



RPNAVIGATOR

by CareAdvantage, Inc.

KAISER PERMANENTE NORTHWEST USES RPNAVIGATOR TO RESPOND TO MARKET NEED FOR MORE DATA AND TRANSPARENCY

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- Gary Morgan, Vice
President of Sales and
Marketing

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Iselin, New Jersey, April 1, 2006 --The Kaiser Foundation Health Plan of the Northwest extended its service and license agreement with CareAdvantage until 2008 in response to increased market demand for more data and transparency. Kaiser Permanente Northwest (KPNW) is using CareAdvantage's predictive modeling and decision support system, RightPath™ Navigator (RPNavigator), to communicate its value equation through the delivery of enhanced reporting packages to its employer clients.

"A tool like RPNavigator enables us to pursue a more collaborative and transparent approach with our customers, brokers and benefit consultants," said Gary Morgan, Vice President of Sales and Marketing at Kaiser Permanente Northwest. "The level of detail we provide with regards to trends in health status, resource consumption, and quality of care sets the stage for an open and constructive dialogue about the drivers of their medical cost trends, and the value of Kaiser Permanente Northwest."

RPNavigator integrates financial, medical, pharmacy, and other data elements to categorize and quantify a population's disease burden, and provides a clear case mix, severity-adjusted picture of the health status of a client member population. While co-morbidities and their complications are used to define "severity" in other algorithms, RPNavigator uses a more in-depth and clinically meaningful method. In addition, the system generates reports on quality gaps in care, preventable complications, and actual to expected utilization rates to establish a framework for measuring quality and cost efficiency.

RPNavigator facilitates KPNW's ability to rapidly compile and display valuable information and develop membership growth and retention strategies, including benefit design changes and member outreach efforts. RPNavigator can also be utilized to derive individual, group and other market segment risk scores for actuarial and underwriting purposes. RPNavigator offers a more refined longitudinal view of disease burden and associated costs, and allows users to drill down to trouble shoot financial areas of concern at the individual, group, and provider level. As a result, underwriters have keener insight into group experience, and possess defensible, credible information to communicate to the market.

CareAdvantage utilizes several methodologies developed by 3M Health Information Systems; including Clinical Risk Groups (CRGs), All Patient Refined DRGs (APR-DRGs), and Ambulatory Payment Groups (APGs) ►





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ABOUT CAREADVANTAGE, INC

CareAdvantage has been providing healthcare management and consulting services since 1994, and is in the business of providing services to health plans, employers, national consulting firms, hospital systems, providers, states, unions, and other purchaser groups.

CAI's web based decision support tool (RPNavigator) may be used on an enterprise wide basis to accomplish any or all of the following functions:

- Predictive Modeling to Facilitate Data Transparency and Actionable Intervention Strategies
- Implementation of Cost Containment and Quality Enhancing Initiatives
- Medical, Network, and Benefit Management Decision Support
- Evaluation of Case and Disease Management Programs
- Identification of Care Management Opportunities
- Case Mix and Severity Adjusted Analysis of Provider and Vendor Performance
- Risk Stratification to Quantify Disease Burden and Trends in Cost and Care

The CAI team consists of former health plan executives, senior medical directors and care management operations directors, as well as experts in clinical data analysis and information technology. CAI will allocate individuals from each practice area to support your organization from a technical, clinical, and data analytical perspective.

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