

## Delaware Valley ACO Evaluates Frail/Elderly Rehabilitation Therapy Impact on Total Cost of Care with CareJourney



Delaware Valley Accountable Care Organization (DVACO) is one of the largest Medicare ACOs in the nation with over 90,000 Medicare beneficiaries, based in the Greater Philadelphia area. They wanted to determine optimal amounts of rehabilitation therapy services for Frail/Elderly patients to decrease total cost of care for these patients.

### Challenges

As one of the largest Medicare ACOs in the nation, DVACO has really focused on establishing preferred networks of providers and post acute care facilities. After evaluating Part B and outpatient therapy, they found a large variation in therapy spend among providers. DVACO wanted to better understand this variation by focusing on therapy provided to Frail/Elderly patients and evaluate the impact of therapy on total cost of care.

### How CareJourney Helped

One of the foundations of CareJourney's platform is the application of open sourced methodologies on our variety of data sources, whether this be members' claims or our access to the full Medicare, MA, and Medicaid FFS datasets. CareJourney applied a high need high cost patient segmentation model on DVACO's ingested claims data to identify patients designated as Frail/Elderly.



**90,000+**  
**Medicare**  
**Beneficiaries**

DVACO utilized CareJourney's implementation of a high-need, high-cost patient segmentation model on claims data to determine optimal amounts of therapy services for Frail/Elderly patients to decrease total cost of care for these patients. Patients who received outpatient therapy had a lower risk-adjusted annualized cost of care by \$7,000 on average, per patient, than those that did not.

While these patients represent a small proportion of the overall ACO population, they are much more likely to be high cost.

Once these patients were identified, CareJourney was able to analyze and provide therapy patterns for these patients and calculated the correlation of therapy received with risk adjusted total cost of care for the patient. This patient-level analysis not only allowed the member to find specific Frail/Elderly patients that may be in need of additional care, but it also allowed DVACO to find the “Goldilocks” level of therapy that minimized total cost of care for the patients across all care settings - creating a U-shaped cost curve that DVACO could optimize towards.

## Impact

The impact of this analysis was two-pronged:

1. The analysis showed an optimal amount of therapy for Frail/Elderly patients (13-32 therapy units) that decreased total cost of care for this population at a statistically significant level. Frail/Elderly patients who received outpatient therapy had on average \$7,000 lower total cost of care than those Frail/Elderly patients who did not receive outpatient therapy. At the member-specific level, our member is now able to find therapy providers to partner with who have care patterns in line with these findings of optimal therapy amounts.
2. At the broader healthcare level, this U-shaped curve shows that Part B and outpatient therapy services could be a way to help manage this high need population. As an added bonus, this research was also approved for publication in a leading [Population Health Management journal!](#)



CareJourney’s mission is to empower individuals and organizations they trust with open, clinically-relevant analytics and insights in the pursuit of the optimal healthcare journey. Headquartered in Arlington, VA, CareJourney currently supports leading payer, provider, and life sciences organizations across the US in achieving their goals by wringing new, high value insights out of expansive population claims data. Through our solutions, we provide members with interactive dashboards around network design and management, care model management, patient risk segmentation and cohort analysis, spend and utilization trends, network integrity, low-value care, and provider, practice and facility (acute and post-acute) performance. Please visit us at [www.carejourney.com](http://www.carejourney.com) for more.

### Contact Us

[CareJourney.com](http://CareJourney.com)

[info@carejourney.com](mailto:info@carejourney.com)



3865 Wilson Blvd

Suite 225

Arlington, VA 22203