

# To COE or Not to COE – Is That the MSK Question?

Brown & Brown Population Health and Well-Being  
Musculoskeletal Health Summer Series

September 10, 2024

*Brown & Brown Insurance Services, Inc.*



# Musculoskeletal Health Summer Series

Watch Session 1 & 2 Replay



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**Session 1: A Foundational Approach to Musculoskeletal Health: Addressing the Leading Drivers of Cost, Absence and Lost Productivity**

Tuesday, July 9 | 2:00 – 3:00 PM ET

2

**Session 2: Virtually Speaking: Emerging Employer Strategies and MSK**

Tuesday, August 6 | 2:00 – 3:00 PM ET

3

**Session 3: To COE or Not to COE – Is That the MSK Question?**

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# Introductions

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**Zack Papalia, PhD, MPH**

**Senior Population Health &  
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**Louise J. Short, MD, MSc**

**National Practice Leader  
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**VP & Medical Director for  
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**Executive Vice President,  
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# Agenda



1

**Making the Case for MSK**

2

**A Comprehensive Approach to MSK Strategy**

3

**Roundtable Discussion: Best Practices & Considerations for a Centers of Excellence Strategy**

**Louise Short, MD, MSc | Raymond Hwang, MD | Mark Griffin**

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# Making the Case for MSK



# Musculoskeletal Health:

## Why Employers Should Care

Employers spend more on MSK and related comorbid conditions than any other condition or chronic illness, including diabetes, cancer, cardiovascular disease and respiratory illness.<sup>1</sup>

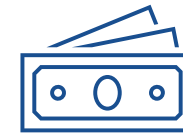
## The Impact on the Workforce



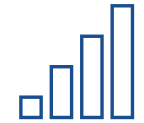
**35 million adults** in the U.S. report lost workdays due to MSK health disorders<sup>1</sup>



MSK disorders are the **leading driver of missed work** nationwide<sup>2,3</sup>



**\$980 Billion** – cost of MSK treatment and associated lost wages in the U.S. annually<sup>4</sup>



**75% of employers** report MSK as a top driver of healthcare costs<sup>5</sup>



**63% of MSK spend** stems from surgery; as much as 40% of surgery for low back pain fail to reduce pain long-term<sup>6</sup>

# Musculoskeletal Well-being

## Defining the Issue

The World Health Organization defines **>150 different Musculoskeletal (MSK) diseases or conditions**

MSK can conditions impact numerous body systems, including bones, muscles, joints, locomotion, proprioception, connective tissue, and more



Conditions and diseases exist along a **severity & time continuum**, from acute injury (e.g. sprained ankle) to chronic (e.g. low back pain)

### Examples of MSK conditions include:

- Back pain
- Sprains and strains
- Arthritis
- Spinal disc issues
- Carpal tunnel
- Joint replacement
- Chronic pain

- Musculoskeletal well-being encompasses a wide range of conditions and risk
- Impact extends across industries & occupations

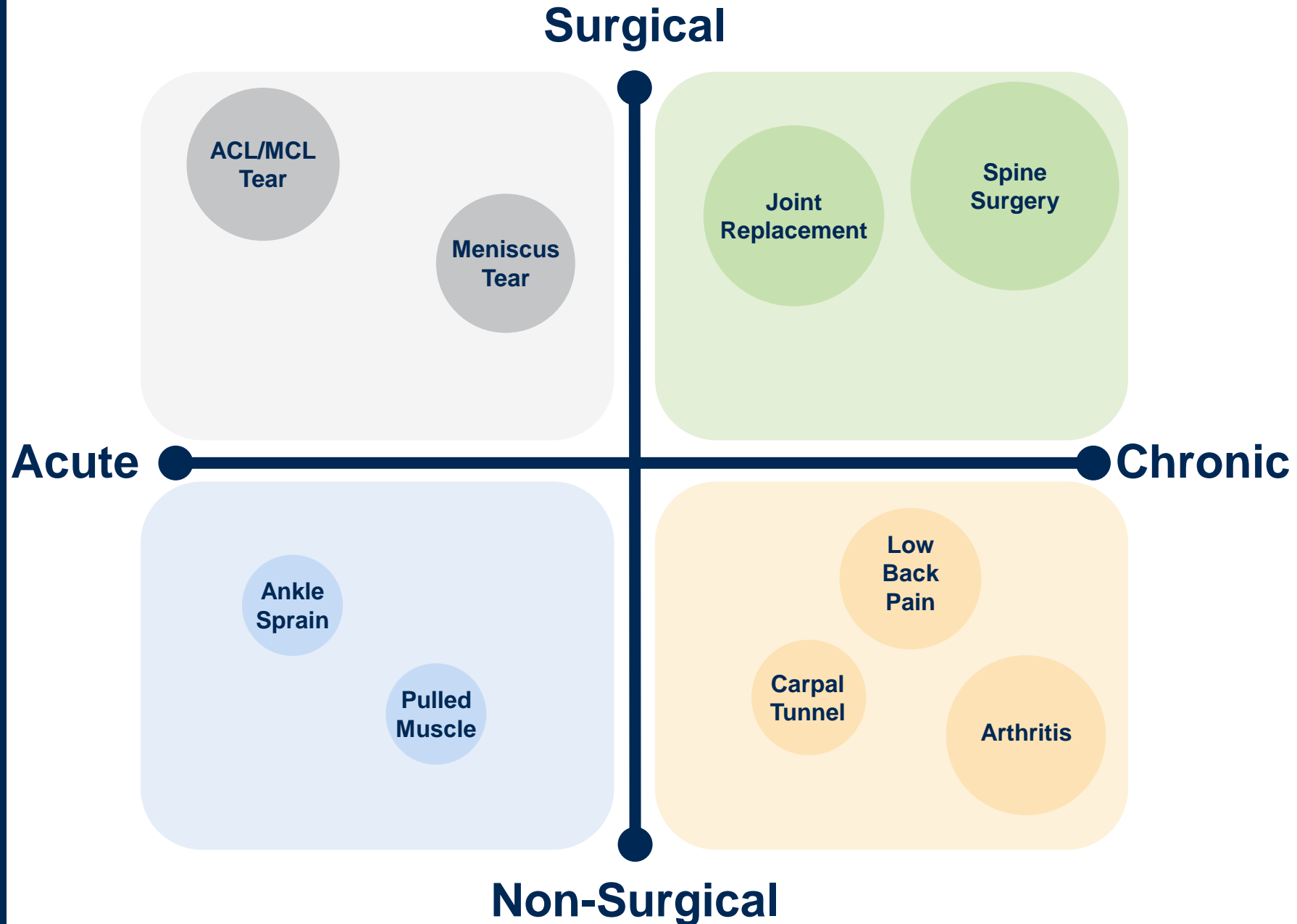
# Musculoskeletal Well-being:

## Condition Matrix

**Chronic MSK:** Conditions due to aging, overuse, ergonomics, etc. These conditions are generally more manageable & addressable via proactive strategy

**Acute MSK:** Conditions related to accident, trauma or injury. These generally cannot be avoided and require a more reactive strategy to support.

**Both Chronic & Acute MSK can require surgical and/or non-surgical treatment**



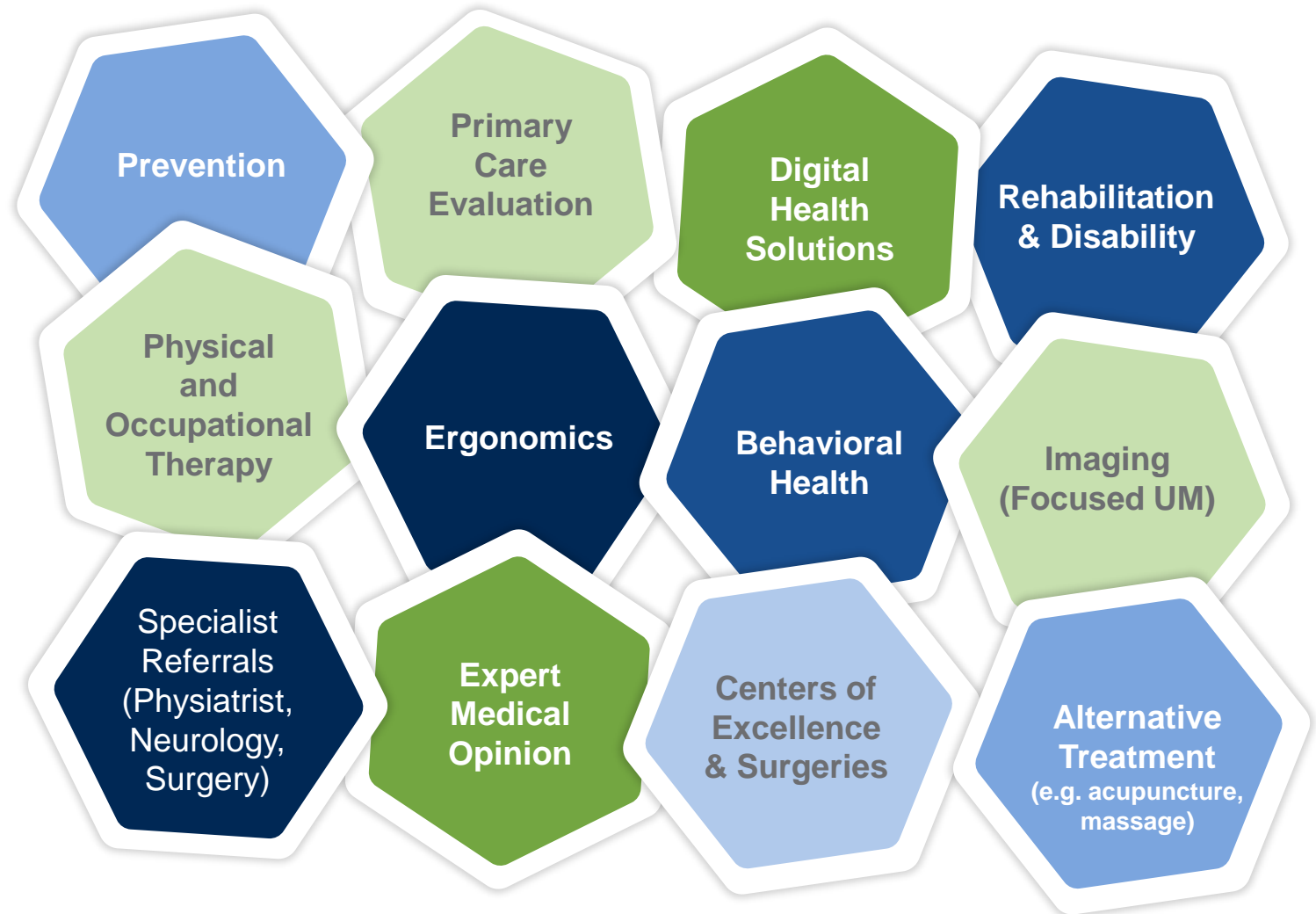
Smaller = less costly on average | Larger = more costly



# Musculoskeletal Well-being:

## *The Spectrum of Care*

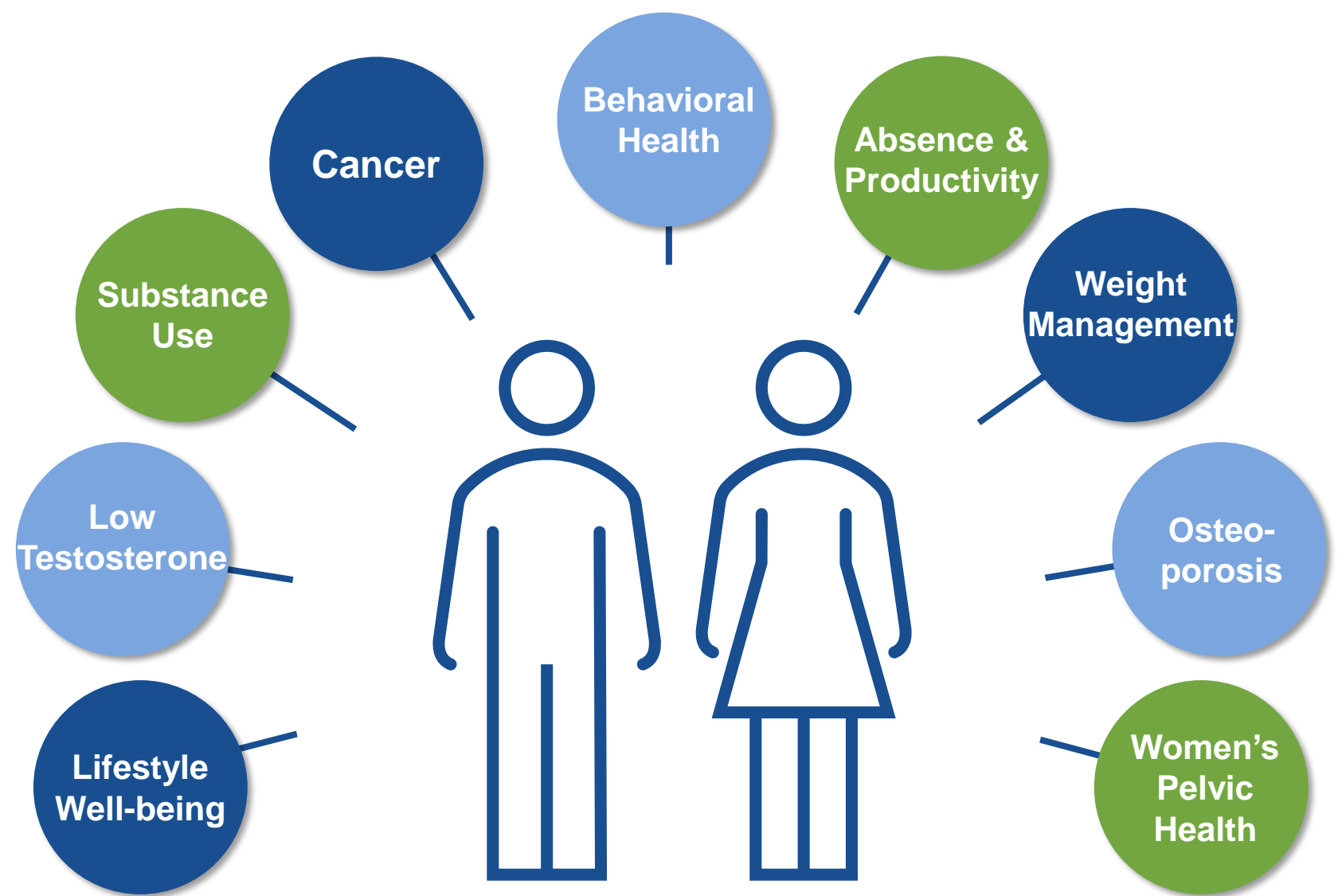
- Complex web of etiology & pathology creates similarly robust solution spectrum and cycle of care
- Significant variance in clinical severity, time, and treatment



# Musculoskeletal Well-being:

*More than just aches & pains*

- MSK disorders often bring with them chronic pain that if left unaddressed can exacerbate comorbidities and dramatically reduce quality of life
- Risk mitigation, and impact, rarely exists in a silo



The impact of Musculoskeletal Disorders is not limited strictly to orthopedic concerns. Few conditions have the prevalence of clinical comorbidities & impact as MSK Well-being.

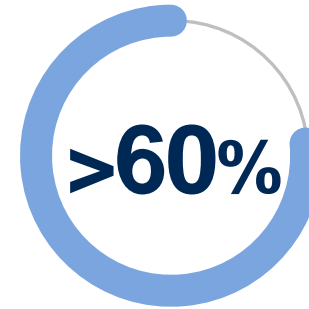
# Musculoskeletal Well-being:

## Treatment Quality & Appropriateness

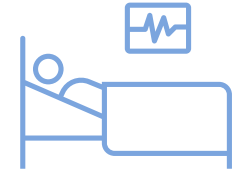
- Surgical interventions for chronic MSK conditions are often the top cost driver relative to MSK health
- Surgical quality & outcomes vary widely across providers
- Many procedures may be unnecessary, and/or not resolve the underlying issue



Overall complication rate for Orthopedic Surgeries<sup>1</sup>



Of all Spinal Surgeries may be avoidable with conservative treatment<sup>3</sup>



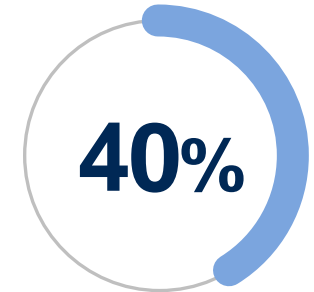
Many surgeries for low back pain were performed before conservative treatment was pursued<sup>4</sup>



Average complication rate for Spinal Surgeries<sup>2</sup>



Less than 60% of patients report significant relief following surgical treatment for low back pain<sup>5</sup>



Of patients continue to experience pain following surgery for chronic low back pain<sup>5</sup>

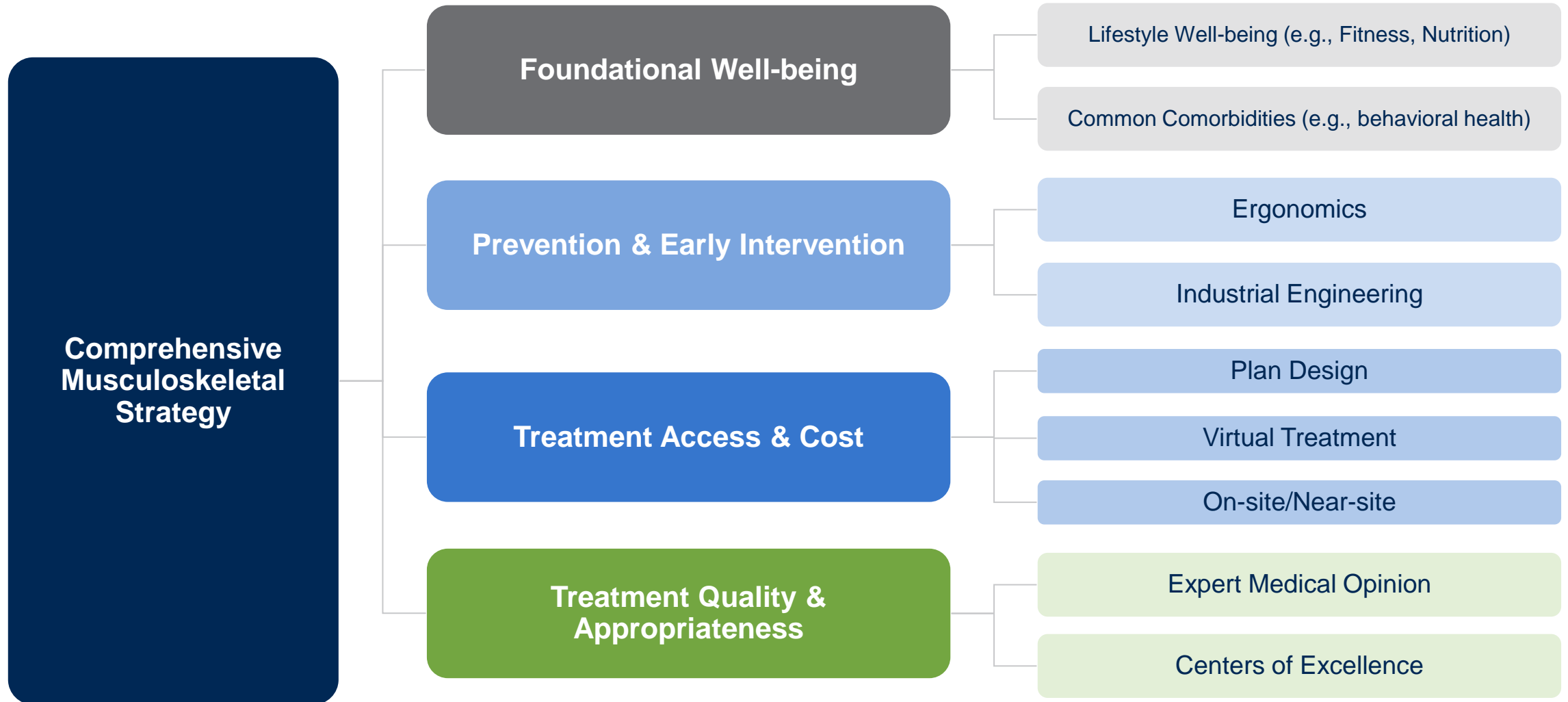
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## A Comprehensive Approach to Musculoskeletal Health



# Musculoskeletal Health: Spectrum of Severity & Opportunity

## Solution Spectrum



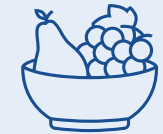
# Musculoskeletal Health: Foundational Well-being

## Thinking Beyond Plan Design & Treatment Access

- Holistic MSK support requires evaluation & targeted solution development beyond plan design
- Promoting healthy lifestyles through fitness, nutrition, and a healthy work environment all can have sizeable impact on MSK well-being
- Position workplace culture to promote healthy lifestyles
  - Flexible schedules
  - Hybrid work opportunities
  - Targeted incentives (e.g., LSA's)
  - Fitness and nutrition programming
  - Providing paid time to seek treatment
- Synergistic impact beyond MSK outcomes



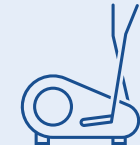
**Work Environment**



**Nutrition**



**Alternative Treatments**



**Fitness**



**Lifestyle Spending Accounts**

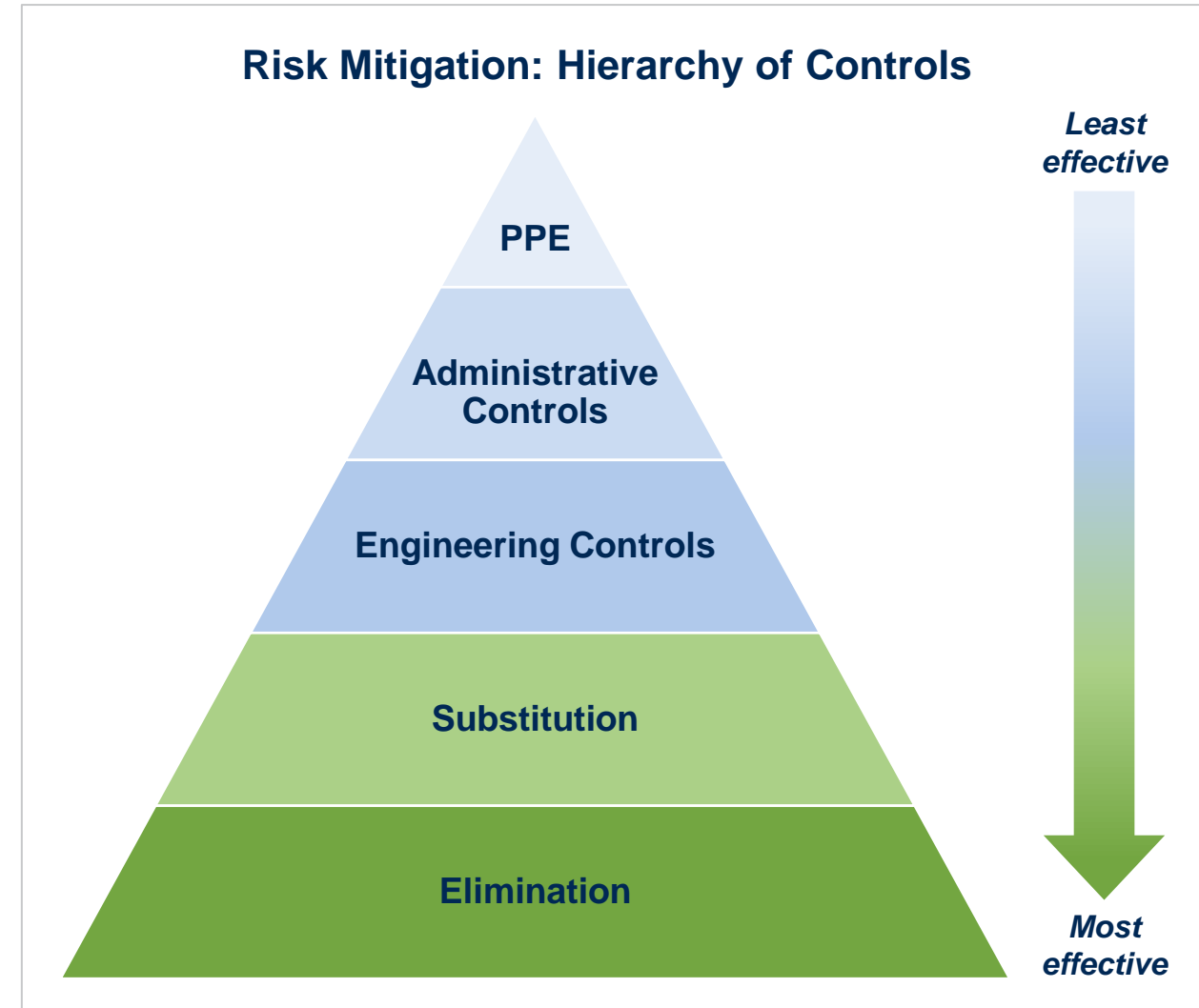


**Ergonomics**

# Musculoskeletal Health: Prevention & Safety

## Ergonomics & Risk Mitigation

- Ergonomic opportunities exist across industries and job types
- Hybrid/remote work presenting an emerging risk due to lack of control over workstation
- Overlap with P&C and/or Safety & Risk departments
- MSK opportunities may be evaluated throughout Hierarchy of Controls framework
- Understanding opportunities along framework can help drive guidance and collaboration with internal stakeholders
- **Eliminate/minimize risk through occupational design**
- **Solution note:** Increasing opportunities to integrate emerging technology (e.g. AI) to bolster ergonomic assessment & training



# Virtual MSK Therapy

Leveraging innovation to reduce barriers to care and connect members to clinicals beyond geographic & temporal barriers

## VALUE

-  Reduced Barriers to Care
-  Expanded Access
-  Cost Savings Through Utilization & Prevention
-  Enhanced Care Coordination

## Strategy Considerations

### Solution Capabilities

- Motion Tracking
- Care Team
- Platform Capabilities
- Program Tiers
- Pricing
- Global Parity



### Impact & Efficacy

- Clinical Validity
- Economic Impact
- Care Coordination
- Employer Trends



### Best Practices










- Needs Assessment
- Solution Vetting
- Implementation
- Ecosystem Integration
- Engagement & Comms



### Measuring Impact

- Benefits & Well-being Ecosystem
- Virtual MSK Solution
- Integrated Analysis

## PHTI Category-Level Ratings for Virtual MSK Solutions<sup>1</sup>

	Clinical Effectiveness	Economic Impact	Summary Rating
<b>Physical Therapist-Guided Solutions</b>	 Improves both pain & function	 Decreases net spend relative to in-person PT & care avoidance	 Evidence supports broad adoption
<b>App-Based Exercise Therapy</b>	 Improves pain but not function, not substitutable for in-person PT	 NA	 Evidence supports adoption under appropriate conditions
<b>Remotely-Supplemented In-Person Solutions</b>	 May perform better than in-person PT alone	 Increases net spend, but may avoid future HCC	 May justify adoption but additional research needed

 Positive

 Moderate

 Negative

1. Peterson Health Technology Institute. Virtual Musculoskeletal Solutions, Health Technology Assessment V1.0, June 2024



# Expert Medical Opinion

World class clinicians help members with serious and complex conditions confirm diagnosis and treatment plan, and refer to high quality providers

## VALUE

- ✓ Manages high-cost complex claims
- ✓ The right diagnosis, treatment and provider
- ✓ Exceptional user experience & satisfaction
- ✓ Medical cost savings

### Complex Cases

- Joint replacements
- Low back pain
- Spinal procedures
- Obesity
- Other surgeries & diagnoses



### Clinical Team

- Health Advisors
- Expert Physician Panels
- Provider Credentialing Research Team
- Relationships with Centers of Excellence



### Concierge Services

- Medical Records Review
- Expert Opinions of Diagnosis and Treatment Options
- Appointment Scheduling
- Referral/matching to High Quality Providers



**Improved Quality of Care**



**Improved Member Experience**



**Reduced Unnecessary Care**



**Cost Savings**

# Centers of Excellence

Orthopedic COE's are the second most common COE after transplant services. COEs present the opportunity to improve surgical outcomes while reducing the cost of care and risk of complications.

## VALUE



Improved outcomes with fewer complications & lower re-admission rates



Acute impact on cost savings (point of surgery)

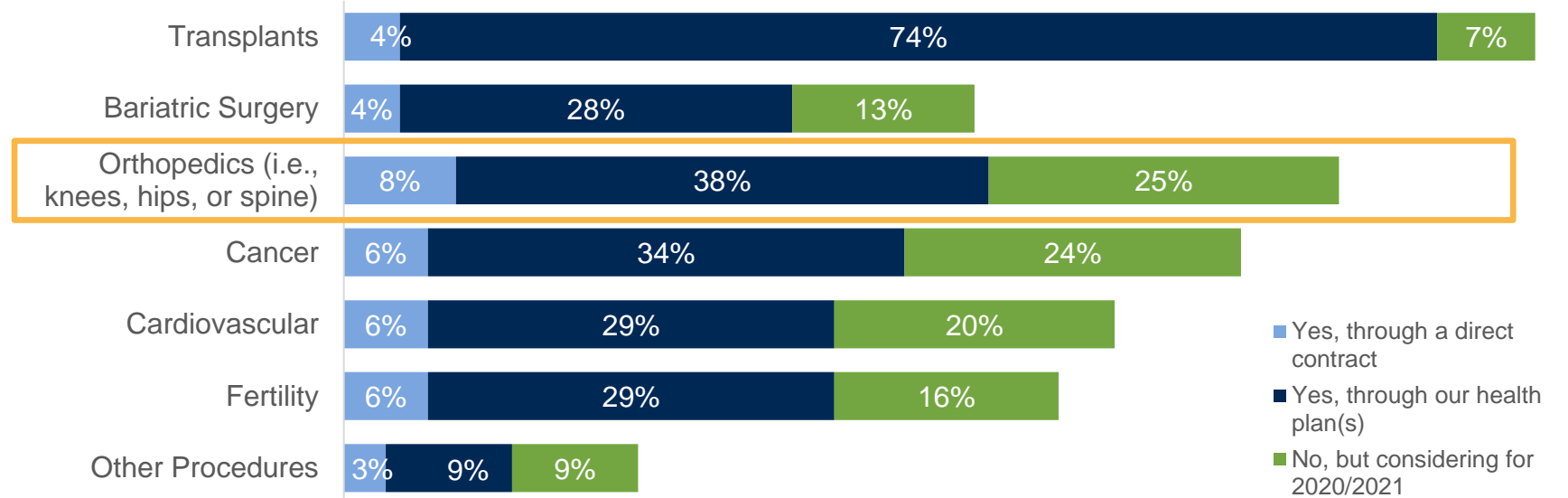


Steering potential high-cost claimants to high-performing facilities



More transparent, stable, & predictable pricing

## COE Prevalence Among Large Employers



## COE Capabilities Overview



### Benefits Design

- Steerage
- Covered Procedures
- Travel Benefits



### Access

- Broad vs. Regional
- Carrier, Direct or Independent



### Contracting Options

- Carrier Contract
- Carve-Out
- Bundle vs FFS



### Outcome Metrics

- Baseline Data
- Cost & Utilization
- Outcomes



### Member Experience

- Concierge
- Navigation
- Coordination w/ PCP

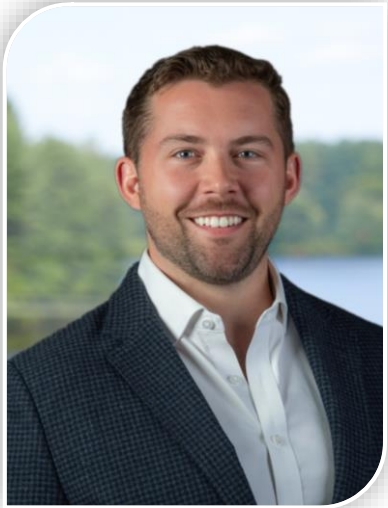
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## Roundtable Discussion: Best Practices & Considerations for a Centers of Excellence Strategy



# Roundtable Discussion

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# What did we hear today?

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Keys to effectively addressing treatment quality & appropriateness



Identify the clinical & financial need



Evaluate available solutions & providers



Establish KPIs & PGs early



Develop a proactive, targeted communication strategy



Foster a supportive, comfortable member experience



Measure, assess & refine

# Thank you!

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**THANK YOU!**

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The rates and benefits in this proposal are based upon underwriting factors which include, but are not limited to, the census provided, the effective date shown, the status of employees/ dependents (e.g., actively at work, COBRA, FMLA), final enrollment, etc. Although we make every effort to convey final rates and terms, certain changes to the aforementioned frequently arise during the implementation process. Some changes may result in rate modifications being required by the carriers.

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This report reflects current and alternate benefit options. Different benefit levels may be available upon request.

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Financial Strength Rating	
A++, A+	Superior
A, A-	Excellent
B++, B+	Good
B, B-	Fair
C++, C+	Marginal
C, C-	Weak
D	Poor
E	Under Regulatory Supervision
F	In Liquidation
S	Suspended

Financial Size Category (in Thousands)	
Class I	Up to \$1,000
Class II	\$1,000 to \$2,000
Class III	\$2,000 to \$5,000
Class IV	\$5,000 to \$10,000
Class V	\$10,000 to \$25,000
Class VI	\$25,000 to \$50,000
Class VII	\$50,000 to \$100,000
Class VIII	\$100,000 to \$250,000
Class IX	\$250,000 to \$500,000
Class X	\$500,000 to \$750,000
Class XI	\$750,000 to \$1,000,000
Class XII	\$1,000,000 to \$1,250,000
Class XIII	\$1,250,000 to \$1,500,000
Class XIV	\$1,500,000 to \$2,000,000
Class XV	\$2,000,000 to Greater