

CASE STUDY

Driving Savings and Better Healthcare Choices with *Value-Based Care*



The Challenge

A private enterprise client experienced a sharp rise in healthcare claims costs, an unexpected shift driven by changes in employee demographics and the emergence of high-cost claimants. The company's leadership was committed to providing strong benefits packages; however, their healthcare spend was outpacing projections. The organization wanted a solution that would reduce costs, improve health outcomes, and offer better guidance for employees without disrupting employees' current healthcare journeys, compromising their provider choice, or changing carriers.

The Solution

Paul Martinez, Newfront's Executive Vice President of Total Rewards, partnered with the client to find a solution. He proposed implementing a value-based health plan designed around variable copays that reflect provider quality and cost-effectiveness. With this plan, employees gain upfront visibility into what they'll pay for care before they go to the doctor's office. Using the plan's app, they can search for nearby providers on a map, view copay amounts, and compare provider ratings. The plan incentivizes employees by reducing co-pays for high-quality providers, steering members toward more efficient, better-rated care without sacrificing choice or convenience.

Best of all, the plan would use the same insurance network, allowing the company to achieve its goals without forcing employees to change doctors or navigate a new carrier.

The Results

With the value-based health plan, Newfront helped the company curb rising claims costs and improve employee experience. Employees saw an average 50% reduction in out-of-pocket expenses, while the employer reduced its per member per month (PMPM) claims spend by 17%. What's more, the plan's value-based model empowered smarter choices for better health outcomes in the long term.

Employees reported high satisfaction with the new plan, particularly the transparency around cost savings and provider quality. From the employer's perspective, Newfront delivered exactly what was promised: a non-disruptive, cost-saving solution that enhanced the benefits experience.

17%

REDUCTION IN PER
MEMBER PER MONTH
CLAIMS SPEND

50%

REDUCTION IN OUT-OF-
POCKET EXPENSES FOR
EMPLOYEES ON AVERAGE