Plan Management Navigator

Analytics for Health Plan Administration

Healthcare Analysts

Douglas B. Sherlock, CFA
sherlock@sherlockco.com

Christopher E. de Garay
cgaray@sherlockco.com

Erin Ottolini
erin.ottolini@sherlockco.com

John Park, CFA
jpark@sherlockco.com

Andrew L. Sherlock
asherlock@sherlockco.com

(215) 628-2289

Please see page 4 for our invitation to participate in the 2025 or license the 2024 Sherlock Benchmarks.

Customer Services and Customers Served

Every health plan operating function considers the needs of its members in establishing its capacity. The number of members matters, but so also does each member's needs. For health plans, those needs are partly apparent from the products that they choose.

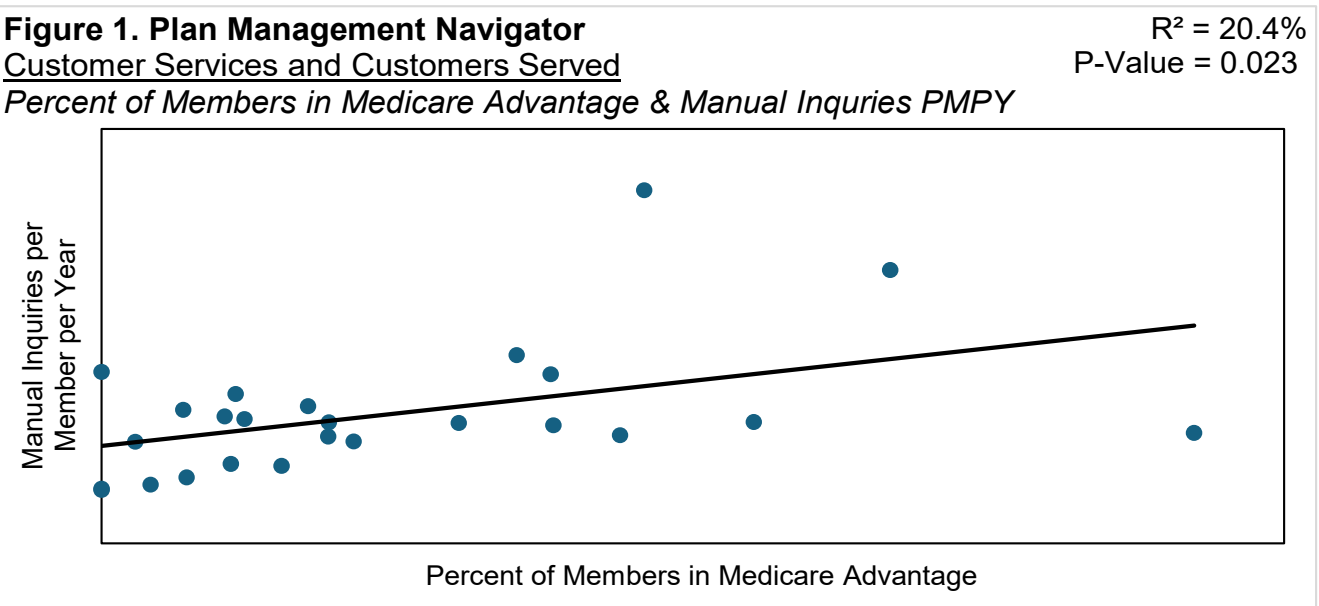
Customer Services is among the most important activities in support of health plan members. The *Sherlock Benchmarks* not only captures cost and staffing information but also inquiry volume and handle time in seconds. This *Plan Management Navigator* reports on a series of regression analyses measuring the effects of the percent share of Medicare, Medicaid and Commercial products on inquiry volume and handle time. Twenty-five plans supplied information sufficient for this measurement.

Medicare Advantage

The health needs of Medicare Advantage members are 2.3 times that of Commercial Members, and 3.4 times that of Medicaid members. They have greater encounters with the health care system, and an encounter may give rise to higher levels of inquiries for provider participation, scope of benefits, claims reconsiderations and so forth.

Figure 1 measures the effect of Medicare Advantage share of health plans' membership on the number of enterprise-wide Manual Inquiries per Member per Year. The slope is positive, i.e., the greater the proportion of Medicare Advantage the greater the number of inquiries per member. The P-Value was 0.023, that is, the chance of the relationship modeled by the regression line being the result of an unrepresentative sample was 2.3%. The regression line explained 20.4% of the differences between the values.

Figure 1. Plan Management Navigator
Customer Services and Customers Served
Percent of Members in Medicare Advantage & Manual Inquries PMPY



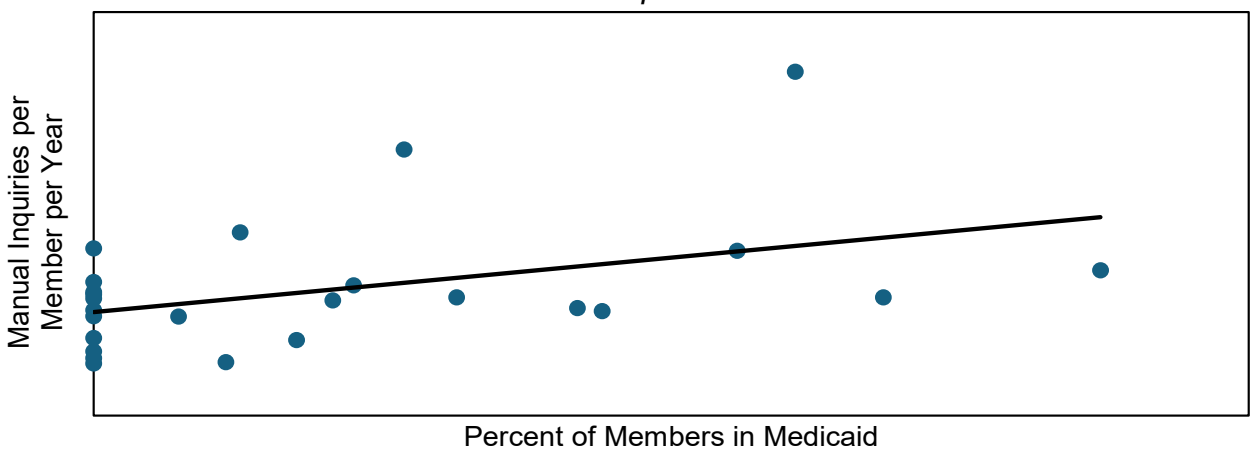
Medicaid

The share of membership that was Medicaid also had an effect on enterprise-wide Manual Inquiries per Member. Figure 2 measures that effect: the relationship is positive, the R^2 is 18.5% and the P-Value was 0.032. The greater the share of Medicaid, the greater the Inquiries per Member for the health plan.

In view of our earlier implication that health care costs are associated with inquiries, this is inconsistent with lower health care costs in Medicaid. One possible explanation stems from the nature of Medicaid enrollment: In Pennsylvania for instance, the average duration of Medicaid Expansion Population enrollment was 355 days. When their membership expired, 41% of the time it was because their income exceeded certain thresholds[1]. Such members may therefore be either new to the Medicaid program or are new to a subsequent Commercial Product offered to that beneficiary by the same plan, perhaps a catalyst for inquiries.

Handle time is also associated with higher Medicaid participation. The slope is negative, that is, the greater the Medicaid share, the shorter the Handle Time in Seconds. The R^2 is 19.6% and the P-Value is 0.051. Please see Figure 3 on the next page.

Figure 2. Plan Management Navigator R^2 = 18.5%
Customer Services and Customers Served P-Value = 0.032
Percent of Members in Medicaid & Manual Inquiries PMPY



[1] Analysis of Length of Stay in Pennsylvania Medicaid Program and the Impact of Medicaid Expansion. PA Department of Human Services.

Figure 3. Plan Management Navigator $R^2 = 19.6\%$
Customer Services and Customers Served P-Value = 0.051
Percent of Members in Medicaid & Handle Time in Seconds

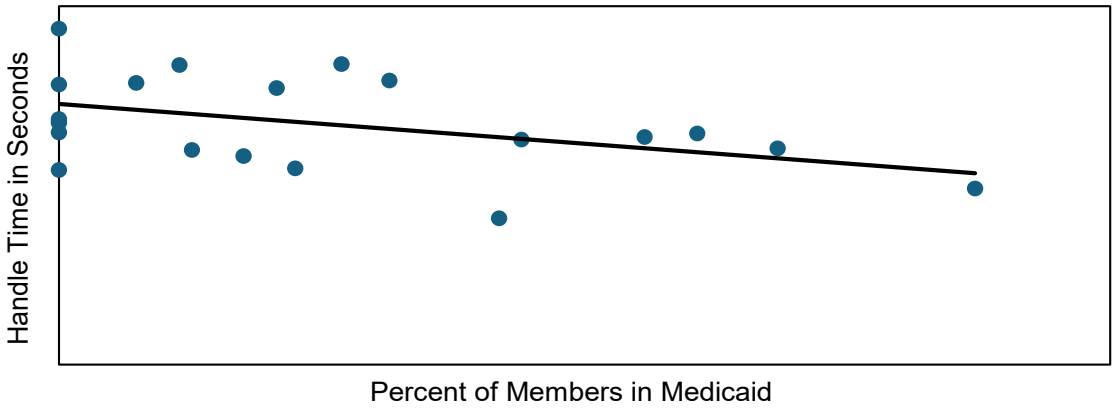
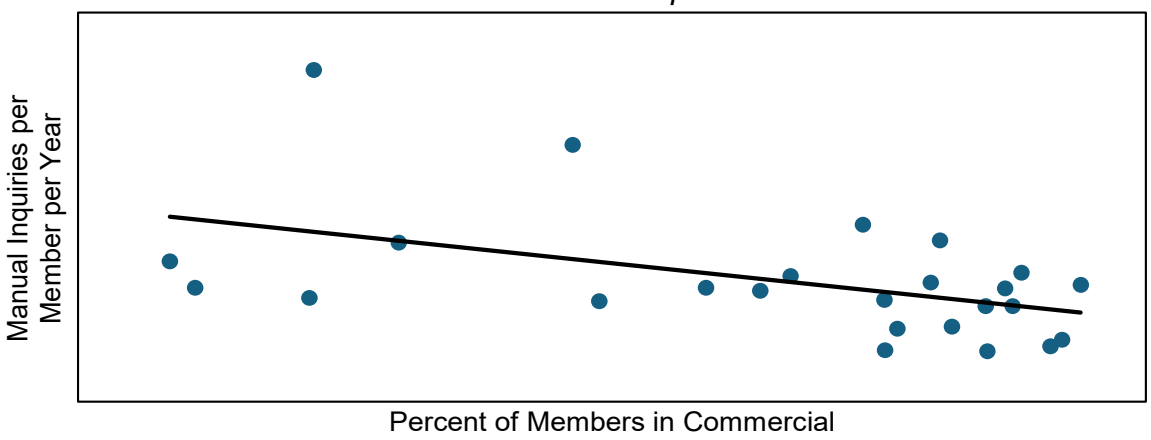


Figure 4. Plan Management Navigator $R^2 = 23.4\%$
Customer Services and Customers Served P-Value = 0.014
Percent of Members in Commercial & Manual Inquiries PMPY

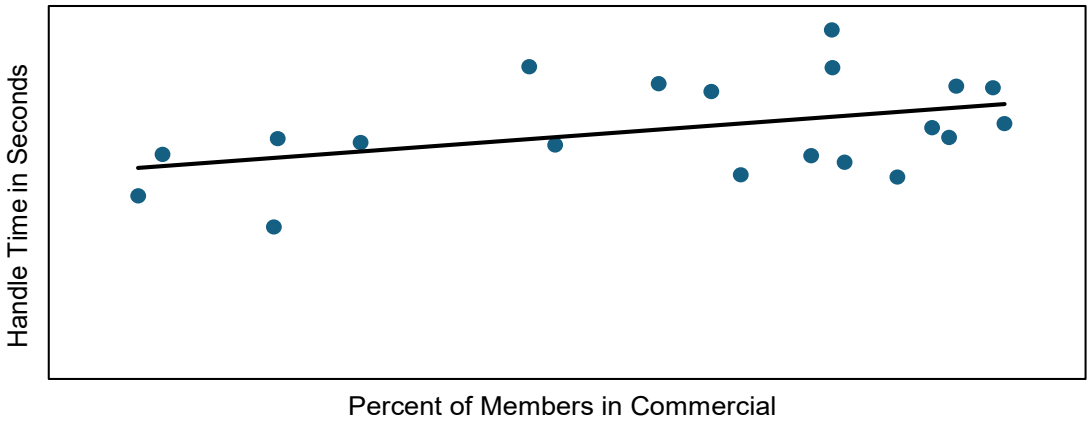


Commercial

The predominant product offered by these health plans is Commercial. Unsurprisingly, based on the above, the greater the share that is Commercial, the lower the manual inquiries per member. The slope is negative, with a R^2 of 23.4% and a P-Value of 0.014. This is shown in Figure 4.

As shown in Figure 5 on the next page, Handle Time in Seconds was also affected by the share of membership that was Commercial: the greater the proportion, the longer the Handle Time in Seconds. The R^2 was 18.7% and the P-Value was 0.057.

Figure 5. Plan Management Navigator $R^2 = 18.7\%$
Customer Services and Customers Served P-Value = 0.057
Percent of Members in Commercial & Handle Time in Seconds



Invitation to Participate in the 2025 Sherlock Benchmarking Study

The highly validated, well-populated *Sherlock Benchmarks* provide participating health plans with an unbiased ranking and, within those plans, helps prioritize cost management activities to have the greatest impact on improving each health plan's overall operating performance.

The surveys for the Independent / Provider – Sponsored ("IPS") universe were launched in recent weeks and the surveys are due back in mid-May. The IPS universe is comprised of 12 plans. If your plan has an interest in participating in this universe, please reach out immediately so we can execute a mutual confidentiality agreement and proceed with the survey.

For the Blue Cross Blue Shield universe, comprised of 14 Plans, draft documents of the Financial and Staffing metrics will likely be available in late May with Final versions published in mid-June.

The **Medicare** and **Medicaid** universes will be launched on June 3rd, immediately after the Medicare bids are due. Please reach out to us if your health plan has an interest in participating in these universes.

The 2025 study is its 28th consecutive year, reflecting a cumulative experience of over 1,000 health plan years. Health plans serving 170 million Americans are either licensees or participants in the *Sherlock Benchmarks* since June 2022. Participating plans have included most Blue Cross Blue Shield plans, large public companies, Independent / Provider-Sponsored health plans, Medicare plans and Medicaid plans, as well as their consultants.

For those unable to participate, licensing is available. Please see the following link www.sherlockco.com/sherlock-benchmarks for additional information on the *Sherlock Benchmarks*. The Report Tables of Contents shown on that page mirror the Reports received by participants. The difference is that each participant edition is tailored to that participating health plan.

The *Sherlock Benchmarks* have been called the "Gold Standard" by leading health care consultants. Report publication begins in late June but varies by universe. Participation entails efforts on the part of the plans since actionable outputs require relatively granular inputs. However, the cost is relatively modest.

Please reach out to Douglas Sherlock at **sherlock@sherlockco.com** or 215-628-2289 if you are interested in either participation or licensing. *You will be among good company.*

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