

Bending the Cost Curve

How Advanced Primary Care Lowered Total Medical Expense by 13% for a Fortune 100 Employer

Executive Summary

This Fortune 100 employer needed a way to make consistent, high-quality primary care work for a large, always-on workforce spread across the country. Without an accessible option, members had no ongoing relationship to catch health risks before they escalated and defaulted to the ED and urgent care — the most expensive settings.

To solve it, the employer partnered with Galileo, an advanced primary care center of excellence built for outcomes, not referrals. Galileo gives members a concierge-level experience: a dedicated care team that knows them, is easy to reach, and builds the kind of longitudinal relationship that leads to earlier intervention, better outcomes, and more affordable care over time.

To measure the financial impact of that partnership, Galileo ran a matched cohort-based claims analysis: members who engaged with Galileo were compared against a look-alike cohort of similar non-engaged members, matched on demographics, comorbidities, and historical utilization, and tracked over time using a Linear Mixed Model: the gold standard statistical approach for longitudinal healthcare cost analysis.

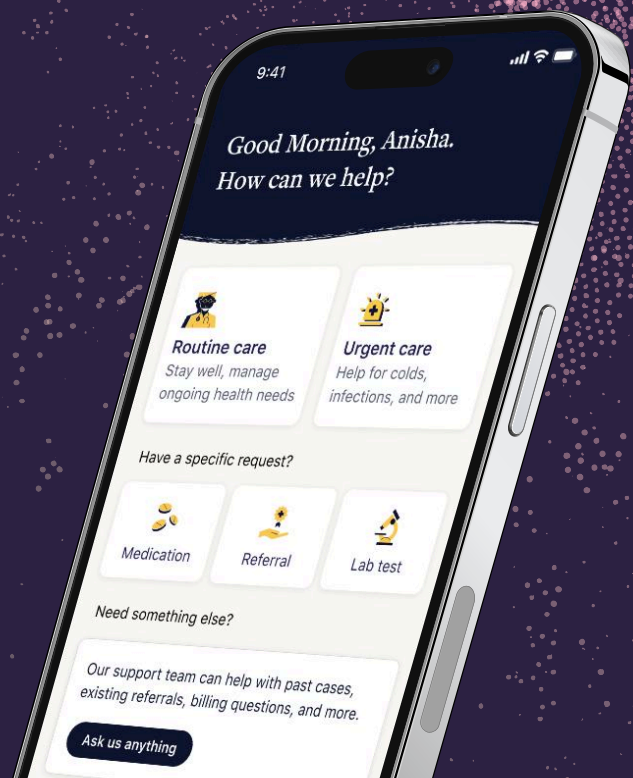
The results were clear and statistically significant:

13%

lower Total Medical Expense (TME) vs. the matched control group (95% CI: -20% to -5%, $p < 0.001$)

15%

fewer combined ED/urgent care encounters per 1,000 member-years



The Challenge: Primary Care That Doesn't Fit a 24/7 Workforce

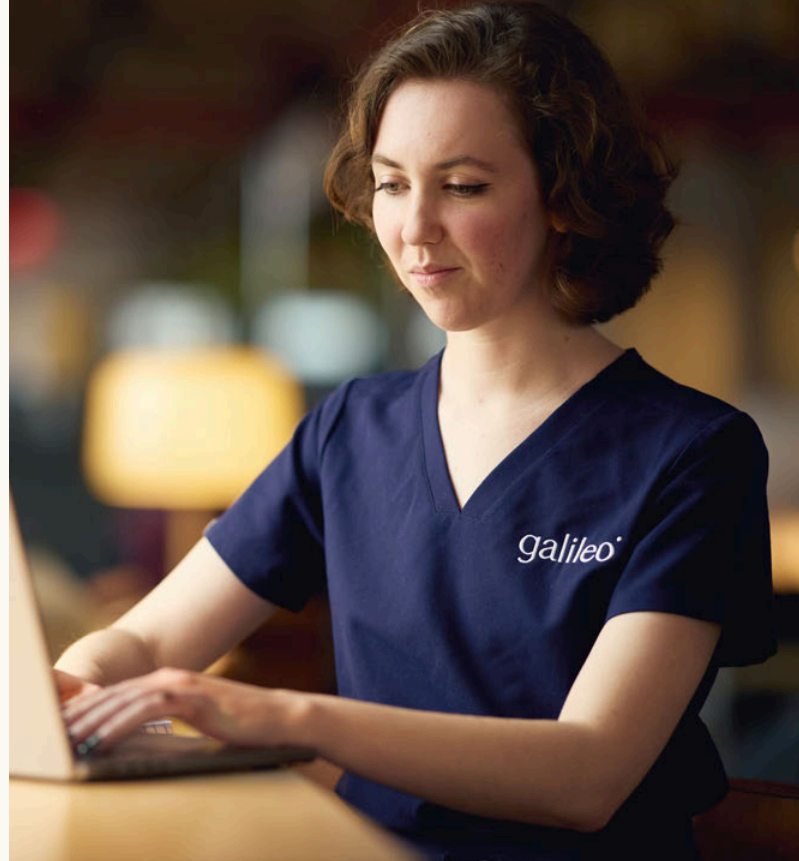
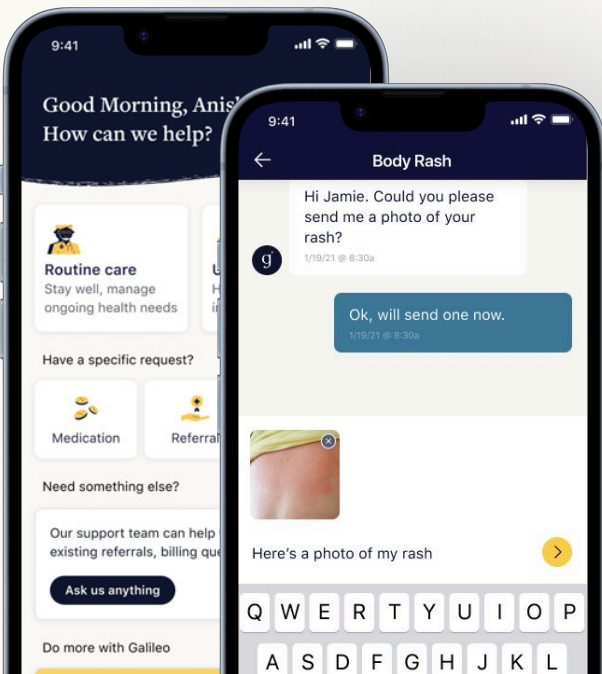
This employer manages 200,000 members, including 90,000 U.S. employees who work outside a typical 9-to-5. A workforce this large and dispersed exposes the limits of both models: standard clinics can't offer round-the-clock access, and most virtual care relies on a triage-and-refer approach that leaves members bouncing between providers. Without an alternative built for both, the default was the most costly: ED or urgent care.

The employer needed a primary care experience members would actually turn to first: available anytime, with enough clinical depth to resolve even the most complex conditions of both high and low acuity levels.

The Galileo Model: A Primary Care Center of Excellence Built for Outcomes, Not Referrals

Most virtual care models are built around triage: a clinician evaluates the member, and anything beyond the most routine issue gets referred out. Every unnecessary referral becomes another claim: a specialist visit, imaging, labs, or a delayed-care ED visit if the condition worsens while waiting to be seen elsewhere.

Galileo is designed to be the first place members turn for any medical need, and the last place they need to go.



By uniting primary, urgent, specialty, and behavioral health into one practice, Galileo can deliver on two core pillars:

1 Clinical depth to resolve, not refer.

Our multidisciplinary team has the expertise to take ownership of the member's entire care journey, from intake to treatment.

Across the employer's population as a whole, 92.65% of cases were resolved without going outside the Galileo practice.

Only 2.95% required an ED/urgent care referral for acute, emergency-level needs and only 4.40% required a specialty referral.

That's a sharp contrast to primary care nationally, where widely-cited research puts specialist referral rates at roughly 1 in 3 patients annually.¹

2 A dedicated care team that builds a longitudinal relationship.

Each member is paired with a dedicated care team that gets to know their history over time. This continuity turns a single visit into a longitudinal relationship and gives Galileo the clinical history to proactively monitor health risks earlier.

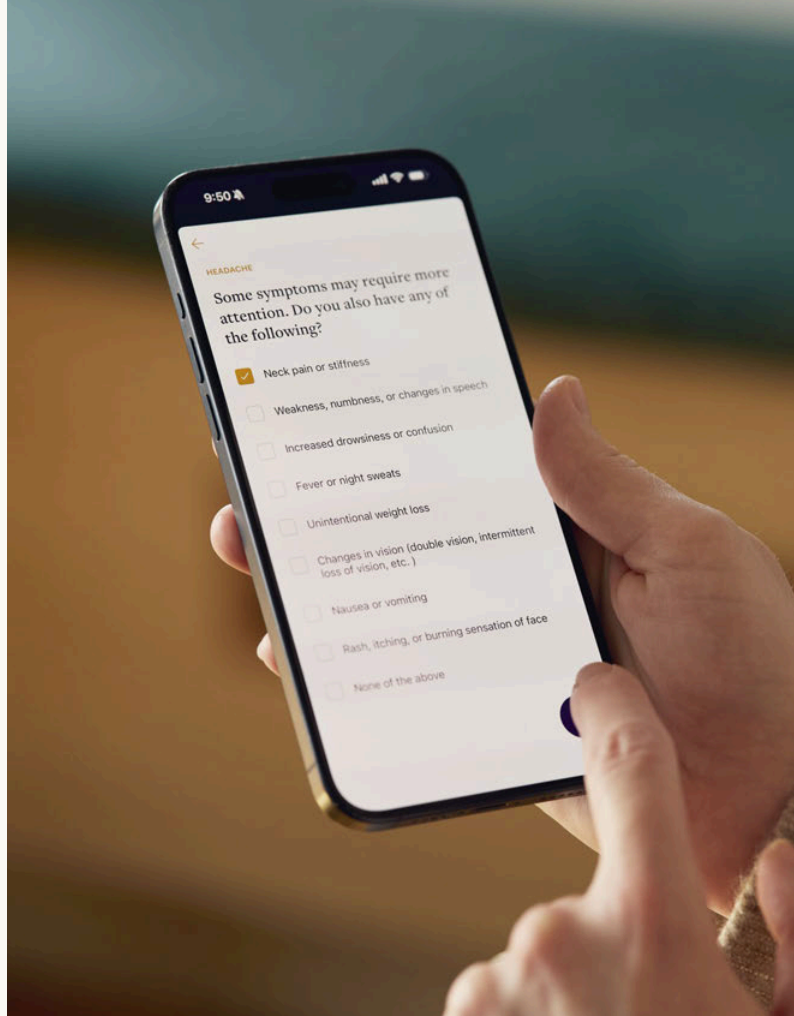
The Analysis: A Rigorous, Cohort-Based Claims Study

This analysis evaluates a national enterprise workforce to measure Galileo's impact on total healthcare spend.

Design: A matched cohort-based claims analysis, the same class of methodology payers and actuaries rely on to evaluate cost interventions. For every engaged member, Galileo identified a look-alike non-engaged member matched on demographics, comorbidities, and historical utilization, then tracked both groups over time with a Linear Mixed Model.

Population: 3,503 matched pairs of engaged employees and dependents and non-engaged controls, drawn from the employer's full commercial population.

Rigor of the match: In the pre-period, both groups were matched on historical claims and clinical risk, entering with virtually identical baselines: \$394 PMPM for Galileo-engaged members vs. \$390 PMPM for the matched control group. Everything below reflects what happened after engagement, not a difference that existed going in.



What the data shows:

The longitudinal relationship Galileo built, the complexity it managed, and the impact on total cost.

A Longitudinal Care Relationship

Members utilized Galileo for long-term care, not just one-off visits.

42% of engaged employees returned for a second visit after their first.

37% of engaged members who began with an urgent care visit returned to use non-urgent care, proving the relationship continued beyond acute needs.

Clinical depth handled real complexity

Galileo's in-house care teams managed this complex population's needs directly.

29% higher chronic-condition rate among engaged employees vs. the matched control group (30.7% vs. 23.9%).

1 in 10 Galileo visits addressed multiple health issues in a single encounter, demonstrating care teams' ability to manage multiple conditions in a single visit.

The result:

Lower cost and less reliance on high-cost settings.

15% fewer combined ED/urgent-care encounters per 1,000 member-years vs. the matched control group.

13% overall reduction in TME PMPM. Following Month 0, Galileo-engaged members consistently maintained lower claims spend than the matched control group across 12 months (see chart on next page).

Total Medical Expense (PMPM)

Metric	Galileo-Engaged	Matched Control
Pre-period baseline TME	\$394	\$390
Post-engagement TME	\$356	\$407
Change vs. baseline	-9.6%	+4.3%

13% Lower Total Medical Expense 95% CI -20% to -5%, p<0.001

Fortune 100 Commercial Employer -
TME PMPM (medical) by month

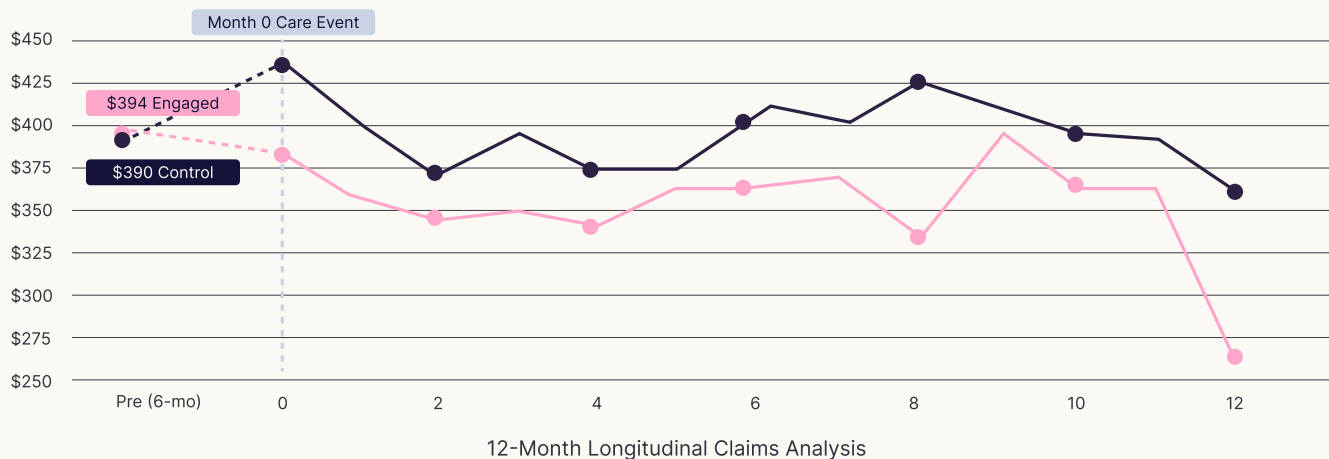
● Galileo Engaged Members
● Matched Control Group

-13%

TME Reduction

\$50 PMPM

Average Monthly Savings



Conclusion

For a workforce too dispersed for any single clinic, employers must prioritize both access and clinical depth. Significant cost savings cannot be achieved by one without the other. A 13% reduction in Total Medical Expense is the direct result of a model built to resolve issues (rather than route them elsewhere), paired with a care team that turns a single visit into a longitudinal relationship.

Mehrotra A, Forrest CB, Lin CY. "Dropping the Baton: Specialty Referrals in the United States." *Milbank Quarterly*, 2011;89:39-68

Study Design & Methodology

- **Population:** the Client's full commercial population of employees and dependents of [3,500] engaged employees, was matched 1:1 to a non-engaged control group of similar size.
- **Design:** This is a matched cohort study. For every engaged member, Galileo identified a look-alike non-engaged member similar across demographics, comorbidities, and historical utilization.
- **Data source:** The Client's full historical medical claims for employees and dependents, extending up to [3] years prior to a member's engagement date, was used to establish pre-period baseline spend and clinical risk for both cohorts.
- **Statistical method:** We tracked the same individuals over time with a Linear Mixed Model (LMM), the gold-standard approach for analyzing healthcare cost trends longitudinally.
- **Evaluation window:** [6]-month pre-period baseline and [12]-month post-engagement follow-up, anchored to each member's individual Month 0 (first care engagement).