

# Health, efficiency and outcomes in your member population

IBM® Public Plan Sponsors

Public plan sponsors are facing many of the same challenges as private sector employers, but the solutions can be much different. With a changing regulatory environment, an aging population, and increased healthcare spending at every level of government, improving outcomes, reducing costs, and increasing efficiency can seem like too much to ask. But government agencies ask us all the time, and we deliver.

IBM® Watson Health™ solutions and services are designed to help our clients succeed. We offer data assets and analytic expertise tailored to the changing needs of public plan sponsors. Whether you are a policymaker or legislator, an employer or a hospital, our solutions help you make the right decisions — today, tomorrow and for the long term.

We understand the challenges you face, and we want to help. We're passionate about delivering the answers you need to improve healthcare quality and reduce costs.

You're in the business of ensuring efficiency in your healthcare programs, and we're in the business of making that easier for you.

#### **We help state and federal agencies and local government:**

- Manage costs and improve care
- Engage members
- Eliminate waste in healthcare and maintain payment integrity
- Navigate reform

#### **Who we serve**

- Departments of Health and Human Services (HHS)
- Many US government health-related agencies
- Additional federal agencies, including Department of Defense and Office of Inspector General
- Centers for Medicare & Medicaid Services (CMS) Medicare Zone Program Integrity Contractors, covering over half of all US states

18+

state public employee programs

+3K

hospitals and health systems,  
including state and federal  
government-affiliated

125

US health plans

+100

large employers, including 25  
percent of the Fortune® 50

>50%

state Medicaid agencies

## A closer look at some of the solutions we offer

### **Cutting costs, navigating change, improving quality**

We understand the unique needs of state agencies and have been helping them solve problems for more than 30 years, starting at Truven Health Analytics®, acquired by IBM in 2016 and now part of the Watson Health business. You already know that achieving high quality of care for your member population will require knowledge and insight into the actionable opportunities. We help you model and analyze your plan designs, then compare your health plan performance to that of your peers, using our proprietary, risk-adjusted methodologies.

### **Cost-saving results**

Our clients have a successful track record of saving with our solutions.

### **Recent cost-saving results include:**

- \$80 million shortfall: Closed by maximizing the purchasing power of the plan
- \$600 million in cost avoidance: Achieved through improved rate negotiation with Advantage Suite
- \$1.5 million in one year: Saved after a review of healthcare utilization patterns

Taking care of your population means taking care of your employees. We guide state and local governments like yours to help employees become better informed and more involved in the critical issues affecting their care. Watson Health solutions work with your existing decision support systems to provide employees with personalized, relevant information to help them understand their benefits and highlight opportunities to stay healthy and save money. As a result, you'll see improved outcomes and lower costs, plus happier, healthier people working for your agency.

### **Manage costs and improve care: Solutions for public employee plans**

- IBM® Advantage Suite®
- ROI Model
- PPACA Impact Modeling Application
- Health insurance exchanges

### **Consumer solutions for public employees**

- Informed enrollment
- Treatment cost calculator
- Targeted communications
- Personalized messaging
- Personal health insights
- Health education library

## Engaging members works

### **Clients using our member engagement tools have seen results like:**

- Plan optimization
- Migration of 59 percent of contract holders from a preferred provider organization (PPO) to a consumer- driven health plan (CDHP)
- Reduction in number of over-insured by 14 percent
- Savings account adoption
- Addition of over 1,000 healthcare savings account participants
- Preventive care adherence
- Increase in adherence of colorectal cancer screenings by 22 percent
- Increase in adherence to breast cancer screenings by 7 percent
- Consumer decision support
- Achievement of a 3:1 ROI by engaging consumers with tailored messaging about their health

### **Audit solutions for public employee plans**

- Retrospective audits
- Event audits
- PBM RFP contracting and evaluation
- Continuous monitoring
- Vulnerability assessments

## Eliminating wasteful healthcare spending

Employee health benefits remain one of the least monitored employment expenses. Chances are, you rely on a third-party administrator to manage your healthcare claims payment process. The problem is that claims auditing is often low on their list of priorities — even though identifying errors can result in significant savings. Using Watson Health solutions can help you ensure claims payment integrity.

### **Our results speak for themselves. Recent client successes include:**

- More than \$4 million in savings identified due to errors and noncompliance with benefit plan design
- Recovery of 4 percent of annual gross drug spend through a pharmacy benefit manager (PBM) discount validation audit, resulting in an ROI greater than 10:1
- More than \$6 million in savings identified and members incented to use the most cost effective and highest-quality distribution channel for prescription drugs
- Identification of nearly \$200 million in potential fraud, waste and abuse overpayments

Our team has been auditing healthcare claims for decades, so we know what works. We provide you with the flexibility, independence, and expertise you need to identify and resolve potential benefit interpretation and setup issues specific to your organization.

## Get connected

For more information about the solutions that can benefit your agency and public employee population, visit <https://www.ibm.com/watson/health/government/> or contact us at [govsta@us.ibm.com](mailto:govsta@us.ibm.com).

## About IBM Watson Health

Each day, professionals throughout the health ecosystem make powerful progress toward a healthier future. At IBM Watson Health, we help them remove obstacles, optimize efforts and reveal new insights to support the people they serve. Working across the landscape, from payers and providers to governments and life sciences, we bring together deep health expertise; proven innovation; and the power of artificial intelligence to enable our customers to uncover, connect and act — as they work to solve health challenges for people everywhere.

For more information on IBM Watson Health, visit: [ibm.com/watsonhealth](http://ibm.com/watsonhealth)

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All customer examples described are presented as illustrations of how those customers have used IBM products and the results they may have achieved. Actual environmental costs and performance characteristics may vary by customer.

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