

# Delivering Top Quality, Affordable Care

Increasing health care costs led the 32BJ Health Fund to partner directly with the Mount Sinai Health System to codesign Center of Excellence programs with amenities that address common challenges that patients face. Over the last five years this program has produced top care quality metrics, cost savings, and improved patient satisfaction.

"Healthcare is like being in a foreign country, and only you showed me how to speak the language."

- 32BJ Total Joint Replacement Participant

## The Challenge

Like many health care purchasers, the 32BJ Health Fund knew from its claims data that increased costs for 32BJ plan participants did not always lead to improved healthcare quality. Rising costs are unsustainable and dampen wage growth. To curb these rising healthcare costs, the 32BJ Health Fund partnered with the Mount Sinai Health System to develop a Total Joint Replacement Center of Excellence (CoE) program and a Bariatric CoE program through a direct contract with Mount Sinai.



### 32BJ Health Fund

32BJ SEIU is the largest property services union in the country and the 32BJ Health Fund is one of the largest health care purchasers in the state of New York.

> 200,000+ plan participants in the 32BJ Health Fund

9 states + Washington, D.C.

## Mount Sinai Health System

New York City's largest academic medical system, encompassing eight hospitals, a leading medical school, and a vast network of ambulatory practices throughout the greater New York region.

14th nationally ranked best hospital\*

7,200+ physicians

0

400 ambulatory practices throughout the 5 boroughs

\*U.S. News & World Report's "Honor Roll" of the Top 20 Best Hospitals in the country





## **The Solution**

The 32BJ Health Fund and Mount Sinai worked together to develop a purpose-built program that creates a Win-Win-Win. The plan participant wins with lower out of pocket costs, better outcomes and a better experience. The 32BJ Health Fund wins through lower total costs and confidence that their plan participants are receiving quality care. Mount Sinai wins by earning more of the 32BJ Health Fund's market share.

As part of this program, an episode price was established for all services associated with total joint replacement and bariatric surgery, including those of the hospital, surgeon, anesthesia, physical therapy, and all related post-acute care. Additionally, the 32BJ Health Fund also redesigned benefits to eliminate outof-pocket costs, and via a reference price, encouraged their plan participants to choose Mount Sinai. To make for a better health care experience, plan participants are assigned a navigator to assist them throughout the surgical experience, and plan participants have access to amenities such as complimentary car service to and from the hospital as well as grocery delivery. These amenities are provided and paid for by Mount Sinai.

"The Mount Sinai relationship saved the 32BJ Health Fund about \$1 million last year. None of the 32BJ members who had a hip replacement at Mount Sinai in the past two years<sup>2</sup> were readmitted to the hospital within 30 days of discharge, and one-third of surgery consultations resulted in doctors advising patients against surgery."

- Sara Rothstein, Director of the 32BJ Health Fund



## **The Results**

The 32BJ Health Fund experienced immediate savings and higher quality care for its plan participants.

#### Plan participants experienced<sup>1</sup>:

- Reduced average length of stay from beginning of the program to now
- No out-of-pocket costs
- More plan participants discharged to home

## The 32BJ Health Fund experienced:

- \$1+ million in annual savings
- NPS score 96+
- Lowered complication rates<sup>2</sup>
- Annual cost trends below market

<sup>1</sup>Average length of stay for 32BJ plan participants decreased from 3.0 days in 2016 compared to 2.1 days in 2019. Plan participants are discharged home 92% of the time in 2019 compared to 74% of the time in 2016.

<sup>2</sup>Readmissions were 2% in the first year of the program, 0% in second and third years, and 0.9% in the fourth year of the program

#### Learn More

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