

A Different Paradigm with Integrated Data

James M. Palmer

Chairman - Benchmark Pathways

P&G Case Study



Integrated Information Strategy

DELIVERY SYSTEMS

STAKEHOLDERS

Benc

Pat h

	Workers' Compensation	Short-Term Disability	Flexible Benefits	HMO's	CHMO	Medicare	Dental	Mental Health	Life	Home Healthcare	Utilization Management	Care Management
EMPLOYER												
PROVIDER												
CORPORATE												
HEALTHPLAN												
EMPLOYEES												
PLANS												

LOCAL MARKETS

REGIONAL GROUPS

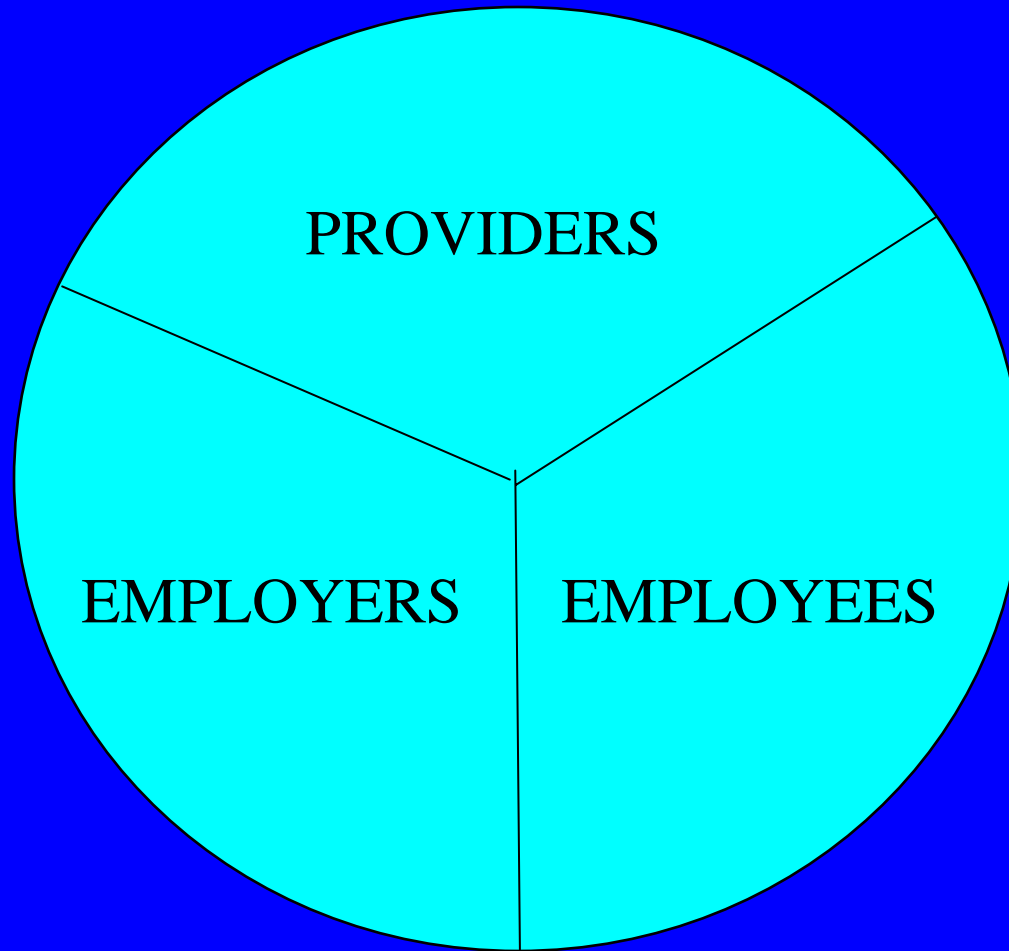
NATIONAL ACCOUNTS

RETIREE(S) PRE/POST 65

GOVERNMENT & REGULATORY GROUPS

MARKET

How Data Drives Behavior



Benchmark
||||| →
Pathways

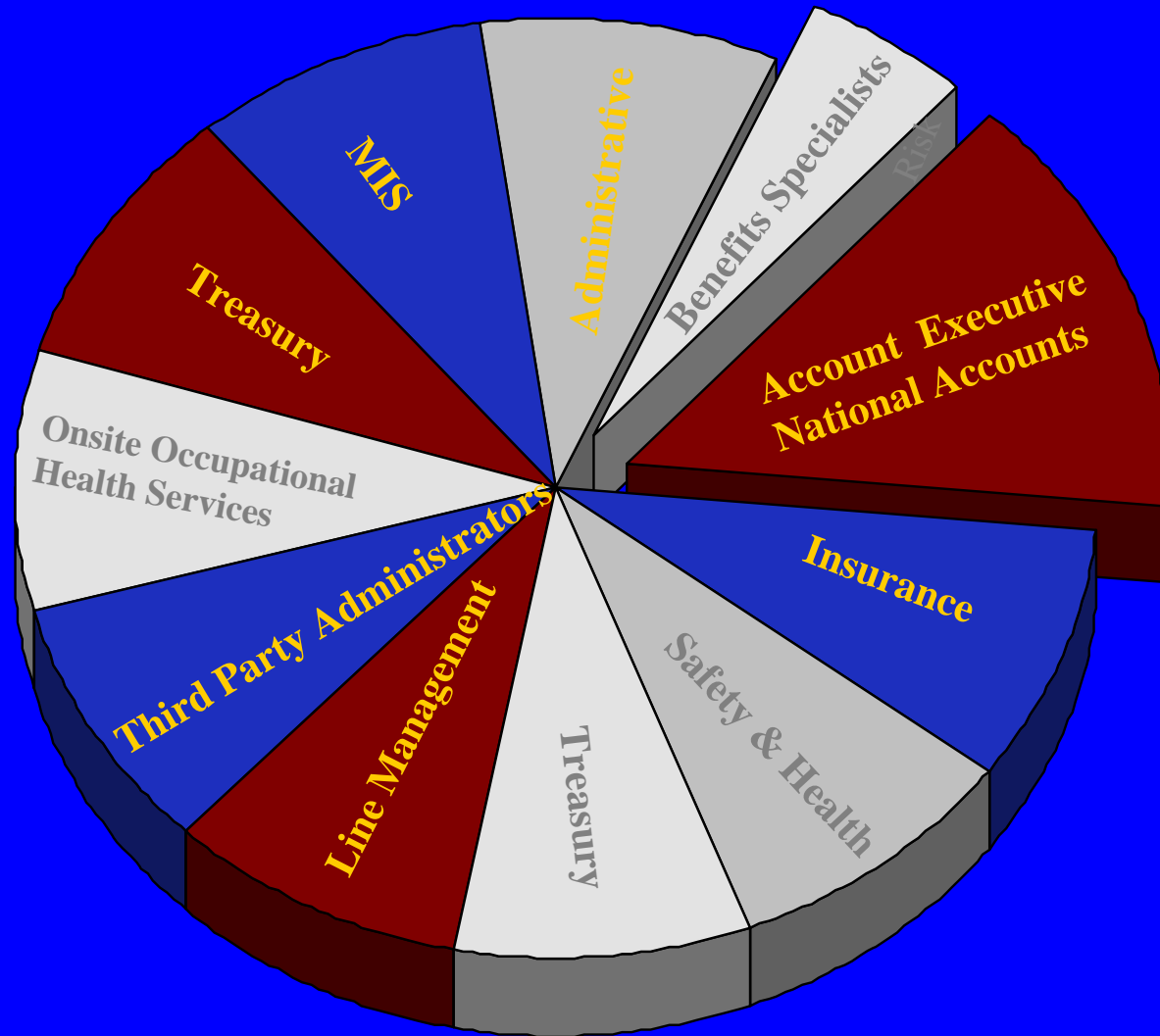
Now you know why you've been given this assignment! SRH



Copyright © 1998 United Feature Syndicate, Inc.
Redistribution in whole or in part prohibited

Benchmark
Pat hways

INTEGRATED HEALTH RISK MANAGEMENT RESOURCES



Benchmark
Pathways

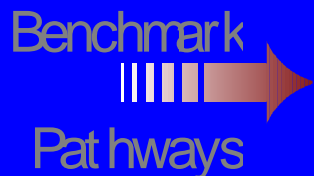
Silo Management

- Each Function has its own work processes and data systems
- Systems are difficult to marry
- Suppliers related to each function will not provide data to other company customers w/o “permission”.
- Long lead times



Information in Integration Applications - Occupational

- Safety
 - Summary Statistics
 - Incident Investigations
- Industrial Hygiene
 - Employee Exposures
 - Exposure Guidelines
- Occupational Health
 - Employee Health



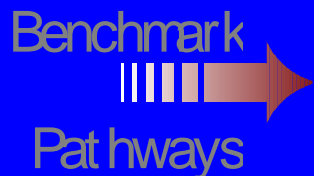
Information in Integrated Delivery Systems - Applications

- Workers' Compensation
- Validation of Claims
- Reduction in friction costs
- Systems Modeling
- Accountability systems



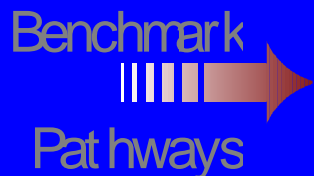
Information in Integrated Delivery Systems - Applications

- Group Health
 - Vendor Systems all different
 - Reluctance to share data with customers
 - Reports take months to deliver
 - Point to point analysis only



Information in Integrated Delivery Systems - Applications

- Short and Long Term Disability
- Largely manual system
- Self Administered
- Claims analysis limited to payments



Information in Integrated Delivery Systems - Applications

- Life Insurance
- Mortality
- Limited causation data
- Premium focus



Integrated Systems Objectives

- Business Objectives
- Cross Functional Analysis
- Solutions based on data
- Employee understanding leading to commitment for solutions
- Involvement of external communities



Information in Integrated Delivery Systems Applications

- Financial/ Risk Management
- Utilization Management (Medical Management)
 - Implementing and Evaluating Guidelines
 - Monitoring Appropriateness
 - Inpatient and Outpatient Surgery, Case - Management
 - Monitoring Underutilization
- Population Management (Medical Management)
 - Clinical Quality and Healthcare Outcomes
 - Risk Assessment
 - Disease Management
- Network Management (Network Management, Finance, Medical Management, and Contracting)
 - Institutional Providers and Facilities

Benchmark



Pathways

Physicians

Information in Integrated Delivery Systems Focus

- Timeliness and Frequency of Information
- Concentration on Patterns/ Trends
 - Patterns of Quality and Outcomes
 - Patterns of Cost and Utilization
 - Patterns of Diseases and Medical Procedures
- Emphasis on Clinical Quality and Care Outcomes
- Ability to Predict Future Cost and Utilization
 - Detailed Medical Budget Development
- Ability to Diagnose Existing Problems
 - Absence of False Warnings
 - Ability to Explain Reasons for Change in Cost and Utilization

Benchmark



Pathways

Information in Integrated Delivery Systems Epidemiology

- Population - based analysis
- Risk adjustment
 - Case mix adjustment, ACGs, Episodes, DCGs
 - Severity adjustment, disease - specific algorithms
- Disease incidence and prevalence
- Statistically stable and clinically relevant cost, utilization, and disease categories
- Data normalization techniques

Benchmark
Pathways



• Development of benchmarks

• Risk assessment

Information in Integrated Delivery Systems Tools

- Information Sharing
- Peer Groups
- Performance Based Compensation
- Medical Budget Development
 - Targets and Benchmarks
- Risk Adjustment
- Electronic Information Dissemination
 - Guidelines

Benchmark Peer comparisons

Pat hways

• Non-financial Incentives

Applications: Information for Financial/ Risk Management

- Must be timely and frequent
 - Monthly, Quarterly
- Comparisons to budget must allow
 - Measurement of financial performance
 - at facility
 - at individual physician/ practice
 - at network
 - Measurement of risk
 - in different categories of healthcare cost and utilization
 - population subgroups

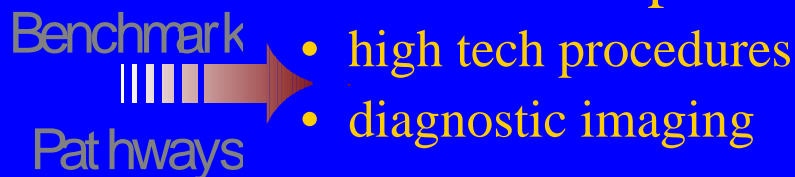
Benchmark

• Budgets must be information driven

Pathways

Applications: Information in Utilization Management

- Performance of organizational structures
 - Management of care (PCPs)
 - Referral mechanisms and monitoring guidelines
 - Implementing and monitoring guidelines
 - Appropriate utilization
- Institutional performance
 - Inpatient utilization
 - Outpatient surgery
 - Utilization of specified services



Applications: Information in Network Management

- Physician performance
 - Financial performance
 - Clinical efficiency
 - primary care physicians
 - specialist physicians
- Medical budget development
 - Physician

Benchmark
Specialty
Pathways
Community

Applications: Information in Population Management

- Manage, monitor and improve quality and outcomes
- Determine the impact of specific medical conditions
 - Preventative care management
 - Chronic care management
 - Demand management
 - incidence and prevalence of certain diseases
 - identify opportunities for improvement in the process of care
 - implement and monitor interventions
 - Drug utilization
- Medical risk assessment
 - Identify populations subgroups at risk
 - at risk for catastrophic utilization
 - at risk for bad outcomes
 - Develop case management programs

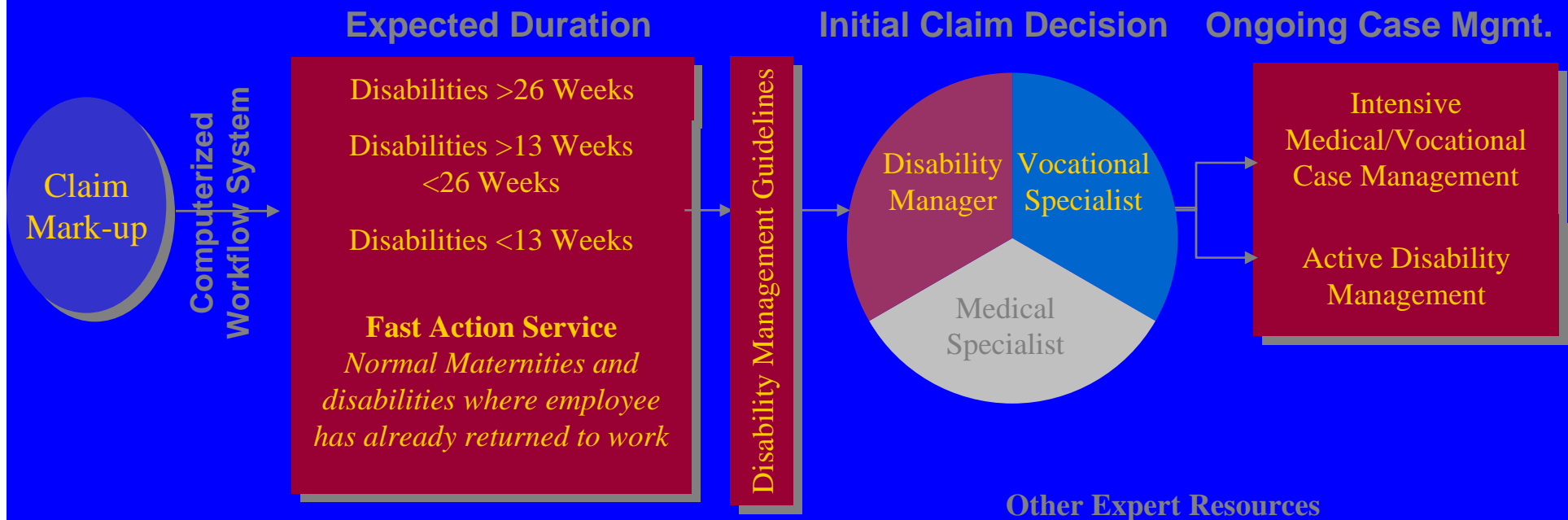
Benchmark



Pathways

ONE DISABILITY BENEFIT MANAGEMENT PROCESS

Customer Communication Center



Benchmark
 ||||| →
Pathways

- *One Disability Specialist
- *One 800 Number
- *One P.O. Box Number
- *One Toll-Free Fax Number
- *Special Investigations/Fraud Unit
- *Complex Claims
- *Registered Nurses
- *Physicians
- *Vocational Consultant
- *Regional Benefit Rep.
- *Social Security
- *Financial Services
- *Rehabilitation Coordinator