



How Care Bundles and Member Navigation Drive Improved Savings and Quality

Care That Meets Each Member's Specific Needs

As the costs and complexities of healthcare continue to skyrocket, the methods of pricing for provider services and the way the industry looks at care are facing a much-needed change.

Historically, providers have received separate payments for each individual service or treatment for a patient. This fee-for-service reimbursement model, used by many commercial payers, relies on provider networks and focuses on the quantity of services provided, rather than the total package of care and the quality of those services. This approach can result in fragmented care with minimal coordination across providers and healthcare settings.

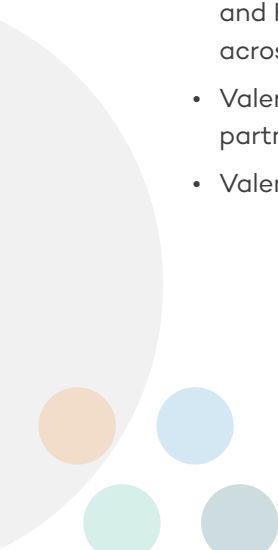
Coupled with the complications of insurance billing and reimbursement, fee-for-service models often lead to inflated costs for patients and providers. A highly comprehensive RAND research report in 2024 showed the nationwide average reimbursement for all private insurers was 254% of Medicare-level reimbursements in 2022 – with no end in sight.

Cost-Effective Choices, Data-Informed Decisions

Välenz® Health fundamentally believes that employers can generate greater savings and higher quality of care when deploying healthcare models built on episodes of care, as demonstrated through our imaging and surgical care bundles. Although bundled pricing is hardly new, Valenz has created a model that is distinctly different.

As opposed to typical percentage-based pricing methods, Valenz deploys numerous highly reliable data sources to arrive at defensible, local market-sensitive rates. Valenz aggregates years of robust data from thousands of provider network cases with industry-leading sources of payment, cost and charge-based data sets, together with biometrics and clinical data. Data sources include:

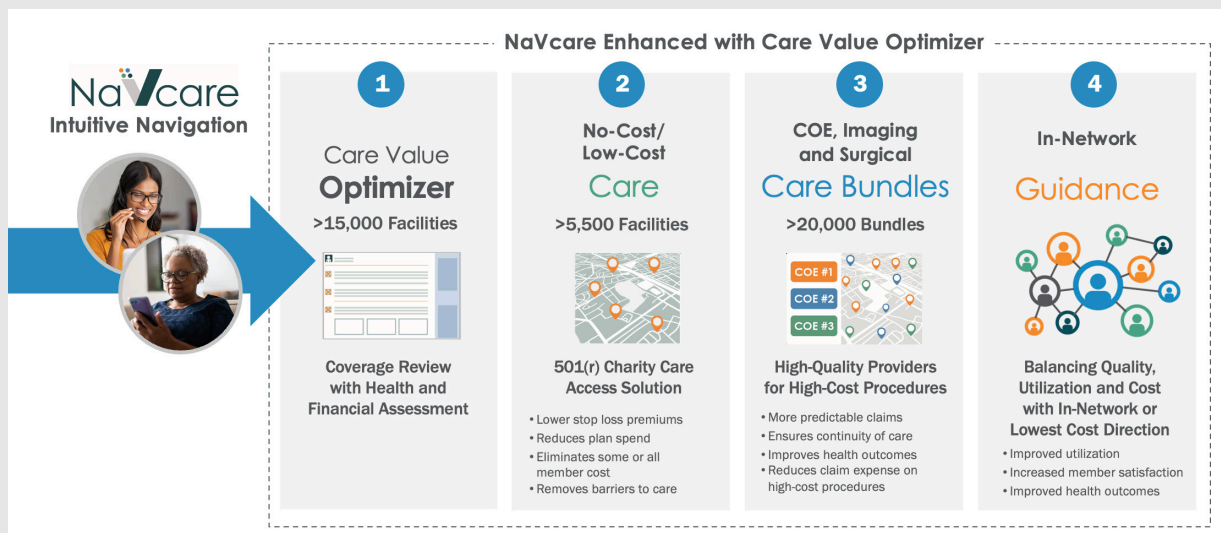
- Historical member claims and audit data within the Valenz data platform – with billions in medical claims received from U.S. employers using every type of traditional network
- Curated health data sets including data from Change Healthcare, Monocle Health, Turquoise Health and Healthcare Bluebook™ – encompassing trillions of dollars in claims and billions of data points across almost every EMR platform in the country
- Valenz provider networks and extensive Centers of Excellence data sets from Care Value Optimizer partners (see next page)
- Valenz provider credentialing and compliance data sets



NaVcare Enhanced with Care Value Optimizer: The Right Care, Right Place, Right Providers

To triage network selection, care and treatment based on both the financial and health needs of the member, employers rely on NaVcare Enhanced with Care Value Optimizer. This data-enabled tool swiftly identifies the best available care options based on members' income, location and healthcare needs – ensuring higher quality at the lowest possible costs.

With the Care Value Optimizer, each member is greeted by a dedicated nurse navigator who understands the needs of their specific health condition and their ability to pay. This intuitive navigation then matches the member to high-quality providers and provider networks – from low-cost and no-cost charity care options to Centers of Excellence (COE) and care bundles for imaging and surgery.



Out of this extensive data comes transparency and predictability of the total cost, a primary benefit of enhanced care navigation. With data applied to each episode of surgical or imaging care using a standardized methodology, members and employers know up front how much they will be expected to pay. This transparency eliminates surprise bills and hidden fees, empowering patients to make more informed decisions about their care.

Valenz goes even further by analyzing cost, quality and utilization to identify actionable opportunities for additional savings. For data integrity and timeliness, the Valenz Market-Sensitive (VMS®) repricing methodology continuously scrubs and adjusts the data as needed to ensure appropriate, local market pricing. What's more, Valenz monitors and reports on care outcomes for every member who is managed through the Care Value Optimizer.

Ultimately, Valenz delivers the necessary clarity into reducing costs, while facilitating better health outcomes and a positive member experience.

Optimizing Cost, Quality and Utilization

A bundled care model with transparent pricing ensures the ability to capture the proper cost, quality and utilization of care, in alignment with the goal of lowering costs. In addition, Valenz reduces medically unnecessary variations in care and enhances the quality of services during a clinically appropriate time period that are related to common high-cost procedures and conditions.

Responsible employers select a partner like Valenz that can provide the right data at their disposal to guide informed decisions and empower members to seek cost-effective, high-value care. Here's how Valenz optimizes the cost, quality and utilization of healthcare for everyone:



Unlike other bundled pricing models that commonly average 120-130% of Medicare, the bundled payment relies on multiple sources of data, ensuring a local market-sensitive rate. Additionally, the data sources inform quality and efficiency rather than solely to the volume of services provided, which incentivizes providers to coordinate and streamline the process – driving better outcomes at reduced expense. An episodic approach to care lends itself to avoiding medically unnecessary services, improved care management, and guidance to cost-effective care settings.

Cost Comparisons

Bundled pricing can save many thousands of dollars on high-cost procedures when compared with traditional payment methods. Case in point:

● MSK with Imaging Through Surgery – Knee Replacement

Traditional Network:

- MRI knee: \$2,228
- Knee replacement: \$53,378
- Total: \$55,606

Bundled Model:

- MRI knee: \$685
- Knee replacement: \$26,520
- Total: \$27,205

Total Savings: \$28,401

● Screening Colonoscopy at Outpatient or Endo Center

Traditional Network:

- Colonoscopy: \$3,487
- Polyp investigation: \$1,702
- Total: \$5,189

Bundled Model:

- Colonoscopy and polyp investigation: \$1,371
- Total: \$1,371

Total Savings: \$3,818

● MRI and Lumbar Decomp/Fusion of Bones

Traditional Network:

- MRI: \$1,723
- Spine fusion: \$65,952
- Total: \$67,675

Bundled Model:

- MRI: \$635
- Spine fusion: \$29,400
- Total: \$30,035

Total Savings: \$37,640



The Partner You Need for Significant Savings

Bundled pricing, as the consolidation of all costs for an episode of care, represents a promising solution that can deliver tangible benefits. Along with delivering greater savings across the board, Valenz facilitates collaboration among different specialties and healthcare facilities. This fosters a team-based approach to patient care that can lead to better outcomes and lower costs due to reductions in lengths of stay, emergency department visits and hospital readmissions.

Valenz is ahead of the curve, delivering innovative pricing methodology informed by multiple streams of data for high-cost imaging and surgical procedures. Through a single platform of fully integrated solutions to address every need, Valenz creates unparalleled value by aligning all parties and balancing cost, quality and utilization.

The Valenz® Health Platform of Fully Integrated Solutions:



Ultimately, the Valenz data-driven methodology for imaging and surgical cases promotes cost transparency and savings, efficiency, strong provider partnerships, and superior member experiences with a higher quality of care. It's just another key part of the Valenz vision to simplify healthcare.

For more information, contact Valenz at (866) 762-4455 or info@valenzhealth.com