

Complex Claims Clinical Case Studies

2023




LOCKTON

**PEOPLE
SOLUTIONS**

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Expertise, Knowledge & Compassion

Lockton is the largest privately owned insurance consulting firm in the world. This is important because being privately owned, we are not responsible to shareholders. Instead, we are focused on our stakeholders: our Associates, our clients and the communities in which we live.

Our commitment is to strategically provide solutions that not only financially strengthen companies but also improve the lives of employees. Lockton's collective breadth of expertise and capabilities impacts the lives of every single client and employee. **People are at the core of what we do and why we do it.**

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Introduction to Clinical Consulting

Advocacy Is Our Strength

Compassion Is Our Power

Lockton's clinical team focuses powerful energy to creatively design solutions that financially strengthen your firm, while improving the lives of your employees and their families.



As part of a comprehensive health management strategy, Lockton's clinical consulting advocates take a holistic approach to determine the best strategies for health plan participants while also coordinating care and elevating the overall healthcare experience.

Lockton has taken the initiative to help clients evaluate and deploy navigation and advocacy solutions to better manage their employees' population of high-cost claimants, thereby reducing budget volatility within their medical and pharmacy plans. Lockton works alongside clients' administrative partners to identify opportunities to achieve savings for clients while also improving the care delivery experience for clients' medical plan participants.

\$66.3M Total Annual Savings for 2022

Lockton's Clinical Consulting team features a diverse group of experts with a variety of backgrounds and expertise, including nursing, case management, emergency medicine and mental health. The team also has a dedicated medical director to consult on complex cases. This expertise is coupled with a suite of tools and resources that empower the Clinical Consulting team to identify cost containment opportunities and capture any potential savings.

30 Experts on the Team

Lockton strongly believes that helping to coordinate and align the patient, the administrator and the provider will continue to result in cost containment opportunities for clients, helping them manage their benefit spend more effectively.

392 Individuals Affected

Join us on a journey as we show how our clinical teams enrich the lives of your employees during tragic times and find cost savings for you.

“We don't use typical models and approaches. We walk with members every step of the way, tearing down barriers to create superior care programs and better outcomes. And we are successful because of that!”



High-Cost Infusions



Challenge

- Lockton reviewed a member taking high-cost SPINRAZA® medication for spinal muscular atrophy at a hospital site of care.
- Cost per spinal injection was \$340,000 every four months.
- Projected annual cost was \$1,020,000.



Solution

- Lockton discussed the high cost at a weekly case management meeting.
- The case manager, Lockton and the pharmacy team reached out to the hospital to consider a specialty pharmacy delivery; however, the hospital declined.
- The medical director was able to reach out and negotiate a new rate for the SPINRAZA® between the hospital and administrator.



Client Win

- Member continues to receive their injections at the hospital site of care.
- New cost per injection is \$130,000 every four months, in line with the specialty pricing.
- New annual cost reduced to \$390,000.

Total Annual Savings: \$630,000



Complex Care Referral

Multiyear case study



Challenge

- Lockton reviewed a member who had a history of multiple inpatient and emergency room visits while seeing multiple physicians for their various conditions.
- The member's conditions included congestive heart failure, anemia, end-stage renal disease, chronic obstructive pulmonary disease, rheumatoid arthritis and endometrial cancer.
- The member was having difficulty with quality of life and work.



Solution

- The member was offered the opportunity to visit the Mayo Clinic through Lockton's partnership, and the employer covered travel costs to remove the financial barrier.
- The member was seen by Mayo Clinic specialists and had adjustments to their treatment plan: they received intestinal surgery to treat ongoing anemia and switched from a high-cost experimental drug to an appropriate medication for their rheumatoid arthritis.



Client Win

- The member no longer had multiple inpatient stays from disease complications.
- The member had a better response to updated medications.
- The member's quality of life was significantly increased and claims significantly reduced.

*Over \$1.7 million
in savings and growing*

Total Savings Year 1: \$820,000
Year 2: \$900,000



Site of Care Move



Challenge

- Lockton reviewed a member with ulcerative colitis who had suffered complications and had difficulty treating their condition. The member was on multiple medications that led to malnutrition and ultimately an infection and kidney damage.
- The member required ongoing IV fluid treatments given at a hospital site of care.
- Projected annual cost of treatments was \$100,000.



Solution

- Lockton reviewed claims data and identified that the member did not need to receive treatments at the hospital, and could indeed receive IV fluids at home for a fraction of the cost.
- Lockton interceded with the insurance plan to secure their agreement to facilitate home infusions for the member.



Client Win

- The member was able to obtain infusions in the comfort of their home, and costs were also reduced.

Annual cost savings of over \$80,000



Billing Error



Challenge

- Lockton reviewed a member who was treated with multiple chemotherapy agents for breast cancer.
- During the review, a discrepancy in the chemotherapy claims payments for different dates of service was identified.
- A charge with no associated procedure code was also identified.



Solution

- Lockton reached out to the administrator to inquire about the claim discrepancy.
- The administrator confirmed claims were overpaid, adjusted them and sent reimbursement requests to the provider.
- The administrator confirmed a missing procedure code was one of the errors that drove the overpayment.



Client Win

- Overpayment of claims was credited to the client.

Total Savings: \$104,788



Balance Bill Reduction



Challenge

- One of Lockton's clients reached out to the service team for assistance with a balance billing issue their employee was having with an out-of-network air ambulance company.
- The services were incurred before the consumer protections of the No Surprise Bill Act went into effect.
- The employee had a past-due balance of \$15,624 and the provider was not offering a reduction.



Solution

- Lockton benchmarked a fair price for the services provided.
- Lockton then negotiated with the air ambulance provider on the employee's behalf.



Client Win

- After conversations with the Lockton team, the provider agreed to a lower payment in order to settle the outstanding balance.

Member saved \$11,124,
a 71% reduction



Claim Review on Dialysis Charges



Challenge

- Lockton identified a member with end-stage renal disease on dialysis and listed as having Medicare as primary.
- Lockton's review of dialysis claims showed various services paid at regular rates even though plan should have been secondary to Medicare.



Solution

- Lockton reached out to medical administrator regarding the dialysis claims.
- Medical administrator discovered their system was not updated with the Medicare status until after the claims were processed.
- Medical administrator made an adjustment request.



Client Win

- Medical administrator submitted a new Explanation of Benefits reflecting the adjustment.

Total Savings: \$8,729



*Contract Negotiation on
OPDIVO[®]*



Challenge

- Member with kidney cancer receiving outpatient chemotherapy drug OPDIVO® was reviewed.
- Lockton identified cost of OPDIVO® as being over benchmark pricing.
- Facility billed \$74,311 every 28 days for a yearly cost of \$966,043.



Solution

- Lockton reached out to the medical administrator regarding high cost of OPDIVO®.
- Lockton asked whether a site of care change would be possible or specialty pharmacy could be used, to which the provider declined.
- Lockton requested the medical administrator renegotiate the facility contracted rate for the high-cost medications over benchmark pricing.



Client Win

- Medical administrator negotiated new facility medication costs.
- Previous OPDIVO® cost was lowered to \$14,104 under new contract.

Total Annual Savings: \$782,691



Moving from Tablets to Capsules



Challenge

- Lockton identified a member on high-cost IMBRUVICA® medication for their leukemia during a review.
- The medication was dispensed every 28 days at a cost of \$43,966 for each refill.
- Estimated annual cost: \$571,558.



Solution

- Lockton requested a review of the cost of the drug in various forms and dosages due to the high price.
- Lockton discovered the same dose of the medication in capsule form rather than tablet represented a significant cost reduction.



Client Win

- The pharmacy benefit manager reached out to the physician for an updated prescription.
- The physician agreed to prescribe capsule form and sent a new prescription.
- Pharmacy fill cost was lowered to \$15,692.

Annual Savings of \$367,562

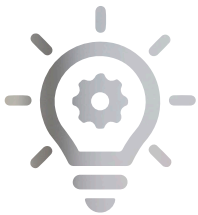


Corrected Specialty Drug Frequency



Challenge

- Lockton reviewed a member treated with high-cost drug ULTOMIRIS® every six weeks.
- Lockton identified dosing frequency fell outside of FDA approved guidelines.
- Projected annual cost of ULTOMIRIS® was \$727,309.



Solution

- Lockton requested medical necessity information for off-label dosing.
- During administrator review it was discovered that the prior authorization entity did not review frequency.
- Lockton requested frequency be reviewed by a medical director in consultation with the member's provider.
- Provider determined the correct dosing for ULTOMIRIS® was every eight weeks.



Client Win

- New authorization approved the corrected dosing frequency of every eight weeks, eliminating two infusions per year.
- Potential complications due to overdosing were reduced as well.
- New projected annual cost of ULTOMIRIS® was \$545,482.

Total Annual Savings: \$181,827

Expedited Second Opinion





Challenge

- A client benefits manager referred a member to Lockton given their expertise in garnering expedited second opinion referrals for members with diagnostic or treatment challenges.
- The member had been experiencing difficulty walking and other neurological symptoms in their legs.
- Given a family history of atypical multiple sclerosis, the member was diagnosed by a local neurologist with multiple sclerosis and started on a medication costing approximately \$300,000 per year.
- Symptoms continued progressing despite treatment, prompting a referral to the Lockton Clinical team.



Solution

- The Lockton team arranged for a virtual second opinion with the head of the multiple sclerosis program at Cleveland Clinic, one of the top multiple sclerosis programs in the country.
- After a thorough review of the member's medical records, the Cleveland Clinic physician determined the member did not, in fact, have multiple sclerosis, and they were able to stop the medication.
- The physician also determined the member had an undiagnosed structural issue with their spine which, left untreated, could have led to permanent neurological damage.



Client Win

- The Lockton Clinical team again stepped in to facilitate an expedited referral to the neurosurgical team at Johns Hopkins, which was closer to the member's home, for surgical repair.

Total Annual Savings: \$300,000

Wrong Diagnoses Made Right

A Lockton client's employee experienced sudden symptoms such as numbness, paralysis of the right side, and slurring of words. They were rushed to the emergency room, where no doctor could figure out what was happening to them. At first they were diagnosed with a stroke, but the symptoms uncharacteristically persisted. They were then diagnosed again with a stroke. Then cancer. Then a brain amoeba infection, which had an extremely low chance of survival. This went on for seven months. They continued to experience multiple flare-ups, and felt a complete loss of hope. Lockton intervened and connected them to the doctor at the Mayo Clinic who would finally provide them with the correct diagnosis: a rare form of multiple sclerosis.

Employee Testimonial

“ My co-worker probably saved my life when he hooked me up with one of our healthcare partners, Lockton. And they're a resource that I think everybody in the company should know about. The representative at Lockton got me into Mayo Clinic. They paid for me to travel to this world-class hospital where I could get a proper diagnosis. And those doctors nailed it right away.

Then I started doing my MS treatments at Cleveland Clinic, another incredible hospital that Lockton got me into. They took care of everything. And since then I've gone through therapy and rehabilitation and been able to return to work...

”



“I just wanted a way to let everybody know that they have these amazing resources available to them. Because they saved my life.”



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