



# RAND Study Validates Savings For Employers Using Carrum Health

## Summary

An independent, peer-reviewed study conducted by RAND Corporation, validated the financial savings of Carrum Health's Centers of Excellence platform for both self-insured employers and patients, proving its value.

## Methodology

The study, funded by the National Institute on Aging and published in [Health Affairs](#), examined the experiences of eight organizations with employee populations between 1,000 and 100,000 and evaluated 2,372 surgeries focusing on total joint replacements, spinal fusions, and bariatric weight loss surgery. The study evaluated medical claims data before and after implementing Carrum Health, controlling for employer, patient characteristics, procedure type, and care setting.

## Findings

Carrum Health's program saves companies more than 45% per surgical procedure performed—an average of \$16,144 per surgery. Patients also saw significant savings: before implementing Carrum, patients paid anywhere from \$998 to \$2,387 out-of-pocket. With Carrum, the patient costs were zero. Overall, RAND's findings revealed that, after implementing Carrum, employers achieved a 10.7% medical cost-reduction across all covered procedures, including those not performed through the Carrum Health benefit. The second critical finding revealed that Carrum Health is able to deliver a higher quality of care. In the studied population, 30% of members who were initially recommended surgery were later redirected to less invasive treatment options, driving overall employer savings significantly higher. Last, RAND found that Carrum Health's program reduces readmissions, another key quality metric, by 80% relative to the national average.

## Impact

RAND's results from this study demonstrate that Carrum Health's program offers financial benefits for both employers and patients, while providing high-quality care. As employers seek to contain healthcare spending without shifting any burden to employees, Carrum Health's program reimagines how care is paid for and delivered.

**>45%**

Per Procedure Savings

**80%**

Reduced Readmissions

**30%**

Advised less invasive treatment

**\$16K**

Per Procedure Savings

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Our analysis of Carrum Health's market leading COE platform shows that both employers and patients can see immediate and significant savings on completed surgeries, while getting high-quality care from the top providers around the country.”

Christopher M. Whaley, Ph.D., RAND Corporation healthcare policy researcher and author of the study