

# Direct-to-Employer

Employers are looking for trusted solutions

Growing adoption of  
Direct Contracting\*

45%

Of employers contracted directly  
with Centers of Excellence in 2019

74%

Are expected to contract in 2021

## Vizient is well positioned to address the most pressing problems

Rising health insurance costs and dissatisfaction with traditional health insurers are motivating employers increasingly to turn to providers for help. Success of some of the biggest employers is inspiring others to chart their own course and contract directly with provider systems.

Employer contracts offer the potential to disrupt the competition and sustain your commercial payer mix — Direct to Employer (D2E) is a win-win-win.

### Program services

- Develop D2E Strategy for local and regional markets
- Service line assessment to drive performance in Center of Excellence episodes
- Market analysis and competitive positioning and pricing
- Employer outreach in local and regional markets
- Physician engagement and alignment

### Problems to solve

- Lack of provider “supply” that meets employer value criteria (price, quality/ appropriateness, experience)
- Lack of data to demonstrate value resulting in emphasis on “unit price”
- Lack of standardization in contracting and quality evaluation - high costs of administering complex and uncoordinated programs

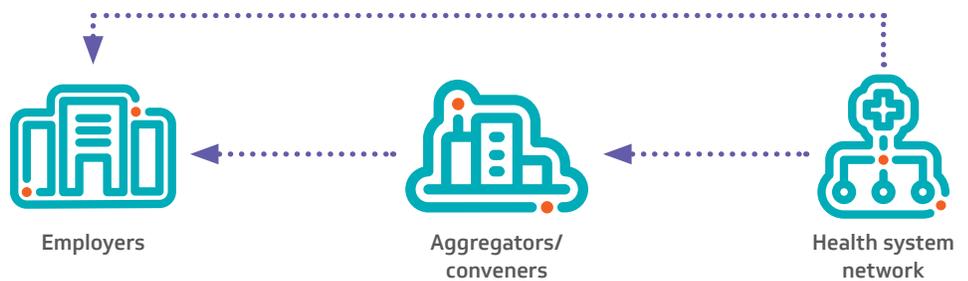
### Vizient assets and capabilities

- Network of high-quality providers with national footprint
- Proprietary data and analytics to support provider performance
- Proven methodologies and track record of standardizing processes
- Expertise to assist with readiness and program development for providers

## 4 key components of success

1. **The What**  
Value-based pricing analysis
2. **The Where**  
Market assessment
3. **The How**  
Operational considerations
4. **The Who**  
Employer outreach

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## Potential benefits

### Health Systems

- Additional access channel for valuable commercial lives
- Engages prospective patients far upstream, building “stickiness”
- New revenue opportunities
- Ability to defend or increase share of wallet; defense against loss of existing commercial business to competitors willing to contract with employers
- Avenue for payer contract negotiations beyond price discounts
- Potential to bypass onerous preauthorization requirements and stringent ED limits
- Means to get the “first dollar” of the health insurance premium
- Mechanism to pursue shared risk arrangements
- Opportunity to pilot value-based care initiatives in small, controlled populations

### Employers

- Reduced health expenditures, or at least a slowing of the rate of increase
- Increased productivity and employee wellness, reduced absenteeism
- More control over benefit design
- Perks to attract and retain employees

### Employees and Dependents

- Lower out-of-pocket health care costs
- Expanded access and increased convenience
- Simplified navigation and billing
- Improved management of chronic disease

\*Willis Towers Watson Survey 2019. WayMed Advisors Analysis based on private and publicly held data.



To learn more, please contact Jeff Hayes at [jeff.hayes@vizientinc.com](mailto:jeff.hayes@vizientinc.com).

As the nation's largest member-driven health care performance improvement company, Vizient provides solutions and services that empower health care providers to deliver high-value care by aligning cost, quality and market performance. With analytics, advisory services and a robust sourcing portfolio, we help members improve patient outcomes and lower costs.