

ENGAGEMENT WITH SECOND OPINION SERVICES

The Impact of
Engagement Strategies
on Utilization
and Cost Savings

WHITE PAPER

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BACKGROUND & METHODOLOGY

PURPOSE

EHIR was engaged by a well-known second opinion and health services company, 2nd.MD, to better understand the impact that different engagement strategies may have on the utilization of 2nd.MD services and subsequent cost savings.

SUMMARY OF FINDINGS

- Employers partner with 2nd.MD in an effort to meet the Triple Aim goals: better outcomes, improved healthcare experience and ultimately expect lower costs.
- Employee utilization of the program is impacted by incentives offered by the plan sponsor and robustness of communication efforts.
- A majority of participants engage with 2nd.MD in an effort to understand and treat their MSK or oncology diagnosis but also to understand and confirm treatment plans of complex cases.
- Embedding second opinion services in a plan sponsor’s overall benefits strategy will help foster a culture of health and ensure that the program is valued and used by employees.
- Programs with high user satisfaction and a focus on delivering an exceptional experience to users result in high continued usage.
- The use of and design of incentives is linked to higher registration and usage rates, higher savings, and higher employee satisfaction with the service.

METHODOLOGY

- Four (4) companies were selected to participate in this case study; companies selected were determined by 2nd.MD from their roster of existing clients. The final roster was influenced by the availability of the Benefit professionals.
- Information was collected via written survey; a set of survey questions was developed by EHIR Advisors and the 2nd.MD senior management team. Questions were designed with the declared purpose in mind.
- Telephonic interviews were conducted with senior benefits leaders of the four (4) selected companies to:

- *identify the specific 2nd.MD services offered at each organization,*
 - *understand the organization’s overall health strategy and how choosing 2nd.MD supported (or was intended to support) that strategy,*
 - *identify both qualitative and quantitative measures of success for 2nd.MD’s impact within an organization,*
 - *identify acted on engagement strategies including all incentives/disincentives, promotions, communication campaigns and all other outreach channels pre-launch and post-launch,*
 - *Annual utilization data (“Client Dashboards”) for each company were provided by 2nd.MD including eligible members and Activated Accounts; utilization was identified as a percentage of completed 2nd.MD consults over the eligible employee population.*
 - *Finally, to assess the level of satisfaction among this select group with the level of engagement with 2nd.MD and the satisfaction in meeting each employers’ goals and objectives.*
- Of the four (4) companies surveyed, 3 of the companies were large employers across varying industries offering 2nd.MD services to their employees as part of their benefit plans; the fourth company, Sedera, a medical cost-sharing company, offering 2nd.MD as part of a package of commercial services sold to small associations, employers and individuals.
 - With specific cost data provided by 2nd.MD, an analysis to compare the impact of various engagement strategies was also conducted.
 - Four (4) prep calls were conducted and a total of seven (7) interviews were conducted.
 - The initial ‘prep’ call with each employer introduced the project and determined the right person(s) to interview. The survey questionnaire was customized for each employer’s business model and sent ahead of the interview.
 - Interviews were conducted individually and took approximately 60 minutes. A series of open-ended questions were asked to build a broader picture of both quantitative and qualitative impact.

RESPONDENTS

The below table serves as a summary for the companies and individual participants who were surveyed.

ArcBest	Richard Krutsch Ashley West Laura Wallace
CenturyLink	Michele Arnette
HPE	Nicole Hernandez
Sedera	Jenny Aghamalian Dania Heffington

REPORTING

To protect the privacy of those surveyed, no calls were recorded. All employers gave explicit permission for identification in this white paper.

DISCUSSION OF FINDINGS

The Sections that follow are organized to display responses to universal questions asked of all four (4) companies. When responses were consistent across all groups, aggregate information is displayed below the specific question. For certain questions, responses are categorized by organization (in alphabetical order). Please see Appendix A for the list of elaborated questions asked during interviews.

QUESTIONS POSED:

How does 2nd.MD fit into your broader health plan strategy?

ARCBEST

- ArcBest ranked improving patient health outcomes as the top priority and improving the patient’s experience as a close second.
- ArcBest stated 2nd.MD was reflective of and contributed to organizational priorities with regards to the health status of its employees and the health benefits offered.

CENTURYLINK

- CenturyLink marked “all of the above” (i.e., lowering costs, improving outcomes, improving patient experience and providing a benefit that appeals to employees), indicating that 2nd.MD hits a broad list of health plan priorities; specifically, targeted high cost-drivers: back and knee surgery.
- Most notably, CenturyLink started as a pilot for musculoskeletal (MSK) and has expanded the program for all conditions. 2nd.MD specifically filled a “void” by carriers in their specific geographic location.
- Overall it helps reinforce that CenturyLink is a great place to work.

HPE

- Improved patient experience; especially successful in helping employees find new PCPs following the closing of two onsite clinics. The key feature and link to HPE’s strategy was getting employees to the right physicians – “best place to go for the best treatment”.
- 2nd.MD’s “...flexibility and innovation are important when the situation is complicated”; especially helpful in international situations

SEDERA

- 2nd.MD is in line with organizational core philosophy, “caring about the member” and doing whatever possible to prevent a member from unknowingly obtaining “poor” or unnecessary care.
- Help customers make informed decisions by “arming them with appropriate tools”.
- 2nd.MD is core to Sedera’s business strategy, which is a member-based, cash-based, self-pay collective where the member is ultimately responsible for their own care.
- 2nd.MD is specifically built into the product offering as a requirement for specific procedures, i.e., elective procedures planned in advance, the majority of which are surgical.
- Sedera is a “medical cost sharing organization” with no guarantee of payment so 2nd.MD fits into this business model which depends on members taking “ownership”.

What 2nd.MD services are offered? What could be changed or improved? Where is the ‘added value’?

- Majority of respondents offer the full suite of 2nd.MD services across all medical conditions (e.g. chronic, acute, oncology, “elective surgery”).
- Universally, respondents feel 2nd.MD offers not only expert opinion, but also equally important information and access to the right physicians in their specific markets.
- While the full suite of services is offered, the emphasis across all four (4) companies is on MSK and oncology.
- Majority offer services to employees and dependents; some but not all extended services to broader family (e.g., parents, grandparents, etc.).
- “Text-a-Clinician” feature is untapped by employees.
- Issue of integration with other services (e.g., one employer also uses Doctors on Demand which has confused employees about which vendor is responsible for what services) is a concern; at least one employer holds a vendor conference to more efficiently tackle the issue of integration.

What are the most important features of 2nd.MD to your company?

ARCBEST

- Improving patient outcomes by being ‘actionable’ on the right things (i.e., diagnostic errors) is the most important concept that 2nd.MD offers us; creating a data-driven “culture of engagement” in high-quality care is critical to ArcBest and 2nd.MD supports that goal; very important to ‘shine a light’ on high-quality care.
- Benefits leadership sees health care as a supply chain issue and 2nd.MD becomes an entry point to handle complicated cases effectively and efficiently.

CENTURYLINK

- Overall 2nd.MD offers an important service that the carriers cannot deliver; the timeliness, flexibility and ease of consultation 24/7 is key.

HPE

- ...”all the features of 2nd.MD are important to us (e.g., offering expert opinion for critical situations that need special support like cancer) but it’s always about how to improve the experience for Team members and endorse the principle of “right care, right time” to improve outcomes and lower the cost of care.

SEDERA

- Most important feature “...is an educated Member who can make an informed decision”; 2nd.MD provides an ability for Members to save money as well; want to make sure “...no Members knowingly obtain unnecessary or poor care”.

What stands out to you specifically about 2nd.MD?

- The ability to access verified and accurate information.
- Access to high standard of care, regardless of geographical location.
- Strong IT/technical support.
- “Unbelievable” speed from initial call... to specialist receipt of medical records (1.7 days) – best in class.
- Excellent hospital network (Mayo Clinic, Stanford, Boston Children’s specifically mentioned).
- Flexibility and innovation; ability to work globally.
- Most notably, all four (4) companies responded with outstanding reviews of 2nd.MD’s overall customer service.
- Having face-to-face video with specialists “on the fly” and not nurses or nurse practitioners is key.
- Other competitors are trying to broaden their offerings (i.e., behavioral health, etc.); “we like 2nd.MD because they are sticking to the knitting”.
- Learning more about the major problem of misdiagnoses in the healthcare system initially drew them to 2nd.MD.

Is your C-suite aware of 2nd.MD’s impact on your organization?

- Three of four companies confirmed that results were shared with Senior Leadership regularly at monthly or quarterly operations meetings.
- -The metrics shared by Account Managers from 2nd.MD were noted as “extremely helpful” for Benefits leaders to present to senior leadership.
- -One interviewee spends most time educating other HR staff about the program to generate engagement.
- -Can weave in 2nd.MD results as benefit teams forecast expenses and discuss changes in the risk profile of the company’s population.

KEY TAKEAWAYS: *Powerful Incentives for Engagement*

USE OF CASH PAYMENTS

- Cash payments. HPE, for example, offers a \$400 gift card for employees to use 2nd.MD prior to MSK surgery; \$100 payments for using 2nd.MD in search for PCP very helpful in driving engagement.

EMBEDDED, INTEGRATED OR OTHERWISE OFFERED AS A PACKAGE

- Embedded in services sold and / or offered as a Package to (or integrated for) Customers and Employees. Sedera automatically includes or embeds 2nd.MD in the service package to sell to members. ArcBest offers 2nd.MD as part of a wellness platform offered by Castlight.
- Offered as part of a carrier’s benefit package made it easier to implement and slightly eased the issue of integration with the health plan.

TIE TO ENHANCED HEALTHCARE BENEFITS

- Offer of a richer healthcare benefit. ArcBest, as an example, encourages the accumulation of points on a comprehensive wellness platform; by using 2nd.MD or viewing a 2nd.MD video, employees can be rewarded with a better benefit plan with a lower deductible and OOP costs.
- Rigorous use of claims data plus predictive analytics is key in getting the right patients to the best medical professionals; Benefits is the “convener” or the “connector” for the patient.
- Identifying “champions” is key to engagement – find the early adopters and influencers, “like-minded people” and create peer-to-peer learning.
- Also, important to position as part of overall healthcare/wellness strategy is key.

INTENSE, HIGHLY PERSONAL COMMUNICATIONS ACROSS MULTIPLE CHANNELS, REGULAR REFRESH

- Intense highly personal communication. At CenturyLink, multiple distribution channels were used (Online portal, Mobile App, Health Plan customer service and case management referrals, health fairs, outbound calls from 2nd.MD based on predictive claims, an internal Newsletter, home mailers and professional testimonials in video format).

- Positioning 2nd.MD as a way to give the employee “choice” and the opportunity to better understand the treatment or diagnosis is key; positioning and offering employees “peace of mind” appreciated by employees.
- Support from company internal marketing teams is very useful.

“NEGATIVE” INCENTIVES: PENALTIES OF ADDITIONAL MEMBER COST BURDEN PLUS AUTO-ENROLL

- Penalties for additional member cost if not used. In some cases, 2nd.MD is required in benefit offering for specific “elective” procedures; members who do not use 2nd.MD risk a potential increase in employee or member cost sharing.
- Inability to purchase product (Sedera) without 2nd.MD requirements; all members are auto enrolled.

Overall, the leaders in this group with the highest engagement built that strength through:

- A powerful **culture of healthcare delivery improvement** and the use of predictive claims analytics.
- **Identifying effective healthcare services** from 2nd.MD providers and conversely identifying lower quality care through the use of improved treatment plans.
- Focus on obtaining **quality care** and conversely, a focus on staying away from ineffective care.
- **Embedding 2nd.MD** on a key navigation or actual services platform.
- **Personalized communications** including personal testimonials that are widely shared through effective media.
- **Predictive models** – internal or data from carrier – for early identification of potential members eligible for 2nd.MD services.

The data from the four clients reviewed indicates that incentive design has an impact on registration, utilization and overall program savings. It should be noted that this was a qualitative review and did not include an actuarial review of data; no review or comparison of demographics was done nor was any attempt at regression or other analysis to eliminate other factors that may impact utilization and costs.

PERFORMANCE METRICS

2019 YEAR END	ARCBEST	CENTURYLINK	HPE	SEDERA
INCENTIVE USED	Enhanced Benefit + Wellness Points for Registration	Communications + Predictive Outreach	Cash Incentives for certain high-impact surgeries	Bundled; higher member costs without (required model)
SERVICES OFFERED	All conditions; benefit expanded to parents	MSK Only Year 1 (expanded to all conditions in 2020)	All conditions	All conditions
REGISTERED USERS	75% all time (10% of population registered in 2019)	3.5%*	9%	11% all time (5% of population registered in 2019)
SERVICE UTILIZATION RATES	5.5%	1.5%*	3.2%	4.9%
COMPLETED SERVICES	220	445	490	455
EXPERT CONSULT UTILIZATION RATES	3.3%	1.2%*	1.8%	4.5%
COMPLETED EXPERT CONSULTS	131	413	283	420
SAVINGS PER ELIGIBLE EMPLOYEE	\$168.24	\$72.75*	\$122.16	\$101.95
AVG. SAVINGS PER CONSULT	\$5,395	\$6,612	\$6,789	\$2,316
AVG. SAVINGS PER MSK CASE	\$49.90	\$72.75	\$66.19	\$47.70
NET PROMOTER SCORE	+95	+80	+89	+85
IMPROVED TREATMENT PLANS	87%	93%	82%	69%
SURGERY OR PROCEDURES AVOIDED OR CHANGED	32%	49%	41%	12%
CASES GIVEN ALTERNATE DX	44%	35%	36%	22%
TOP CONDITIONS UTILIZATION	MSK (22%) Oncology (10%) Cardiac (8%) Nervous (8%) Women's Health (6%)	MSK (97%) All Other (3%)	MSK (38%) Oncology (8%) Women's Health (8%) GI (7%) Nervous (5%)	MSK (42%) ENT (11%) Women's Health (10%) Oncology (8%) GI (6%)

*Utilization is impacted by the scope of services being limited to one major diagnostic category (musculoskeletal)

FINDINGS

Overall findings revealed that a strategic approach to program design, implementation and outreach will lead to high savings and utilization of the program.

- The combination of meaningful incentives and thoughtful employee engagement actions appears to lead to high savings and high employee usage and satisfaction as ArcBest has shown.
- The type of incentive design used impacts overall program results. Programs that provide increased/richer benefit design for employees that utilize the 2nd.MD services have higher total program utilization and savings per employee. Both ArcBest and Sedera incorporate a benefit design enhancement for users of the 2nd.MD program.
- The account without a cash or benefit design incentive had the lowest level of utilization, registration and savings.

However, these findings could also be explained by factors not controlled in this small study:

- demographics in each sample – younger employees may have fewer intensive services as well as potential adverse selection in companies with older populations resulting in greater use and higher cost savings,
- the pricing in the individual markets where the care was obtained vary greatly, potentially leading to higher or lower cost savings,
- the low number of cases included in the data may skew results and/or
- an inverse relationship may be the higher number of improved treatment plans could result in lower cost savings.

REPORTING ISSUES

- At least one employer would like more reporting back on provider steerage, e.g., which providers were used, what were their results, how many employees are going to “high-quality” providers
- Quarterly reports – many of which include information on specific cases – are considered very helpful and keep 2nd.MD in leadership sightlines.

CONCLUSIONS

Our survey results revealed that cost savings was not the strongest motivator for why our surveyed companies chose 2nd.MD. Instead, improving employee (or patient) outcomes by identifying the most useful and appropriate treatment was universally the primary driver. That being said, all four (4) employers surveyed did report that cost savings was still important and did perceive a correlation between offering 2nd.MD as a service and a reduction in overall cost long-term. Additional analysis is needed to report specific quantitative cost savings.

An important discovery made during this study was the “ripple effect” created on overall utilization when an employer selected a vendor with the goal of improving employee experience. In the case of 2nd.MD, all four (4) companies reported outstanding customer service that had a radical impact on the employee’s impression and overall outcome (across multiple categories).

This study highlights that the motivation behind vendor selection can have an impact on the likelihood of utilization within the organization. Solutions that focus primarily on improved experience for the employee will result in higher engagement because employees will organically share and recommend the service to their peers based on their own experience. This imbedded advocacy within the organization is invaluable, difficult to replicate solely from leadership and ultimately results in the highest level of utilization when combined with one or more of the engagement strategies highlighted above.

Overall, incentive design, user experience and satisfaction are key elements of a successful program. Thoughtful program planning, design, oversight and communication have proven to be catalysts that lead to a high-value program.

APPENDIX A – SURVEY QUESTIONS

PROGRAM FEATURES

Which of the following features are most important to you?

1. Lowering the overall cost of care by improving efficiency (e.g., getting the patient to the right physician).
2. Improving patient health outcomes by using the most appropriate treatment pathways.
3. Improving the patient experience by getting the employee to the best physician for their current condition.
4. Providing a benefit that helps us attract and retain talent.

OVERALL BENEFIT DESIGN PHILOSOPHY AND THE OFFER OF 2ND.MD TO EMPLOYEES

How does 2nd.MD fit into your overall strategy?

Why did you decide to offer 2nd.MD?

SELECTION PROCESS

What stood out about 2nd.MD compared to other solutions in the market?

PROGRAM DESIGN & LAUNCH

Please describe your engagement strategy for this program. What is working well?

What would you change?

How is the program accessed by employees and their families? Is it part of their open enrollment?

Do you support proactive outreach (scanning claims, pre-auths, labs, diagnostic imaging, etc.)?

Do you use incentives initially and have those incentives, promotions, or program design changed since inception?

Would you consider augmenting “prior-authorization” or other similar services CenturyLink might offer to employees by requiring 2nd.MD for certain conditions?

Please describe any issues, roadblocks, surprises since launching the program; what would you do differently, if anything, if you were launching this in the future?

MARKETING/PROMOTION

How was the program-launch initially marketed? What were initial engagement rates?

How have you marketed the program after the initial launch?

What are the most important incentives or disincentives that have driven what you consider the most positive results of this program?

Have there been other channels that have driven engagement in 2nd.MD?

MEASUREMENT & RESULTS

How is success measured for the 2nd.MD program?

Are you satisfied with the level of engagement?

Is 2nd.MD helping improve the health (outcomes, etc.) for your employee population?

Do you feel that 2nd.MD has had a measurable ROI? What is the ROI?

Does your actuary or underwriter consider 2nd.MD’s results as having an impact on total health care cost?

Does your company’s management (C-suite and/or Senior Management) consider 2nd.MD as a valuable part of your program?

Do you receive actionable data and reports from 2nd.MD to help you modify or market the program?

APPENDIX B – GLOSSARY OF TERMS

INCENTIVE USED – Various engagement strategies deployed by client and 2nd.MD in order to drive member utilization of high-impact conditions (e.g. plan design requirements, cash incentives for certain surgeries, etc.).

SERVICES OFFERED – Description of 2nd.MD program positioning/scope within each client base (e.g. covered medical conditions, types of services included and eligible individuals).

REGISTERED USERS – Percentage of employees within an eligible population who have actively registered with 2nd.MD’s platform (created a username and password). Registered users are typically a good measure of employee engagement and awareness of program and typically goes up year over year as clients communicate.

SERVICE UTILIZATION RATES – Completed 2nd.MD services in 2019 as a percentage of the 2019 eligible employee population.

COMPLETED SERVICES – Total 2nd.MD services completed for 2019, includes completed expert consults, personalized local support services and text-a-clinician services.

EXPERT CONSULT UTILIZATION RATES – Completed 2nd.MD Expert Consults for 2019 as a percentage of the 2019 eligible employee population.

COMPLETED EXPERT CONSULTS – Total 2nd.MD Expert Consults completed for 2019. (one completed consult includes member intake, records collection, specialist matching, live conversation with the expert specialist and delivery of a consult summary).

SAVINGS PER ELIGIBLE EMPLOYEE – Measure of the average health care savings per eligible employee generated by the 2nd.MD program. (Total 2019 2nd.MD cost savings over the 2019 eligible employee population). This metric allows for a total savings comparison across clients who vary in employee size and levels of engagement.

AVERAGE SAVINGS PER CONSULT – The average cost savings generated by 2nd.MD on a per expert consult basis. (Total 2019 savings over total 2019 consults). This metric is sensitive to levels of engagement and overall usage.

NET PROMOTER SCORE – A standard, industry-agnostic customer satisfaction calculation ranging from -100 to 100 that measures customer loyalty for a company’s brand, products or services. 2nd.MD surveys all members after completed consults and had a ~85% survey completion rate for 2019. NPS scores of 70+ or higher are considered “world-class” brands.

IMPROVED TREATMENT PLANS – Percentage of completed expert consults where the member was provided alternative interventions to consider with the risks, benefits, and alternatives articulated so that the member can make a more informed decision.

SURGERY OR PROCEDURES AVOIDED OR CHANGED – Percentage of completed Expert Consults where surgery was recommended by the local provider, and the 2nd.MD specialist suggested an alternative treatment plan that led to an avoided surgery or a less invasive alternative for the member.

CASES GIVEN ALTERNATIVE DIAGNOSIS – Percentage of completed Expert Consults where the 2nd.MD specialist observed an element of the medical record or patient history that indicated an alternative diagnosis may be more appropriate. The Specialist may recommend additional evaluations to confirm or rule out the alternative diagnosis.

TOP CONDITIONS UTILIZATION – Top five major diagnostic categories represented within a client’s overall 2019 consult volume.

ABOUT EHIR

EHIR is an action-oriented, independent group built by employers for employers. Their mission is to accelerate the adoption of innovation for the sake of improving employee health, wellness and productivity. EHIR members are made up of the country’s largest and most progressive employers. For more information on membership please contact EHIR@ehir.com.