



EMPLOYER REPORTING

Milliman DEPTH™

Optimize your benefits cost management strategy



A strategic cost management planning tool for self-funded health plans



PROBLEM

Many self-funded health benefit plans face a myriad of challenges:

- Continually rising costs of offering health benefits
- Economic uncertainty creating business pressure
- Labor market shortages and increased turnover
- A rise in both vendors and cost management solutions to choose from for their health plans

Existing analytic approaches available to self-funded health plan leaders are often inadequate:

- High-level benchmarking lacking analytical rigor
- Data warehousing lacking strategic insights

Plan leaders need credible and rigorous answers to the following key strategic questions:

- How efficient is their plan performing?
- In what ways is the plan already achieving cost savings?
- Where should the organization focus its efforts to achieve future savings?

SOLUTION

Milliman DEPTH is a healthcare analytics technology solution for self-funded health plans that:

- Assesses total cost of care performance
- Provides data-informed recommendations on the top areas for potential savings to the plan

Milliman DEPTH is uniquely able to identify strategic cost management opportunities for self-funded plans by evaluating total cost of care performance across dimensions that align with actions plan leaders can take to manage costs.



DIFFERENTIATORS



Comprehensive approach pairs rigorous analytics with qualitative evaluation of the cost management approach



Milliman DEPTH consultant provides recommended action steps for the plan to pursue identified savings opportunities



Milliman DEPTH engine compares a plan's detailed medical and pharmacy claims data to customized performance benchmarks informed by rich longitudinal data for over 80 million group-covered lives



Visual results are paired with expert insights in Milliman DEPTH Insights Dashboard

BENEFITS



Assess the effectiveness of your cost management strategy

Track changes over time with an easy to read, single source of truth for cost outcomes



Prioritize what matters for your population

Identify specific areas with the greatest potential for cost savings



Quantify savings opportunities

Measure achievable cost savings for your health benefit program



Assess current vendor relationships

Evaluate your carrier/TPA, PBM, disease management vendors, point solutions, and more

How one organization used Milliman DEPTH to evaluate its cost management strategy and identify opportunities for savings

Here's how one client leveraged Milliman DEPTH to inform its cost management approach. The client sponsors a self-funded health plan offering medical and pharmacy coverage to nearly 90,000 members across several states. It wanted answers to these key strategic questions:

1. How efficiently is the plan performing currently?
2. In what ways is the plan already achieving cost savings?
3. Where can efforts be focused to reduce healthcare costs while improving member benefits and experience?

Milliman consultants interviewed key plan leaders, collected patient-level and service-level medical and pharmacy claims data, and used the DEPTH tool to assess the client's performance across specific plan and population cross-sections as well as in aggregate. Plan performance was measured using an efficiency index approach for three categories: total cost of care, utilization, and unit price.

Savings opportunities for improved care management

Chronic condition	% Members	Total plan savings
Cardiovascular	15%	4.25%-8.50%
Behavioral health	18%	2.50%-4.00%

Actual plan results were compared to benchmark intervals to identify not just areas for improvement, but also to determine areas of success for the plan. It is crucial for plan leadership to know what has worked well so that those approaches can be continued in the future.

Leveraging nearly 1,000 plan and population cross-sections to uncover critically important performance drivers, Milliman DEPTH was able to identify the largest savings opportunities for the plan. Based on these results, Milliman consultants produced key strategic insights and recommended action items corresponding to each insight.

Key contacts



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