

Justifying Your Benefits Strategy With Data

How do you find out if your benefits strategy is delivering a return on investment? In this case study, we'll look at how one employer worked with the Artemis Health team to find out if their dependent audit was worthwhile.



Learn how Artemis Health helped one client measure the cost of ineligible dependents enrolled in their benefits.

Tip:

The IRS determines who is eligible to be claimed as a dependent. Dependents must meet specific criteria, including but not limited to age, relationship, citizenship status, income, financial support, and more.

An Artemis customer engaged an outside firm to audit their benefits enrollees. The IRS determines who qualifies as a “dependent member,” and the benefits team wanted to ensure all the dependents on their plan were legitimate and compliant.

The challenge.

The benefits team suspected an audit would uncover some ineligible dependents using health and prescription benefits, but this process is lengthy and expensive.

That's where Artemis Health helped. Our flexible, easy-to-use data platform gives employers insights into their benefits data. We can analyze health claims data, prescription claims data, avoidable spending, engagement and more.

Tip:

Eliminating wasteful spending is good for both members and the employer. When the employer saves on inefficient spending, costs go down for everyone.

The solution.

The employer engaged a vendor to conduct the dependent audit and paid for this service. Once the audit was complete, they turned to Artemis to determine their return on investment. We loaded de-identified data on these dependents into the Artemis Platform to find out how much savings they could expect by removing these members from their health and prescription plans.

01 Artemis correlated the member IDs with claims.

Out of the 223 ineligible members found in the audit, 191 had claims from January 2014 to October 2017.

02 Artemis determined costs for these claims.

Next, we looked at the total costs associated with these members over the last several years. For both medical and Rx claims, the allowed amount for these members totaled \$527,851!

03 Artemis correlated claims with diagnoses and prescriptions.

Diving deeper, we looked at the conditions affecting the ineligible dependents on the plan.

The results.

The findings showed that the customer had spent over \$250,000 on medical claims and over \$45,000 on prescription claims for ineligible dependents in the analysis period. By discontinuing coverage, the company will save an average of \$78,000 a year on costs.



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