of Care

Situation: This Fortune 100 diversified technology and manufacturing leader was one of the first major U.S. employers to identify the crisis in healthcare and work to implement a program to attack epic problems of both quality and costs. The inescapable conclusion was that employees needed to be key players in ensuring they get the best care in order to achieve any meaningful change and quantifiable results. In an approach viewed by industry as highly innovative for the time, this company embarked on the ambitious mission of transforming 80,000 workers into skilled, pro-active consumers of healthcare services. The key challenge was how to educate and motivate employees to become those agents of change.

Business Challenges: Like other major U.S. employers dealing with massive healthcare costs and related medical quality issues, this company was spending \$800 million a year for health benefits and substantial indirect expenses linked to health-related employee productivity. These challenges were combined with ongoing concerns about medical-care quality (about 25% of patients do not get best practice treatment) and a low level of "healthcare literacy" among much of the workforce population.

Strategic Approach: Consumer's Medical Resource (CMR) was hired to provide current and personalized medical information to employees diagnosed with serious conditions through its *Medical Decision Support*® (MDS) service. These conditions, including cancer, multiple sclerosis, diabetes, low back pain, and a cluster of others, generate 80% of this company's total healthcare costs. An employee diagnosed with breast cancer, for example, would call CMR to initiate services. After a brief intake session, CMR would arrange an in-depth conference call between the patient, her family, and a physician-led research team resulting in tailored information, personal support, and resources about their available condition and treatment options. This helps individuals make empowered choices with their health care providers.

The program was judged so successful the company developed a highly targeted program to address highly variable surgical procedures where one or more medically acceptable options exist and where patients have legitimate choices for treatment. These include low back pain, hysterectomy, and knee replacement. A \$500 incentive was offered to workers who engaged the service after receiving a physician's recommendation for one of the specified surgical procedures. After an average six month program participation, nearly 24% of employees confirmed they had avoided or delayed an unnecessary surgical procedure after becoming better educated about their medical options through MDS.

Conclusion: This strategic partnership with CMR was the company's first thrust into a consumer-driven healthcare concept. The program demonstrated that one way large employers can achieve sustainable improvements in healthcare is to empower their workforce to play an active role in the process. It's precisely this level of empowerment that both the company and CMR agree is critical to unleashing dramatic improvements in quality, efficiency, and costs in the new consumer-driven healthcare system of the future.

Program Results

Since partnering with CMR ten years ago, this company estimates it has saved \$35 million in healthcare-related costs.

- ➔ Verifiable program results confirmed a **\$3.3:1 ROI in healthcare costs savings, with an estimated ROI of \$7:1** when including productivity savings. A \$4.6:1 ROI was generated from Low back program savings alone.
- ➔ **Surgical reduction rates of 24%** have been achieved across four highly variable conditions with a 33% reduction rate in back surgery.
- ➔ Employees overwhelmingly applauded the program with an astonishing **98% of workers touting MDS as a valuable addition to their benefits package.**

For more information about our services, contact marketing@consumersmedical.com or call 1-877-229-7780 (toll-free).

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