



Employer Direct Healthcare is an innovative healthcare services company focused on solutions for low frequency, high acuity events that drive a majority of costs within a self-funded company's medical plan.

- EDH's primary product is SurgeryPlus®, the nations leading COE solution.
- The company is launching CareCentral™, its comprehensive cancer solution, for PY 2022.



Solution Overview: SurgeryPlus™

- SurgeryPlus™ contracts with middle market to jumbo account self-funded employers to offer a benefit that directs members to a high-quality/lower cost surgical solution.
- The SurgeryPlus national network is comprised of 100% board-certified Surgeons of Excellence and high-quality facilities; covering ~1,500 surgical procedures, paid via bundled rates, resulting in consistency of costs for each episode of care nationally and dramatically lower reimbursement rates (~52% lower than carrier allowed amount for identical procedures).
- Surgery Plus's dedicated Care Advocates offer full-service concierge to covered members, assisting them with surgical evaluations, scheduling appointments, transferring medical records, coordinating logistics, surgeon quality credentialing and following up post-procedure, reducing stress for members.



Service Channels

- Direct to self-funded employer.
- Engaged through consultant or broker partners.
- Offered through TPA channel partner relationships.



Target Population

- The average client represents ~5,000 enrolled employees, but our smallest client has ~200 employees and our largest client close to 200,000.
- Demonstrated success across a broad variety of demographics, with the ideal client more blue-collar, more male, older and with areas of geographic concentration.



Outcomes achieved

- Typical ROI of 2-4x, or \$10-15 in PEPM savings, with best performers well above \$50 PEPM savings.
- Less than a 1% complication rate over the last five years, despite focus on highly complex surgical procedures in the areas of joint replacements, spine surgeries and bariatric procedures.

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Year Established	2011
Target Client Size	Any self-funded employer
Number of Employer Clients	Hundreds
Headquarters	Dallas, Texas
Number of Employees	~125
Funding	Private Equity



Revenue/Pricing Model

- Flexibility in pricing which most commonly includes:
 - Variable pricing model – client pays for services when network is utilized (35% of either program spend or savings);
 - Fixed fee PEPM pricing model - \$3 for year one and \$4 per employee for years two and three;
 - Hybrid pricing model - \$2 fixed PEPM and 15% variable rate.



Differentiators/Competitors

- Network 2x-3x larger than peer COEs with 350+ locations
- Balanced network with national institutes (e.g. Cleveland Clinic, Johns Hopkins, etc.), local hospital and ASCs, maximizing utilization while driving appropriate care based on patient needs and complexity
- Rigorous credentialing at both facility and physician level, both upfront and ongoing, ensuring greater outcomes.
- Broader scope, covering 50-100% more procedures.
- Pricing at ~100-130% of Medicare, resulting in greater savings opportunity.
- TPA structure allows other services to be layered under existing contracts (e.g. Hinge Health for virtual PT, second opinion services, etc.)