



Risk & Insurance | Employee Benefits | Retirement & Private Wealth

COST MANAGEMENT WEBINAR SERIES

ROI & VOI or Goodbye:

A Smart Approach to Vendor Management





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Agenda

- 1** Overview
- 2** Unpacking ROI & VOI
- 3** Point Solution Overload
- 4** Case Study – Identifying Trends
- 5** Clinical Approach – Data Validation & Clinical Outcome Tracking
- 6** Multidisciplinary Approach
- 7** Conclusion

Why This Matters Now: The Real Cost of Vendor Overload



Employers face growing pressure to justify benefit spend amid rising healthcare costs.



Vendor proliferation leads to inefficiencies, lack of integration and wasted investment.



ROI alone doesn't tell the whole story — VOI is critical to capturing the full picture.

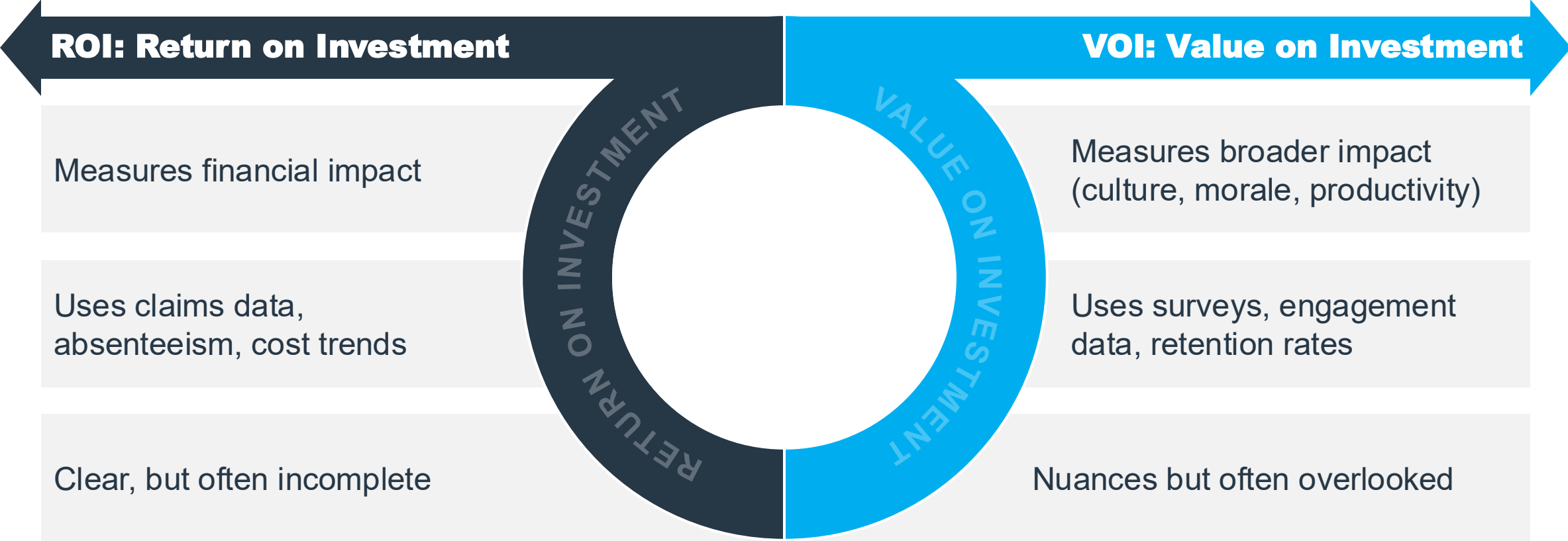


Today's goal: Learn how to simplify vendor management while improving results.

Unpacking ROI & VOI



ROI vs VOI



A truly strategic evaluation balances both.

Two Lenses. One View of Value.

CFOs/Financial Teams Care About:

- Cost savings, ROI
- Forecasting risk
- Avoiding waste

What's the bottom-line impact?

CHROs/HR Teams Care About:

- Employee outcomes, VOI
- Enhancing experience
- Improving engagement & productivity

How does this support engagement, retention or wellbeing?

ROI Methodologies

Hinge Health all-time impact summary

Program launch date: 01/01/2022

All-time summary metrics

Engagement

315

Members engaged

14,349

Total member treatment sessions completed

8.9/10

Member program satisfaction rating

Outcomes

44%

Reduction in pain

68%

Members reaching MCID

85%

Reduction in surgery intent

3.9x

Projected ROI (2024)

© Hinge Health Confidential

Drive

Venue

data warehouse

data warehouse

endorsement warehouse

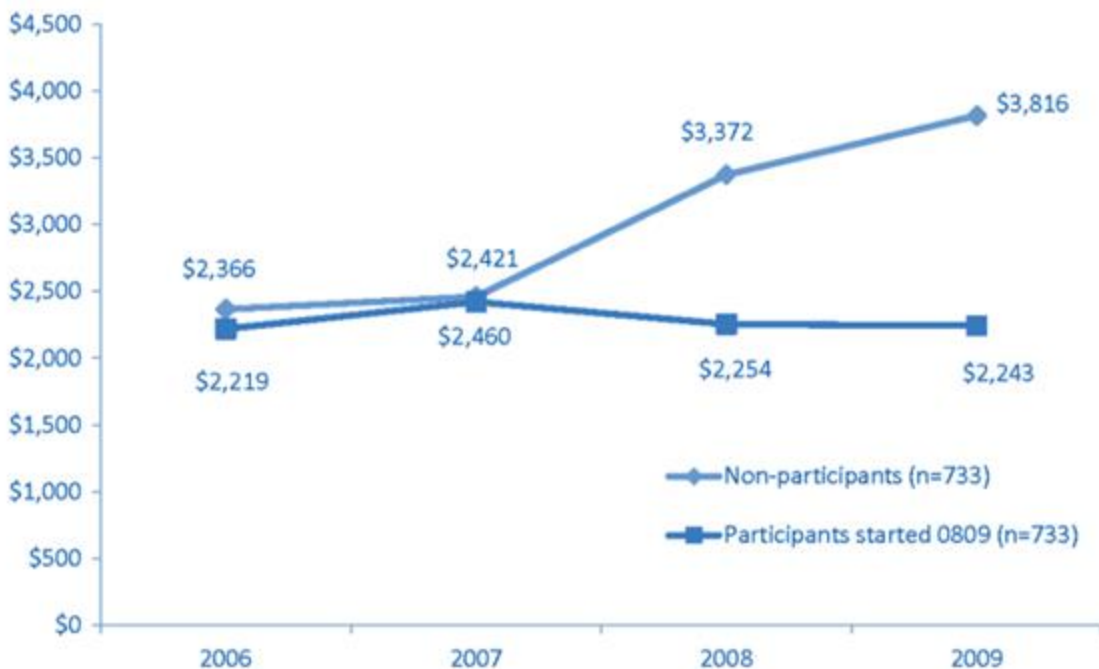


FIG. 2. Total costs comparison between those who never participated in the program and those who started the program in 2008 and continued it in 2009. Note: Total health care costs include inpatient, outpatient, medical, and pharmacy costs. Members who had conflicting sex in multiple data sets, who reported being pregnant, or more than 365 total inpatient days in any 1 year were excluded. Participants and nonparticipants were matched on sex, age, morbidity in 2006, and total health care cost in 2006. Savings also were adjusted for sex, age, and morbidity in 2006. Cost differences between groups were nonsignificant in 2006–2007, $P>.50$; cost differences between groups in 2008 and 2009 were significant, $P<.02$, as tested by general linear model.

Population Health

Higher scores have been linked to [superior health risk and health care cost trends](#), and to [higher stock performance](#) for publicly traded companies.

Scorecard Section	Maximum Points
Strategic Planning	50
Organizational & Cultural Support	60
Programs	20
Program Integration	20
Participation Strategies	30
Measurement & Evaluation	20
Total points	200



Today's focus

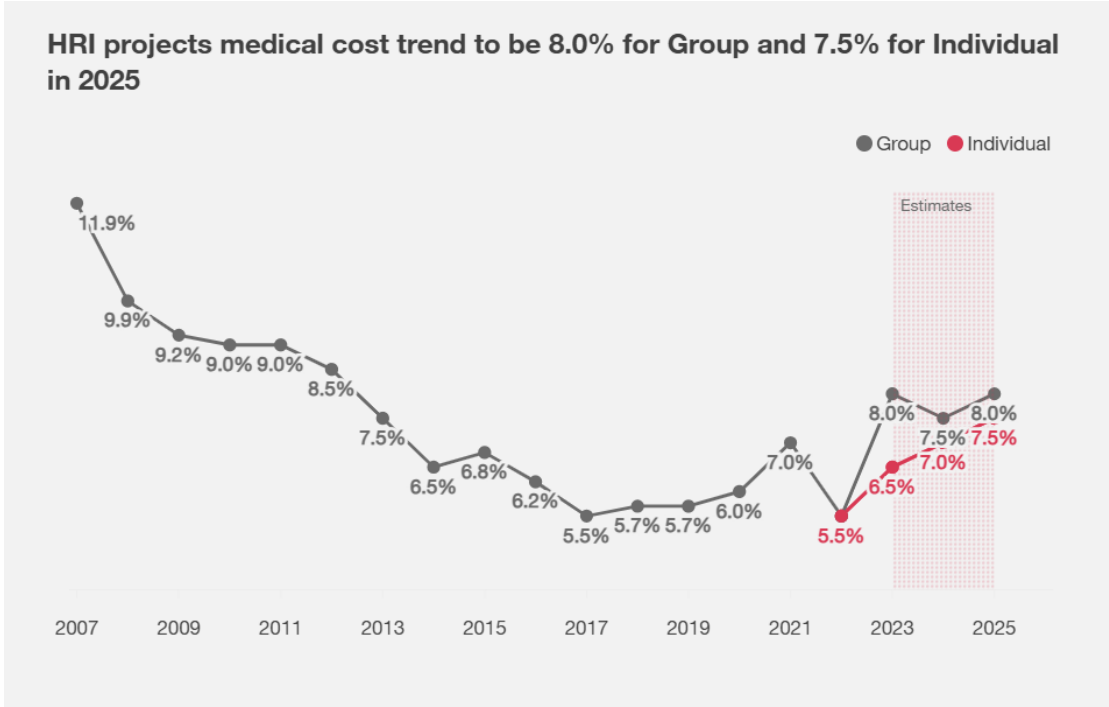


Employers should include a mix of quantitative (ROI) and qualitative (VOI) data when evaluating their program's progress.

Point Solution Overload



The Problem...



<https://www.pwc.com/us/en/industries/health-industries/library/behind-the-numbers.html>

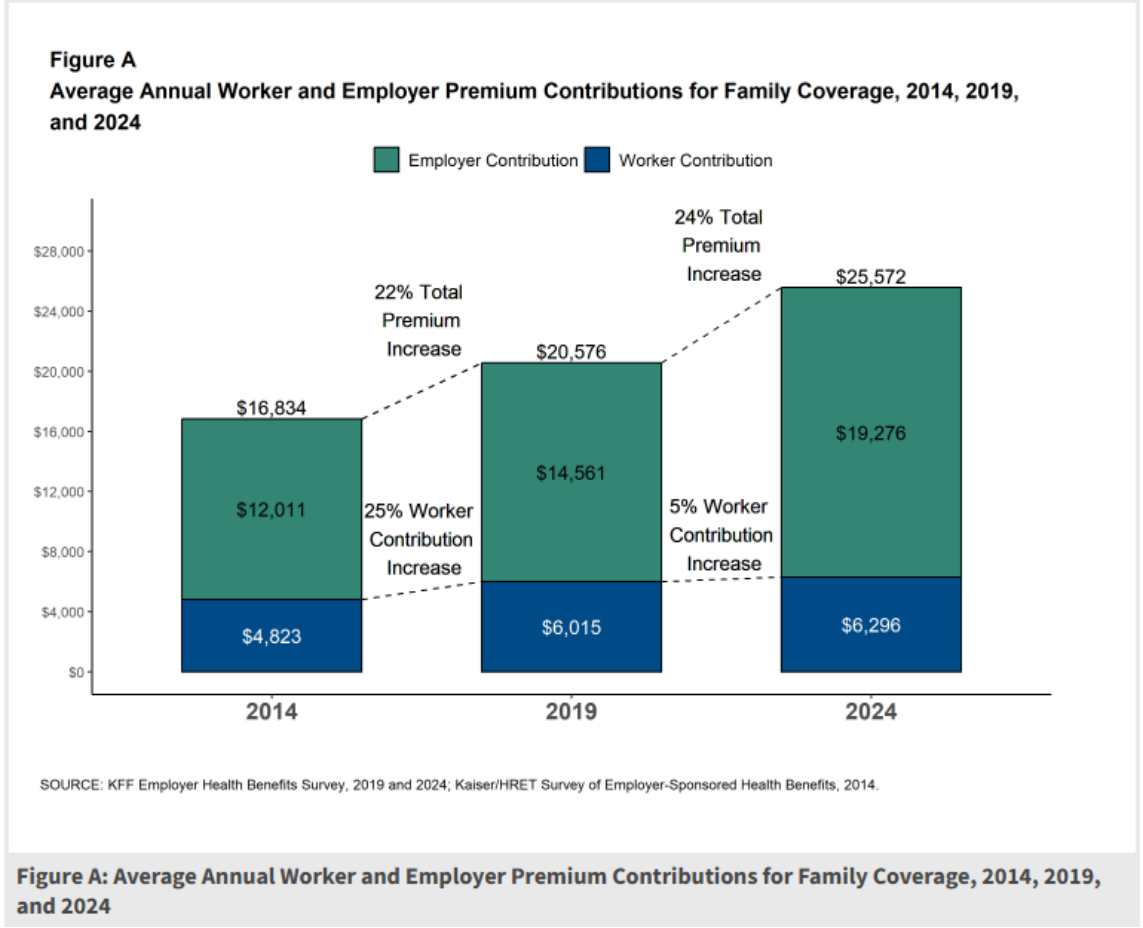


Figure A: Average Annual Worker and Employer Premium Contributions for Family Coverage, 2014, 2019, and 2024

<https://www.kff.org/report-section/ehbs-2024-summary-of-findings>

and the Many, Many Solutions

Risk Solutions

- Captive Solutions
- Data Solutions

Better Rates

- Payment bundles
- Rate Negotiation
- Script Sourcing

Member Steering

- Financial incentives & copay transparency
- Care Navigators
- Virtual-first

Reduce Utilization

- Primary Care
- Chronic Care Management
- Episode Navigation

HUB Methodology:

vertical framing, vendor landscape and proprietary vendor management system resulting in a short list of vetted vendor solutions.

Case Study

Identifying Trends



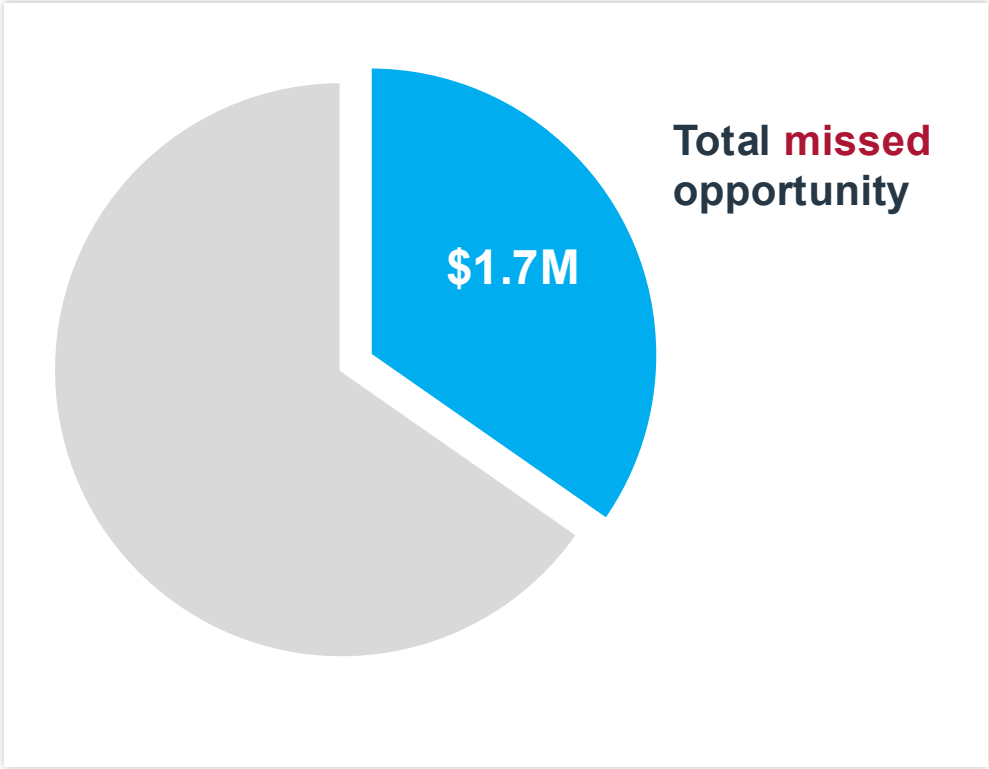
Case in Point: ABC Manufacturing – Unused Solutions, Untapped Savings

At a Glance

- Industry: Manufacturing
- Population: 2,500+ employees (union, aging)
- Locations: Multiple U.S. sites
- Challenge: Vendor overload, low engagement, underutilized programs

Top 3 Gaps

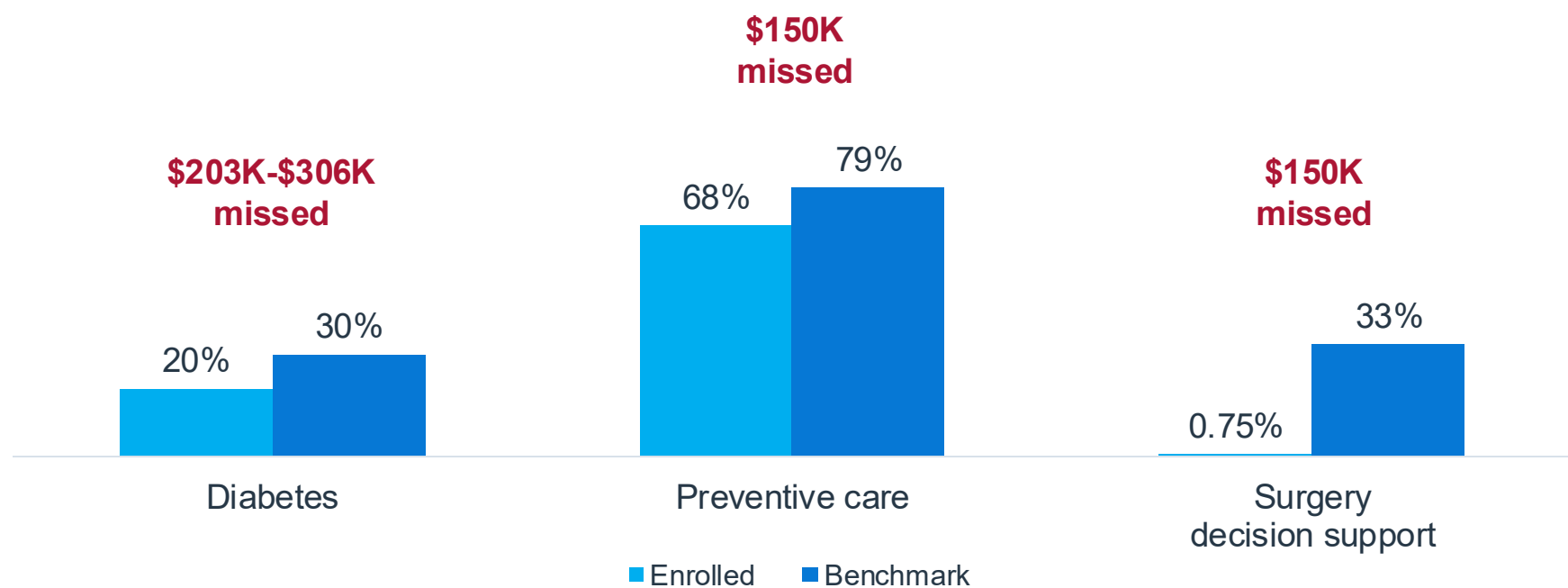
- Diabetes & Hypertension: Low enrollment = \$300K in missed savings
- Preventive Care: Underused = \$150K missed
- MSK & Surgery Support: Limited Participation = \$400K missed



Despite good intentions and a suite of solutions, ABC left significant value on the table.

What We Found – The Missed Value Story

Top three missed opportunities



Overall **missed** net claim savings across programs:

\$1.7M

Engagement matters. Each percentage point left behind had measurable financial impact.

What Worked – Turning Insights Into Action

Phase	Action	Outcome
Assessment	Vendor/claims data audit	Identified \$1.7M in underperformance
Optimization	Location-specific outreach & engagement plans	Boosted enrollment, streamlines vendor set
Enhancement	Joint scorecards + predictive modeling	Built path to track and scale success

The finance data showed the gaps. HUB’s clinical strategy turned it into a roadmap.

2022 - 2023 Strategy | Maximize Value of Point Solutions

ABC Internal Team Involvement

- Include leadership in communications to members
- Educate employee-facing staff (Human Resources team & Union Stewards)
 - HR Summit 9/14 - 9/15
 - Participation in quarterly/semi-annual calls

Leverage HAS & Health Partners!

- Increase complete contact information rate
 - Company emails
 - Personal email & phone number campaign – prior to OE
 - Raffle prize for numbers in the system (Corporate, each Plant)
- Utilize free quarterly HAS webinars
 - One onsite visit available
- Engagement requirement for HAS by location (HR & Plant Manager)
- Incentivize engagement with HAS total enrolled population
- Leverage re-education opportunities for Advocates – BCBSIL led initiative

Communication Plan

- Use wellness/communications funds to mail Company led communications (\$50K)
- Take the call! campaign
- Survey members on satisfaction – seek success stories
- Onsite posters/flyers/videos/monthly awareness – provided by Health Partners or BCBSIL

Total Missed Opportunities with HAS for 2021:

\$1.59M - \$1.70M

Clinical Approach

Data Validation & Clinical
Outcome Tracking



Bridging Financial and Clinical

Addressing the \$1.7M Missed Opportunity Gap by Transforming Financial Metrics into Clinical Action:

- Converting missed opportunity costs (\$656K in CT scans, surgeries) into targeted clinical interventions
- Drawing on household engagement data (48.8% company-wide) to drive clinical outreach strategies
- Aligning existing vendor framework to maximize ROI on clinical initiatives

The finance data has identified the gaps - now clinical informatics can provide the targeted solution path.



Applying HUB Infused Analytics™ to ABC's Challenges and Needs

Clinical Strategist and Health & Performance Collaboration Model:

- Clinical strategists identify evidence-based intervention targets from financial data
- H&P consultants align implementation with operational realities across diverse facilities
- Regular joint quarterly reviews establish mutual accountability for clinical and financial outcomes
- HUB Infused Analytics transforms data into targeted intervention strategies that drive measurable outcomes.

HUB Analytics Capability	ABC Company Challenge	Strategic Application
Population Health Insights	Diverse workforce across multiple locations with aging demographics	Risk stratification by location to target high-risk cohorts
Vendor Performance Scorecards	6 digital health solutions with below-benchmark engagement	Evidence-based vendor evaluation to prioritize solutions with highest ROI potential
Predictive Cost Modeling	\$1.59M-\$1.70M in missed opportunities	Intervention impact forecasting to quantify expected clinical and financial outcomes
Program Feasibility Assessment	Varied engagement across locations (31.9%-77.3%)	Resource allocation modeling aligned with each location's specific needs

Point Solution Optimization Through Integrated Outcome Measurement

ABC's Vendor Strategy Evolution:

- **Assessment Phase:** Clinical evidence review + financial opportunity sizing
- **Optimization Phase:** Location-specific implementation strategy + measurement framework
- **Enhancement Phase:** Predictive models for future risk patterns + continuous refinement

Digital Health Partner	Measurement Domain	Clinical Strategist Role
Diabetes	Clinical Outcome Tracking	Define condition-specific metrics and risk thresholds for diabetes management
Musculoskeletal (MSK)	Program Feasibility	Assess clinical evidence for MSK intervention at each location
Surgical Support	Financial Performance	Identify ROI timeframes for surgical interventions

Multidisciplinary Approach



Multidisciplinary Implementation Framework

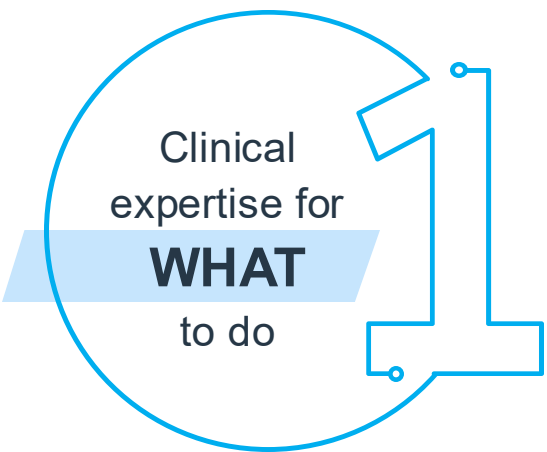
**Keys to
Successful
Vendor
Partnerships**

Shared Responsibility: Joint quarterly reviews with unified clinical-financial scorecard
(as seen in ABC Company)

Strategic Alignment and Cost: Connecting clinical outcomes directly to financial impacts in real-time

Continuous Optimization: Using HUB Analytics to inform ongoing vendor management decisions

**Success
depends
on three-
way
alignment:**



Conclusion



So What? Turning Insights Into Action

What We've Learned:

- Vendor presence \neq vendor performance – i.e., measurement matters
- Vendor overload drains time, money, and engagement
- Gaps in participation can cost six figures or more per condition
- Not all vendor value is visible in ROI alone – VOI provides the complete picture
- Data-backed evaluation reveals gaps, redundancies and areas for consolidation
- Coordinated financial + clinical strategy drives better ROI & VOI
- With the right data partnerships, you can reclaim missed value



Next Steps: A Smart Path to Vendor Optimization

Inventory Your Current Vendors	List all solutions and services – what problems are they solving and for whom?	Align Key Stakeholders	Bring together HR, finance, clinical and operational teams around shared success criteria.
Evaluate for Overlap and Underperformance	Compare utilization, outcomes and cost impact across programs.	Create a Scorecard and Timeline	Set goals, metrics and a review cadence for each vendor
Apply ROI and VOI Metrics	Use both financial and qualitative measures (e.g., morale, retention, productivity).	Engage an Analytics Partner	Leverage HUB’s framework to analyze data, model outcomes and guide strategic decisions.
Identify Missed Opportunities	Look at engagement gaps and where savings could be recovered with better participation.	Start with clarity. End with impact.	

Q&A

UPCOMING WEBINARS

Resilient by Design: Real Strategies to Handle Supply Chain Disruption

Thursday, June 26, 12:00 PM CT

What if Medicaid Changes? Preparing for the Ripple Effects

Wednesday, July 23, 12:00 PM CT

The Workforce Vitality Gap: What Employers Are Missing and How Employee Insights Can Fix It

Wednesday, July 30, 12:00 PM CT

Thank you

For more information visit www.hubinternational.com



Glossary of Terms

- **HAS** – Health Advocacy Solutions
- **OE** – Open Enrollment
- **PEPM** – Per Employee Per Month
- **ROI** – Return on Investment
- **VOI** – Value on Investment