

# Identifying 'Suspect Health Conditions' in Medicare Risk Adjustment

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**HEALTHRISK**  
Partners

Services for Medicare & Medicaid Plans

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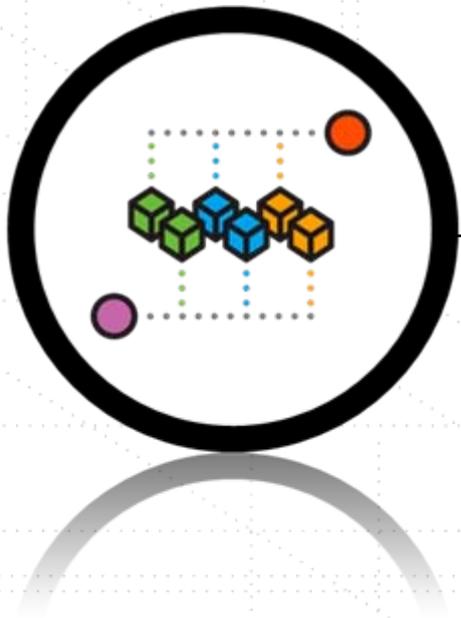
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# Agenda



- Risk Adjustment
- HRP Solution
- Suspect Identification
- Provider Selection
- Chart Review and Coding
- Questions

# HCC Origins

- Pope, Ash, Ellis et al. of the Research Triangle Institute created the DCG/HCC model in 2000. At that time they identified 804 costly diagnosis groups, mapped to 189 HCC codes.
- Created a reporting model for reimbursement based on ICD-9 codes.
- There are 3,000+ ICD-9 codes mapped to 70 HCC codes.
- There are 3,000+ ICD-9 codes mapped to 84 RxHCC codes.
- ~1,500 ICD-9 Codes carry BOTH HCC and RxHCC value.
- HCC and RxHCC are ever-evolving and updated as needed.
- Look for changes and probable expansion with the new ICD-10 which is due in year 2013.

# Health Risk Partners

Acquired in June 2011 to broaden Verisk Health's service offering.

Pope, Ash and Ellis, developers of CMS DCG/HCC model were the founders of DxCG, now part of Verisk Health.

The people who made the wheel, are now making cars



# Provider Specialties

CODE	SPECIALTY	CODE	SPECIALTY	CODE	SPECIALTY
01	General Practice	29	Pulmonary Disease	70	Multispecialty Clinic/Group Practice
02	General Surgery	33	Thoracic Surgery	72	Pain Management
03	Allergy/Immunology	34	Urology	76	Peripheral Vascular Disease
04	Otolaryngology	35	Chiropractic	77	Vascular Disease
05	Anesthesiology	36	Nuclear Medicine	78	Cardiac Surgery
06	Cardiology	37	Pediatric Medicine	79	Addiction Medicine
07	Dermatology	38	Geriatric Medicine	80	LCSW
08	Family Practice	39	Nephrology	81	Critical Care (Intensivists)
10	Gastroenterology	40	Hand Surgery	82	Hematology
11	Internal Medicine	41	Optometry (optometrists)	83	Hematology/Oncology
12	Osteopathic Manipulative Therapy	42	Certified Nurse Midwife	84	Preventative Medicine
13	Neurology	43	CRNA	85	Maxillofacial Surgery
14	Neurosurgery	44	Infectious Disease	86	Neuropsychiatry
16	Obstetrics/Gynecology	46	Endocrinology	89	Certified Clinical Nurse Specialist
18	Ophthalmology	48	Podiatry	90	Medical Oncology
19	Oral Surgery (Dentists only)	50	Nurse Practitioner	91	Surgical Oncology
20	Orthopedic Surgery	62	Psychologist	92	Radiation Oncology
22	Pathology	64	Audiologist	93	Emergency Medicine
24	Plastic & Reconstructive Surgery	65	Physical Therapist	94	Interventional Radiology
25	Physical Medicine & Rehabilitation	66	Rheumatology	97	Physician Assistant
26	Psychiatry	67	Occupational Therapist	98	Gynecologist/Oncologist
28	Colorectal Surgery	68	Clinical Psychologist	99	Unknown Physician Specialty

# Where we find diagnoses

S = Subjective: Includes Chief Complaint, why are they here?

O = Objective: What do you see, Review of Systems

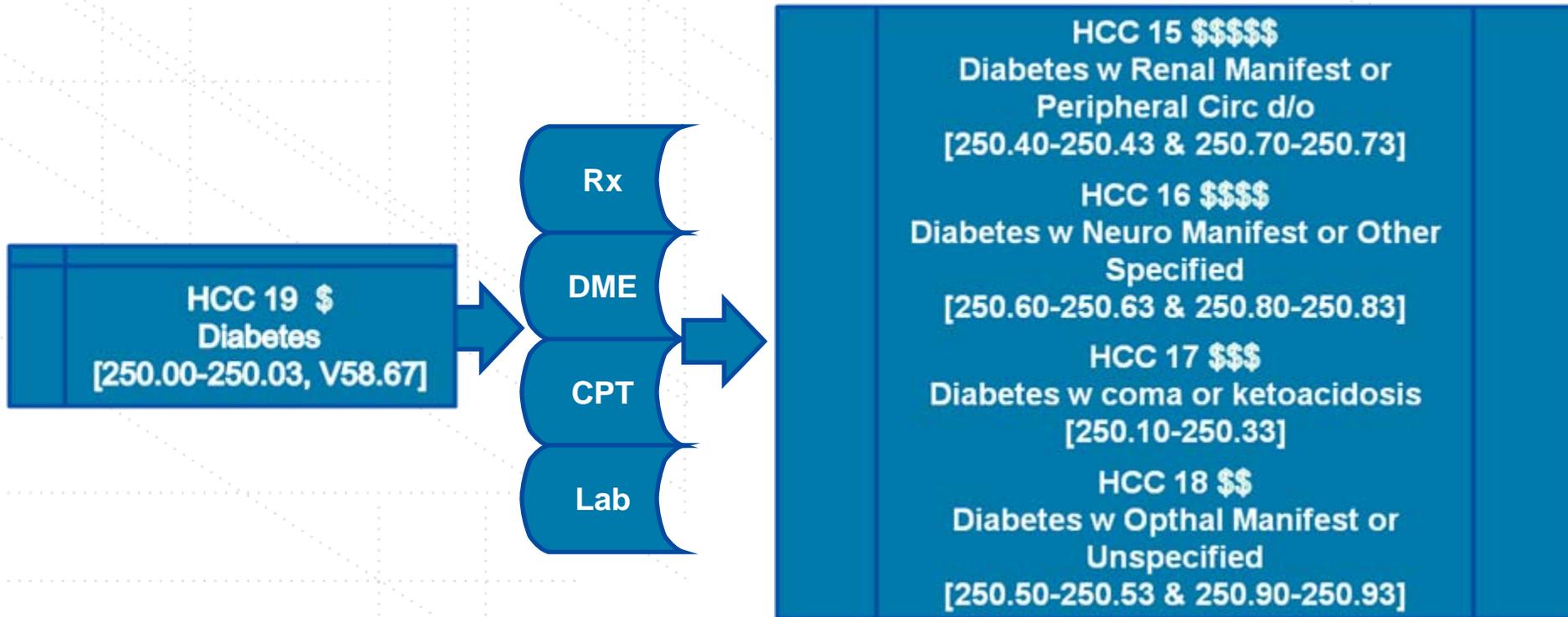
A = Assessment: What is wrong? What is the Diagnosis?

P = Plan: What is the treatment plan for the problem?

- Problem List: Dated index of patients diagnoses, from date first identified to resolution.
- Complete and Legible Notes are needed. No sticky notes.
- Use a Standard Abbreviation List. No “homegrown abbreviations” should be used.
- Each page in chart should have patient name or ID and Date of Birth and each visit dated accordingly.
- Each note must be signed and dated by the rendering provider.

If this HCC is found...	(Disease Group Label)	Then Drop these HCC's:
5	Opportunistic Infections	112
7	Metastatic Cancer and Acute Leukemia	8, 9, 10
8	Lung, Upper Digestive Tract, and Other Severe Cancers	9, 10
9	Lymphatic, Head and Neck, Brain and Other Major Cancers	10
15	Diabetes with Renal Manifestations or Peripheral Circulatory Manifestation	16, 17, 18, 19
16	Diabetes with Neurologic or Other Specified Manifestation	17, 18, 19
17	Diabetes with Acute Complication	18, 19
18	Diabetes with Ophthalmologic or Unspecified Manifestations	19
25	End Stage Liver Disease	26, 27
26	Cirrhosis of Liver	27
51	Drug/Alcohol Psychosis	52
54	Schizophrenia	55
67	Quadriplegia/Other Extensive Paralysis	68, 69, 100, 101, 157
68	Paraplegia	69, 100, 101, 157

# Diabetes Example



# Risk / RAF

**Risk is based on each individual patient.**

- Each risk affects the RAF.

Example:

- Patients get a report from CMS showing their HCC codes:

John Doe, age 65, male

HCC 15 (0.6)

HCC 7 (1.648)

HCC 83 (0.23)

Demographic score (0.330)

Total individual score = 2.808

**RAF is for the whole plan. This affects monthly payment. Based on projected cost to cover member's Part A & Part B services.**

• Goal of HCC use is to increase the RAF score.

• RAF Example:

= \$650 PMPM x RAF

\$650 x 0.5 RAF = \$325

\$650 x 2.5 RAF = \$1,625

# Real World Example

No Conditions Coded		Some Coded- Not Specific		All Conditions Coded	
76 year old Female	.457	76 year old Female	.457	76 year old Female	.457
Medicaid Eligible	.179	Medicaid Eligible	.179	Medicaid Eligible	.179
DM not coded		DM w/o complication	.162	DM w Vasc. Complication	.508
Vasc Dz not coded		Vasc w/o complication	.316	Vasc. w complication	.61
CHF not coded		CHF not coded		CHF coded	.41
No interaction		No interaction		Disease interaction (DM + CHF)	.154
TOTAL RAF	.636	TOTAL RAF	1.114	TOTAL RAF	2.318
PMPM Payment	\$554	PMPM Payment	\$969	PMPM Payment	\$2,017
Yearly Payment	\$6,644	Yearly Payment	\$11,630	Yearly Payment	\$24,199

# Risk Adjustment & Coding

- Each patient-based reimbursement is linked to how sick the member is and adjusts his or her “risk” based on specific documented diagnoses.
- Only certain Diagnoses ensure proper level of coverage for each patient.
  - Diagnoses must be made during face-to-face visits by any acceptable provider specialty
  - Any diagnosis related to the visit’s Medical Decision Making
  - Chronic conditions (paraplegia, old MI, loss of limb, etc.) that never resolve and are re-documented yearly
  - Updated diagnoses made from face-to-face visits after rule out diagnoses are confirmed by lab or radiology.
  - Suspect or rule-out conditions or old conditions that were previously treated and no longer exist cannot be used. Conditions listed only as “PMH” (past medical history), without evidence of current treatment are not accepted.

# Documenting “History of..”

## “History of” Diagnoses

- May only be accepted by Medicare if there is evidence of Treatment, Assessment, Monitoring/ Medication, Plan, Evaluation or Referral (TAMPER):

- Medication (refill, new RX, evaluation, etc)
- Diet modifications by the medical provider related to the condition
- Referral for the condition
- Lab or other Diagnostic testing for the condition

- If a problem is current, do not list it as “history of”, instead include it in the assessment or plan and show what you did to address that diagnosis on that visit in your documentation.

# Missing Pieces

- Many previously documented chronic conditions persist for patients which are not regularly documented through claims systems and can only be abstracted via chart review
  - Old MI, Amputations, Ostomy status, etc. are all examples
- Familial history is often taken in provider offices and hospitals, yet rarely coded using “Family history of” diagnosis codes, thereby cloaking potentially valuable information for predictive modeling
- Because most providers are not formally trained in medical coding, shortcuts are often taken in utilizing diagnosis codes which do not tell the full story
  - Diabetes 250.00 is often generally used when many of these patients have manifestations
- With the implementation of ICD-10 CM, providers will have many more specific diagnosis codes to choose from which may help predictive modeling
- ICD-10 CM will also impact pay for performance measures and HEDIS quality of care type reviews
  - Through both identification of patients with new progressive illness as well as documentation of improved care utilizing different diagnosis codes

# HRP Solution



## Health Plan Data

- Membership
- Claims
- PDE
- RAPS
- MOR
- Diagnosis
- Lab
- Rx
- DME
- Surveys
- Care Management

## HRP "Member Centric" Data Mart



## Additional Health Data

- Pharmacy
- HEDIS

## Suspect Models



- Clinical Algorithms
- Computer models
- Member Demographics

## HRP ReconEdge™



## Reports and Extracts



# SUSPECT IDENTIFICATION



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Suspect =  $\sum$ Demographic +  $\sum$ Clinical +  $\sum$ Computer  
HCC Factors Algorithms Models

# SUSPECT IDENTIFICATION

## Demographic Information

– HRP utilizes member demographics to aid suspect identification

- Age
- Gender
- Disability
- Special Status (Medicaid, ESRD, Hospice, etc)
- Interaction among above factors



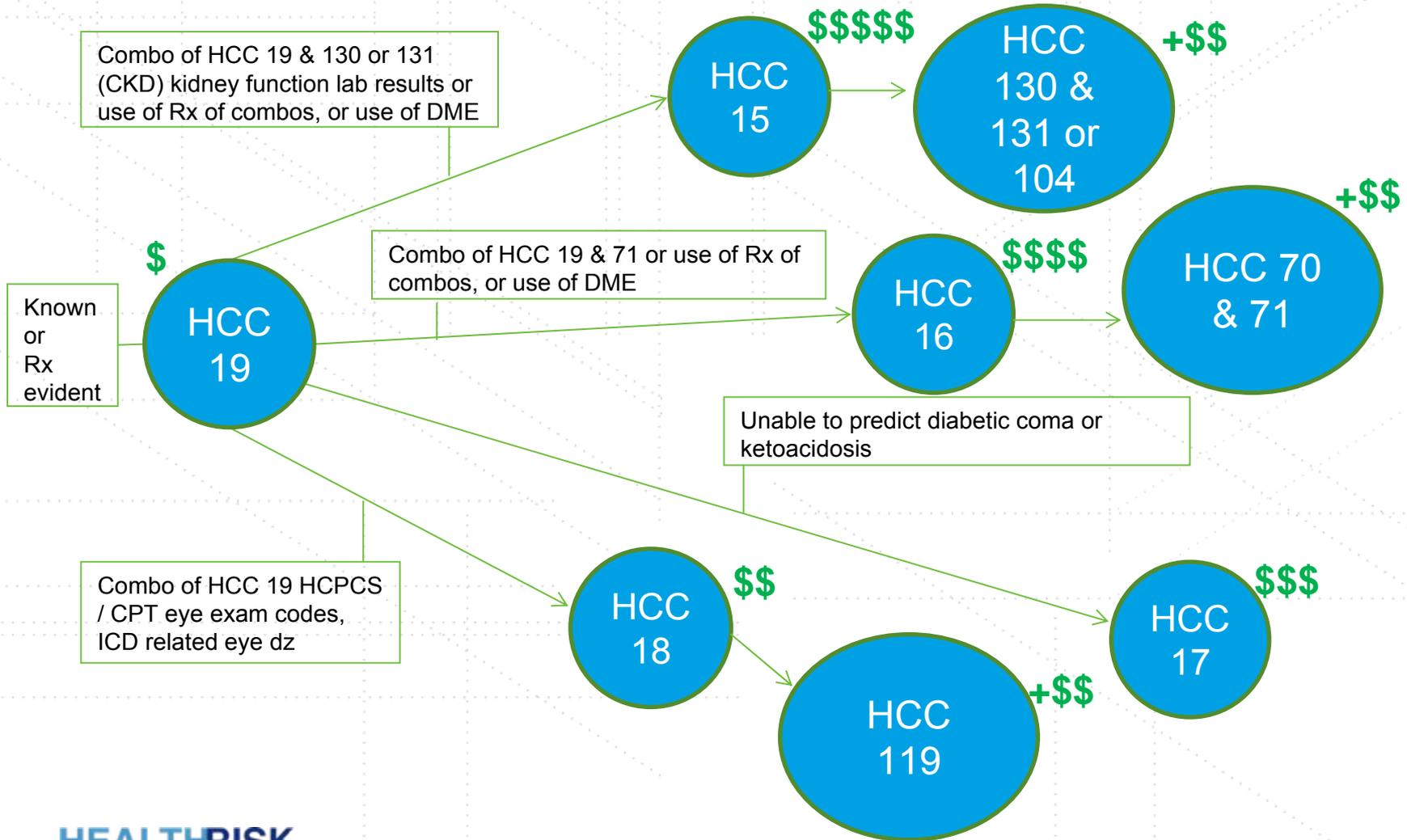
# SUSPECT IDENTIFICATION

## Clinical Algorithms

- HRP utilizes over 700 clinical algorithms in identifying Suspect HCC
- Medical conditions (known current and past drop off)
- Pharmacy data and PDE mapping
- Laboratory results or outcomes
- Co-morbidities
- Prior Authorizations
- DME
- Other CPT and HCPS codes used
- Interactions of all the above



# SUSPECT IDENTIFICATION

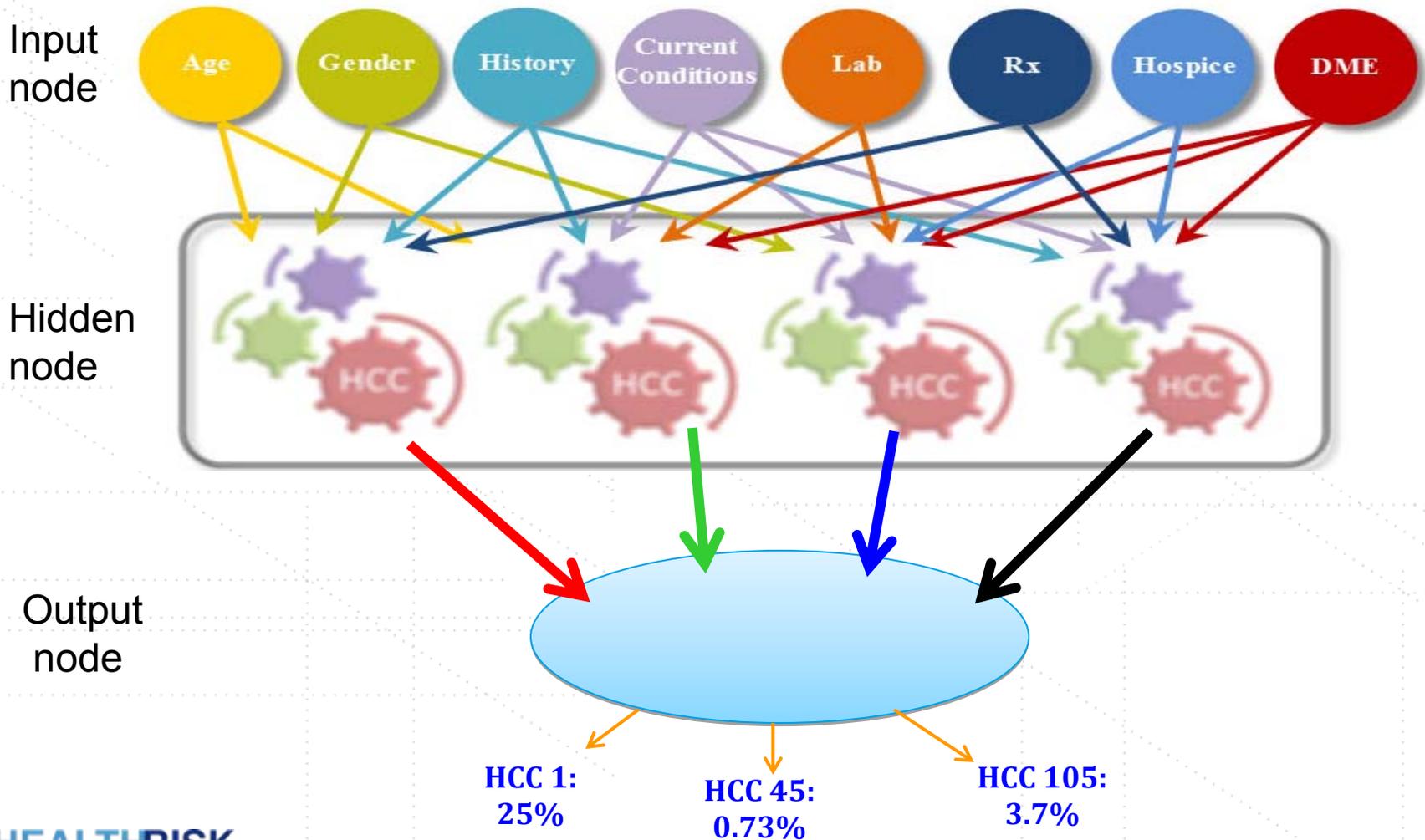


# Suspect Health Conditions

## Computer Models

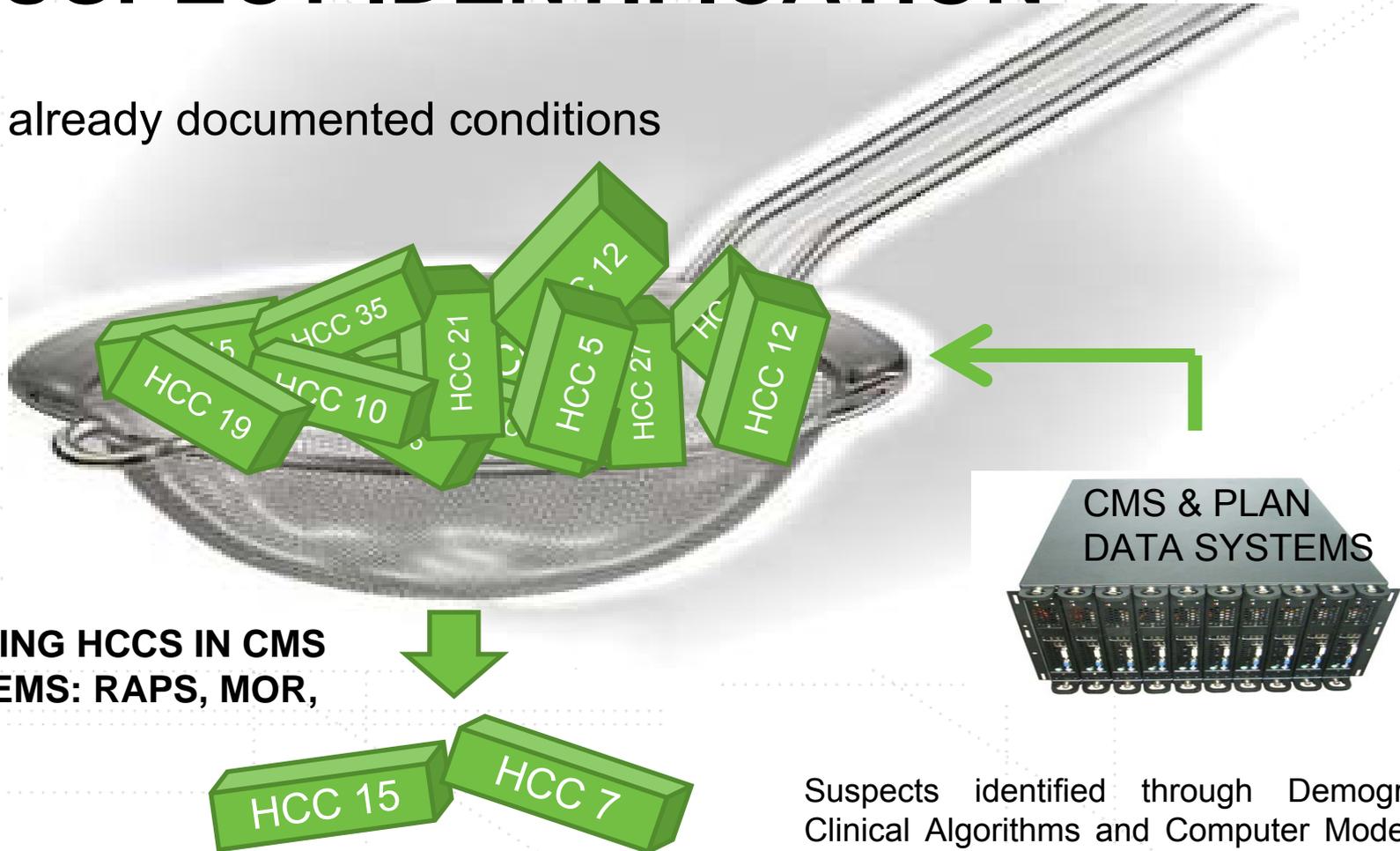
- HRP utilizes proprietary computer algorithms to identify suspect conditions
- HRP uses statistical modeling to assign suspects conditions into buckets
- Uses algorithms to aid provider and chart selection process

# SUSPECT IDENTIFICATION



# SUSPECT IDENTIFICATION

Filter already documented conditions



Suspects identified through Demographic, Clinical Algorithms and Computer Models are filtered to remove already documented conditions:

# SUSPECT IDENTIFICATION

HRP uses statistical modeling to rank identified suspect conditions

- Suspect Health Condition (SHC) =  $F(\sum DF, \sum CA, \sum CM)$
- $SHC = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + \beta_9 X_9 + \beta_{10} X_{10} + \dots + e_i$

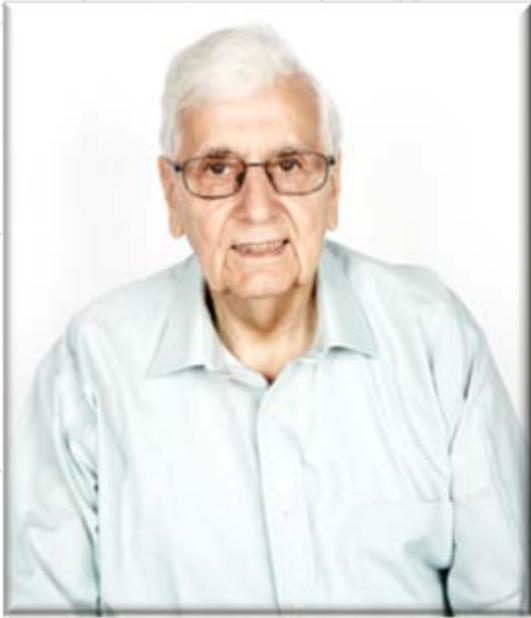
– Where

- $\beta$  are coefficients
- X are the individual and interaction variables
- e is the error term
- DF Demographic Factors
- CA Clinical Algorithms
- CM Computer Models

# SUSPECT IDENTIFICATION

$$HCC_1 = \beta_0 + \beta_1 \text{ (Elderly Man)} + \beta_2 \text{ (Gender)} + \beta_3 \text{ (Medications)} + \beta_4 \text{ (Prescription Bottles)} + \beta_5 \text{ (Microscope)} + \beta_6 \text{ (Skin Lesion)} + \beta_7 \text{ (Lungs)} + \beta_8 \text{ (Wheelchair)} + \beta_9 \text{ (Network Diagram)}$$

# SUSPECT IDENTIFICATION



**STEVE I.S. YOUNG**



**IRENE B. COOL**

# SUSPECT IDENTIFICATION

STEVE

Male

82

Medicaid



- Rx: Sustiva (efavirenz)
- Rx: Epivir (lamivudine)
- Kaposi's sarcoma or lymphoma
- Cryptococcal meningitis
- Computer Model 78%
- Probability of HCC 1 = 0.35

IRENE

Female

82

Medicaid



- Rx: Valtrex (valacyclovir)
- Computer Model 18%
- Probability of HCC 1 = 0.013

# PROVIDER SELECTION

An algorithm that maps disease conditions to provider / specialties and providers / specialties likely to yield chart

- Suspect HCC 15:
  - 1st likely provider: Nephrology
  - 2nd likely provider: Endocrinology
  - 3rd likely provider: Internal Medicine

# PROVIDER SELECTION

Example: Which Specialty and provider is our best chance for charts on HCC 15



## Provider A

- ER Physician
- Saw member once in ER
- Prescribed Claritin



## Provider B

- Endocrinologist
- Saw member 8 times in YOS
- Prescribed Humalin, Actos
- Ordered Hemoglobin A1C
- Noted on peritoneal dialysis

# Certified Coders Role

- Only the provider who saw the patient or a nationally certified coder should translate diagnosis (ICD-9 CM or ICD-10 CM), CPT, or HCPCS codes
- Find legible face-to face encounters with chronic conditions documented and signed by an acceptable provider
- Include all Chronic Conditions that are part of the Medical Decision Making Process. This includes any chronic condition that is under current treatment whether it is the main reason for the visit or not. Past Medical History, Review Of Systems, Exam, Assessment & Plan are all portions of the record that may have valuable conditions documented
- Any DOS (date of service) within the calendar year gives credit for that diagnosis for each month of that year

# HRP SOLUTION

Assist Medicare and Medicaid Health Plans in Compliance, Payment Integrity and Revenue Optimization



# Health Risk Partners

A Health Care IT Company Where Health Care Expertise and Information Technology Excellence Meet

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# ■ Questions

