

**Ancillary Care Solutions:  
Uncovering the  
Key Factors of a  
Successful Program**



## Introduction

The scheduling, coordination, and overall management of ancillary services make up a significant amount of medical spend in the industry. That is because an injured worker's road to recovery is often complex, requiring clinical oversight and a high level of coordination for timely care delivery.

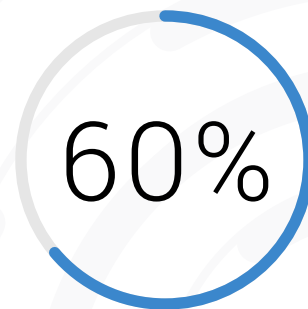
Ancillary services, which include physical therapy, diagnostic imaging, and durable medical equipment, are necessary in many cases to supplement primary physicians and can result in higher costs when treatment delays occur. To gain insight into the current use of ancillary services and the most significant pain points risk managers face, CorVel sponsored a recent survey of industry professionals. In this report, we identify key industry trends, analyze areas of opportunity for improvement, and share the value of CorVel's ancillary care solution, CareIQ.

## How Ancillary Programs are Selected

Survey results show that 60% of respondents do not currently use an ancillary network provider for their program. When asked what is considered when selecting a partner, respondents ranked provider network savings, customer service, and the quality of treatment to employees as the top three factors. Additional considerations included provider network coverage, patient outcomes, ease of use, provider payment guarantees, and clinical oversight.

An effective program addresses all of these key factors, as the responsiveness of your ancillary services provider, the coverage of your network, and the quality of care delivered to employees are crucial to achieving savings.

**Provider network savings is the most important consideration when choosing an ancillary services partner.**

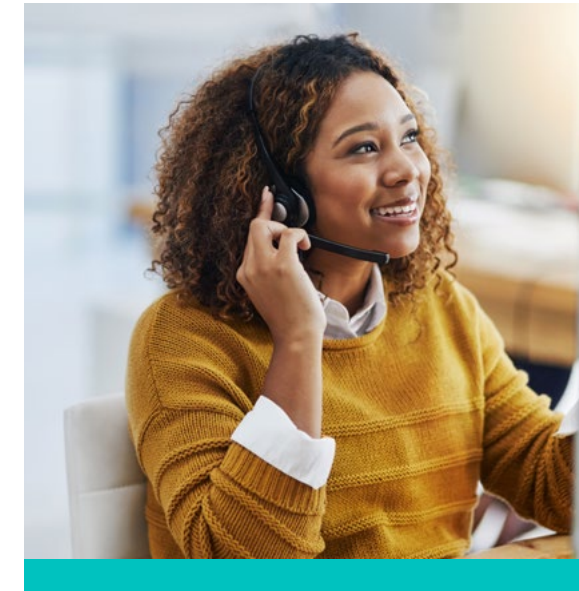


of respondents **do not** use an ancillary network provider

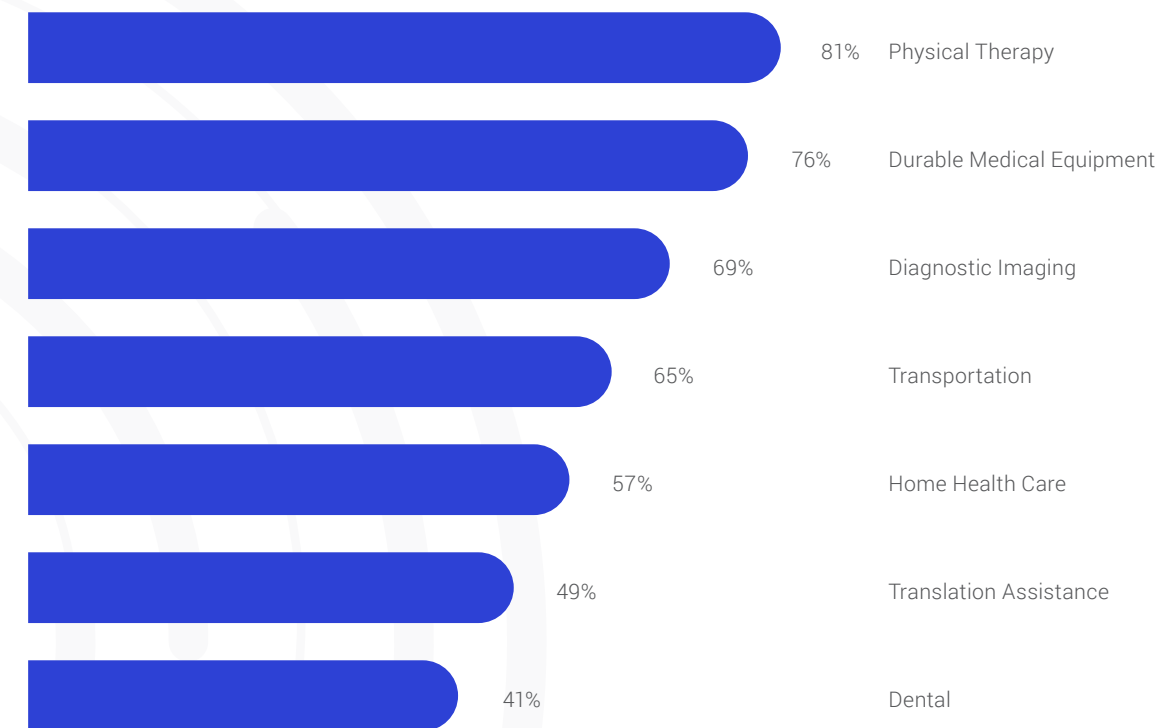
## The Importance of Prompt Care

According to survey results, the most utilized ancillary services are physical therapy, durable medical equipment, and diagnostic imaging. Respondents provided insight into the challenges risk managers face today in utilizing these services in their workers' compensation programs. Delays in appointment scheduling and the overutilization of unnecessary treatment are the top concerns. Multiple respondents noted the need for more streamlined communication between claims examiners, doctors, and employees as impacting timely scheduling, appropriate billing, and consistency of appropriate treatment.

Finding the right partner to streamline communication, provide network coverage, and provide timely care will address these pain points and improve program outcomes.



**81% of respondents utilize physical therapy services in their program.**



\*Respondents were able to select more than one answer

## PAIN POINTS RANKED

1. Delays in appointment scheduling
2. Overutilization of unnecessary treatment
3. Inflationary impact on healthcare costs
4. Timely payment to providers
5. Concerns with patient compliance

## Evaluating Performance

In evaluating the performance of their current ancillary program, respondents ranked turnaround time, the average therapy visits per claim, and promptness of communication as the most important.

## PERFORMANCE RANKED

1. Turnaround time
2. Average therapy visits per claim
3. Promptness of communication
4. Average cost per visit
5. Average spend per claim
6. Network coverage

## Top Tools and Trends

At 56%, a referral platform is a tool most used by teams to drive ancillary network utilization and referrals. Notes integrated within a claims platform and auto-approval of bills are also often used. This highlights the need for integrated, intuitive systems to increase utilization and referrals instead of relying on phone calls and email communications.

Survey results identified the trends our respondents have observed in ancillary services that impact their business. One trend identified is the rising overall costs of services and costs per claim. Nearly half of all respondents estimated the percentage they spend on ancillary services is at least 20% of their program's total medical costs. Respondents noted inflation, the quality of claims handling, the complicated nature of ancillary care, and increased pricing as key contributors to the rising costs their businesses experience.

Multiple respondents mentioned delays related to scheduling, immediate access to care, and claims processing. Other trends shared in the survey include inadequate network coverage and poor customer service.

56%

use a referral platform

40%

use notes integrated within a claims platform

26%

use auto approval of bills





## Conclusion

The effective management of ancillary services is crucial to containing costs and achieving faster return to work. In our research, we've found that diagnostic imaging, physical therapy, and other ancillary services can make up an average of 30% of a program's medical spend. Having an experienced ancillary services provider, with the strategies in place to efficiently coordinate and deliver care, leads to better outcomes for both employers and their employees.

## KEY FINDINGS OVERVIEW

- **60%** of respondents do not use an ancillary network provider for their program.
- Appointment scheduling delays are the most significant pain point.
- **46%** of respondents estimate that over **20%** of their medical spend is related to ancillary services.
- Rising costs are the top trend observed by respondents that impact their business.



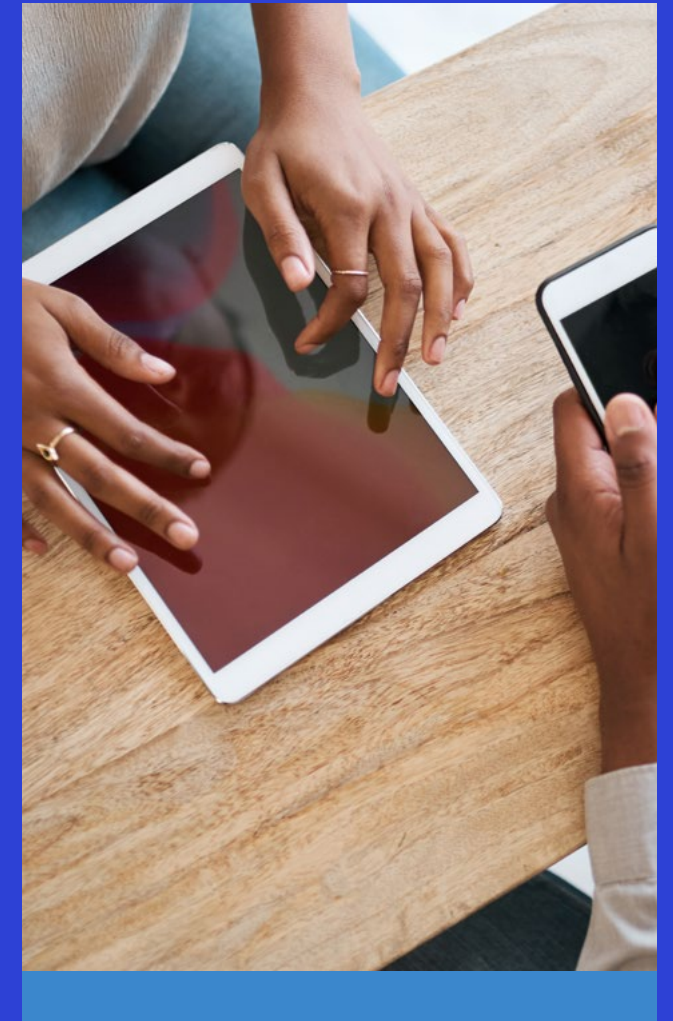
## CorVel's Ancillary Care Solutions

CorVel's ancillary care solution, CareIQ, combines clinical expertise and advanced technology to facilitate treatment and keep claims on track. Our program is designed to help employees recover more quickly by providing personalized care plans and guidance through our concierge-style service. To achieve optimal clinical and cost outcomes, we offer a fully integrated solution within our claims system that avoids delays and streamlines communication.

Delivering better care with CorVel maximizes your savings – including 40% fewer therapy visits than the industry average, 43% therapy savings per claim, and 40% for diagnostic imaging.

### A One-Stop Ancillary Shop

- Diagnostic Imaging
- Home Health Care
- Durable Medical Equipment
- Physical Therapy and Occupational Therapy
- Transportation
- Translation Assistance



Thank you to the participants of this survey. Please visit **corvel.com** to learn more about our ancillary care solutions.