

Predictive Modeling and Decision Support Tool

RP NAVIGATOR

by CareAdvantage, Inc.

NEW CRG (CLINICAL RISK GROUP) VERSION RELEASED BY 3M

3M Health Information Systems released the latest version V1.6 of Clinical Risk Groups (CRGs). This is the algorithm used to develop New York Medicaid Plans' Risk Score and capitation rates. Some of these important changes involve incorporating the latest ICD-9-CM Diagnostic and Procedure Code sets (v25.0), CPT-4 Procedure codes (2008) and HCPCS Procedure codes (2008). Other changes are actual processing enhancements that are in response to observations of key users, such as CareAdvantage.

Eliminating Rx-only Users from the Healthy Non-User CRG

In our recent Webinars and presentation at the New York Hotel in April, CAI showed examples of a "Healthy Non-User" with several thousand dollars in retail pharmacy claims, but no medical claims. After pointing this out to 3M last year, they have now reclassified individuals with pharmacy claims, but without medical claims, from the Health Non-User CRG to other CRGs. The significance of this change includes the following:

- "Healthy" does not mean "unimportant" for your plan's income enhancement efforts and care management initiatives.
- As noted in the seminars, Healthy groups may have unconfirmed chronic illness with a relatively low risk score. Further investigation of member records may show that they have an established chronic illness. A higher risk score will likely occur when office encounters listing the chronic illness are submitted by physicians, advance practice nurses, podiatrists, psychologists or social workers on at least 2 dates of service.
- 3M's change will reduce the false negatives in the Healthy Non-User CRG. Those with non-specific medication use, like antihistamines, will remain in the basic Healthy CRG. Those with medication use that is associated with a particular disease will move to the CRG for that disease. If a medication has multiple uses and cannot be clearly assigned to a particular disease, the member will be assigned to an unconfirmed chronic illness subcategory within the Healthy Status.
- The plan needs to investigate why such members are receiving these medications and to make sure that encounters with the chronic disease diagnoses are submitted.

Diagnostic Codes Related to Inpatient MD Visits Now Accepted

While outpatient physician visit diagnoses affect CRG assignment, as noted above, they must occur on at least two dates of service. In the past CRGs ignored inpatient physician visit related diagnoses, since hospital coding is usually more accurate and complete. Now, inpatient diagnoses by physicians are accepted as the outpatient or office setting diagnoses. The significance of this change includes the following:

- This change will make a small improvement in the assignment of CRGs, however, as in the non-acute setting, more than a single date of service must be submitted for the CRG to recognize the diagnosis as not simply a "rule out" and confirm the existence of a disease.
- In data mining of physician claims, if you find an "orphan" diagnosis that is not reflected in the CRG risk group assignment, further investigation with the provider is necessary to confirm. If confirmed, remind the doctor to include it on the next encounter.

CareAdvantage provides CRG Insights to help you obtain the appropriate income under New York Medicaid's risk adjusted premium.

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ABOUT CAREADVANTAGE, INC

CareAdvantage, Inc. (CAI) provides healthcare management, information technology and consulting services to health plans, employers, national consulting firms, hospital systems, providers and other purchaser groups. The management and consulting services include care management program enhancement services, operational assessments, executive and clinical management services, and training programs.

CAI's integrated solutions incorporate data warehousing, data mining and analytics, risk stratification and predictive modeling. CAI has been utilizing the Clinical Risk Group (CRG) classification methodology for seven years, contributing to its evolution and development. This experience has been leveraged to develop and advance CAI's predictive modeling and decision support tools, which include:

- RPNavigator - Population health and network management, including case mix and severity adjusted provider and vendor performance
- RPN³ - Advanced data mining using OLAP technology
- RPN APR-DRGs - Facility case mix and severity adjusted performance evaluation and quality benchmarking

These tools, in concert with the underlying CRG and the APR-DRGs algorithms from 3M Health Information Systems, 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 Care Management (CM) Programs and Identification of CM Opportunities
- Case Mix and Severity Adjusted Analysis of Provider and Vendor Performance
- Risk Stratification to Quantify Disease Burden and Trends in Cost and Care
- APRs Risk Stratification used to evaluate performance and profile quality of care within the hospital setting

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. Beginning with implementation and throughout the process, CAI assigns expert staff from each practice area to support your organization from a technical, clinical, and data analytical perspective.

For more information, please contact:

Sheila Van Daly, RN, MBA
732.362.5012
svandaly@careadvantage.com