

# Papa Reduces Healthcare Costs Among Socially Isolated Medicare Advantage Members

A claims-analysis by a health plan partner reveals that addressing social connection needs improves healthcare utilization and reduces total cost of care

## Executive Summary

A lack of social support has been known to drive higher healthcare utilization, including hospitalizations and emergency department (ED) visits, among both older adults and underserved populations. Older adults often need assistance to address unmet health-related social needs including lack of transportation, access to nutritious foods, help around the home, or assistance navigating the healthcare system, to name just a few. Unfortunately, **38% of older adults who live alone reported they could not identify anyone**, such as a friend or family member, **to help them with social support**, if needed.<sup>1</sup> What's more, loneliness and social isolation on their own are associated with poorer health outcomes and higher rates of healthcare utilization. Put simply, without anyone around to turn to for help, or even just a listening ear to talk to, patients may seek crisis-driven care at the ED as a result. And the cost of treatment at a hospital ED is 12 times higher than visiting a physician's office and 10 times higher than going to an urgent care center.<sup>2</sup>

Papa addresses these gaps, providing social support and companion care to older adults and families via its Papa Pals, a national network of mission-minded companions. Papa Pals meet member needs that promote health, but are non-medical in nature, including companionship, light housework, transportation, and other supportive services, thereby addressing issues, such as loneliness and isolation, other social drivers of health (SDOH), and gaps in care. **Papa Pals target social and instrumental activities of daily living, which complement the pathways of conventional medicine.**

A Washington-based health plan client made Papa available to its socially isolated Medicare Advantage (MA) members. In a claims-based analysis, **findings demonstrate Papa's companion care program increased primary care visits and lowered medical costs for these high-risk, older adults.**

Over the course of the year, Papa members generated fewer claims, resulting in an **estimated savings of over \$500,000, or \$2,700 average annual savings per active member.** Increasing primary care visits leads to better preventive healthcare, earlier and more accurate diagnoses, and a reduction in emergency department visits—the most costly site for routine care. Adding to this, providing support and companionship to lonely adults leaves a lasting, positive impact on overall well-being.

## KEY FINDINGS:

**+19%** increase in office visits

**-20%** reduction in emergency department visits

**-6%** reduction in total cost of care

## Background: Social Support and Healthcare Utilization

Perceived and quantifiable social support is not uniform or constant across a person's life span. Loneliness is the painful feeling that results from a gap between one's actual and perceived quality of social relationships. Quantifiable social support refers to tangible social connections, i.e., the people who can be relied on to help with one's social care needs, including transportation to medical appointments, assistance with groceries, support around the house, or assistance with mobility. Loneliness and poor social support are related, but objectively different concepts. People can live alone and not feel lonely, or they can have many social contacts and still feel lonely. Nevertheless, significant health and life events can change people's perceptions, needs, and availability of social support. Numerous studies have documented that lower levels of perceived social support lead to lower quality of life, lower physical and mental health outcomes, higher frailty, and mortality.<sup>3-5</sup> Unfortunately the reality is that many people don't have reliable social support: **38% of older adults who live alone reported they couldn't identify anyone, such as family or friends, to help them in a time of need.**<sup>1</sup>

Emergency department overuse and preventable readmissions drive preventable costs in the U.S. healthcare system. Overuse of the ED for preventable or non-urgent cases costs the U.S. healthcare system \$32 billion annually.<sup>6</sup> This overuse is driven by difficulty navigating the healthcare system and unmet health-related social needs. One has to become proficient at scheduling appointments, managing medication refills, building relationships with providers, knowing when to get referrals, and following treatment plans. Without compassionate care and support navigating these complexities, people seek crisis-driven care at the ED.

What's more, loneliness and social isolation on their own are associated with poorer health outcomes and higher rates of healthcare utilization. This is evidenced by the fact that lonely patients visit the ED 60% more per year than patients who are not lonely,<sup>7</sup> and older adults who live alone are 50% more likely to use the ED than older adults who do not live alone.<sup>8</sup> Further, a socially isolated older adult costs over \$1,600 more in annual Medicare spending than their less-isolated counterpart, and the additional monthly costs associated with social isolation (\$134) are even comparable to those associated with arthritis (\$117) and high blood pressure (\$163).<sup>9</sup>

Given that up to 80% of healthcare outcomes are attributable to social drivers of health,<sup>10</sup> evidence suggests that non-clinical helpers, such as volunteers, patient navigators, community health workers, and Papa Pals, 1) reduce hospitalizations and ED visits among older adults and underserved populations, and 2) provide net cost savings to the healthcare system.<sup>11,12</sup> Programs that include social support, like the use of Papa Pals, improve patients' satisfaction with care, satisfaction with their health plan, self-efficacy, and quality of life.



**18%**

of Papa members report facing barriers to medical appointments prior to having access to companion care services.



## About the Study

### Implementation

A Washington-based health plan partnered with Papa to offer companion care to a cohort of members from October 2020 through December 2021. Members had access to 72 annual hours of Papa services during this time and could use those hours towards in-person or telephonic visits.

### Papa Program

Unlike traditional caregiving, Papa's companion care focuses on improving outcomes by addressing the social factors that impact health, such as loneliness, isolation, and barriers to medical care. Cohort participants received assistance from Papa Pals across various needs that support overall health, but are non-clinical in nature, including transportation to medical appointments, help with prescription pick-up, grocery shopping, social interaction, and identifying potential risks or hazards that could affect members' overall health. In addition, Papa Pals assisted members with general needs, such as technology and light house tasks.

### Population

Eligible members were identified as "socially isolated" by the health plan's proprietary algorithm and referred to Papa (N=2,011). Members were mostly from Medicare Advantage; Dual-Eligible Special Needs Plan (DSNP) members accounted for only 13% of the cohort. Members resided in 43 different cities across Washington state, the average age was 76, and 59% were male.

### Analysis

The health plan conducted an analysis comparing claims data between 2019, 2020, and 2021. Results reported compared data from 2021 to 2019 in order to account for irregularities due to COVID-19 in 2020. The entire analysis cohort includes any member who had an interaction with Papa and had complete claims data (N=252). Active members are defined as a subcohort of members who had at least one Papa visit, had not deceased during the analysis period, and had not opted out of the program or call list at any point (N=188). The analysis reviewed claims data for both of these cohorts.

## Study Findings

Study results found that **active Papa members saw a 5% decrease in ED visits and experienced a 19% increase in primary care visits** from 2019 to 2021. These results suggest an increase in primary care visits correlates to a decrease in ED visits. Additionally, the **total cost of medical care for the active cohort decreased by an average of 19% per member**; and, when compared to socially isolated members who did not register in the program, active Papa members generated fewer claims over the course of the year, resulting in an estimated savings of over \$500,000, or **\$2,700 average annual savings per active member**.

When reviewing outcomes for the **entire Papa cohort, ED visits decreased by 20% and total cost of care decreased by 6% per member**. This analysis highlights the critical role that social health can play in someone's overall health and cost of care. Increasing primary care visits leads to better preventive healthcare, earlier and more accurate diagnoses, and a reduction in emergency department visits—the most costly site for routine care. Adding to this, providing support and companionship to lonely adults leaves a lasting, positive impact on overall well-being.

## Conclusion

**Companion care is preventive care**—if you don't address members' most basic needs, members are more likely to deteriorate in health and require more comprehensive assistance. The healthcare industry increasingly recognizes the strong correlation between social connection and an individual's overall health. As we look to reduce spending by addressing social drivers of health and encouraging more preventive care, human connection must be a part of the conversation. We're invigorated by these results, demonstrating that companion care can both improve health and decrease costs. Papa is committed to making companionship no longer a rare asset, but something we bring right to the front door of all those who need it.

### ACTIVE PAPA COHORT

[Had at least one Papa visit, had not deceased during analysis period, and had not opted out of program or call list]

- 5% decrease in ED visits
- 19% increase in primary care visits
- 19% decrease in total cost of care
- \$2,700 average annual savings per member

### ENTIRE PAPA COHORT

[Had any interaction with Papa]

- 20% decrease in ED visits
- 6% decrease in total cost of care

## REFERENCES

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