

## CAREADVANTAGE INVITED TO PARTICIPATE IN NATIONAL PREDICTIVE MODELING CONFERENCE

CareAdvantage, Inc. (CAI) was invited to present a workshop and participate in the National Predictive Modeling Optimization Conference, produced by The World Research Group, as part of its Healthcare Predictive Modeling Series.

The two day conference was held in San Francisco, March, 26-27, 2008. The Conference goal was to enable attendees to develop a sustainable and cost effective risk prediction strategy that will improve the health and well-being of the at-risk populations they manage and demonstrate how to determine a validated ROI for predictive modeling based care interventions.

Richard Bernstein, MD, Senior Medical Director at CAI explained that predictive models are generally used to identify groups and individuals that are likely to use expensive resources in the future. However, he emphasized such tools should also be used to identify individuals using significantly fewer resources than expected, because early intervention with such patients can potentially prevent regression to the mean of their peers with a similar burden of illness. Dr. Bernstein is an authority on managed care including data analysis, risk management, physician reimbursement incentives, disease and case management, and quality management. Dr. Bernstein's presentation, which was entitled, "New Applications of Predictive Models: Targeting High Opportunity Care Management" focused on these main issues:

- Features/Functions of Predictive Models
- Types of Predictive Models
- Value Added Features of Predictive Models
- Severity and Case Mix
- Transparency
- Methods to Evaluate the Predictive Power of Predictive Models
- Limitations of Predictive Models
- Methods to Identify High Opportunity Members

The workshop demonstrated techniques to leverage predictive modeling to identify potential under-and over-utilizers and to develop a disease progression index for more accurate identification of high opportunity individuals. Projecting costs is usually thought of as the principle value of predictive models, but developing a risk score on expected costs or utilization alone cannot adequately risk stratify a population for care managers. Dr. Bernstein discussed another metric, which is included in some predictive models, called the 'burden of illness', or BOI. The trajectory of this measure (the rate of disease progression) can also be a useful trigger for care managers who need to identify those who are clinically deteriorating at a rapid rate.

Dr. Bernstein presented several examples of underutilization, potential causes for it, and why it is important for predictive models to take into account additional information, or apply corrective methodologies, to minimize potentially misleading results (ie; under or over statement of actual and projected costs). He emphasized that the variance between actual and expected costs can be used to identify potential underutilization, as well as likely over-utilization. Awareness of causes of false positive and false negatives can help define strategies to better identify high opportunity targets for outreach by care managers.

"Dr. Bernstein's session was very well received by the audience. His expertise and exceptional insights on how to implement and optimize the efficacy of predictive modeling to enhance risk identification and risk stratification measures added tremendous value to our program. It was definitely an honor to have him on board our faculty," Alec Moore, Senior Conference Director, World Research Group. "Great speaker knows his subject well," Simon Henderson, Discovery Health.

More details of the information presented by Dr. Bernstein can be referenced in his article entitled, 'New Arrows in the Quiver for Targeting Care Management: High Risk vs. High Opportunity Case Identification.' J Ambulatory Care Management, 2007; 30:39-51; Bernstein, R.

**About the World Research Group**

World Research Group is a national healthcare research and conference development company committed to delivering focused, timely and value-added business-to-business information for healthcare providers, health insurers and health benefits professionals. World Research Group's research findings are disseminated in case-study based, business-to-business conferences designed to provide proven and practical, real-world solutions to current and pending challenges impacting healthcare executives today.

**About CareAdvantage, Inc.**

CareAdvantage, Inc., founded in 1994, provides healthcare management, information technology and consulting services to health plans, employers, national consulting firms, hospital systems, providers and other purchaser groups. CAI's decision support tools (RPNavigator, RPN<sup>3</sup>), in concert with the underlying CRG classification methodology and RPN APR-DRGs from 3M Health Information Systems, may be used on an enterprise wide basis for various initiatives. The CareAdvantage team consists of former health plan executives, senior medical directors, and care management operation directors, as well as, experts in clinical data analysis and information technology. Learn more by visiting CAI online at [www.careadvantage.com](http://www.careadvantage.com).

**Contact:**

Sheila Van Daly, RN, MBA  
732.362.5012 direct  
866.863.6555 toll free

[svandaly@careadvantage.com](mailto:svandaly@careadvantage.com)