

# Cracking the Code on Referral Management:

How an integrated, team-based model improves member satisfaction while lowering the cost of care

**By Stephen Ezeji-Okoye, MD**

Chief Medical Officer, Crossover Health

Findings published in The Journal of General Internal Medicine as first peer-reviewed study of referral management among employer-sponsored health centers.



The process of managing specialist referrals has long been a source of pain for patients, providers, and payers (be they self-insured employers or health plans). Patients shoulder an unnecessary [“burden of treatment”](#) and suffer poor care experiences, including the need to courier their health data from one provider to the next. Primary care providers consistently struggle to coordinate and close the loop on downstream specialist care. But despite these pain points, specialist referrals have [continued to increase](#) over the past decade and now account for [25%](#) of total medical expenditures, putting significant financial pressure on self-insured employers who must absorb these skyrocketing costs without corresponding improvements in outcomes and patient satisfaction to show for it.

**\$750B**  
*Annually*

in healthcare wasteful  
spending or over treatment

This picture has only grown more complex with the recent rise in adoption of virtual care. As many traditional virtual urgent care providers waded into the waters of virtual primary care they find themselves ill-equipped to handle the broader referral management challenge, with care models limited to managing episodic visits rather than longitudinal care across conditions, specialties and geographies. The resulting care is by nature limited in scope, ultimately leading to higher referral rates and more care fragmentation.

So, what’s the solution to this costly, chronic challenge? An alternative approach is to embed referral management via care navigators directly into a comprehensive, integrated Primary Health team. This model includes dedicated primary care, physical medicine, mental health, and health coaching providers, and is a model that can be equally effective in both virtual and in-person settings.

**25% of total  
Healthcare  
spend**

is Specialist Referrals

To clearly highlight the advantages of embedded referral management within a Primary Health team, Crossover Health conducted a first-of-its-kind peer-reviewed study of referral management from December 1, 2018 through December 31, 2020 (notes on methodology below), recently published in the [Journal of General Internal Medicine](#). The study found that Crossover’s unique model reduced referral rates, increased employee satisfaction, and reduced overall costs for Crossover employers relative to the community.

Notably, the study demonstrated that Crossover’s embedded referral management model significantly increases member satisfaction — with members rating their specialist care experience highly (4.33 out of 5) — a level of satisfaction that reflects a strong and enduring member-care team relationship. Moreover, the vast majority of referred members reported a wait time of less than 10 minutes before being seen by their referred specialist. In a disconnected healthcare system where patients consistently [report frustration](#) with the care experience, our high satisfaction scores reinforce that this model is working better for everyone.

Additionally, the study supports the continued trend of Crossover’s Primary Health care teams reducing the total cost of care by deploying embedded care navigators who direct required referrals to high-quality, cost-effective options. Across a diverse set of employers and member populations, Crossover has consistently reduced specialist costs by 35% to 17%, representing a significant savings for self-insured employers in a time of heightened financial pressures.

#### REFERRAL MANAGEMENT OUTCOMES

**4.33**  
out of 5

specialist care experience rating

**22%**

lower referral rates

**17-35%**

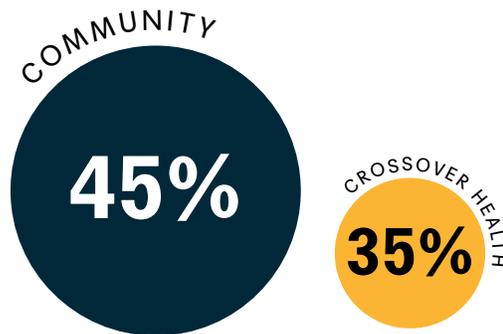
reduced specialty care cost

## Comprehensive care from the Primary Health team means 22% fewer specialist referrals.

Referral rates from primary care to specialties such as imaging, cardiology and gastroenterology have been [on the rise](#) for years in the U.S. They constitute [more than half of all outpatient visits](#) and contribute to the skyrocketing cost of employer-based healthcare. Estimates suggest the healthcare industry [wastes as much as \\$750B a year](#) in unnecessary or redundant tests and treatments. In sharp contrast with this status quo, we were encouraged to see in our review that patients receiving comprehensive, integrated care from Primary Health teams at Crossover were referred to specialists at a rate 22% lower than patients receiving care in the community (35.1% compared to 45% in the community).

What are the key factors driving success here? In Crossover’s Primary Health every touchpoint with the patient is used to screen for and address gaps in care, ensuring that every specialist referral made is evidence-based and the best option for the member — not simply the default choice. This approach to referral management is further reinforced by Crossover’s outcomes-based payment model which compensates providers not for visit volume but for doing what’s right for the patient.

#### PERCENTAGE OF SPECIALIST REFERRALS



# Expert care navigation slashes costs for high-frequency, high-cost specialist visits.

When patient needs cannot be met within the Crossover Primary Health team and a specialist referral is required, expert embedded care navigation is another key factor in lowering costs and boosting patient satisfaction. Traditionally in healthcare, specialist referrals are initiated by ordering clinicians based on established networks and prior relationships. However, clinicians often lack the resources to maintain up-to-date knowledge of high-quality providers across various specialties and geographies.

Crossover addresses this challenge by centralizing the referral function within a team of dedicated care navigators who combine regional expertise, data-backed navigation tools, knowledge of community resources to address social determinants of health, and high-touch support for members when they need it most. With this embedded care navigation model, this study found we were able to dramatically reduce costs for some of the most frequent and costly specialty visits in our member population relative to the community. Sleep medicine visits were a dramatic 22% lower; gastroenterology was 14% lower; and, allergy, asthma and immunology was 9% lower. Imaging visits, which have emerged as one of the [greatest contributors](#) to the high cost of healthcare in the US, cost a significant 8.3% less than in the community.

## LOWER SPECIALTY COSTS



## Crossover Embedded Care Navigation Experience



# Guiding every step of the care journey.

Specialist referrals will continue to be a part of healthcare, whether patients choose to seek their care in-person or virtually. In a future that continues to see steady, if not increased, rates in the use of virtual urgent care it will be essential to have a smartly orchestrated approach to longitudinal care—one that ultimately leads to lower costs for employers and a better care experience for members. This paper reveals the key ingredients of an approach that cracks the code on referral management, underscoring the critical role that employers play in the care journey. First, by simplifying the healthcare experience and providing team-based care in a tightly integrated, multidisciplinary setting, Crossover is able to address member health comprehensively and proactively, reducing unnecessary referrals. Second, when a specialist referral is required, our dedicated care navigators are equipped with the tools and regional expertise to direct members to high-quality, cost-effective care. The result? Seventeen percent lower specialty care costs for employers, better overall health outcomes, and an improved care experience for both members and providers.

*Note on Methodology: The study utilized two separate propensity-matched samples to examine patient and encounter level data. The Crossover research team matched a cohort of 3,129 patients who received most of their primary care (75%+) in a Crossover employer-sponsored clinic between January 1, 2019 and December 31, 2020 with a cohort of persons eligible for employer-sponsored services who did not access care from Crossover during the same period. Our researchers then compared overall specialist utilization and cost of care trends between the two populations. Patient satisfaction was collected and analyzed for the Crossover population. Specialist care cost (17.1% in savings) refers to the per-user-per-month cost associated with specialty care with savings largely associated with care avoidance.*

*A second encounter-level matched study was conducted to assess the impact of Crossover's Care Navigation on specialist visit costs. Speciality referrals facilitated by a care navigator at Crossover Health were matched to comparable speciality visits in the community.*



## About Stephen Ezeji-Okoye, MD

As Chief Medical Officer, Dr. Stephen Ezeji-Okoye oversees the company's national medical group, which consists of in-person and virtual care teams and spans primary care, physical medicine, mental health, health coaching and care navigation. He is instrumental in the design of Crossover's interdisciplinary, team-based care model, as well as the company's hybrid, surround-sound approach to care delivery. He also plays a lead role in scaling the national medical group across new markets and partnerships. Prior to his promotion to Chief Medical Officer in July 2019, Dr. Ezeji-Okoye served as the Medical Director at Life @Wellness (Crossover's clinic at Meta).

Dr. Ezeji-Okoye joins Crossover from VA Palo Alto Health Care System (VAPAHCS). His success at the VA can be attributed to several cutting-edge initiatives he spearheaded that continue to enable the organization to support the health and wellbeing of veterans, including redesigning systems from the ground up to abide by the Principles of Lean Manufacturing in which he is an expert. His innovative use of disease prevention, chronic disease management, social determinants of health, and complementary and integrative health practices to promote self care among veterans led to his appointment as a national consultant to the VA on the use of Integrative Medicine and an Advisory Council member to the National Institution of Health's National Center of Complementary and Integrative Health.

Dr. Ezeji-Okoye graduated magna cum laude from Harvard College, and completed his internship, residency, and chief residency in Internal Medicine at Stanford University. He has also served as a Clinical Professor (Affiliated) at Stanford University School of Medicine.

# About Crossover Health:

Crossover Health is a leader in delivering value-based hybrid care. The company's national medical group delivers at scale, Primary Health, a proven care model driven by an interdisciplinary team inclusive of primary care, physical medicine, mental health, health coaching, and care navigation. With a focus on wellbeing and prevention that extends beyond traditional sick care, Crossover builds trusted relationships with its members and flexibly surrounds them with care—in-person, online, and anytime—based on the member preference. Combining a sophisticated approach to data analytics that incorporates Social Determinants of Health, Crossover delivers concrete results and measurable value for employers, payers, and most importantly, members. Together we are building health as it should be and engaging a community of members to live their best health.

Are you interested in learning more about Crossover Health's innovative Primary Health model that brings together virtual and in-person healthcare?

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