



# Providence Health Plan

## Case Study



## Background

Providence Health Plan, a provider-sponsored health plan head quartered in Portland, Oregon with over 600K members, not only faces the same cost pressures and provider inflation trends that many health plans across the country are presented with, they also operate within the most competitive health insurance market in the country<sup>1</sup>. In order to effectively compete and grow membership, innovation is essential.

In early 2021, Providence Health Plan was looking to innovate their national network strategy with a new, efficient network expansion approach would enable them to achieve their growth objectives. This new approach had to help reduce costs and be customized to their member population to ensure members had access to high quality care nationwide. Additionally, with Providence growth and expansion goals in mind, the organization was looking for a partner that would enable them to scale with agility and continue to optimize and customize their provider networks to meet the needs of each line of business, employer group or product category.

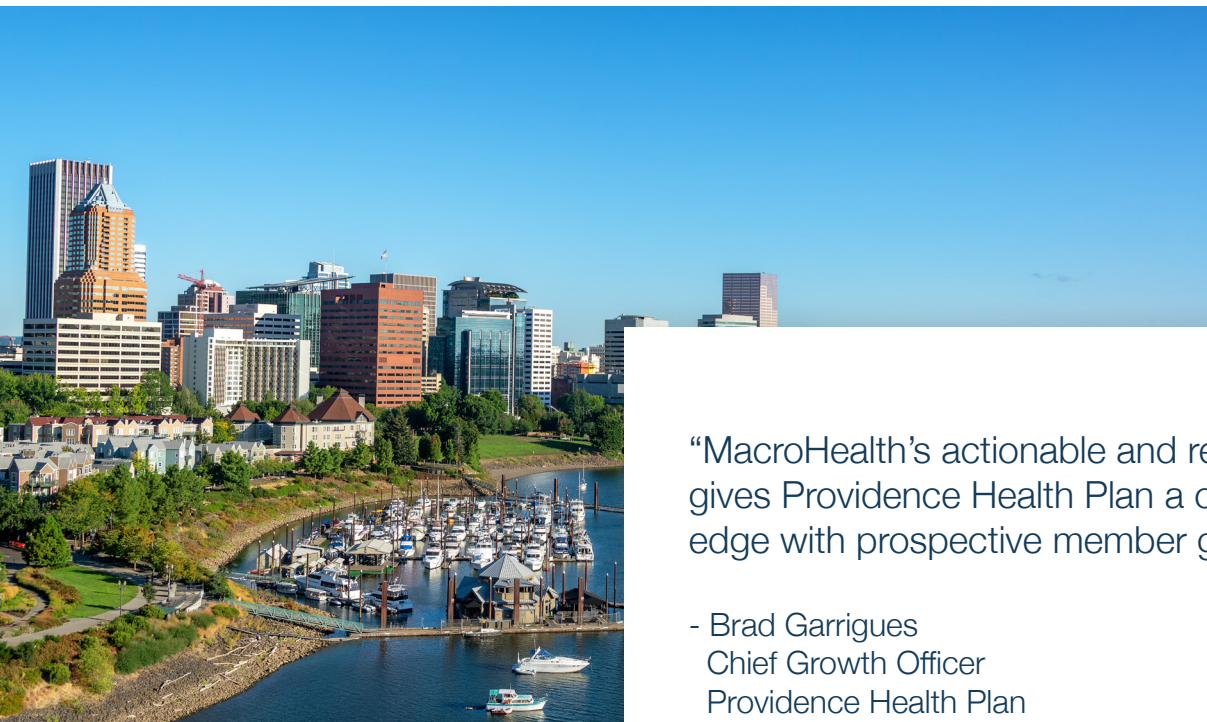
<sup>1</sup> Kaiser Family Foundation: <https://bit.ly/3aP7sMB>

Brad Garrigues, Chief Sales and Underwriting Officer at Providence Health Plan connected with the industry experts at MacroHealth. MacroHealth's unique value proposition and first-of-its-kind platform that leverages data science and industry standard interoperability to create highly curated solutions for purchasers of healthcare services specific to their member populations was an ideal fit for the Health Plan. Recognizing that the MacroHealth platform offered innovation, flexibility, and scalability, while also offering powerful analytics to augment their internal capabilities, Garrigues challenged MacroHealth to present an optimal network configuration that would best meet the needs of Providence Health Plan's members.

## Resolution

To design an optimal network solution that would eliminate unnecessary costs while providing access to a high quality national provider network for every Providence Health Plan member, MacroHealth performed a proprietary Network Optimization Analysis. Conducted via the MacroHealth platform, this analysis utilizes proprietary data ingestion processes, algorithms and advanced analytics to provide a Payer with unbiased market benchmarking to design Provider networks that are optimized for their unique population.

MacroHealth's Network Optimization Analysis identified a custom set of highly curated network options that would enable Providence Health Plan to realize significant cost savings, secure an advantageous contract with a national carrier and execute on their national network strategy.



“MacroHealth’s actionable and real-time data gives Providence Health Plan a competitive edge with prospective member groups.”

- Brad Garrigues  
Chief Growth Officer  
Providence Health Plan



## Key Outcomes

- This new custom network configuration has enabled Providence Health Plan to realize cost savings, improve offerings for their members and become even more competitive in their home market.
- With the MacroHealth platform providing a single connection point to their healthcare ecosystem partners, Providence Health Plan has been able to streamline their internal processes and gain operational efficiency.
- The MacroHealth platform provides Providence Health Plan with a unique, secure, extensible, cloud-based Intelligent Health Market, enabling them to lower healthcare costs, achieve better margins and foster membership growth.

# Results

On June 1, 2021, Providence Health Plan successfully launched their new network arrangement using the MacroHealth platform, immediately realizing increased operational efficiency and significant cost savings. These cost savings have translated into cost savings for members on premiums, cost for services and for employer groups by helping to mitigate benefit erosion.

In addition to enabling Providence Health Plan to better manage claim costs, the MacroHealth platform also provides insight into meaningful claim trends and patterns through MacroHealth's robust analytics package. Using data-driven insights from the MacroHealth platform, the informatics teams at Providence Health Plan monitor network performance and are able to optimize over time as needed, to best meet the needs of members. Access to this actionable, real-time data through the MacroHealth platform also gives Providence Health

Plan a competitive edge when demonstrating the value that they can bring to prospective member groups.

The MacroHealth platform provides a single connection point and performs the necessary data transformations required for Providence Health Plan to exchange critical enrollment, claim and payment data with their healthcare ecosystem partners, providing flexibility to engage with multiple vendor partners without increasing administrative or IT burden. The ability to customize and optimize their network solutions also enables Providence Health Plan to efficiently scale their solutions as their business expands into other geographies.

“Through our collaboration with MacroHealth, we’ve seen significant reductions to the level of effort needed to operationalize and connect to network and pricing solutions.”

- Brad Garrigues  
Chief Growth Officer  
Providence Health Plan

