

CASE STUDY

# How Prudential Addressed Rising Cancer Care Costs with Carrum Health







## About Prudential

Prudential is the nation's leading insurance and financial services company helping businesses and consumers worldwide.

- Headquartered in Newark, NJ
- 16K employees across 50 states
- Carrum Health partner since 2020

## Service lines active with Carrum Health



Musculoskeletal



Bariatrics



Cardiac



Oncology





# Problem

For Prudential Financial Inc., cancer is consistently a top three spend category, even with a relatively small number of benefit-eligible employees or their dependents needing costly care.

The pandemic exacerbated the expense, since a decline in regular screenings in 2020 and 2021 led to cancers being detected at later stages. **By 2021, Prudential's oncology costs accounted for 15% of its healthcare spending.** But the financial services and insurance company knew it was not the only one bearing the burden of these costs. The patients themselves were often unprepared for the high, unpredictable cost of having to pay for care after diagnosis. In fact, cancer patients are 2.65 times more likely to declare bankruptcy than average Americans.

Since Prudential aims to help both its clients and its own employees grow and protect their wealth, ensuring access to effective and affordable cancer care became an urgent priority for the company. With approximately 38,000 covered lives in the U.S., Prudential tried a variety of ways to address cancer-related costs, but reaped no significant impact. The company then sought new solutions to provide easier access to high-quality care so that members could achieve better outcomes and the company could eliminate wasteful spending by emphasizing appropriate care.

# Challenges



## Cost

Double-digit, year-over-year increases in cost of cancer care expenses.



## Missing ROI

Little impact on reducing costs or improving quality and outcomes when approaching cancer care, including managing carriers, second opinions, and hospital systems



## Gap in access vs. utilization

Led to extra spend and a high level of effort for employees



# Solution

Prudential knew they needed a more comprehensive approach to their cancer care benefit. With experience using Carrum Health's value-based bundled payments model for musculoskeletal (shoulder, hip, joint, and spine), cardiac, and bariatric procedures, adding cancer care was an easy decision for Prudential.

Prudential also worked with Carrum Health on three priorities to deliver upon:

1. Provide members with access to appropriate, quality cancer care with regional and nationwide options
2. Use an innovative, evidence-based approach that would also control costs
3. Deliver a cancer care benefit that members would use and appreciate

Carrum Health's model is unique in that it makes cancer care solutions more accessible to members who need them, bundling all necessary care coordination throughout a two-year care period from the best cancer centers in the U.S. at little to no cost. Employers like Prudential have full price transparency and protection from cost variables that often occur in longer, dynamic treatment plans. Carrum Health's pre-negotiated cancer care bundles include warranties to deliver employers and members real savings.

## Solution details

### 1. Diverse cancer care options for Prudential members

Cancer is a unique disease in the sense that almost anyone may develop cancer at any point in life, which is why Carrum Health's cancer care solution was designed to accommodate the diversity of the disease.

#### What's inside Carrum Health Cancer Care



#### Guidance Bundle Program

Regardless of their geographic location or cancer type, Prudential members get access to coordinated care and support through a Carrum Health Center of Excellence (COE), such as Memorial Sloan Kettering Cancer Center.

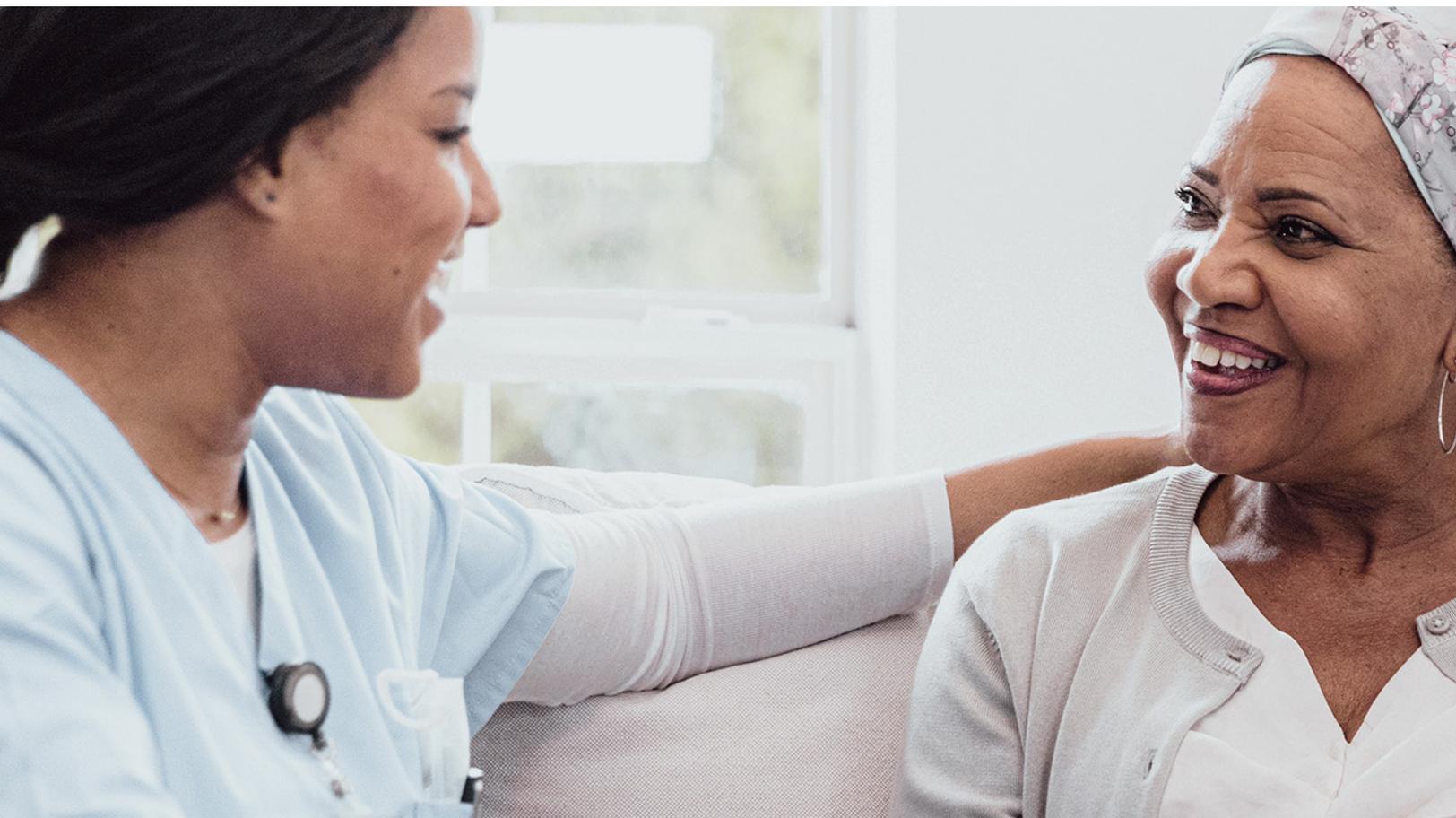
- **Dedicated care team:** Access to a dedicated care team for two years, including access to Carrum Health's member concierge team for administration, a cancer-certified nurse, clinical trials matching, and treatment recommendation for local providers
- **Diagnostic review:** including imaging and pathology
- **Treatment plan development:** (or expert review of existing plan) with multidisciplinary teams
- **Complete collaboration:** Written, comprehensive reports and consults between the COE and patient's local cancer team



#### Treatment Bundle Program

With many members residing locally to Carrum Health's Memorial Sloan Kettering COE in the greater New York metropolitan area, Prudential members with nonmetastatic breast or thyroid cancer have access to comprehensive treatment development, coordination and care delivery through Carrum Health's COE network.

- **Expert consultation** and evidence-based treatment plans personalized to each patient
- **Innovative Treatments** including surgery, CAR-T, systemic and radiation therapies, including symptom management
- **Follow-up support** for life after cancer treatment including interdisciplinary management team check-ins



## 2. Members at the heart of the cancer program

Prudential's member experience began with Carrum Health's complimentary and turnkey member marketing program designed to reach cancer patients in the right place, at the right time. The marketing program helped drive awareness among Prudential members of the cancer care benefit their organization offers, driving high registrations and program utilization rates. Upon entry into Carrum Health, members are paired with compassionate team members that handle all administrative aspects of the program along with empathetic cancer care nurses and oncologists so members receive the attention they deserve. And as cancer affects more than just the individual, mental health and travel support for both the member and their family is provided.

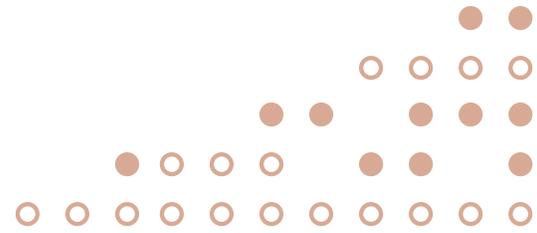
## 3. Accessible, high-quality cancer care

Carrum Health partners with the top cancer centers across the U.S., such as Memorial Sloan Kettering Cancer Center and City of Hope, which ensures access to the majority of Prudential's covered lives. Carrum Health reviewed more than 50 quality metrics to determine which facilities and providers could be incentivized to deliver appropriate, high-quality care for Prudential members.



“We began partnering with Carrum Health in 2020 for a variety of orthopedic, bariatric, and cardiac surgeries, so the addition of their cancer care guidance and treatment bundles was the next logical step in the evolution of our partnership. Carrum Health’s ability to connect our members with the top facilities and specialists, and ensure patients receive the most appropriate treatment, brings tremendous value to our members.”

**Dan Reber** Director, Corporate Employee Benefits, Prudential



# Results

By selecting Carrum Health as its COE partner for cancer care, Prudential has easily addressed its priorities of delivering a benefit that members use and appreciate by giving them direct access to high-quality care while reducing costs for both the company and its employees and their dependents.

## High utilization of treatment bundle

After implementing the cancer care bundle in early 2021, Prudential saw a notable **27% utilization**. This was due to a combination of factors: easy implementation of the bundle itself; timely, effective marketing communications to the right members at the right time; and access to one of the best cancer centers in the U.S.

## Real, transparent cost savings

Carrum Health oncology bundles delivered an average of **11% in savings per treatment episode** to Prudential and members combined. Easy access to high-quality care also lowered absenteeism, which improved productivity by getting patients back to work sooner than they would have with other programs.

## World-class satisfaction scores

The strong partnership between Prudential and Carrum Health allowed for the **achievement of high member satisfaction scores**. Early on, Prudential set clear program requirements, which enabled the team at Carrum Health to deliver on expectations through Carrum Health's assigned client success team, detailed program analytics report, and involvement in member marketing programs.

## Immediate time to value

Adding Carrum Health's cancer care solution was a simple addition to Prudential's benefits program, which was **up and running in just a few days**. Immediate communication about and access to the program helped realize utilization and cost savings almost immediately.



## Snapshot of Results

**27%**

treatment bundle utilization

**11%**

savings per treatment episode

**86 member**  
**100 client**

Net Promoter Score (NPS) for 2022

**1 week**

Implementation

“Prudential is realizing significant savings from Carrum Health’s bundles for cancer. Not only have we reduced our oncology spend, but our members have no out-of-pocket payments in many cases, so they don’t have to worry about medical bills while they’re undergoing treatment and recovery. We also appreciate Carrum Health’s warranty, which covers everything our members need for two years. Carrum Health’s progressive, innovative program design puts quality first for members, who can receive treatment from some of the best cancer centers in the country.”

**Dan Reber** Director, Corporate Employee Benefits, Prudential



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### **About Carrum Health**

Carrum Health was founded in 2014 with a mission to “bring common sense to healthcare” through a value-based healthcare model that benefits families, employers and providers. Headquartered in the San Francisco Bay Area, Carrum’s award-winning surgery benefits platform connects self-insured employers with top providers under standardized bundled payment arrangements to better manage healthcare costs. By aligning provider incentives with quality performance, Carrum drives improvements in patient experience and health outcomes. Customers include Fortune 500 companies and public sector organizations.

For more information, visit [carrumhealth.com](http://carrumhealth.com).

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