Creating value through a tailored solution for incontinence management

Customer: New Jersey's largest HMO

» Over 854,000 enrollees.

» Major provider in NJ’s Managed Long Term Services and Supports (MLTSS) program for Medicaid-qualified individuals over 65.

» The HMO’s goal: Expand access while enhancing care for Medicaid recipients, including enrollees in the NJ FamilyCare program, which gives low-income working families access to healthcare coverage.

Challenge: Significantly improve incontinence management

» As an MLTSS provider, the HMO found itself in a new role:

  - The HMO, as opposed to nursing and LTC facilities, was now responsible for the cost of incontinence management supplies and management of over 40 suppliers.

» Critical pain points:

  - Inconsistency in service and pricing.
  - Handling claims and payment for over 40 suppliers.
  - Reducing medical supply utilization and waste. Tracking and managing overall utilization.

» Related issues:

  - The HMO’s case managers were challenged to select the most appropriate products from a long list that varied in quality and price.
  - Several incontinence products did not meet the HMO’s quality standards.

By the numbers

$10.4M
savings in incontinence supplies over 3 years

37%
increase in enrollees with incontinence since 2014

35.6%
reduction in annual incontinence supply expense
Purchasing efficiencies
Leveraging manufacturer-direct purchasing to create efficiencies

Consolidating with Medline

» To maximize quality of care and efficiency, the HMO decided to transition to a single-source provider (Medline) for incontinence products.

» Key decision drivers:
  • Single point of contact
  • Higher product quality and knowledge; manufacturer-direct pricing

Close working partnership

» Medline representatives worked closely with the HMO to update formulary guidelines, roll out product education to case managers and establish new ordering procedure utilization.

» Minimized the costs associated with switching thousands of patients, providing samples and collaborating with case managers.

» Quality of service was maintained because of Medline’s local distribution center and frequent visits by company representatives to ensure a smooth transition.

Improved clinical and financial outcomes

» Since consolidating its supply needs with Medline, incontinence management has become simpler.

  - The HMO now has an effective and concise formulary that reduces confusion and product overlap.

  - Single-source ordering means the HMO now has just one process to follow, not dozens.

  - Product quality and service has improved product utilization and member engagement, and reduced waste.

  - Case managers’ workload has been lightened.

“We are serving 3,600 more incontinent enrollees than we did in 2014, yet we’re spending nearly $900,000 per year less—and we’re providing better care.”

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Consolidating with Medline

<table>
<thead>
<tr>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>Members Served</td>
<td>9,846</td>
<td>11,378</td>
<td>12,466</td>
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<tr>
<td>Annual Savings with Medline</td>
<td>$2,135,523</td>
<td>$2,527,048</td>
<td>$2,654,542</td>
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Total Savings Since 2014
$10,400,000