

Using Data Analytics to Drive Success in Employee Benefits

Part 2



A healthy workforce is vital to an organization's bottom line. Time lost to employee illness not only hurts productivity and drives up payroll costs but also increases how much an organization spends on its health plan and prescription drugs. Businesses that collect comprehensive data that leverages risk indexes and use analytics to determine which treatments and preventative measures are both needed and efficient will deliver the best outcomes and be able to achieve sustainable results. A healthier, engaged workforce is a critical effectiveness factor that will set businesses on the path to success.

Data analytics provides actionable intelligence so employers can make informed decisions about the health and wellness programs they offer employees. Access to comprehensive medical and pharmacy claims data can provide insight into compliance of care and direction of care but adding values such as biometric data allows employers to understand if strategies are improving chronic condition control. Using comprehensive population health data, the employer can make strategic decisions based on facts instead of being influenced by the "new shiny objects" being sold. They can run their health plans like they do the rest of their business.



MEDICAL NORM COMPLIANCE

It's unlikely that Americans have ever been more tuned in to discussions on what it means to make data-driven, medically sound healthcare decisions. According to a recent report, providers are still lagging in using the best evidence-based practices when it comes to delivering health care. "While evidence-based medicine (EBM) is the gold standard taught to all clinicians and is widely accepted as important to drive superior outcomes, day-to-day decision-making in health care is slow to evolve from 'opinion based' or 'experience-based' to those based on sound scientific evidence," the report says in its introduction.



There are four types of healthcare analytics that can be applied based on the goals and needs of healthcare professionals and institutions. Each type is crucial for making the most of healthcare data, depending on the situation.

1. **Descriptive analytics:** This provides a historical view of data that allows healthcare providers and management to determine if current practices are efficient and make recommendations, if necessary.
2. **Predictive analytics:** This uses modeling and forecasting to determine what is likely to happen next. It helps healthcare providers to calculate risk scores for each patient and identify which patients may require additional attention. However, predictive analytics does not indicate preventing adverse events such as hospitalization.
3. **Diagnostic analytics:** This helps us understand why something happened so that actions can be taken to address the problem. It is useful in figuring out what events and factors led to a specific outcome. Just like descriptive analytics, diagnostic analytics also involves an investigation of historical data.
4. **Prescriptive analytics:** This type of analytics allows us to understand what actions are needed to change the prediction. It uses advanced algorithms to help determine the effects of specific actions and provide solutions by applying historical data to get a specific result. It is the most useful and powerful type of analytics, providing guided recommendations to healthcare professionals.

Applying data analytics and visualization in the right way can lead to an increase in patient access to services, resulting in lower costs, more revenue, and improved patient satisfaction.



UTILIZATION OF DATA FOR SAVINGS

The use of data analytics is becoming more common in healthcare for many reasons. Data analytics methods include analyzing raw data and making conclusions about that information. These methods are very beneficial in population health. Data can help identify populations in need of care, measure the care that is provided, and deliver care to the correct people.

Data is becoming more available and is collected on a regular basis. Data comes from a variety of sources, such as patient demographic data like age and gender, financial data such as insurance information, and clinical data such as medical history and lab results. Collecting data and analyzing it can determine the big picture for the patient and the population. Big data is the process of creating value from data collected, and it is gaining popularity in population health.



With IMA People Analytics, we package together many of these data analytics techniques to understand and address each of our client's specific needs. Customized benchmarking compares cost and utilization not only to a book of business, but tailors those benchmarks to a client's specific geographic, demographic, or risk situation to drive better decision-making. Predictive analytics such as rising risk identification or risk scoring, help implement programs to address costs before they happen. Understanding that not all cost is related to claims helps clients develop benefits programs that their employees will value, helping with employee attraction and retention, and reducing absenteeism and presenteeism.



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