



The Artemis Guide to Cutting Benefits Costs (Without Cutting Programs)

When's the last time you heard the old phrase, "She wants to have her cake and eat it, too?" Well, of course she does! What's the point of just having cake if you don't get to taste it?

Benefits professionals are in this position all the time. Not with literal cake, but with their benefits spend. You want to cut costs without affecting the quality of coverage available to employees. You want great benefits that attract and retain the best employees in your industry, but you need to slow the rising tide of healthcare costs at the same time. Is it possible to do both?

We think so. At Artemis Health, we believe everyone should have great benefits they can afford. We're helping self-insured employers, consultants and brokers make this happen by offering insights into their spending. In this whitepaper, we'll walk you through three examples of how Artemis customers have cut benefits spending without cutting benefit programs.

Ready for that cake? Let's go.

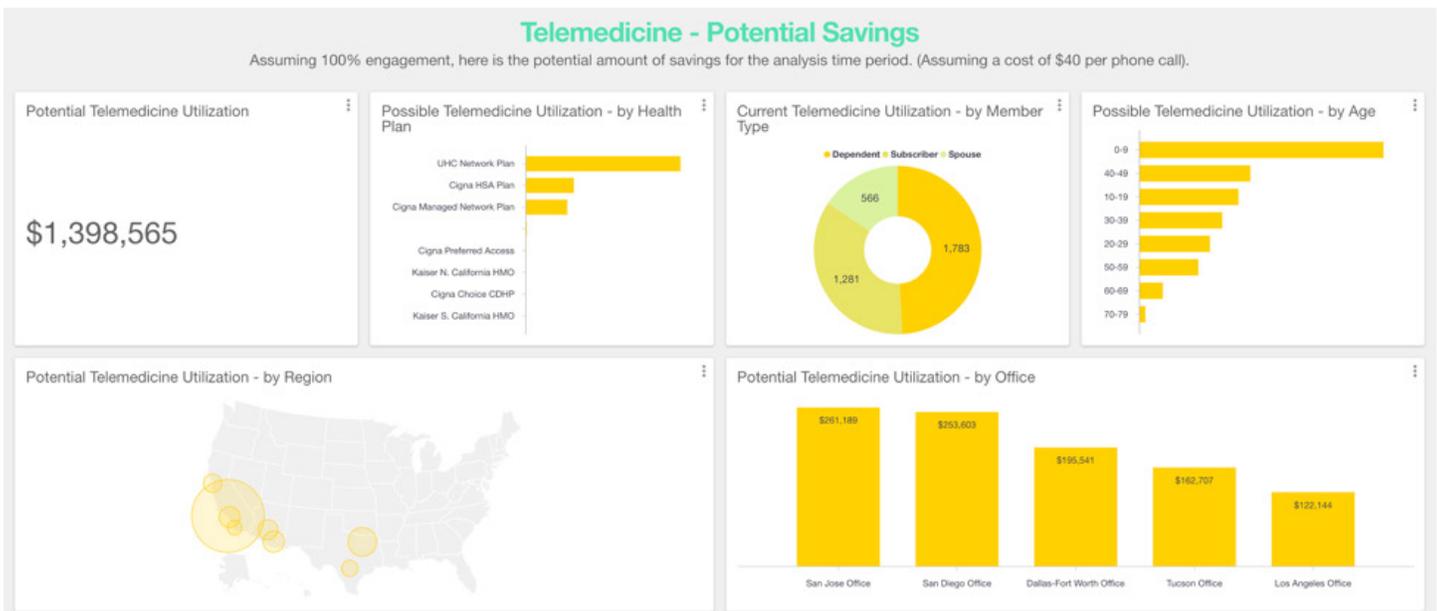
Learn more about the Artemis Platform at:

artemishealth.com

Scenario 1: Telemedicine

Telemedicine is a hot benefit right now. Nearly 60% of employers have embraced this benefit with the hopes of reducing emergency room claims, primary care claims, urgent care claims, and other avoidable expenses. And it's not just about cutting costs; telemedicine benefits provide convenience and cost-savings to employees, too.

Though [workers have been slow](#) to embrace these services, smart employers are encouraging engagement and utilization as part of their benefits strategy. The most forward-thinking employers also use data to forecast the ROI of benefits initiatives like telemedicine. Here's what potential telemedicine savings looked like for one Artemis customer:



This is assuming 100% employee engagement, which is difficult for employers to achieve. However, you can get a sense for the cost of implementing a telemedicine solution and compare it to your current spend on conditions that could be handled through this program instead (UTIs, cold and flu, maintenance medications, sinus infections, strep throat, etc.).



Scenario 2: Infertility Coverage

Fifteen U.S. states require some level of fertility benefits coverage, and Artemis talks to many employers who would like to cover infertility expenses for their population. Their biggest hurdle? They're not sure how to justify the potential costs. Indeed, the expense and duration of treatment is intimidating to both employers and patients alike.

This expense can be manageable for employees and spouses with help from their employer pitching in. Some employers shy away from covering infertility treatments due to the cost, but it may actually present an avenue for cost savings. Here's how.

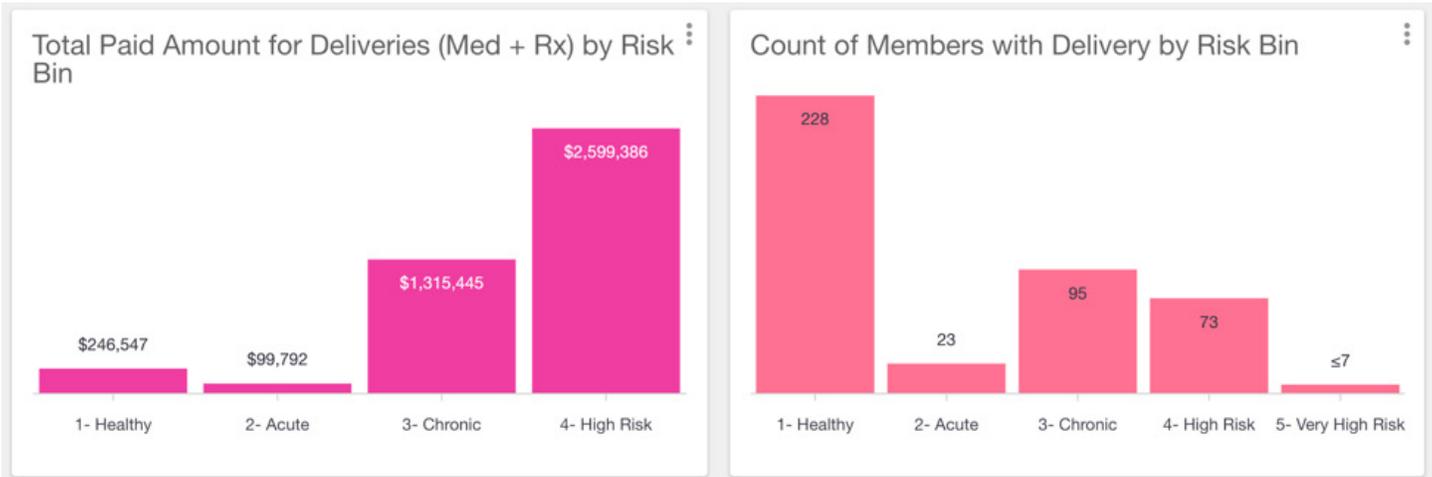
IVF treatments are generally billed per implantation of embryos. Patients sometimes choose to implant multiple embryos with each treatment for two reasons:

- To increase the chances of a successful pregnancy
- To save costs compared to single implantations

IVF often results in multiple births, but this presents its own cost and risk challenges for payers. Twins, triplets and other multiples are more likely to require expensive NICU stays, repeated appointments, high equipment costs, and more. Covering IVF treatments from the start could encourage employees to choose single implantations and reduce these risks and their subsequent costs.

Let's check out some data to get a better idea. Artemis Health looked at sample data around members with maternity episodes and correlated them to both costs and risk bins.





In this data, you can see 73 expectant mothers were in the high risk category, and their claims totaled \$2.5 million, roughly \$35,000 per member. Now, not all multiples are considered high risk deliveries, and not all high risk deliveries are due to multiples. But we can get a sense for the overall costs based on risk, and the outsized costs associated with risky pregnancies.

When we looked just at claims for multiple births, we found a very consistent number. While our data set is small and represents less than 7 deliveries, the employer’s cost of covering a multiple birth for one member (med and Rx claims) was just under \$35,000.

Now let’s look at covering infertility treatments.

Pregnant (ACG)	Delivered (ACG)	Sum Employer Paid Amount (Med + Rx)	Avg by Member Employer Paid Amount (Med + Rx)	Count Distinct Members with Medical Claims
Wasn't pregnant	Didn't have baby	\$469,096	\$6,898	66
Was pregnant	Didn't have baby	\$215,945	\$8,638	25
Was pregnant	Had baby	\$12,864	\$2,144	≤7

Again, our sample data set is very small, less than 100 members. But we’re seeing costs under \$10,000 for med and Rx claims for these members.

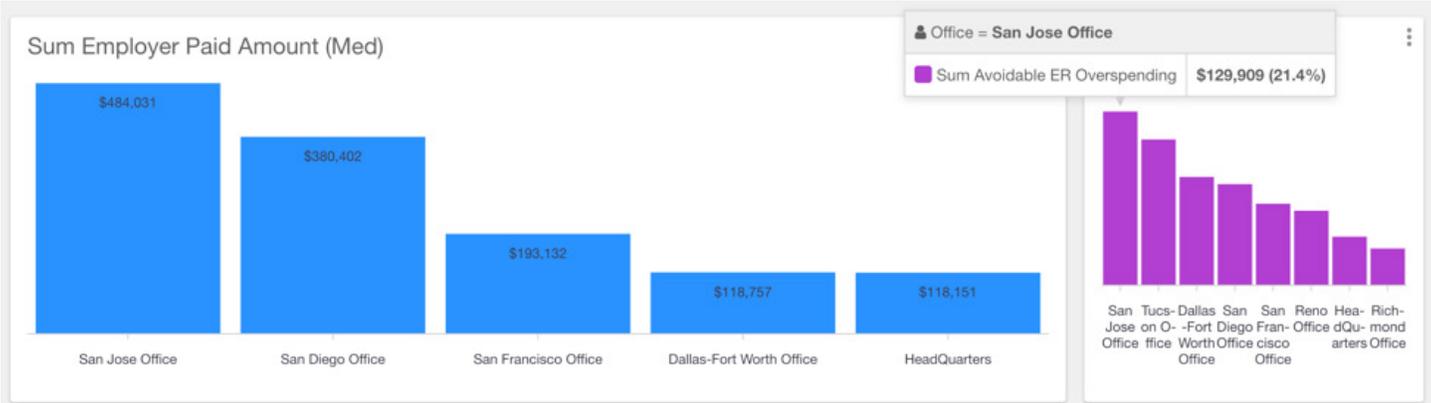
Infertility coverage might be one scenario in which cost savings can be achieved without cutting services to members.



Scenario 3: Onsite Clinics

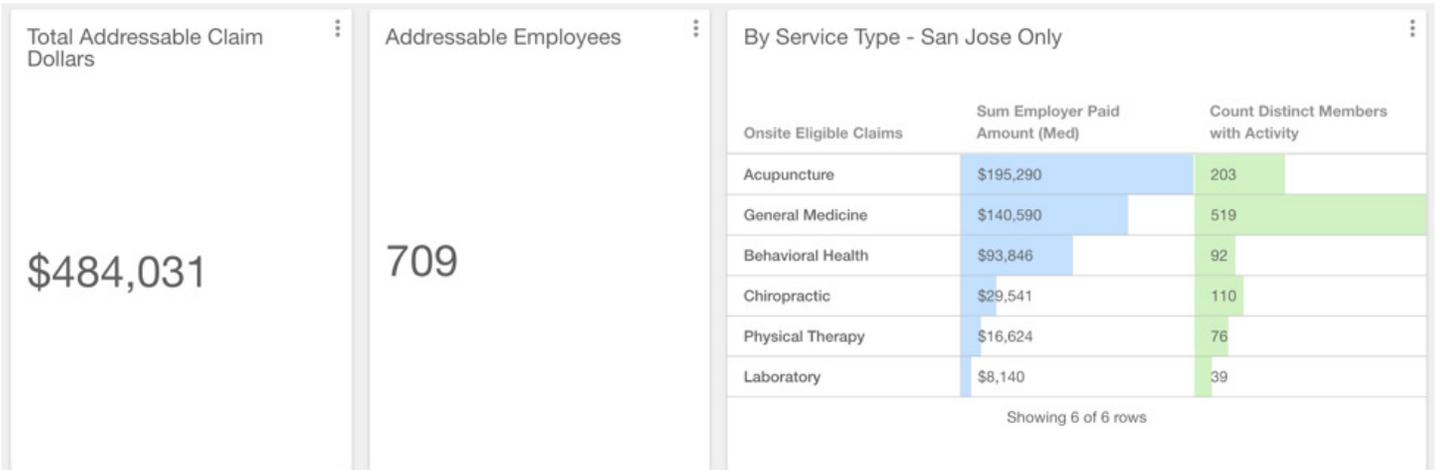
Onsite clinics are more than just a convenient way to offer excellent services to employees. They can help address wasted benefits spending and provide better patient outcomes than in-network facilities. Nearly 30% of companies with over 5000 employees now offer on-site health clinics to treat minor injuries, diagnose everyday illnesses, offer fitness and nutrition coaching, and even treat covered family members. Most employers will contract with an on-site clinic vendor, though some will elect to go the “a la carte” route, hiring and managing clinical staff directly.

We looked at sample data using the Artemis Platform to calculate the potential savings on the table and get a sense for where an onsite clinic would have the most impact.



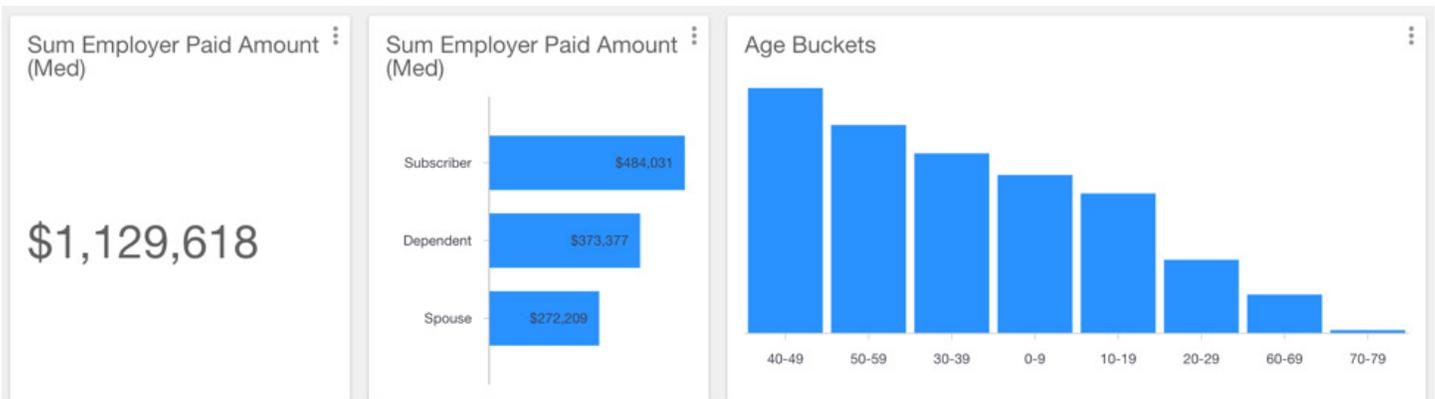
Our data shows that the “San Jose Office” has both the highest annual spend and the highest annual “Avoidable ER” spend (we use a proprietary data model to calculate emergency room overspending). This chart gives us the clear data we need to calculate the ROI of locating a new clinic near any of these office locations.





Next, we looked at which eligible service types could be treated at an onsite clinic in San Jose, and totaled these costs. Acupuncture was the surprising winner in this analysis, with nearly \$200,000 a year in potential claims that could be handled at such a clinic. In total, we found \$484,031 addressable claims.

This is a hefty potential savings, and it only gets more interesting if you plan to offer onsite clinic services to spouses and dependents on your plan, too. Take a look:



Spouses' and dependents' eligible claims total \$645,586. In this case, by adding a benefit instead of cutting benefits, we're looking at a pool of \$1.1 million claims to tap for potential savings.



Conclusions.

Each employer's population, risk scores, needs, and priorities are different. Some are more focused on trimming wasted spending, others are focused on offering great benefits, and most are trying to balance these two tasks. We hear you loud and clear. That's why Artemis Health's solution allows you to do both.

In these scenarios, you've seen how our customers have found overspending, justified new programs, or measured the ROI of their existing programs. Benefits should work for both the employer and the employee, and we're happy we can help make this happen, one slice of cake at a time.



Artemis Health makes it easy for self-insured employers to use their own benefits data to reduce spending and improve benefits for their employees. The Artemis Platform is more than a tool; it's the solution to your most challenging benefits problems.



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