

Health Care Navigation Isn't a Perk. It's the Missing Infrastructure.



When 10-20% of spend follows design, navigation becomes strategy.

Employers have made meaningful investments in health care navigation. Advocacy lines. Digital portals. Concierge vendors. Yet nationally, the American Medical Association reports **nearly 25% of health care spending** in the United States – between **\$760-\$935 billion annually** – is **waste** driven by inefficiencies, unnecessary services, and structural variation.

At the employer level, those same dynamics are visible.

When claims are analyzed across site of care, referral patterns, provider outcomes and appropriateness, and pharmacy utilization, it is common to identify **10-20% of total spend tied to outcomes that can be influenced.**

That variation is not random. It follows design.

And when predictable escalation follows design, standing still becomes a financial strategy – whether intended or not.

ALLIANT INSIGHT

For an employer spending **\$15,850 per employee** annually, that represents **\$1.6M-\$3.2M per 1,000 employees** in addressable opportunity.

The plan produces what it is designed to produce

Most navigation solutions are introduced as support tools – layered onto existing plan architecture.

But architecture drives utilization.

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Passive advocacy tools and portal-based navigation frequently operate in single digits to low teens. Concierge-style advocacy vendors may reach **15-25% of eligible populations** when participation is voluntary.

These figures reflect how navigation has historically been positioned – as a service employees only access when needed.

Members are not making irrational decisions – they're following the pathway presented.

Infrastructure determines their direction. Most advisors help employers manage complexity. Alliant helps organizations redesign the ecosystem their population moves through – guided by data, informed by clinical expertise, and structured for measurable financial impact.

When variation is structural, intervention must be structural

High-performing organizations don't start with vendors. They begin with visibility. When utilization metrics move to the front of the conversation, variation becomes measurable – and measurable variation becomes manageable. The opportunity is not theoretical. It's embedded in system design.

"Most care escalation isn't the result of poor decisions or lack of communication – it's the result of how the system is structured. When employers realize they can influence referral flow and site-of-care alignment at the front end, they don't just improve patient outcomes. They change cost trajectory."

**Dr. Dave Zieg, National Director
of Clinical Services.**

When hospital-affiliated networks shape referral flow...

When providers align interests to independently of and an employers' downstream strategy...

When cost-sharing treats all sites of care as economically equivalent...

**Escalation becomes
the default.**

The Levers That Change Cost Flow

Once variation is visible, intervention becomes practical. There are five structural levers that sophisticated organizations meaningfully examine:

1 Primary Care as the Control Point – *The Initial Driver*

Primary care is temporally first and, arguably, first in importance, in the care journey – yet structurally underpowered in the market. Referrals originate here. Escalation often begins here, too.

When primary care operates independently from the larger strategy, utilization patterns default to existing hospital-affiliated pathways.

Aligning or sponsoring primary care introduces accountability at the front door. This is where navigation shifts from reactive to structural.

2 Incidence and Severity Transparency – *The Data Source*

Without understanding which conditions are increasing in frequency, where referrals concentrate, or which providers demonstrate higher complication or re-intervention rates, cost compounds before intervention begins.

Claims data is not retrospective reporting. It's the map.

3 Incentives That Reinforce Design – *How Change Happens*

Behavior follows design. When organizations intentionally embed the right incentive formula to reinforce navigation, engagement can rise into the **20-60% range**.

At that level of adoption, navigation begins to influence referral flow, care quality, and downstream cost concentration – not just the member experience. **Communication alone does not bend trend. Design does.**

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Based on the average medical spend of **\$15,850 per employee per year**, when navigation adoption is reinforced through aligned incentive design, modeled net impact can approach a savings of **\$1,900 PEPEY or ~\$1.9M per 1,000 employees annually**.

4 Site-of-Care Realignment – *The Outcome Shift*

Not all care settings are economically equivalent. When hospital outpatient facilities concentrate utilization, cost concentration follows. When referral patterns and incentives are aligned, utilization shifts naturally away from high-cost hospital outpatient departments toward independent ambulatory facilities. This is the visible impact of upstream alignment.

ALLIANT INSIGHT

Redirecting imaging and outpatient surgeries from hospital outpatient departments to independent ambulatory facilities can generate **approximately \$700,000 in annual savings per 1,000 employees**.

5 Continuous Outcome Monitoring – *Measuring the Results*

Intervention is not static. Provider performance, referral concentration, complication rates, and pharmacy-medical interaction must be monitored continuously. **Navigation becomes sustainable when impact is measured, refined, and reinforced.**

Standing still in a system that produces predictable escalation is not neutral. It's a choice.

The Leadership Decision

Health care systems are designed to optimize access and throughput – not necessarily value. When employers want different outcomes, they must influence the architecture: referral flow, site-of-care alignment, incentive structure, and provider accountability.

Navigation delivers impact only when it is embedded within those control points – not added after the fact. When financial discipline and employee clarity move in lockstep, navigation stops being a support feature and becomes a strategic advantage.

The market will continue to offer tools, but leadership requires redesign.

The question is no longer whether members are navigating. It is whether the system guiding them is aligned with your benefits strategy and your culture.

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