



# 9 strategies to address population health challenges

Insights to help government  
organizations improve healthcare  
program outcomes and experiences.

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# Introduction

Governments play many roles in improving healthcare, often serving as both employer and health plan. They work in concert with unions and other stakeholders – and answer to a host of constituents.

Public plan sponsors (PPS) and government agencies lead the way in adding benefits that other employers then also adopt. Your necessary inputs are insights – reliable, actionable insights based on reliable, real-world data.

With Merative™, you gain access to powerful analytics and technologies built on a deep knowledge of the healthcare industry. Backed by five decades of experience, our solutions help governments visualize the state of member health and uncover trends in how people use their health benefits and the cost of benefit programs. Here are a few ways we can help.

## Challenge

“I’m handling more types of data and need a centralized way to make sense of it all.”

## Solution

Aggregate vendor data and insights into a centralized data warehouse.

On their own, siloed reports from health plans, providers, pharmacy benefits managers (PBM) and other partners have finite value. But when you aggregate your data across all vendor types and layer on data intelligence, you unlock infinite value.

The vendor types can be anything from medical and drug claims to custom data types. Custom data types include unique program data, biometric data, financial risk scores and socioeconomic factors. The data intelligence comes in the form of medical episode groupers, disease staging, diagnostic cost groupers and risk scores.

That may sound complicated, but luckily, we’ve already cracked the code. Health Insights aggregates vendor data and

applies intelligent methodology into a centralized data warehouse with an innovative reporting platform, giving you informative analytics at your fingertips.

The flexibility of our data model means we can bring in new data sources, open pathways to more consultative relationships with stakeholders and yield a higher-level view of member health.

You can rely on the quality of the underlying data thanks to our rigorous data management processes — no garbage in, no garbage out — just data that’s ready to leverage for analytics and insights.



## Using data to combat opioid use

It’s not uncommon for public plan sponsors to support various state initiatives. In this case, a state’s Department of Justice (DOJ) was looking for some data to help support a suit that was being filed against opioid manufacturers. The DOJ asked the PPS to provide the financial impact of opioids on their covered members.

Our Medical Episode Grouper (MEG) allowed for an efficient view of all opioid-related treatment costs — prescription drug treatment costs from the PBM and medical treatment costs for each covered member.

With the covered members comprising a sizable percentage of the total state population, the PPS had meaningful data in hand to provide support to the DOJ, ultimately resulting in a successful case.



## Challenge

“I want to dedicate in-house resources to revenue-generating activities instead of developing and maintaining analytic tools.”

## Solution

License the industry’s most robust and comprehensive catalog of healthcare-specific analytic methods.

There’s no need to reinvent the wheel. Our Flexible Analytics methods have been honed over decades and continue to evolve. We can surface actionable insights derived from over 20 data analytics methods and models to optimize performance and realize savings for you, your stakeholders and members. Examples include:

- Risk-Adjusted Medical Episode Grouper (MEG)
- Risk of Rising Cost
- Risk of Hospitalization
- Outpatient Event Grouper (OPEG)
- Inpatient Admission Grouper
- Disease Staging
- Service Categories
- Diagnostic Cost Groups (DCGs)
- MarketScan® Benchmarks
- RED BOOK Pharmacy Reference



### The Ohio State University Health Plan

#### Developing innovative payment models

To receive maximum reimbursements under value-based payment models, The Ohio State University Health Plan needed to eliminate unnecessary services and avoid complications in their coordinated care efforts. They set out to [evaluate high-cost procedures that could be improved](#) while still supporting high-quality outcomes.

The team used our OPEG module to examine variabilities in patients, processes and places of service

for several categories of surgical procedures. And the health plan developed a linear model to establish base payments and a decreasing schedule of charges for repeat procedures. Now, the doctors and place of service know exactly which services will be reimbursed, and members are reassured that they’re getting the lowest charge possible for the best outcome possible.

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## SUPPORT DECISIONS

### Challenge

“I need to ensure our employees are getting the plan that fits them best.”

### Solution

Offer tools that help employees make better, more cost-effective choices.

Powered by artificial intelligence (AI) and informed by actual claims data, Benefits Mentor offers a truly personalized plan recommendation. Unlike other online tools that rely on self-reported data, Benefits Mentor provides real, predictive value alongside educational content to support employee decision-making.

Benefits Mentor can help you meet your cost and enrollment objectives by tracking performance, cost and ROI. By incorporating Benefits Mentor into open enrollment and making it available year-round, your organization can increase employee engagement and satisfaction with their benefits and provide them with better value.

### Liberty Mutual

#### Personalizing the enrollment process with Benefits Mentor

To help employees decide which of three health plans to choose, [Liberty Mutual implemented Merative Benefits Mentor](#). The team leverages it as an enrollment tool to keep employees engaged and informed. As life changes occur, employees can use the solution to help make necessary adjustments to their current plans. The web-based tool guides consumers through options to help them maximize their tax advantages and avoid over- or under-insuring.



## Challenge

“I need insights to help design a competitive benefits program that can attract and retain top employees — and to understand how our benefit outcomes compare to those of other jurisdictions.”

## Solution

Evaluate population health trends and compare yourself to others in your industry.

How can you meet the moment with your benefits strategy? Health Insights can help you better understand the needs of your changing workforce, such as an aging population, new mothers and employees who become caregivers to their parents. As a result, you can:



Make decisions around pricing and actuarial models



Design more comprehensive and personalized benefits



Identify high-risk members for care management outreach



Engage members in cost-effective care, such as through on-site clinics

But your insights don't stop there. Health Insights links with Merative's national benchmarking data from MarketScan® to help you make direct comparisons with similar employers in your industry. Now you can have full confidence in your benefits decisions.

Our MarketScan® Research Databases provide de-identified, longitudinal, patient-level claims and specialty data for more than 273 million unique lives. We can help you gain end-to-end insights into your members that help you optimize performance and improve outcomes. Our measures catalog and benchmarking tools provide a clear view of trends to position you for the greatest advantage.

Over 275 cost and utilization benchmarks are included in Health Insights, as well as more than 2,000 measures and dimensions, including:

- Cost
- Intensity
- Use
- Industry
- Risk
- Geography
- Illness
- Episode
- Quality

Thousands of individual benchmark values can be displayed through various cuts of data and can be age-sex, admit severity, episode severity and geographically adjusted. Custom norms and benchmarks, called “dynamic benchmarks,” can be created at the provider or plan level. They allow a user to compare one segment of the population to another while controlling for differences in disease severity, age and sex differences and geographical price variation.

## Challenge

“I need a convenient way to get a view of all my KPIs and report on various trends.”

## Solution

Develop and automate custom report packages.

As a government entity, accountability and transparency are paramount. With Account Group Insights (AGI), Health Insights offers more than 30 ready-to-use dashboards to drive custom report packages for each stakeholder and deliver them automatically each reporting period. You can surface actionable insights and then use those insights to consult with your stakeholders, confirm their understanding, discuss implications and strategize ways to improve plan performance.

Account Group Insights allows governments to tailor how their stakeholders receive insights. Additionally, AGI's distributed reporting feature, the automated process of populating/updating reports and posting to the archive, allows government entities to redeploy their resources for strategic initiatives based on the insights gleaned.

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READY-TO-USE DASHBOARDS



## Specialty drug costs and utilization

Specialty medications are a leading cost driver across healthcare. Using our analytic methodologies and bench of experts, you can more easily identify savings for your clients, including:

- Biosimilar opportunities
- Cost benchmarking
- Improved medication adherence
- Medical channel management
- Enhancements to step therapy and prior authorizations
- More informed contract decisions
- Optimized prescribing patterns



## Challenge

“I want to better manage our network, provider relationships and value-based care programs.”

## Solution

Build out and manage networks with provider profiling and reporting.

To better manage costs, improve outcomes and measure the performance of your network, it all comes back to engaging with providers. Many health plans invest a lot of time managing their provider networks and designing value-based care contracts. Health Insights provides the analysis you need to make timely data-driven decisions concerning network management, contracting, fee schedules and value-based care. You can examine:

- Cost and utilization by provider
- Top facilities
- Top physicians by specialty
- Attributed provider
- Primary care
- Expected costs
- Specialist cost and quality

We not only examine cost, efficiency and clinical effectiveness of providers, but we also look at medical episodes with our Medical Episode Grouper (MEG). A medical episode could be an inpatient stay or a series of related services that occur in multiple settings across multiple dates. For example, an osteoarthritis episode with a knee surgery includes the utilization and providers involved before the surgery, during the surgery itself as well as follow-up care like physical therapy.

We're able to profile the providers included in the episode and compare cost and quality against their peer groups by specialty. This is the core of our provider profiling and measurement methodologies, and it's built into our standard offering. We also help our government clients build scorecards and dashboards to share this information with their providers.

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GOVERNMENT CLIENTS  
RELY ON MERATIVE

## EVALUATE PROGRAMS

### Challenge

“I need a copilot to help me evaluate my benefits and wellness programs.”

### Solution

Pick a partner who shares the same mission – and has the technology and expertise to back it up.

You might think of Merative as a technology company, and it's true that our solutions offer a wealth of self-service data exploration tools. But, our clients know that it's our people who help them get the most out of their data. When you start a program, our experts will work with you to develop a strategy that identifies what's most meaningful to your organization and provides a framework to measure and improve.

Our consultants help define business questions, design analysis, run analytics and pull out relevant findings. We then recommend next steps, with helpful context around what similar entities are doing.

When you partner with us, you gain access to a bench of experts with deep healthcare industry expertise. We can sit right in the room with your vendors and decision-makers to present data, answer questions and offer solutions.



#### We can help you:

- Evaluate and optimize the effectiveness of your benefits and wellness programs
- Identify population health risks and predict future costs
- Surface anomalous trends to find savings opportunities

## Challenge

“I need to understand the financial impact of a new legislative change, and I need more information to talk to my various stakeholders.”

## Solution

Understand current spend and project future cost to present actionable insights.

Health Insights can help you look at your historical spend on a procedure and see how a change in law would impact cost. If you're adding coverage for a condition like autism, a procedure like bariatric surgery or new pharmaceuticals that have not been previously covered for your population, we can use MarketScan data to look at prevalence and average cost. We'll provide the data and insights you need to present to all your stakeholders, including boards and unions.

## Adapting to new legislation and inspiring change

Providing access to federally subsidized health insurance for individuals and small businesses is the mission for many health benefit exchanges. New legislation required health plans to report on enrollee participation in tobacco cessation and obesity management services. The qualified health plan (QHP) data showed low uptake, so we wanted to identify measurements and benchmarks to evaluate QHP performance for these services.

First, we used our data to define tobacco use and weight management populations by identifying procedure and diagnosis codes involved in these services. Then we presented multiple variations in defining the population and examined standardized utilization measures by year and by health plan. Unfortunately, tobacco use and obesity management are not commonly coded, resulting in health plans not being held accountable based on this analysis. But there's a silver lining. This project underscored the need for a standard definition for these services and regular tracking of these measurements. A new bill will improve the use of codes and help better measure use and outcome.



## Challenge

“Efficiency and quality are intertwined. We need to keep close tabs on quality as a component of value and outcomes.”

## Solution

Calculate and report complex industry-standard quality measures.

To help government health plans evaluate the completeness of care delivered, our Quality Rules Engine (QRE) calculates industry-standard, evidence-based measures such as the Healthcare Effectiveness Data and Information Set (HEDIS) measures defined by the National Committee for Quality Assurance (NCQA). QRE is embedded in Health Insights or available through Flexible Analytics to license and apply to your own data warehouse.

QRE encompasses a physician and health plan focused package, as well as other specialized measure packages, including:

- Low-value care: Identifies services that research indicates do not provide positive outcomes or result in potentially negative effects on patients
- Disease management: Provides clinical performance measures related to chronic conditions
- Medication management: Includes industry-standard medication and adherence measures defined by the Pharmacy Quality Alliance (PQA)
- Medicaid: CMS core Medicaid quality metrics and custom gaps-in-care packages created and delivered by Merative
- Client-specific packages: Custom quality rules that may not be part of the standard packages and curated custom selections of defined measures, for example, PQA and NCQA measures that impact CMS STAR ratings

These measures can be used to understand, communicate and share information on care gaps, screening and condition management. On a granular, individual-member level, we can look at how many care gaps the patient has and roll that up to a specific population, employer or health plan. For example, if a health plan has a value-based care program with a primary care practice, we can attribute those patients to a PCP at that practice and then roll up care gaps to that particular practice.

### Enhance your insights with social determinants of health (SDoH)

#### Improve health equity with a more rounded picture of population health

Research suggests personal well-being is overwhelmingly driven by the non-medical factors that comprise SDoH.<sup>1</sup> Merative can supplement your clinical and other data sources with environmental and neighborhood data, integrating SDoH into Health Insights:

- Understand how risk factors vary among communities where members live and how those factors impact health equity.
- Compare various segments of your population side by side using aggregated data.
- Improve population health through increased engagement and tailored plan design.
- Analyze lifestyles and behaviors that impact care decisions and adherence to treatment.
- Identify at-risk populations with social needs who may face further health equity challenges, and design programs to target those needs.

# Conclusion

## Healthcare analytics through a healthcare industry lens

Government agencies and public plan sponsors need a partner who understands all the forces driving the healthcare marketplace. We can provide the real-world data, tools and guidance you need to evaluate and improve the economics and delivery of healthcare and support member-centric care experiences.

Visit [merative.com/healthcare-analytics](https://merative.com/healthcare-analytics) to learn more or [schedule a consultation](#).

## About Merative

Merative is a data, analytics and technology partner for the health industry, including providers, payers, life sciences companies and governments. With trusted technology and human expertise, Merative works with clients to drive real progress. Merative helps clients reassemble information and insights around the people they serve to improve healthcare delivery, decision making and performance.

Merative, formerly IBM Watson Health, became a new standalone company as part of Francisco Partners in 2022. Learn more at [www.merative.com](http://www.merative.com)

## References

1. Hood, C. M., K. P. Gennuso, G. R. Swain, and B. B. Catlin. 2016. "County health rankings: Relationships between determinant factors and health outcomes." *American Journal of Preventive Medicine*. 50(2):129-135. <https://doi.org/10.1016/j.amepre.2015.08.024>

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