

Analytics & Accuracy: **How to Improve Program Performance by** **Surfacing Complex Conditions**

Presented By:

Andrew Perlstein, SVP, Customer Success - Episource

Sarah Paine, Staff VP, Commercial Risk Adjustment Programs - Anthem





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Andrew Perlstein

Senior VP, Customer Success
Episource



Sarah Paine

Staff VP, Commercial Risk Adjustment Programs
Anthem

Presentation Agenda

- 1 Navigating ACA Risk Adjustment & Population Challenges
- 2 Implementing NLP-Powered Strategies to Increase Accuracy & Surface Complex Conditions
- 3 Understanding How to Turn HCC Coding Trends into Action
- 4 Improving Performance Across the Risk Adjustment Continuum

Navigating ACA Risk Adjustment & Population Challenges



High Member Churn: Frequently Changing Patient Populations

Unlike Medicare, ACA populations frequently move in and out of enrollment.

- **Only 6 in 10 Americans** who enroll in public exchanges will re-enroll during annual open enrollment.
- **The remaining 40%** fall into member “churn,” meaning they will enroll in Medicaid, Medicare, employer-sponsored coverage, or forgo insurance.

The takeaway: Sharp changes in patient populations create increased risk uncertainty. Plans cannot rely on historical information, making accuracy critical.

Concurrent Risk Adjustment Model

In a **concurrent model** information for risk adjustment relies solely on the data submitted for reimbursement in the year it occurred.

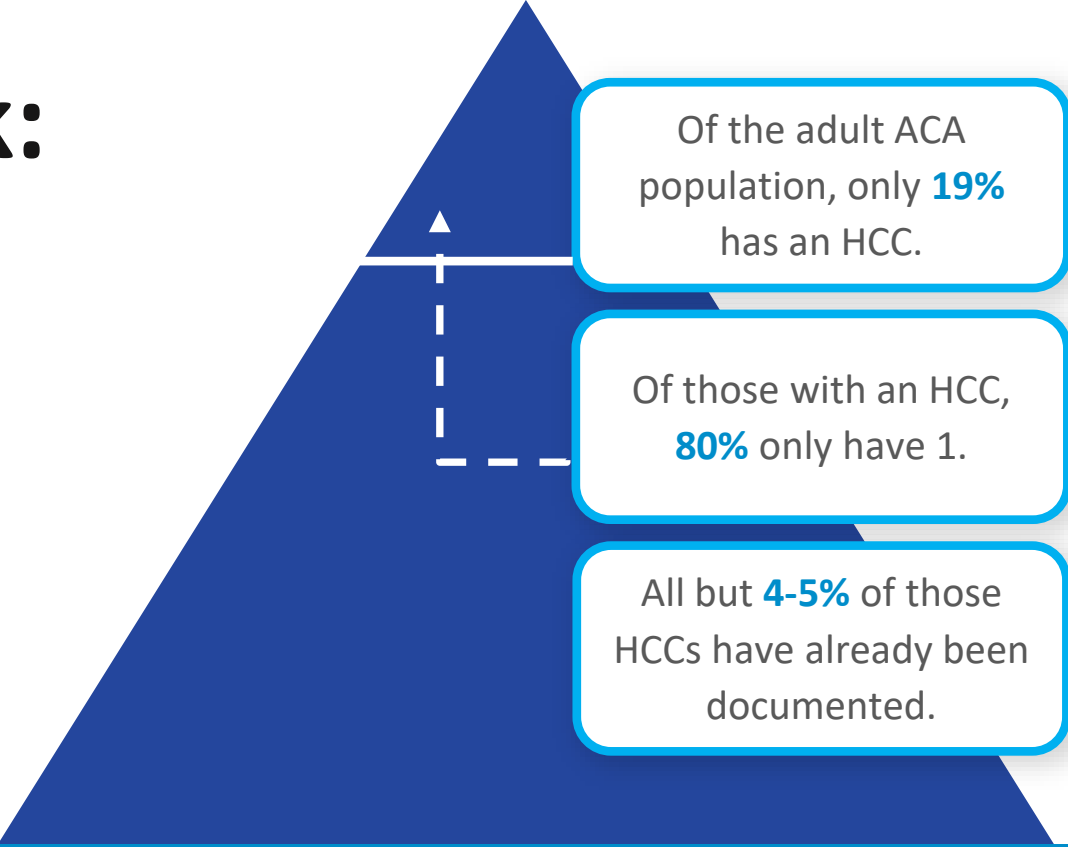
Challenges with a concurrent model:

- **Short timelines:** In Medicare, you have a year and a half to submit documentation. In ACA, the timeline is much shorter.
- **Transfer payments/risk adjustment:** Some ACAs struggle with not targeting the right segments to impact transfer payments.

The takeaway: Without the ability to rely on historical information to document risk, coding accuracy is critical. As Medicare moves towards a concurrent philosophy, this will have a greater impact.

A Needle in a Haystack: Finding HCCs in ACA Patient Populations

A healthier, younger population can lead to suspecting challenges.



Of the adult ACA population, only **19%** has an HCC.

Of those with an HCC, **80%** only have 1.

All but **4-5%** of those HCCs have already been documented.

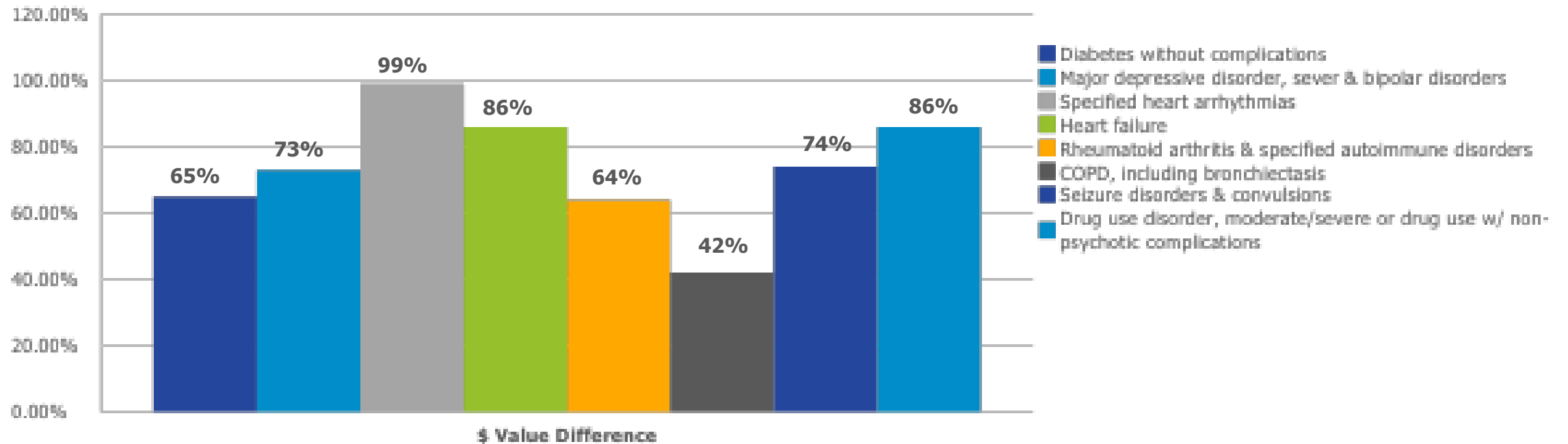
The takeaway: Healthcare expenditures are concentrated in a small % of enrollees with serious medical problems. Stratifying your chase list to ensure you are targeting the right members is critical.

Implementing NLP-Powered Strategies to Increase Accuracy & Surface Complex Diagnoses



Coding Accuracy can Dramatically Impact ACA Financial Performance

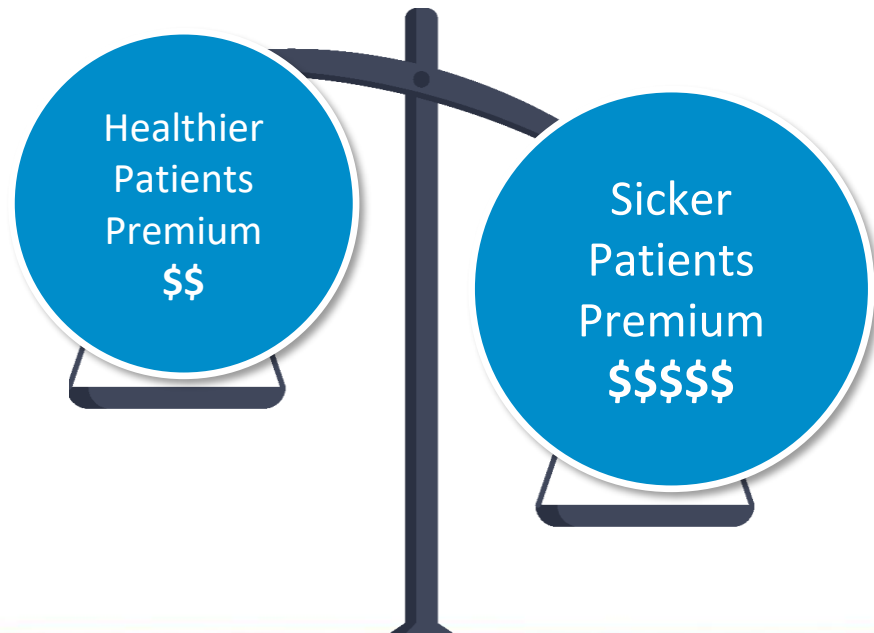
ACA vs. MA Risk Score Value Difference



The takeaway: A 1% improvement in accuracy can lead to a 20% increase in per chart value.

Risk Transfer Helps Achieve Balance For Patients Too

High and low premiums are modulated giving patients the opportunity to choose the best plan they can afford by reducing the overall cost of coverage and not tying patient premium to health status.



Plan Characteristics	Plans with Equal Coverage w/o Risk Adjustment	
	Silver Plan 1	Silver Plan 2
Risk Score	1.33	0.67
Market Share	50%	50%
Gross Medical Care Cost	\$666.67	\$333.33
Plan Liability	\$467.67	\$233.33
Risk Transfer	\$0.00	\$0.00
Average Premium	\$466.67	\$233.33

With RA the sicker patients pay the same for the same coverage

Plan Characteristics	Unequal Plans w/o Risk Adjustment	
	Gold Plan 1	Gold Plan 2
Risk Score	1.39	0.61
Market Share	50%	50%
Gross Medical Care Cost	\$666.67	\$333.33
Plan Liability	\$467.67	\$233.33
Risk Transfer	\$0.00	\$0.00
Average Premium	\$533.33	\$233.33

With RA patients may be able to afford a higher level of coverage

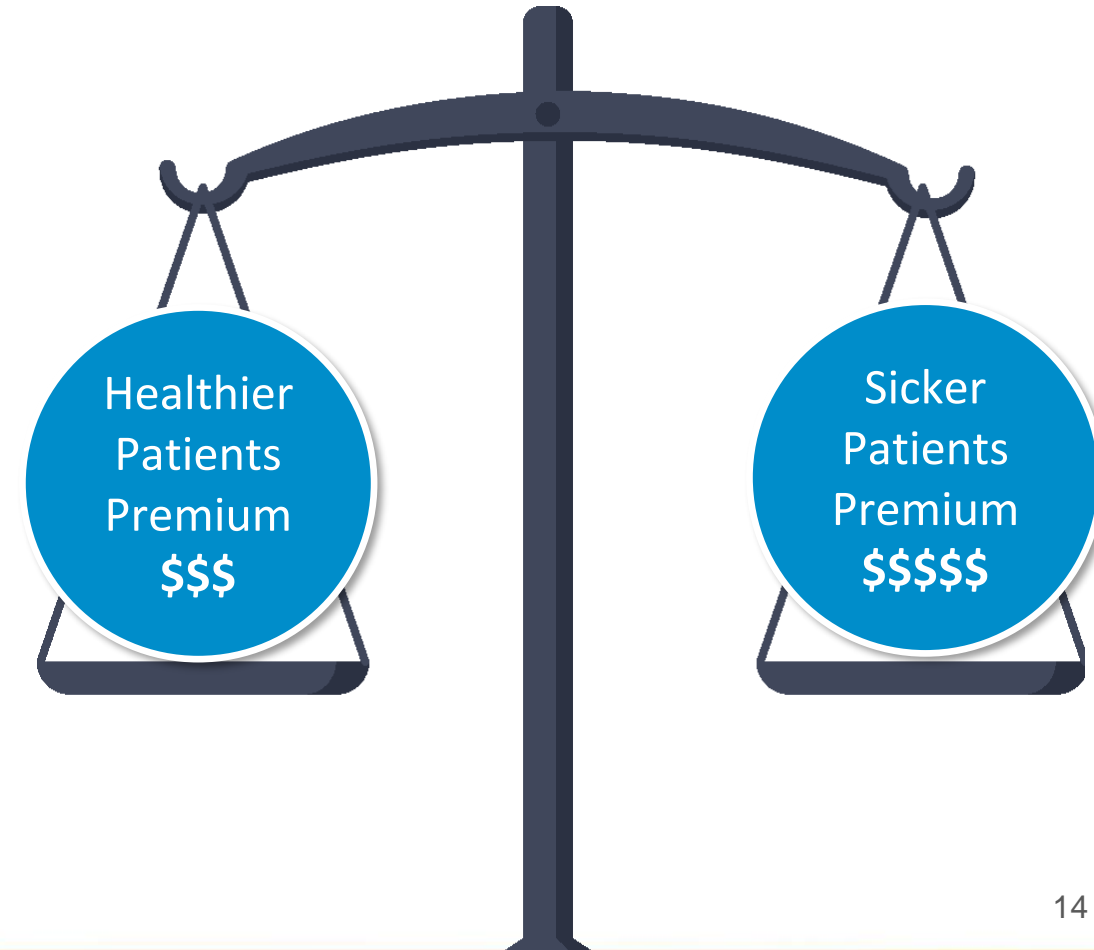
Example With Risk Score & Premiums

Plan Characteristics	Plans with Equal Coverage with Risk Adjustment	
	Silver Plan 1	Silver Plan 2
Risk Score	1.33	0.67
Market Share	50%	50%
Gross Medical Care Cost	\$666.67	\$333.33
Plan Liability	\$466.67	\$233.33
Risk Transfer	\$116.67	(\$116.67)
Average Premium	\$350.00	\$350.00

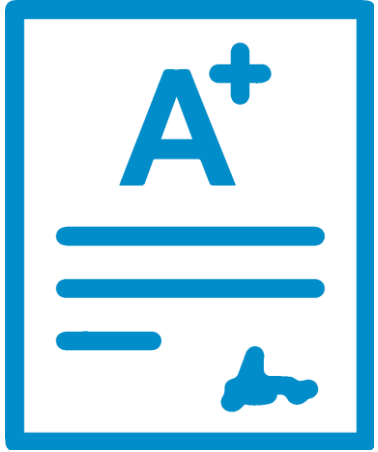
With RA the sicker patients pay the same for the same coverage

Plan Characteristics	Unequal Plans with Risk Adjustment	
	Gold Plan 1	Gold Plan 2
Risk Score	1.39	0.61
Market Share	50%	50%
Gross Medical Care Cost	\$666.67	\$333.33
Plan Liability	\$533.33	\$233.33
Risk Transfer	\$124.44	(\$124.44)
Average Premium	\$408.89	\$357.78

With RA patients may be able to afford a higher level of coverage



Anthem Vendor Report Card



- **The challenge:** How can plans improve accuracy, prevent NLP errors and human fatigue, quality issues, and inconsistencies?
- **The solution: The Anthem Vendor Report Card**
 - A detailed monthly assessment that shows vendors which codes they missed that other vendors have captured.
 - This allows Anthem to compare overall performance, cost, and speed and shows which vendors are open for discussion.

The takeaway: Not all vendors are created equal. Some are good at finding easy codes (i.e., diabetes), but miss hard ones (i.e., cancer, hemophilia). You need tech and teams that are adept at finding both.

Anthem Vendor Assessment: 1LR & 2LR Coding

Episource 1st Pass YOY Coding Comparison

	Episource Hit Rate
2020	2.80%
2021	4.28%

Episource 2nd Pass Coding Vendor Comparison

	Episource Hit Rate	Vendor ABC Combined
2020	2.57%	2.17%
2021	3.55%	2.04%

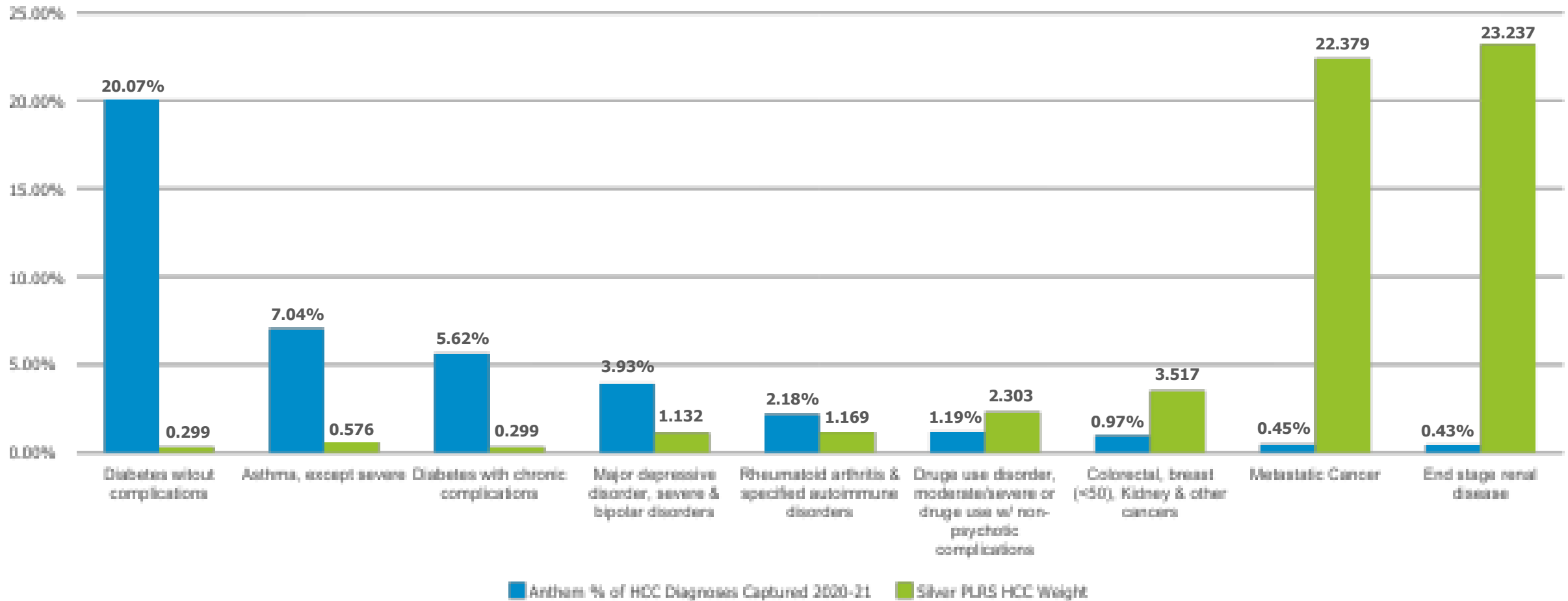
The takeaway: Episource continues to train our NLP on millions of medical records each year, leading to greater accuracy over time.

Understanding How to Turn HCC Coding Trends into Action



Volume vs. Value in Heavily Weighted Codes

% of HCCs Surfaced Compared to HCC Weight



Actioning Heavily Weighted & Complex Codes

- **Uncovering Dx trends:** Episource 2LR found new/heavily weighted Dx codes including a high prevalence of mental disorders + diabetes with complications.
- **Provider education:** Look at top Dx codes to see if they are net new and use them to educate providers to ensure they are documenting correctly.
- **Compliance and issue codes:** Complex codes have a higher tendency to be non-compliant. Without validation a health plan invites major liabilities.
- **Invalid codes:** If vendors do not find when natural and supplemental claims do not match, this could lead to compliance issues/impact transfer payments.

The Decision Point: Turning Analysis into Action



Put clinical indicators to work.

Undiagnosed clinical indicators may suggest:

- A patient needs a prospective intervention.
- The need for the plan to request a different chart.
- The need to do a second level review using NLP and human coders.



Engage providers in care management. Plans should make it easy for providers by:

- Sharing data so they can reach out to members.
- Leveraging platforms providers are already using.



Meet the population where they are. Plans should make it easy for patients to engage by:

- Leveraging telehealth for patient encounters.
- Conducting outreach via text message.
- Offering ridesharing services.

Improving Performance Across the Risk Adjustment Continuum

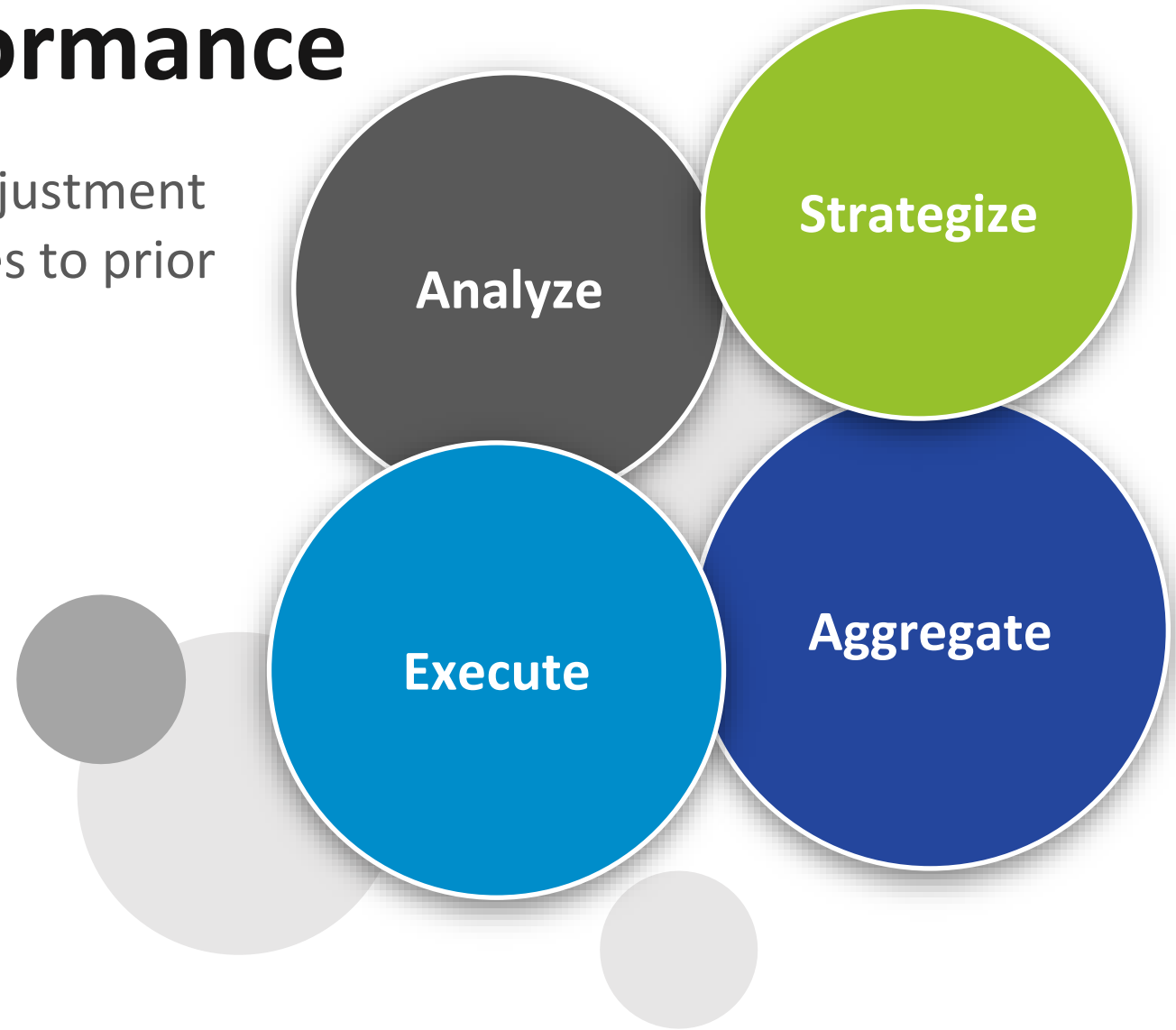


Driving Program Performance

Review the current status of your risk adjustment program and how performance compares to prior years and benchmarks.

Key Trends Analyzed

- Average RAF score
- Average RAF opportunity
- Member condition analysis
- Visit completion performance
- Chronic condition recapture rate



Analysis in Action: ACA Program Assessment

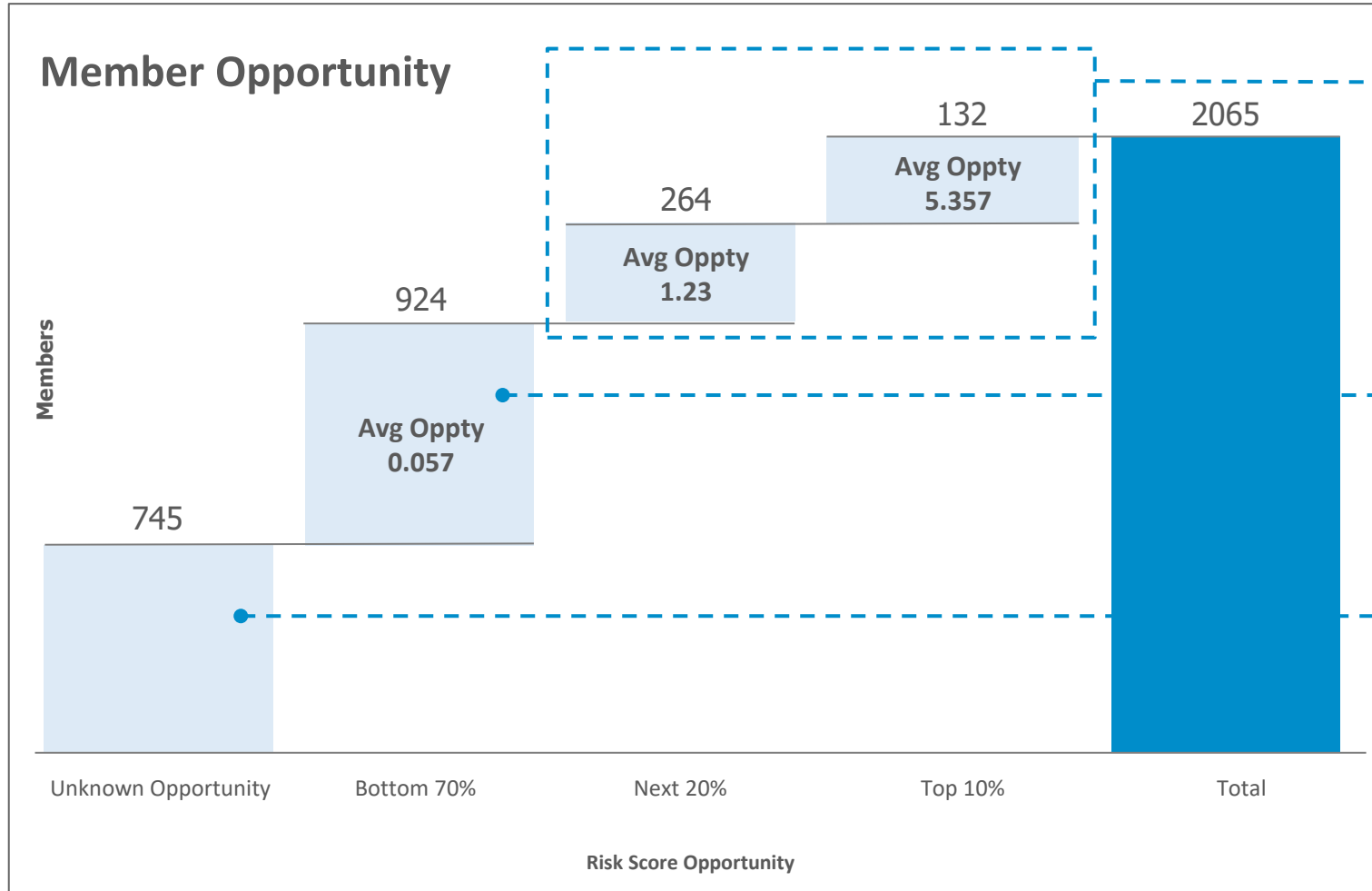
Multi-Program Case Study

Because ACA plans value the whole picture, you should analyze factors that contribute to the plan liability risk score (PLRS) which requires more complexity than addressing individual RAF scores.

Top suspected HCCs: Analysis of top 10 HCC suspects across the membership

Rank	HCC	Description	Prevalence 2021
1	HCC021	Diabetes without Complication	4.1%
2	HCC161	Asthma	2.0%
3	HCC020	Diabetes with Chronic Complications	1.4%
4	HCC088	Major Depressive and Bipolar Disorders	0.7%
5	HCC012	Breast (Age 50+) and Prostate Cancer, Benign/Uncertain Brain Tumors, and Other Cancers and Tumors	0.7%
6	HCC160	Chronic Obstructive Pulmonary Disease, Including Bronchiectasis	0.7%
7	HCC030	Adrenal, Pituitary, and Other Significant Endocrine Disorders	0.5%
8	HCC056	Rheumatoid Arthritis and Specified Autoimmune Disorders	0.5%
9	HCC142	Specified Heart Arrhythmias	0.5%
10	HCC075	Coagulation Defects and Other Specified Hematological Disorders	0.3%
Top 10 Suspected HCCs			11%

Analysis in Action: Member Opportunity Analysis - Multi-Program Case Study



The Takeaway

High RAF opportunity members:

- Target for **visit completion programs with gap letters** (PCP, in-home / telehealth) visits prioritized by RAF opportunity.
- These **30%** of members represent **72%** of the RAF opportunity.

Moderate RAF opportunity members:

- Conduct **target chart reviews** to review prior medical record for possible missing diagnoses and ensure HCCs are properly documented and in claims.

Unknown opportunity members

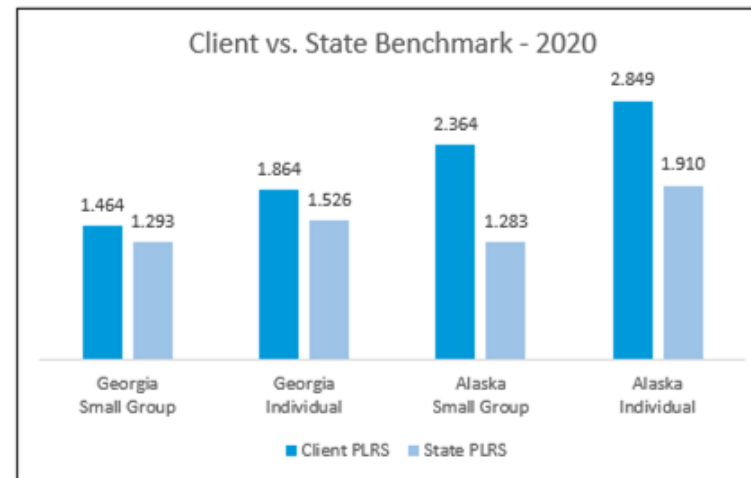
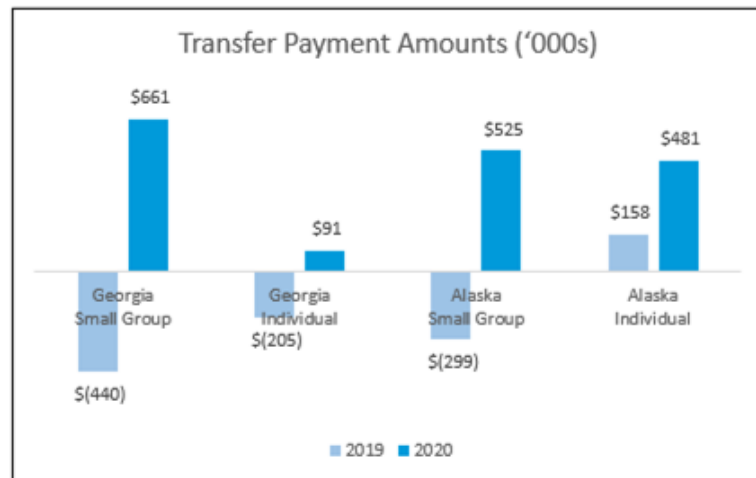
- 221 of these high utilization members do not have a RA visit. Target for **member scheduling campaign** for visit with PCP to capture these members.
- Conduct **target chart reviews** for members within this group who claims volume who may be likely to be RA eligible and have HCC.

*Risk opportunity refers to uncaptured year-over-year conditions

ACA Transfer Payment Analysis - Multi-Program Case Study

Transfer payment history: Analysis of transfer payments by state and market.

State	Market	2018	2019				2020				Year-over-Year		
		PLRS	PLRS	State PLRS	Against Benchmark	Transfer Payment	PLRS	State PLRS	Against Benchmark	Transfer Payment	'19 - '20 PLRS	'19 - '20 Benchmark	'19 - '20 Transfer Payment
Georgia	Small Group	1.364	1.346	1.352	0%	\$ (440K)	1.464	1.293	13%	\$ 661K	9%	14%	250%
Georgia	Individual	1.774	1.634	1.696	-4%	\$ (205K)	1.864	1.864	22%	\$ 91K	14%	26%	145%
Alaska	Small Group	1.126	1.384	1.440	-4%	\$ (299K)	2.364	2.364	84%	\$ 525K	71%	88%	276%
Alaska	Individual	1.346	2.396	2.396	14%	\$ 158K	2.849	2.849	49%	\$ 481K	19%	35%	404%



The Takeaway

Significant increase in PLRS YOY with 2020 PLRS above state benchmarks, resulting in positive transfer payments for all four risk pools in 2020.

The ACA Risk Adjustment Continuum



Patient Engages System

Patient Assessment

HCC Capture

Validate Accuracy

Transfer Payments

The Platform Approach

End-to-End Risk Adjustment

Goodbye, fragmented workflows and disjointed data. Hello, single solution.

Connect insights across every stage of the risk adjustment lifecycle to improve outcomes for you and your members every step of the way.



THANK YOU



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