Agenda

1:00	Overview of *why* reports are wrong and how to fix them. This will help somewhat in reading them and in contracting for DM but critical outcomes report analysis is about learning how to read these things generally Sample question and answer
2:00	Test –MAKE SURE I HAVE YOUR EMAIL AND YOU HAVE DISEASMGMT@AOL.COM FOR QUESTIONS
3:00	Return tests and break
3:15	Going over the answers. Email lines will be open
3:45	Adjournment of formal session. I will be available until 5:00 to answer followup questions privately on phone or email

Test Overview

Download the answer sheet

Answer each question by number by saying what's wrong or indicating that it can be concluded, based on the data provided, that nothing major is obviously wrong. Keep it concise. Don't just automatically say no DYA or plausibility test

Scoring:

3 points for each item found which DMPC missed

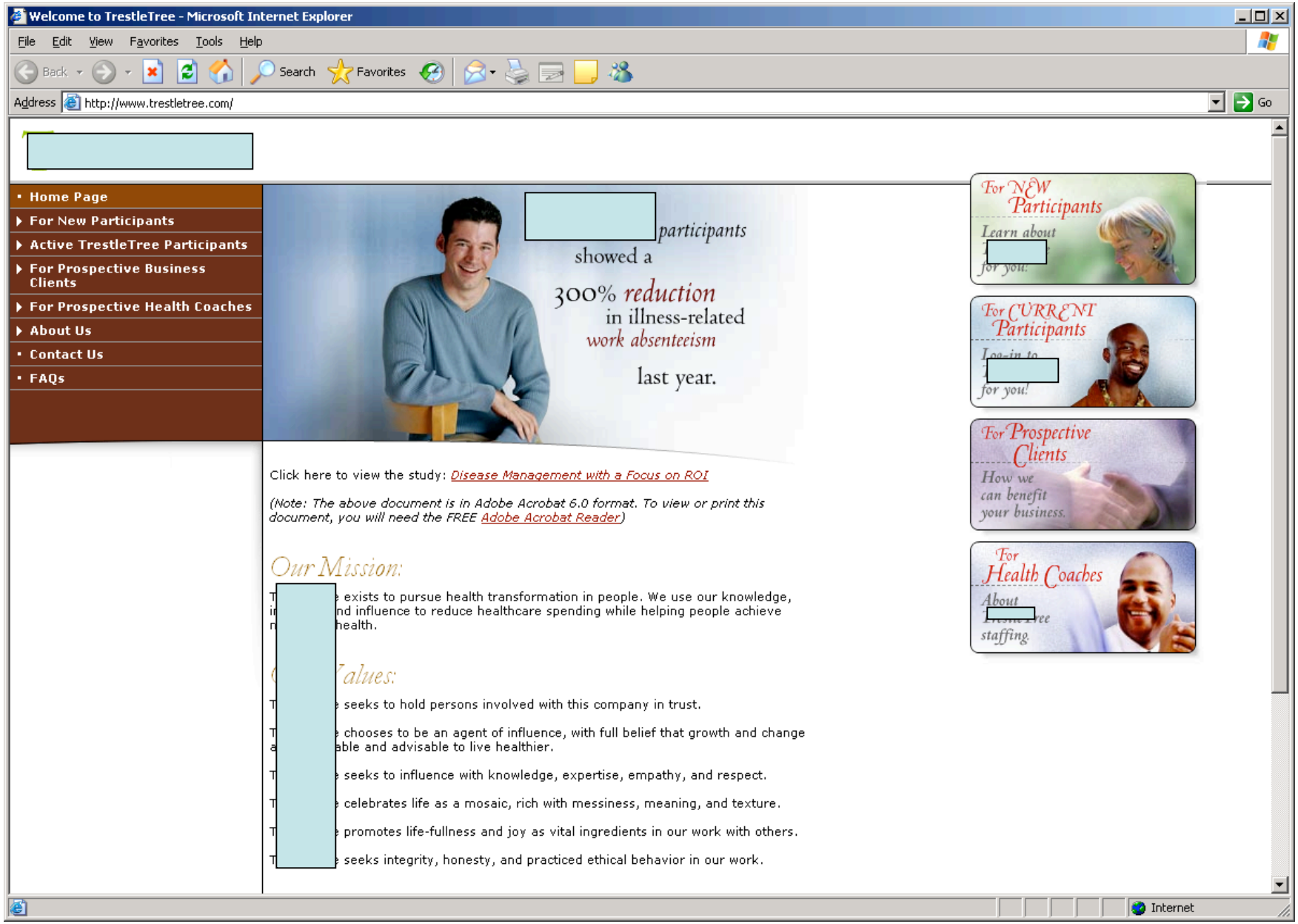
2 points for each major item found

1 point for each minor item and watch-out found

0 points for each item where there was none

-1 point for each item found which were really OK enough to be plausible but which were identified

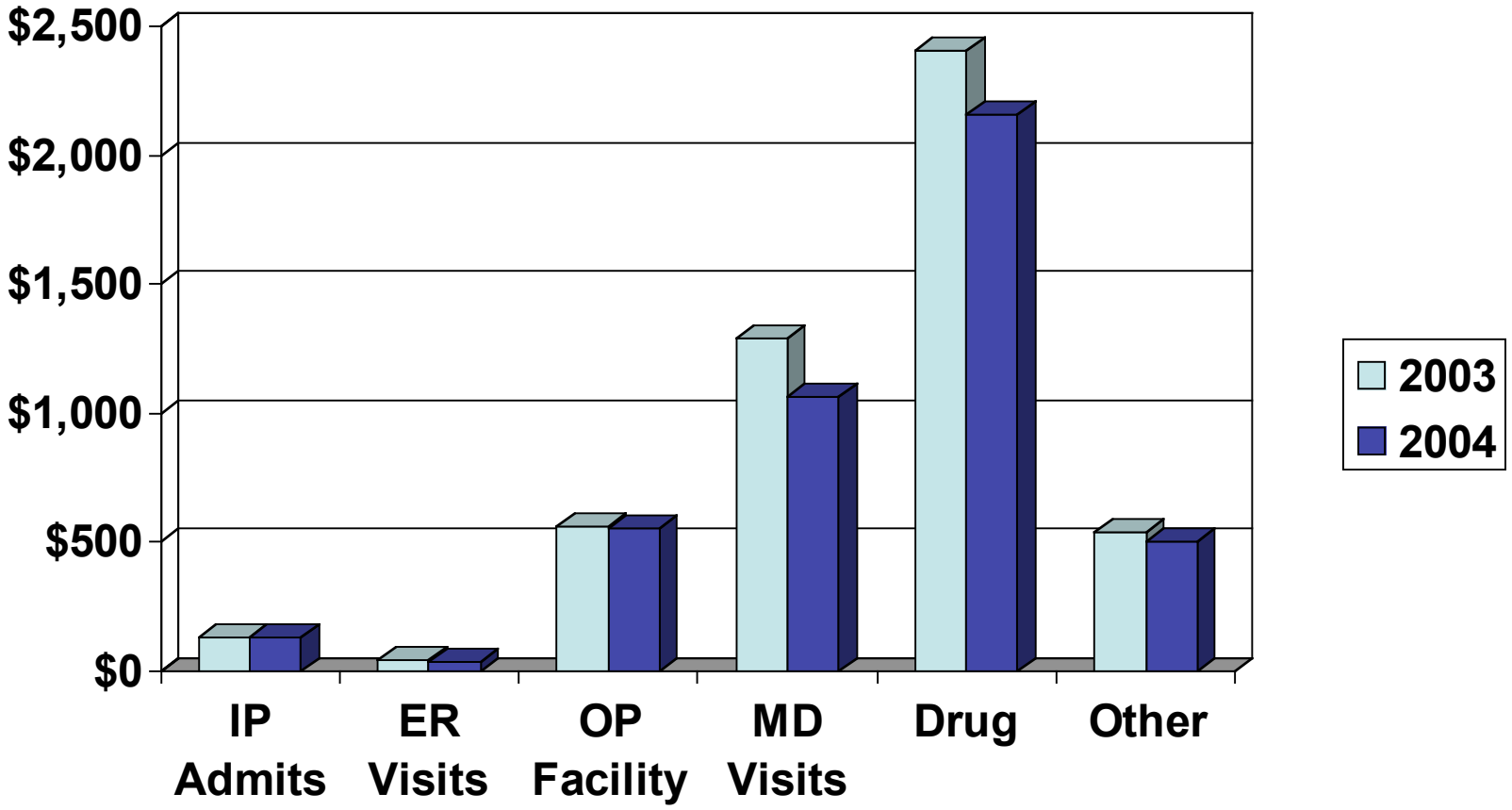
Question 1 – comment on this website



Question #2

- In the following example, utilization figures were multiplied by the cost figures to get a savings. Assume that the unit cost figures are correct
- Assume (correctly) no other changes were talking place
- The difference between the two bars is the savings

Savings by Category of Utilization per 1000 members per month (2004 vs. 2003)
(note: The *difference* between the bars is the savings)



Question 3

- Assume on the next slide that the admission reductions are calculated validly and are the result of the program

Question #3: Comment on the plausibility of this major health plan report (assume a reasonable valid methodology was used to calculate admission reduction)

Disease Category	All-cause Admission Reduction per disease member	All-cause Claims Cost Reduction per disease member
Asthma	2%	12%
cardiology	5%	15%

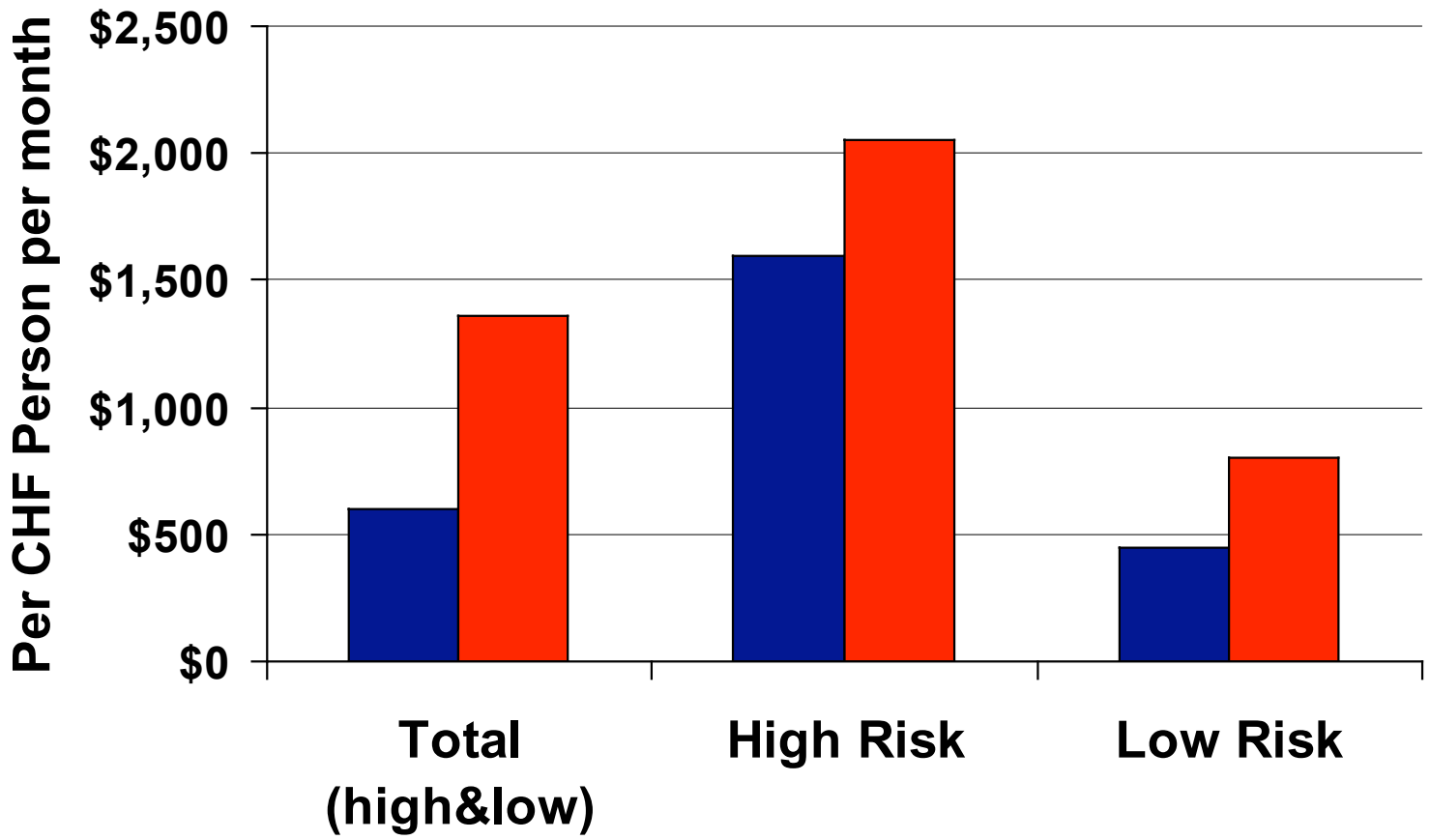
Question 4

- Comment on the Indiana Medicaid results
- Once again, the difference between the two is the impact attributed to the program

Issue-Spotter #4: What is wrong with this slide

Indiana Medicaid CHF Study Group vs. Usual Care

Total N = 186

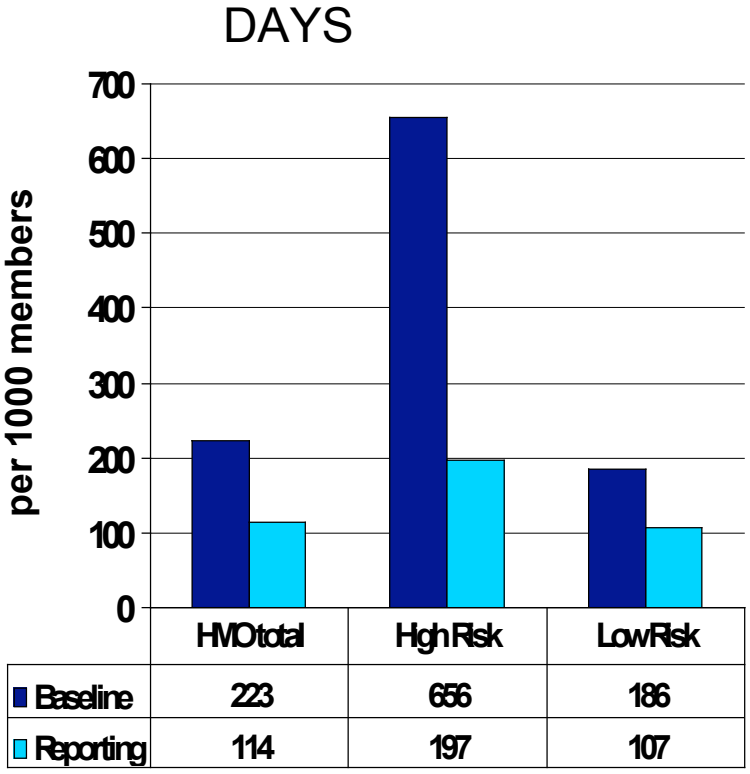


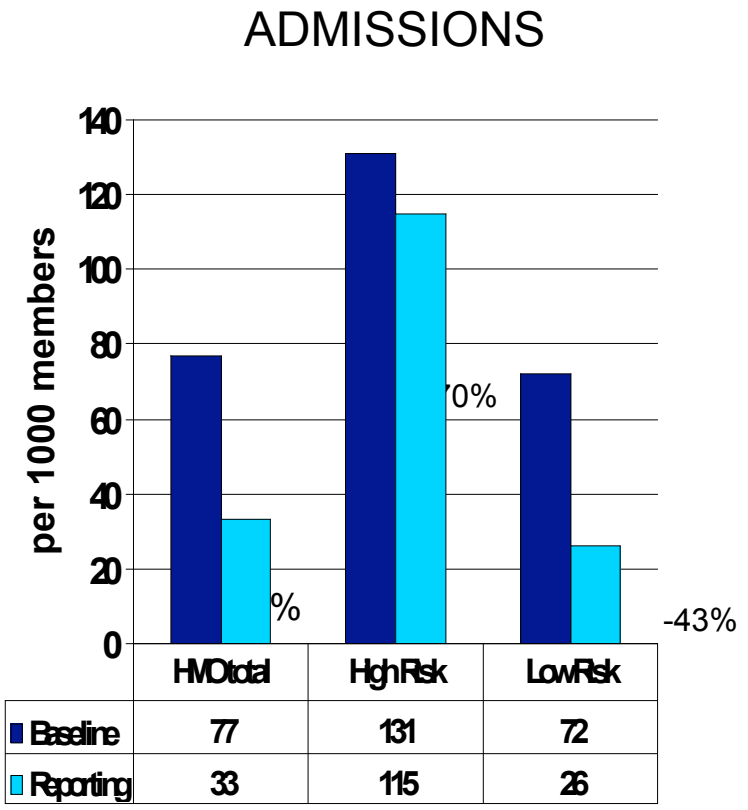
Overall savings of $758 PMPM

Question #5

- Comment on these results reported to a major employer (assume here as in all cases that low-risk and high-risk sum to the total managed population AND that these are asthma-specific changes)

Asthma
Hospital Days and Admissions



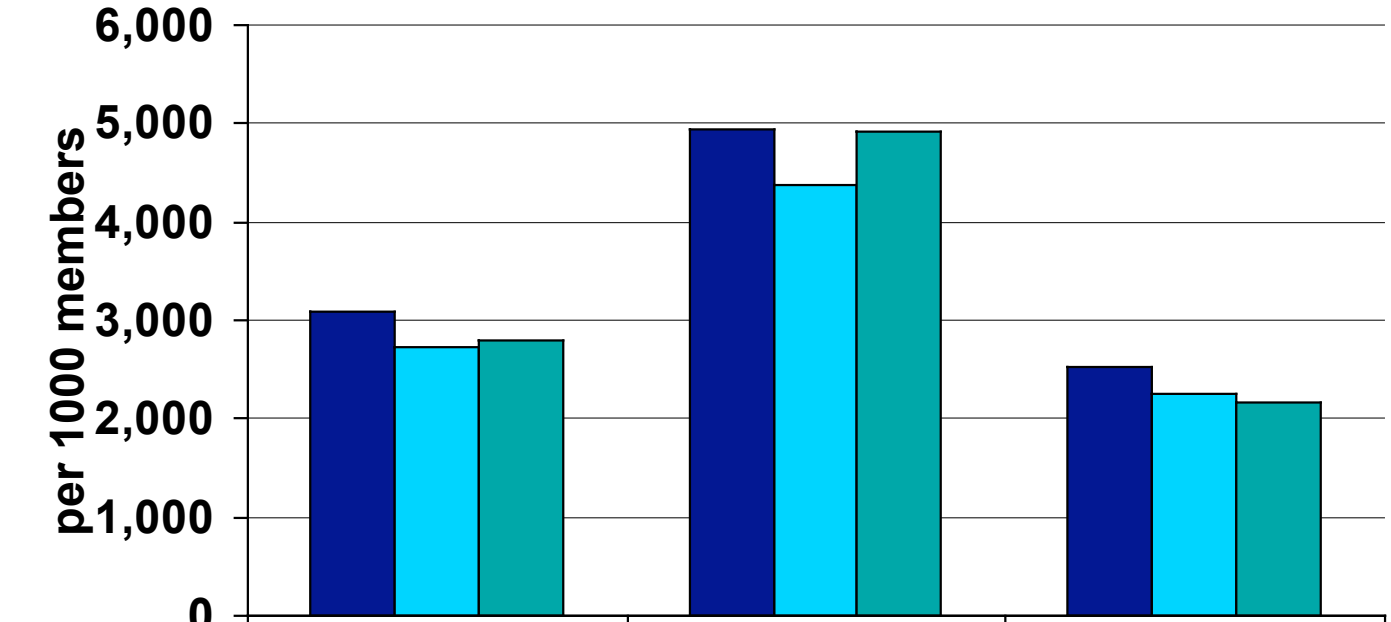


Question #6

- The next two slides with all-in admissions and ER visits are from the same payor, same study
  - Find a major issue(s) which invalidates the result or indicate that the result is probably reasonably valid
    - “R#1” and “R#2” refer to reporting periods of one year each

CHF Group #1
Emergency Room Visits/Year

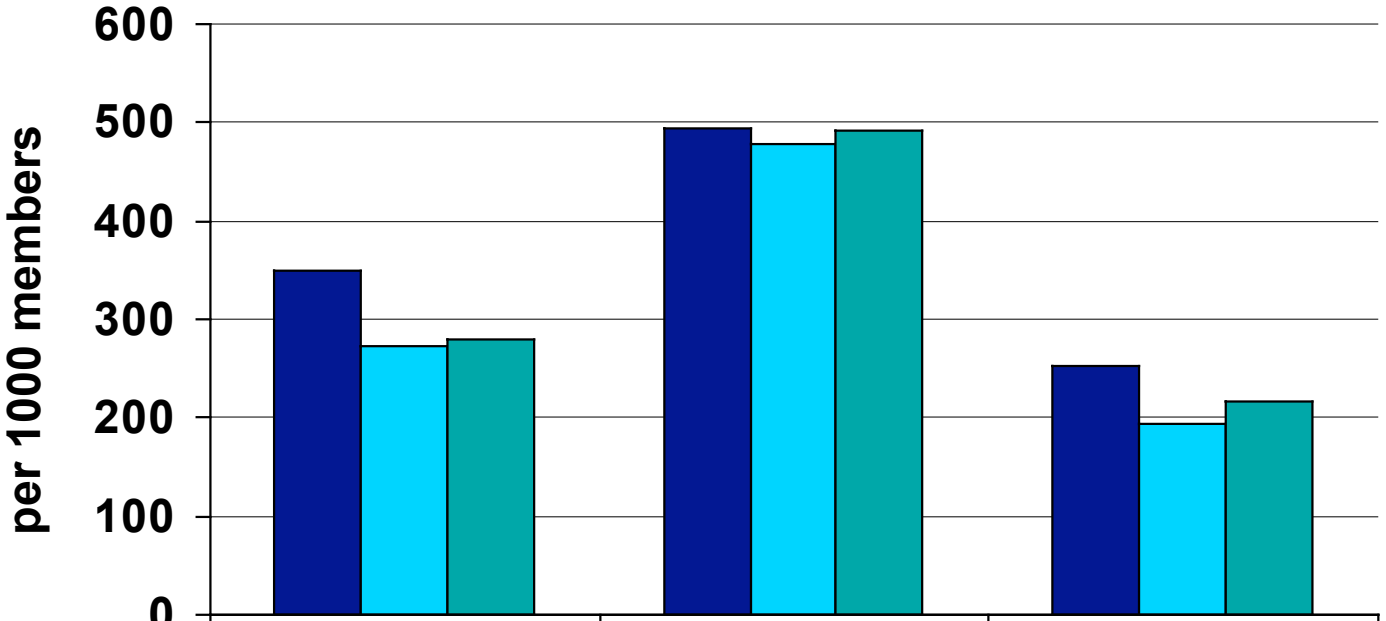
Total N = 1166 High Risk N = 268 Low Risk N = 898



	HMO total	High Risk	Low Risk
Baseline	3,081	4,940	2,526
R#1	2,739	4,366	2,254
R#2	2,801	4,918	2,169

CHF Group #1
Inpatient Admissions/Year

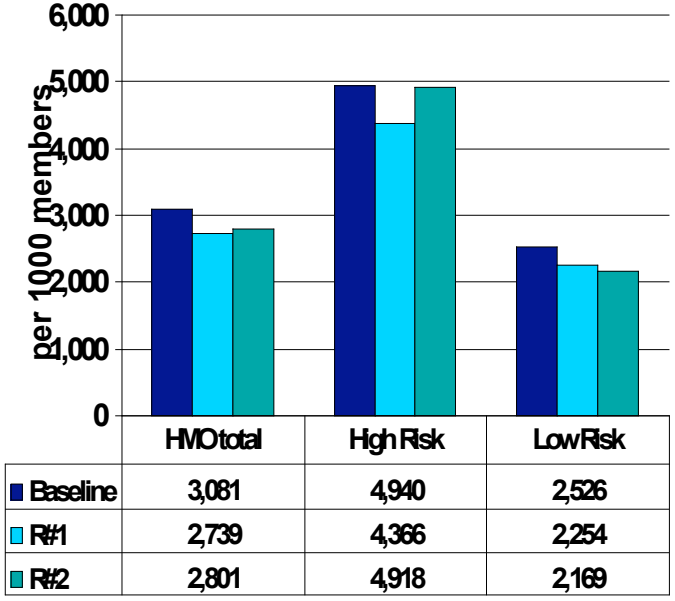
Total N = 1166 High Risk N = 268 Low Risk N = 898



	HMO total	High Risk	Low Risk
Baseline	350	494	252
R#1	273	478	195
R#2	280	491	216

CHF Group #1
Inpatient Admissions/Year

Total N = 1166 High Risk N = 268 Low Risk N = 898



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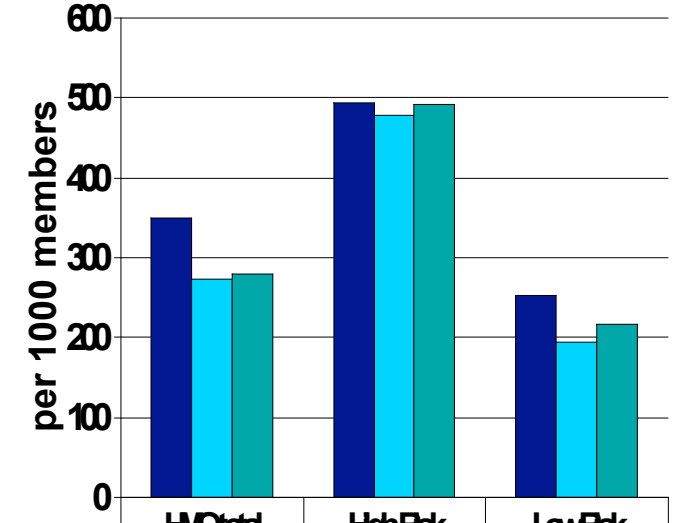


	HMO total	High Risk	Low Risk
Baseline	350	494	252
R#1	273	478	195
R#2	280	491	216

Question #7

- Find the mistake(s) if any (assume inflation adjustment is done correctly)

Pre-post comparison: Asthma Medicaid Disabled Population

	Baseline Period 1/03-12/03 paid through 6/30/04	Study Period 1/04-12/04, paid through 2/28/05
Member-months	15047	31884
PDMPM	$432	$391
Gross savings & ROI		$2,400,125 2.72 – to -1

Question #8

- Comment on multiple issues on the following two slides representing the same study. Notes:
  - “Core Conditions” are the sum of the conditions above the line
  - “Extended Conditions” are managed conditions other than the Core Conditions
  - “Care Support” is disease managed group
  - Under each of the 3 categories, the two columns are comparisons between the baseline and reporting periods for the study and concurrent control groups

Cohort Study Results (all claims, all members)

Condition	% Changes: $PMPM		% Changes: ER Rate		% Changes: Admission Rate	
	Care support	Reference	Care support	Reference	Care support	Reference
Asthma	12%	17%	-17%	-1%	-3%	12%
Heart	2%	23%	-15%	3%	-40%	6%
COPD	19%	32%	-4%	6%	6%	40%
Diabetes	21%	19%	-7%	2%	7%	2%
Core Conditions	2%	20%	-18%	1%	-25%	7%
Extended	21%	21%	-15%	-3%	7%	7%
All Conditions	17%	20%	-15%	-1%	-5%	7%

ROI and PMPM reductions at 6 Months

- Reporting Period
  - July - December 2002
- Base Period
  - July - December 2001
- Total ROI **2.48 : 1**
  - Extended Conditions **4.23 : 1**
  - Core Conditions **1.86 : 1**

- "Our Auditors validated a $42 PMPM reduction due to this program"

Combined

- Reporting Period
  - July - December 2002
- Base Period
  - July - December 2001
- Total ROI **2.48 : 1**
  - Extended Conditions **4.23 : 1**
  - Core Conditions **1.86 : 1**
- Auditors validated a $42 PMPM savings

Condition	% Changes: $PMPM		% Changes: ER Rate		% Changes: Admission Rate	
	Care support	Reference	Care support	Reference	Care support	Reference
Asthma	12%	17%	-17%	-1%	-3%	12%
Heart	2%	23%	-15%	3%	-40%	6%
COPD	19%	32%	-4%	6%	6%	40%
Diabetes	21%	19%	-7%	2%	7%	2%
Core Conditions	2%	20%	-18%	1%	-25%	7%
Extended	21%	21%	-15%	-3%	7%	7%
All Conditions	17%	20%	-15%	-1%	-5%	7%

Sidebar Note

- Even though the previous slides were published I am not using the name because it wouldn't be fair to the health plan which has subsequently dramatically improved its methodology(ies)
  - So if you recognize it don't hold it against them. They would win a "most improved measurement" award

Question 9

- Comment on the likely validity of the following slide

Program Year One – Clinical Indicators

Clinical Outcomes:

	Percentage of Continuously Enrolled Members		
	Base	Post Year 1	*mprovemen*
% of CHD Members with an LDL screen	75.0%	77.0%	*2.0%*
% of CHD Members with at least one claim for a Statin	69.0%	70.5%	*1.5%*
% of CHD Members receiving an ACE inhibitor or alternative	43.5%	44.7%	*1.2%*
% of CHD Members post-MI with at least one claim for a beta-blocker	0.89	0.89	*0.0%*
Hospitalizations/1,000 CHD Members for a primary diagnosis of Myocardial Infarction*	47.60	24.38	*-48.8%*

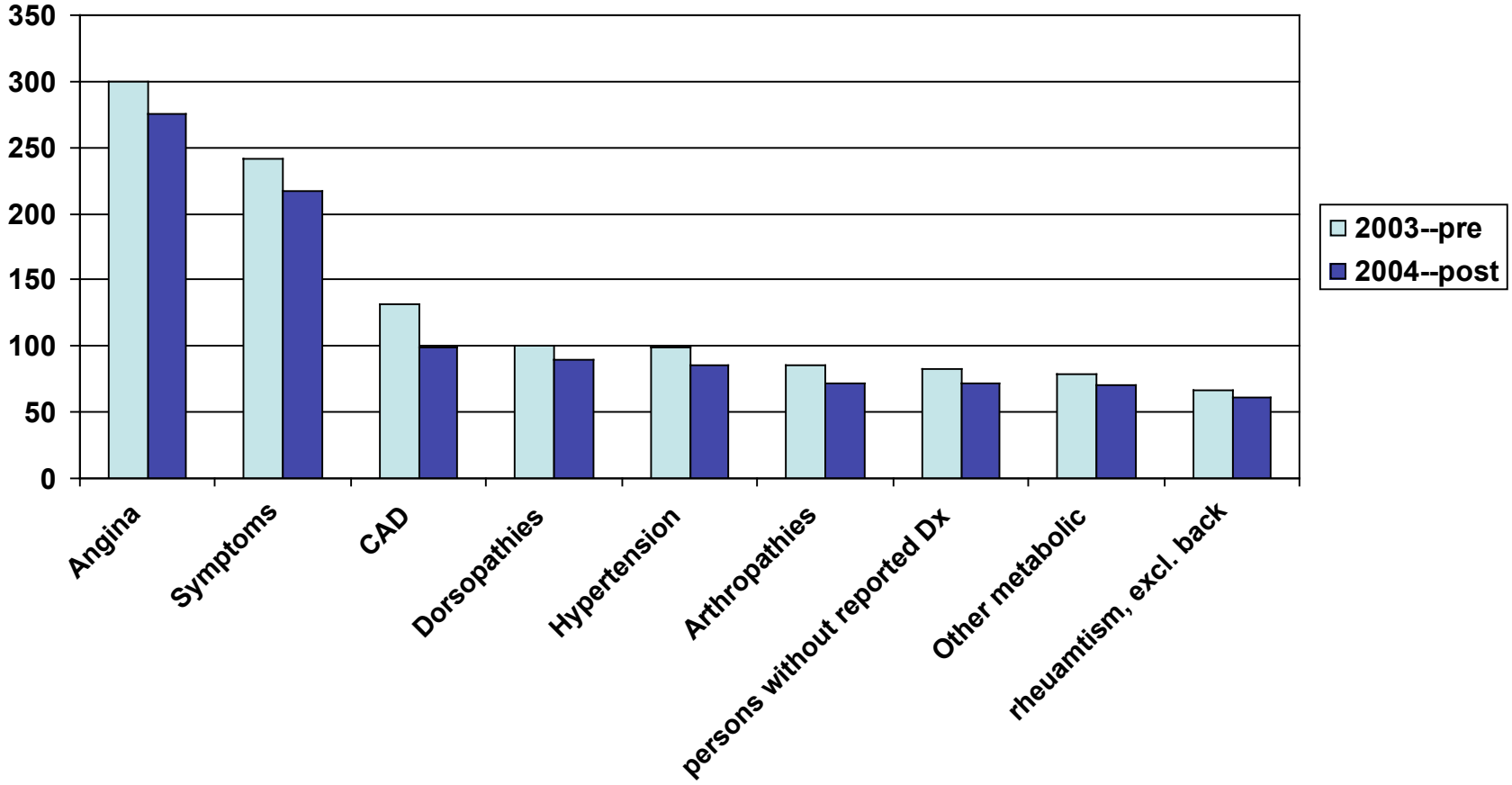
*measure based on total membership, not just "continuously enrolled" membership

Question #10

- Comment on the following slide – CAD disease management program
- Once again, the difference between the bars represents the savings
- Note: “Symptoms” is indeed an ICD9 code

Top Ten 2003 Diagnoses—admissions per 100 Cardio Disease Management Members

(pre- and post-DM – savings is difference between bars)



Question 11—Comment on CT Medicaid RFP

- May be a little hard to read because it is cut and pasted

APPENDIX XII – Disease Management Data

Cardiovascular disease (cardiology, vascular diseases, vascular surgery, and Cardiopulmonary) 346

Below data is for State Fiscal Year 2005-2006

The below information for recipients with the diagnosis specified. One recipient may have more than one diagnosis and so would be represented in more that one cell below.

Congestive Heart Failure ICD-9 428

Under 21 yrs of Age	Recipients	Units of Service	Amount Paid
Fee-for-Service	5	52	$709
HUSKY A	41	385	$13,630
21 yrs. or older	Recipients	Units of Service	Amount Paid
Fee-for-Service	1,314	67,929	$793,970
HUSKY A	121	903	$33,608

Other Heart Disease Diagnosis (**21 yrs or older**)

Fee-for-Service	Recipients	Units of Service	Amount Paid
Dysrhythmias	4,160	234,723	$3,077,251
current heart attack	904	194,390	$2,221,051
Hypertension	18,350	796,318	$10,233,495
Ischemic	6,863	425,910	$5,731,919
MCO			
Dysrhythmias	640	8,201	$418,374
current heart attack	73	12,487	$174,012
Hypertension	5,945	30,717	$845,856
Ischemic	851	18,320	$845,800

Services covered include many types of care from a hospital day to a fifteen-minute home health service.
Excludes: Nursing Home Services and services to clients in Nursing Facilites the whole year.

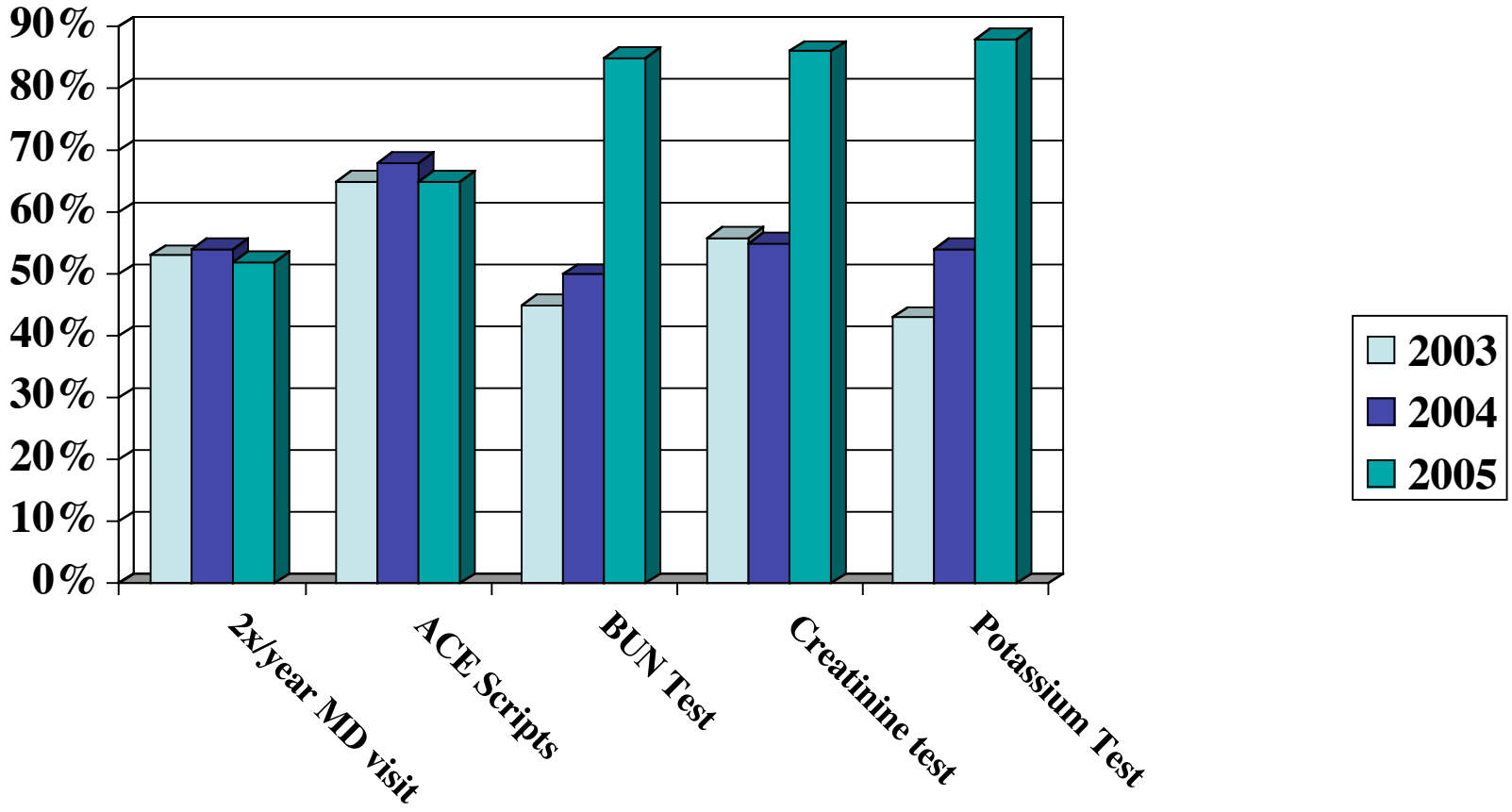
Question 12: Comment on this release

- IRVING, Texas--(BUSINESS WIRE)--Nov. 18, 2003--A pediatric asthma disease management program offered by AdvancePCS saved the State of North Carolina nearly one-third of the amount the government health plan expected to spend on children diagnosed with the disease

Question 13: Comment on validity of this statement by a major commercial health plan

- “Over a 10-year period, we have reduced the rate of heart attacks by 5 per 100 people”

Question 14: Comment on these CHF measures



Question 15: Improvement in Plan A of HEDIS Scores: Why is/isn't this a valid improvement?

HEDIS EFFECTIVENESS OF CARE MEASURES

Commercial	2003	2004	2005
Controlling High Blood Pressure	62.2	66.8	68.8
Beta blocker after AMI	69.8	72.5	77.7
Diabetes: HbA1c Testing	84.6	86.5	87.5
Diabetes: Lipid Control (<100 mg/dL)	34.7	40.2	43.8
Medical Assistance with Smoking Cessation	68.6	69.6	71.2
Medicare	2003	2004	2005
Controlling High Blood Pressure	61.4	64.6	66.4
Beta blocker after AMI	92.9	94	93.8
Diabetes: HbA1c Testing	87.9	89.1	88.9
Diabetes: Lipid Control (<100 mg/dL)	41.9	47.5	50
Medical Assistance with Smoking Cessation	63.3	64.7	75.5

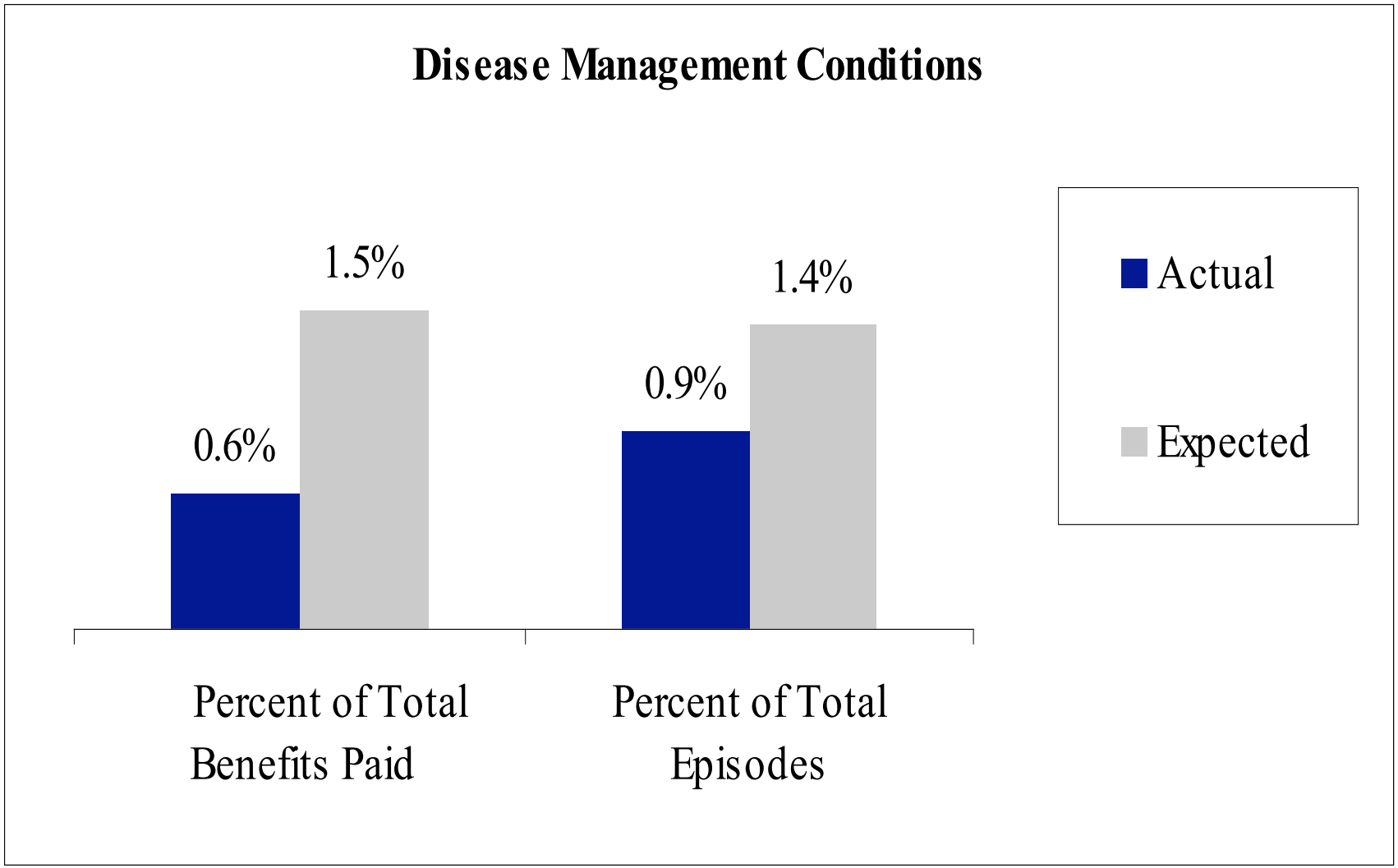
Question 16: Does this one pass the Sniff test?

Asthma Plausibility Test

Baseline vs PY01

	Program Year		
	Baseline	**PY01**	**Variance**
Net Paid	**$6,671,855**	**$9,656,959**	**44.7%**
Events	**3,416**	**4,346**	**27.2%**
Days	**3,875**	**5,183**	**33.8%**
Risk MM's	**874,878**	**1,245,783**	**42.4%**
PMPM	**$7.63**	**$7.75**	**1.6%**
Events / 1000	**46.85**	**41.86**	**-10.7%**
Days / 1000	**53.15**	**49.93**	**-6.1%**
Cost / Day	**$1,722**	**$1,863**	**8.2%**

Question 16: Does this pass the sniff test for diabetes?



Question 18: comment
Clinical Measures by Condition
BlueCross of _____ in Aggregate 2002-2004

- Diabetes
  - 50% reduction in diabetes admissions/1,000
  - 13% reduction in diabetes readmission rate
  - 48% reduction in rate/1,000 ER visits for diabetes
  - 43% reduction in diabetic crisis rate/1,000
- Asthma
  - 72% reduction in asthma admissions/1,000
  - 60% reduction in rate/1,000 ER visits for asthma
  - 25% reduction in % of members with uncontrolled asthma
- Heart Disease
  - 48% reduction in myocardial infarction admissions/1,000
- Heart Failure
  - 16% reduction in heart failure admissions/1,000
  - 47% reduction in heart failure readmission rate
  - 45% reduction in rate/1,000 ER visits for heart failure

Analysis excludes claims/admissions for AIDS, dialysis, cancer, trauma, and transplants.

Question 19
small group bid

- Comment on this bid for a group of 80,000 people

			Cost/case assumptions as follows:					prevaence
					asthma	$	2,500	3.0%
					cad	$	7,000	1.0%
					chf	$	22,000	0.2%
					copd	$	14,000	0.3%
					diabetes	$	8,000	2.2%
								6.7%
Total DM vendor DM Fees								
Year 1			$4,959,800		multiplied by		80000	people
					equals:	total spending by disease		
Gross $ savings								
					asthma	**$**	**6,000,000**	
Year 1			$12,513,308		cad	**$**	**5,600,000**	
					chf	**$**	**3,520,000**	
					copd	**$**	**3,360,000**	
					diabetes	**$**	**14,080,000**	
Net $ savings						$ 32,560,000		
						total chronic spend		
Year 1			$7,553,508					
ROI			2.5	x				

Agenda

1:00	Overview of *why* reports are wrong and how to fix them. This will help somewhat in reading them and in contracting for DM but critical outcomes report analysis is about learning how to read these things generally Sample question and answer
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3:00	Return tests directly to diseasmgmt@aol.com and break
3:15	Going over the answers. Email lines will be open
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