CLARA providers

National Carrier Improves Claim Outcomes and Reduces Claim Cost by 10%

PROBLEM

A mid-sized national workers' compensation insurance carrier, who wanted to improve claim outcomes and control costs, embarked on a process to re-evaluate their Medical Provider Network (MPN) periodically and shape it to improve its quality. They needed an objective, outcomes-based process to evaluate their providers. The goals were to identify "star" physicians who are not part of the current MPN and should be added to it and identify "problem" physicians who should be considered for removal from their MPN.

This presented a few challenges:

▶ Doing an apples-to-apples comparison across physicians given the differences in injuries they treated

▶ Making an accurate assessment of a physician in an environment where the bulk of providers (60%+) had less than 5 claims

▶ Assessing physician performance in a more comprehensive manner, and not just based on costs

SOLUTION

The carrier deployed CLARA providers to address these challenges and help optimize their networks. Using CLARA providers' advanced outcomes-based scoring they could rank providers based on a variety of components (costs, duration, attorney involvement, presence of liens etc.)
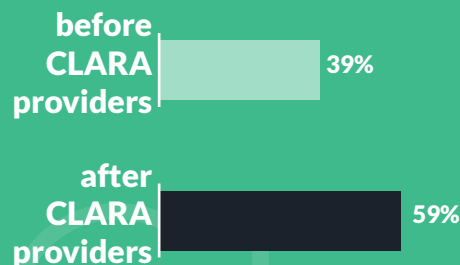
RESULT

After using CLARA providers to identify and predict physician performance, the carrier:

▶ Increased claims handled by "star" providers by 51%

▶ Decreased claims handled by problem providers from 3% to 0%
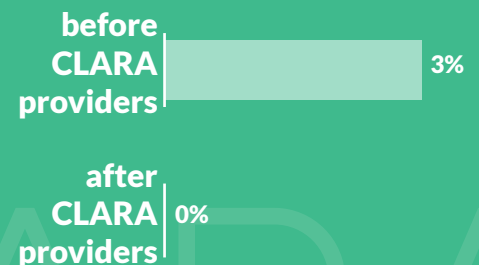
▶ Drove a 10% reduction in average claim cost

% of Claims Handled by "Star" Providers
Stars=providers ranked as an A or B in A-E scale (E=low)

before CLARA providers — 39%

after CLARA providers — 59%

% of Claims Handled by "Problem" Providers
Problem=providers ranked as an D or E in A-E scale (E=low)

before CLARA providers — 3%

after CLARA providers — 0%