Workers' Comp

Driving Surgical Cost Savings Through Expanded Utilization Review

MIN READ



Background

A large self-insured employer faced a serious problem: surgical costs kept climbing year-over-year, undermining cost-containment efforts. Despite strong oversight in states where utilization review (UR) was mandatory, gaps in other jurisdictions allowed unnecessary or overly complex surgeries to proceed unchecked.



Problem

- **Escalating Surgical Spend:** Surgical costs were rising faster than other medical categories, creating significant financial pressure.
- **Limited Scope of UR:** Reviews were only conducted in states where UR was legally required, leaving many requests for authorization (RFAs) unexamined.
- **Impact:** High claim costs, unnecessary procedures and inconsistent application of evidence-based care standards.



The Solution

Enlyte recommended that the employer **expand utilization review to all states where regulations allow or are silent**, rather than limiting it to mandatory states.

Key actions:

- **Broadened Review Coverage:** All surgery RFAs were routed for review whenever jurisdictionally permissible.
- **Clinical Rigor:** Applied evidence-based guidelines to assess necessity and appropriateness.
- **Operational Efficiency:** Maintained an average turnaround time of two days, even with increased complexity.
- **Analytics-Driven Oversight:** Leveraged data to identify trends and create a solution to improve outcomes and reduce surgical costs



Outcome and Key Takeaways

This initiative lowered surgical costs while ensuring their employees received appropriate, evidence-based treatment that supports safe recovery and long-term health. By reducing unnecessary procedures and complications, employees regained strength and returned to their highest level of function as quickly and safely as possible. By expanding utilization review beyond mandatory states, this employer:

- **Reversed the upward trend in surgical costs**
- **Improved ROI and savings per review significantly**
- **Enhanced care quality and consistency across jurisdictions**

The Results

The expanded UR strategy delivered measurable, high-impact results in the first year:



80%

Increase in surgery review volume due to the new directive



54%

Average savings per review, far outperforming Enlyte book-of-business benchmarks



163%

Total surgery savings increased to over $1M



34%

Improvement from 3.73 to 4.98 for a 34% increase



44%

of all surgery reviews were either modified or non-certified, preventing unnecessary or excessive procedures



2 Days

Average turnaround time remained steady despite the surge in complex surgical reviews

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