

CASE STUDY

# How Sana Addressed Rising MSK Costs with Carrum Health







## About Sana

Sana helps small businesses offer high-quality benefits, save on healthcare costs, and avoid expensive employee turnover by providing members with comprehensive medical, dental, and vision coverage, plus access to an ecosystem of innovative care partners that provide healthcare to their members at little or no cost.

- Headquartered in Austin, TX
- 30K+ covered lives
- Carrum Health partner since 2022

*\*HDHP deductibles still apply. Sana does limit the deductible for HDHP members to the IRS minimum so there still is some savings for members who go through Carrum.*

## Service lines active with Carrum Health



Musculoskeletal



Cardiac



Oncology

\*Waive all member cost share





# Problem

In 2021, musculoskeletal (MSK) was Sana’s third-highest category of medical claims spend by diagnosis—approximately 18% of its covered population of 30,000+ members from 1,000+ small businesses had MSK-related claims—and Sana’s lifetime MSK spend (12% of total healthcare expenditure) was higher than the 8% national average.\*

“We also knew MSK pain affects [50% of the population](#),” explains Agata Kowalski, Sana’s chief of staff and head of strategic partnerships. “By extension, we knew there were members in pain who could benefit from access to care at some point”—meaning they anticipated more MSK claims to come. In addition, Sana suspected some members received treatments that weren’t the best option for their specific situation. Unfortunately, this isn’t surprising. Studies have found, for example, [that almost one in three](#) knee replacement surgeries were inappropriate, and it was determined that a spinal fusion was not needed for more than [50% of patients](#) who were recommended for the procedure.

Sana knew their employer clients were feeling the impact as well, not solely due to the high costs associated with MSK care—the [average price of a knee replacement](#) in the U.S. is \$29,300 but can reach up to \$70,000, for instance—but also because MSK pain is one of the leading [contributors toward workplace absenteeism](#) and decreased productivity.

As a result, Sana decided to embark on a new strategy for full-spectrum MSK care that could address everything from prevention to chronic care to acute care and ensure members had access to high-quality care and received the *right* care.

\*Per Sana’s investigation in 2021.

# Challenges



## Cost

Almost one in five Sana members had an MSK-related claim.



## Low engagement

While Sana’s pre-Carrum MSK COE solution provided a great member experience, Sana did not see their desired level of utilization.



## Access

Sana wanted to partner with a COE solution with more centers in Texas, where the bulk of their population lives.



## Member experience

Though Sana follows an all-access model, some medical facilities declined to treat patients if they were technically out of network; this caused friction with members.



# Solution

Sana wanted to partner with a COE solution that would provide widespread access to high-quality care, avoid unnecessary surgeries, and result in lower-cost care for their employer clients and members. Their selection of Carrum Health was primarily driven by Carrum's depth of network, competitive pricing, and member- and plan-facing technical capabilities.

Sana liked that they could direct their members to an easy-to-use Carrum portal. They appreciated that, in addition to being able to call the Carrum care team, members could also chat with their care navigator via the portal. In addition, a key selling point for Sana was that they could set up a claims feed with Carrum, allowing for targeted outreach. Sana believes all of these factors are critical for driving meaningful engagement with the program.

Sana officially launched Carrum in 2022. They activated Carrum's COE network nationwide for MSK (spinal surgery and hip, knee, shoulder, and ankle replacements), cardiac care (coronary and valve surgeries), and cancer care. Launch day was a success. To spread the news about this new benefit, Sana sent a few email announcements and hosted webinars for their employer clients' HR and benefits leaders and additional webinars for the members.

“We had such good engagement right out of the gate. I was genuinely surprised at how many people signed up for an account during launch month. The demand was there.”

**Agata Kowalski**  
Head of Strategic Partnerships, Sana

# Program Highlights

## 1. Plan Design

For the first year of Sana's partnership with Carrum, Sana chose to make all service lines they signed up for Voluntary, meaning their members can choose to go through Carrum or their health plan for the services Sana offers via Carrum.

For year two\*, Sana decided to adopt the VoluntaryFlex model; in this model, which 40%+ of Carrum's customers successfully use to drive higher utilization, members must use Carrum for one or more of the available procedures. In Sana's case, the required procedure is spinal fusion. They chose this procedure to start with due to the large portion of spinal fusions deemed unnecessary.

## 2. Breadth of network

Carrum partners with the top 10% of providers in the nation and roughly 90% of the U.S. population lives within a two- to three-hour drive of one of our COEs. Sana found Carrum's COE network footprint incredibly compelling, especially because the majority of Sana's population resides in Texas and Carrum has a number of strong COE partnerships there.



### 3. Values alignment

Carrum is dedicated to transforming the patient experience by leveraging value-based care to change how care is paid for and delivered. This means aligning incentives and creating a model that's a win-win situation for the provider, the payer, and—most importantly—the patient. This relentlessly member-centric approach, in which providers are held accountable for the quality of care they deliver, was very appealing to Sana.

### 4. Ecosystem partnerships

Because Carrum's ecosystem network includes a few partners Sana utilizes, such as Sword, Sana can set up deeper bidirectional referral pathways. Carrum, for example, will refer some members to Sword for virtual physical therapy, and Sword will do the same when they believe surgical intervention is required. The fact that all of these solutions are working so closely together leads to a better experience and outcome for Sana and members.

*\*The rest of this case study is based on Sana's first program year.*



“Through this partnership—the expertise Carrum brings to the table and the experience they have with plan designs and implementing benefit restrictions—we were able to dip our toe into network benefit restrictions. Partnerships with companies like Carrum increase our bandwidth and allow us to do more innovative things. It might seem like a small thing, but I think it was incredibly powerful internally that we're able to do things like that through Carrum.”

**Agata Kowalski**  
Head of Strategic Partnerships, Sana

## Snapshot of Results

**\$39.5k**

average plan savings per episode

**\$1.4k**

average member savings per surgery

**84 NPS**

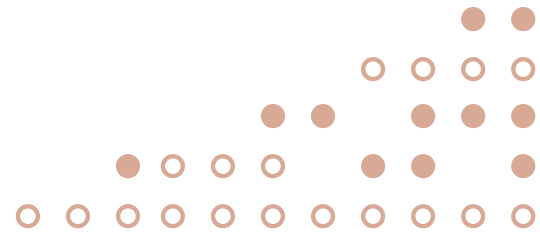
Member Net Promoter Score



“Carrum gives Sana’s members access to best-in-class facilities and hospitals across the nation and removes geographic constraints to high-quality care. We know that, through Carrum, members can get access to a facility and we don’t have to worry about whether or not it’s in driving distance.”

**Agata Kowalski**  
Head of Strategic Partnerships, Sana





# Results

By selecting Carrum as its COE partner, Sana has been able to provide its members with greater access to high-quality providers while reducing costs for both the company and its members.

## **Real cost savings for Sana and its members**

After implementing Carrum in 2022, Sana saved an average of \$39,500 per episode when a member went through Carrum for care; those same members saved an average of \$1,400 per surgery.

## **A smooth and successful implementation**

Sana was Carrum’s first customer who was also a payer; together, Sana and Carrum worked together to build a custom contract to ensure a strong partnership. Launch month was a success—Sana was pleasantly surprised by the high number of registrations.

## **World-class satisfaction scores**

The average satisfaction score for Sana members who utilized their Carrum benefit was 84, far above the average NPS of 25 for health plans.



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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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