Real results:

**A profile of seven organizations
and their success with
3M™ Clinical Risk Groups (CRG)**

Nothing cuts through the noise of today's healthcare marketplace more than real results

While today's marketplace offers numerous risk-adjustment solutions, an independent evaluation concluded that 3M™ Clinical Risk Groups (CRG) performed more favorably than other major risk-adjustment methodologies in three areas: **Clinical relevance, resource prediction and convenient resource weighing.**[1]

What's more impressive are the actual results that payer and provider organizations achieve when using 3M CRGs:

In two years, Wellmark® Blue Cross® and Blue Shield® of Iowa's shared-savings model helped its initial five accountable care organizations (ACOs) see:

35%

Quality score improvement[3]

12MM

in savings

During the first three years of its ACO, Montefiore earned:

35.5MM

In shared savings payments[2]

3M™ CRGs at work for:

Wheaton Franciscan Healthcare-Iowa (Wheaton Iowa) and Wellmark® Blue Cross® and Blue Shield® of Iowa (Wellmark)

Location: Iowa

Type: Commercial ACO

Their story

Population health management is far more complex for commercial ACOs than it is for payers and providers. That's because there are many more information technology systems that these ACOs must integrate and data sets that they must aggregate and risk-adjust.

When Wellmark launched one of the first ACOs in the Midwest, it turned to 3M for analytics, tools and guidance to help establish uniform measurements of performance among its various providers. Wellmark also wanted to meet its value-based care objectives for a new shared-savings payment model.

Wheaton Iowa is one of the first health systems to join the Wellmark ACO. As part of the ACO contract with Wellmark, Wheaton Iowa is responsible for the quality of care for 20,000 lives and assumes financial risk for 10,000 lives.

Wheaton Iowa met and exceeded its quality goals and became eligible for quality incentive payments within one year of joining the shared-savings payment model.

Their results with 3M CRGs

Exceeded savings goals by more than[3]

3% ⬆

Improved quality scores by[3]

35% ⬆

Saved more than

12 MM ⬆

during the first two years of the ACO[3]

3M™ CRGs at work for:

Blue Cross® Blue Shield® of Nebraska (BCBSNE)

BCBSNE serves more than 700,000 members and has provided health insurance coverage to Nebraskans since 1939.

Location: Omaha, Nebraska

Type: Commercial payer

Their story

For many years, BCBSNE couldn't identify its at-risk members unless care management nurses and the analytics team performed a time-intensive manual claims review. And its data didn't identify the individuals with the highest cost—a key factor in any value-based care program.

If BCBSNE was going to make any progress with its care management program—and positively impact healthcare value and outcomes—the organization needed comprehensive and actionable data analytics. That's why it engaged 3M Health Information Systems to incorporate 3M CRGs for risk-adjustment.

> *"We weren't always reaching the right members. In the past, we identified at-risk members by looking for those who had come from the hospital after an acute illness or catastrophic event. But, when 3M showed us our list of persistent high-need members, we realized that this is a completely different population than we're used to serving."*
>
> *Susan Beaton, senior director of nurse care management and clinical policy at BCBSNE*

Their results with 3M CRGs

Using 3M CRGs, BCBSNE discovered that its true at-risk members weren't those with an acute crisis or hospital stay, but rather they were members who, over a period of time, had accrued high costs because of the amount and type of services they used. This discovery debunked past theories that at-risk members were those who suffered a catastrophic event with a resulting hospital stay. Without the use of 3M predictive analytics and risk-adjusted data using 3M CRGs, BCBSNE would have continued to overlook this vital information.

Armed with these new insights, BCBSNE assigned resources to patients who needed the most care, helping to strengthen its care management program and impact healthcare value.[4]

3M™ CRGs at work for:

Montefiore Medical Center

Location: New York City

Type: Medicaid Managed Care (MMC) and a Pioneer ACO

Their story

Under the Centers for Medicare & Medicaid Services (CMS) Pioneer ACO Model program, participants must report on quality and patient satisfaction measures while lowering Medicare costs. To be a successful Pioneer ACO, Montefiore needed to:

- Target at-risk members for care management.
- Measure its quality of care and health outcomes.
- Quantify program costs and savings.
- Determine the effectiveness of its care management programs.

Henry Chung, MD, vice president and chief medical officer of Montefiore's care management program and medical director of the ACO, appreciated that 3M CRGs allowed users to drill down into patient data to glean a true sense of each patient's health status. Dr. Chung collaborated with the Montefiore information technology team to integrate data from the combined data electronic health record with claims data and then run the combined data through the 3M CRG Software to stratify high-risk patients who were discharged.

Through its care management organization (CMO), Montefiore provides care for more than 450,000 individuals.

3M CRGs helped Montefiore go beyond its Medicare population and stratify all ACO patients into risk categories. This allowed the ACO to avoid hospital admissions by identifying patients who required more expedited care.

Their results with 3M CRGs

3.6% ⬆

gross savings in 2014[2]

An average gross savings of

6% ⬆

over the first three years.[2]

3M™ CRGs at work for:

Denver Health

Location: Denver, Colorado

Type: Integrated, safety-net care system and level one trauma center

Their story

Denver Health aimed to implement a population health approach to delivering primary care. The challenge was that its existing system for patient segmentation lacked sufficient clinical relevance for care coordination based in primary care.

Denver Health decided to replace its previous risk-scoring tool and integrate 3M CRGs into its tiering algorithm.

Twenty-five percent of all Denver residents, or approximately 150,000 individuals, receive their health care at Denver Health.

Their results with 3M CRGs

3M CRGs significantly impacted Denver Health's ability to intervene at the primary care level[5] and helped it transition to a population health care model that allows it to:
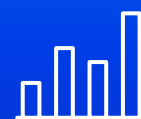
Predict health risk effectively

Align clinical interventions

Provide detailed financial stratification

Represent risk in a way that is easily understood and accepted by clinicians

3M™ CRGs at work for:

Children's Hospital Association (CHA)

Their story

When the need arose for CHA to stratify its pediatric population according to severity of illness, expected utilization and major functional limitations, 3M CRGs were the measurement of choice. That's because 3M CRGs have included pediatric logic since the system was created in 2000.

CHA set out to evaluate the rate at which children with and without chronic conditions moved into the Illinois fee-for-service Medicaid system and the Children's Health Insurance Program between 2007 and 2010.

The CHA is a national association dedicated to advancing child health through innovation in quality, cost and delivery of care for 220 children's hospitals. The organization formerly known as the National Association of Children's Hospitals and Related Institutions (NACHRI) co-developed 3M CRGs. CHA has also collaborated with 3M to further refine the 3M CRG classification system.

Their results with 3M CRGs

3M CRGs helped CHA researchers group patient data into accurate clinical categories so they could stratify costs by severity level and complexity of care. The insights that CHA gained proved to be another example of how 3M CRGs can help payers and providers develop strategies for care management, design networks and implement disease management programs.

3M™ CRGs at work for:

Memorial Sloan Kettering (MSK) Cancer Center

Location: New York City

Type: Private cancer treatment and research institution

MSK Cancer Center is the world's oldest and largest private cancer center with more than 130 years' experience.

Their story

Researchers at MSK Cancer Center knew that the choice of where to receive cancer treatment would significantly impact a patient's survival rate. However, measuring outcomes was difficult because the administrative data from Medicare claims didn't include information about the stage of a patient's cancer.

MSK Cancer Center needed to effectively measure the outcomes for patients who were treated at different types of hospitals.

Its researchers decided to rank four major types of cancer hospitals in the United States according to the long-term survival rates of each hospital's patients. It used 3M CRGs to risk-adjust Medicare claims data from each hospital.

Their results with 3M CRGs

MSK researchers found that using 3M CRGs enabled researchers to calculate long-term survival rates for patients treated at each of the four major categories of hospitals.[6]

This type of data-driven insight into long-term survival rates may prove helpful going forward to create value-based payment strategies connecting quality outcomes with reimbursement.

3M™ CRGs at work for:

New York State Department of Health (DOH) and New York State MMC

Location: New York State

Type: MMC

New York State Medicaid serves more than 4.5 million beneficiaries.

Their story

In 2006, the New York State DOH took on the challenge of assisting the state's MMC in developing a new value-based payment methodology. Both organizations used 3M CRG Software to assign a 3M CRG to every Medicaid member, risk-adjust the managed care premiums that it received from the DOH and produce a set of weights for dynamic fee schedules to reimburse claims for New York State MMC.

Their results with 3M CRGs

3M CRGs enabled the state to successfully shift payment toward a case-mix model. New York State DOH also gained an in-depth understanding of the MMC plan's Medicaid population, allowing it to analyze the data to support case management, network design and provider relations.

Today all of New York's Medicaid plans use 3M CRGs and analytical software to work in parallel with New York State MMC.

Real organizations, real results. What does it mean for you?

If you don't select the best analytics and tools, you may not get the clinical and financial results you expect. Even worse, you'll be unprepared to meet your patients' healthcare needs.

3M CRGs quantify patient data so care managers and clinicians can use the information to develop effective interventions. Administrators can use this same information to target and reduce the costs that threaten their systems.

In the end, 3M CRGs help healthcare organizations achieve the Institute for Healthcare Improvement's 'Triple Aim:'

1 Improve the patient experience of care.

2 Improve the health of populations.

3 Reduce the per-capita cost of health care.

1

Improved patient experience

Improved population health

3

Reduced cost

2
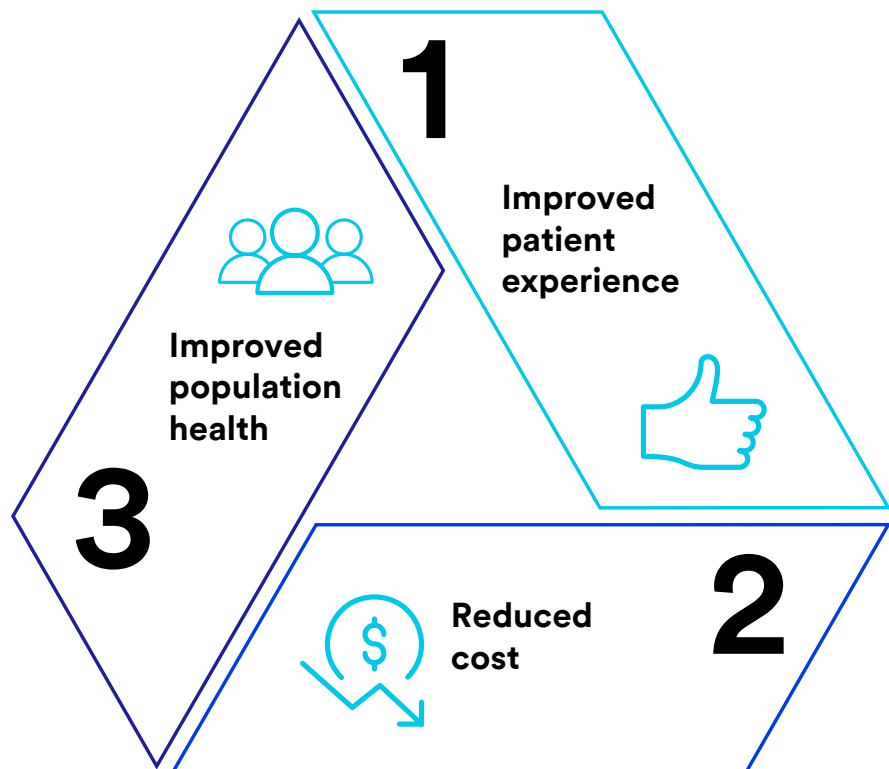
Call today

For more information on how 3M CRGs can assist your organization, contact your 3M sales representative, call us toll-free at **800-367-2447,** or visit us online at **www.3m.com/his/vbc.**

Footnotes

1. Marc Belinguet; Colin Preyra; and Dean Stafford, *Comparing the Value of Three Main Diagnostic-Based Risk-Adjustment Systems*, Canadian Health Services Research Foundation, March 2005.

2. *The quality and financial results from the participants of the Pioneer ACO Model are provided by the Centers for Medicare & Medicaid Services on its website at https://innovation.cms.gov/initiatives/Pioneer-ACO-Model/*

3. To read the entire 3M case study on Wellmark and Wheaton Iowa, go to: *http://multimedia.3m.com/mws/media/1032705O/3m-vis-wellmark-wheaton-case-study. pdf?fn=3m_vis_wellmark_wheaton_cs.pdf.*

4. To read the entire 3M case study on BCBSNE, go to: *http://multimedia.3m.com/mws/ media/1141608O/3m-bcbs-nebraska-case-study.pdf?fn=3m_bcbs_nebraska_cs.pdf*

5. Tracy Johnson; Daniel Brewer; Raymond Estacio; Tara Vlasimsky; Michael Durfee; Kathy Thompson; Rachel Everhart; Deborah Rinehart; and Holly Batal, "Augmenting Predictive Modeling Tools with Clinical Insights for Care Coordination Program Design and Implementation," *eGEMs (2015): Vol. 3, Issue 1, Article 14*. Available at: http://repository. edm-forum.org/egems/vol3/iss1/14/

6. David Pfister; David Rubin; Elena Elkin; Ushma Neill; Elaine Duck; Mark Radzyner; and Peter Bach, "Risk Adjusting Survival Outcomes in Hospitals That Treat Patients with Cancer without Information on Cancer Stage." JAMA Oncol. (2015) 1(9):1303-1310. doi: 10.1001/ jamaoncol.2015.3151. Available online as of October 2016 at *http://oncology.jamanetwork. com/article.aspx?articleid=2451426*. The press release associated with this study is also available online as of October 2016 at *https://www.mskcc.org/press-releases/study-examines-care-outcomes-among-us-hospitals.*

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