

Case Study

# Creating Narrow Networks by Reducing Leakages

With Innovaccer

The imperative to find ways to reduce healthcare spending has been around for quite some time. Health plans responded by creating insurance offerings that gave their members access to a small, cohesive pool of providers, known as narrow networks. However, when a patient in a provider network seeks services outside the specified pool of providers, the network experiences a leakage. Network leakage represents lost revenue opportunities, leads to higher out-of-network costs for patients, and increases challenges in efficient care delivery.

## **How did a Washington-based independent physician association reduce network leakage?**

An independent physician association (IPA) with over 550 healthcare providers managing 57,000 Medicare beneficiaries and 16,000 beneficiaries from commercial payers wanted to reduce its network leakage. By creating a narrow network, the IPA aimed to regain lost revenue and enhance the quality of care delivered to their patients.



The IPA implemented the following steps to identify and reduce network leakage:

1. Implemented a data platform to integrate the ADT feeds and relevant patient records, eliminating the need for multiple data systems to monitor network performance.
2. Created unified patient records that exhibited crucial patient details such as patient attribution, servicing provider, visit history, and more.
3. Post integration, the unified patient records were analyzed to identify the details of servicing providers for every patient, and they were displayed on customizable dashboards with drill-down capabilities.
4. The organization leadership could monitor network visits in real-time and sort them according to their requirements, such as by servicing providers, facilities visited, diagnoses, provider specialty, and more.
5. Any visit associated with a servicing provider not listed as active in the network was considered an out-of-network visit. Similarly, any visit occurring at a facility not specified in the network was also considered out-of-network.
6. With accurate real-time insights available, the organization could drill down to identify the causes of network leakage and calculate their contributions to leakage per provider or specialty.
7. From that analysis, the organization could take steps to rectify the network leakage by implementing processes to oversee transitions of care and monitor network performance regularly.

Utilizing a data-driven approach to identifying and addressing network leakage, the organization achieved the following:

1. The IPA determined a **total expenditure of \$14.8 million** from network leakages.
2. **85% of the patients** were **attributed** to either **primary care, internal medicine or general practice providers** and **4%** of them were attributed to a **specialist**.
3. **11%** of the remaining patients **did not have qualifying visits**, on whom the IPA focused specifically for care management to reduce attribution churn.

## **About Innovaccer**

Innovaccer, Inc. is a leading San Francisco-based healthcare technology company committed to making a powerful and enduring difference in the way care is delivered. The company leverages artificial intelligence and analytics to automate routine workflows and reduce manual overhead to facilitate more person-centered care. Its KLAS-recognized products have been deployed all over the U.S. across more than 1,000 locations, enabling more than 37,000 providers to transform care delivery and work collaboratively with payers. Innovaccer's FHIR-enabled Data Activation Platform has been successfully implemented with healthcare institutions, private health plans, and government organizations. By using the connected care framework, Innovaccer has unified records for more than 24 million members and generated more than \$600M in savings.

For more information, please visit [innovaccer.com](http://innovaccer.com).



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