

THE **CURIOUS** CASE OF THE COSTLY COMPLICATIONS



ANALYTICS ON-DEMAND

The sleuth

Enter Optum®, a leading health services and innovation company with years of proven experience helping companies just like this device company get to the bottom of difficult questions. Optum has access to a massive amount of de-identified, real-world patient data from claims and electronic health records. It also possesses the technology and expertise to integrate, sort through, and analyze that data in just about any way you can imagine.



FOLLOW THE MONEY

The plot thickens

Like all surgical procedures, the current standard of care comes with possible complications. After hearing the device company's story, Optum suggested they work together to dig deeper into the data and quantify the costs of those complications. If the costs were high enough and the newly approved device could avoid or minimize them, then that would provide the device company with the proof they needed to differentiate their solution.



TEAMWORK WORKS

The collaboration

The first step was to compile a list of "complication codes," which required close collaboration between the Optum medical director and the device company's medical director, a practicing physician who was familiar with both the current standard of care and his company's solution. Optum identified all the patients in their database who had had the surgical procedure during a seven-year period ending December 31, 2014. Optum then provided the two medical directors with the diagnosis and procedure codes associated with those cases. Together, the doctors scoured the codes to determine which ones pointed to complications after the procedure.

Armed with that information, Optum zeroed in on the medical and pharmacy costs associated with the complications by looking at key variables at intervals of 90 days, one year, and three years after the procedure. Additional proxies and outcomes assessed included:

- Prescriptions of medications used to treat the condition
- Condition diagnosis
- Condition-related health care utilization



THE PROBLEM

Sometimes you look at the facts at hand, and they just don't add up. A device company had done what they thought was the tough part. They proved that their medical device for a condition that was treated pharmaceutically or surgically worked, and they got FDA approval. Still, they struggled to get payers to buy in.

That final piece of the puzzle was a huge one, of course. If payers weren't willing to provide insurance coverage for the device, most patients couldn't get it, even if it was the best course of action for them. The device company realized that they needed to find a way to better position their product against the current standard of care for surgical treatment of the condition. **But how?**



THE A-HA MOMENT

The project provided the device company with exactly what they needed. The cost analysis — combined with what they already knew about their product — gave them the confidence that they could tell a compelling cost and outcomes story that would get the attention of payers. Together, the device company and Optum shined a light on a problem that payers did not even know existed, and developed actionable data that can be used to drive future discussions and impact decision-making.

Learn how Optum analytics on-demand can help you cost-effectively prove product value.

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