3M Quality Measures:
3M Potentially Preventable Events

September 26, 2018
Overview

• Introduction
• Provide Overview of 3M History with Florida and Florida Health Finder
• Potentially Preventable Events - the Big Picture
  • Premise
  • Costs Savings
  • Populations
  • Risk adjustment
• Overview Potentially Preventable Readmissions (PPR)
• Overview Potentially Preventable Admissions (PPA)
• Overview Potentially Preventable ER Visits (PPV)
• Adding Value through Additional Data
• Quality Performance – Providers Perspective
3M Health Information Systems: Deep Experience in Payment and Measurement Innovation

- 35 years in health information and payment systems
- Industry leader for methodologies, classification, payment systems and coding, used by CMS, MedPAC, 38 states, 200 payers, & 80% of U.S. hospitals
- 3M has combined with the computing power, search capabilities and prioritization algorithms of Verily (formerly Google Life Sciences), forming a unique partnership that provides both payers and providers with knowledge from a single source of truth

U.S. Adoption of 3M Patient Classification Systems

More Than 5,000 U.S. Hospitals Trust 3M HIS
Broad based experience

1 billion claims per month
54 million covered lives
5,000 U.S. hospitals
200 private insurers
38 state agencies, CMS, and MedPAC
97% customer retention
3M Methodology Use by the State of Florida

• The 2012 Florida Legislature mandated Agency for Health Care Administration (AHCA) implement inpatient payments utilizing 3M™ All Patient Refined Diagnostic Related Groups (APR DRGs) beginning in July 2013.

• The 2016 Florida Legislature mandated AHCA implement a new outpatient payment method utilizing 3M™ Enhanced Ambulatory Patient Groups (EAPGs) for Florida Medicaid on July 1, 2017.

• 3M Clinical Risk Groups (CRGs) are used by AHCA, Business Intelligence Unit, Medicaid Data Analytics to analyze the disease burden of Florida Medicaid enrollees.
3M Methodology Use by the State of Florida

- Potentially Preventable Events – Beginning in 2019, new managed care contracts must demonstrate how a Plan will reduce potentially preventable hospital admissions, readmissions, emergency department use, and use of unnecessary ancillary services

- FloridaHealthFinder.gov
  - In June 2008, FloridaHealthFinder.gov was updated to include 3M™ Potentially Preventable Readmission Rates (replacing general readmission rates), based on APR-DRGs
  - 3M also processes data to calculate additional measures including length of stay, provide data on specific conditions using EAPGs and APR-DRGs, and calculate various AHRQ measures
Potentially Preventable Events

- Potentially Preventable Readmissions (PPR)
  - Result of poor continuity/transitions of care

- Potentially Preventable Complications (PPC)
  - Reflect processes of care

- Potentially Preventable Emergency Room Visits (PPV)
  - Result of inadequate access to care

- Potentially Preventable Admissions (PPA)
  - Result of inadequate coordination of care

- Potentially Preventable Ambulatory Services (PPS)
  - Avoidable services outside inpatient setting

Result in:

- Overtreatment
- Complications
- Never events
- Unnecessary services
- Inappropriate care
Typical Distribution of Potentially Preventable Opportunity

Achieving value comes with increasing difficulty.

Avoidable Readmissions

Avoidable Admissions

Avoidable ED Dept

Avoidable Ancillaries

Facility/Primary Care

Facility/Primary Care

Primary Care

Primary Care/Specialty Care/Facility
Better results. Fewer readmissions.
20% reduction in readmissions—or 8,800 healthy nights at home—leading to $70 million in savings*

* Minnesota Medicaid and DOH using 3M PPRs

Sustainable cost savings. With better quality.
$35 million in avoided costs with better primary care, reduced ER visits and readmissions, and higher continuity of care*

* Wellmark Commercial ACOs in Iowa

$35 million in waste avoided
Potentially Preventable Events: costs by segment

3M™ Clinical Risk Groups categorize persons by their overall illness burden, regardless of specific disease status, as the foundation for population health management.

Population health segments are groupings of 3M™ Clinical Risk Groups.
Over-utilization and 3M Potentially Preventable Events

3M™ Potentially Preventable Admissions (PPAs), Readmissions (PPRs), and ED Visits (PPVs) provide a set of clinically-based tools that can, when evaluated on a risk-adjusted basis, identify health services that might have been avoided through effective care coordination.

- PPA (red bars) rates are displayed in units of per thousand persons per year (PKPY).
- Expected values (black lines) are risk-adjusted network means.
Types of Potentially Preventable Events

- Potentially Preventable Readmissions (PPR)
- Potentially Preventable Initial Admissions (PPA)
- Potentially Preventable ED Visits (PPV)
- Potentially Preventable Complications (PPC)
- Potentially Preventable Services (PPS)
Potentially Preventable Readmissions tend to be the failure of appropriate coordination at the point of discharge either for post-discharge services and care or as a result of a discharge that occurs prematurely. These reasons suggest that results are as much a facility attribute as they are shortcoming in primary care coordination and follow-up.
Identification of patients with 3M PPRs

PHASE 1
Identify Excluded Admissions and Non-Events

Remove admissions where preventability is difficult to determine:
• Excluded admissions
• Non-events

PHASE 2
Determine Preliminary Classification of Remaining Admission

Compare with Readmission Time interval
Determine if admission can be a Readmission

PHASE 3
Identify PPRs and Determine Final Classification of Admissions

Look across admissions:
• Determine Clinical Relevance
• Identify the Readmission Chains
Potentially Preventable Admissions are ambulatory sensitive conditions that may have resulted from lack of adequate access to care. The occurrence of high rates of PPAs represents failure of ambulatory care provided. Since the majority of PPAs are admitted through the emergency department, it is best practice to measure concurrently with Potentially Preventable Visits (PPVs).

Assumptions:

- Not all ambulatory sensitive admissions are preventable
- PPAs may result when:
  - Nursing facility care is sub-standard
  - Poor medication management
  - Poorly managed chronic conditions
  - Poor ED management
  - Poorly aligned facility payment
- Use APR DRG foundation
3M™ Potentially Preventable Visits (PPVs)

Potentially Preventable Emergency Room Visits (PPVs) are emergency room visits that may result from a lack of adequate access to care or ambulatory care coordination. In general, the occurrence of high rates of PPVs represents a failure of the ambulatory care provided to the patient, or the result of actions taken or omitted during the hospital stay, such as incomplete treatment or poor care of the underlying problem and/or poor coordination with the primary care or specialist physician.

Assumptions:

❖ Not all emergency department visits are preventable
❖ PPVs may result when:
  ▪ Poor access to primary care
  ▪ Poor relationship with primary care
  ▪ Poor medication management
  ▪ Poorly managed chronic conditions
❖ Use Enhanced Ambulatory Payment Groups (EAPGs) as foundation
Data Sources – Adding Value to Analytics

FloridaHealthFinder.gov:
• Currently utilizes discharge data.

Quarterly Statewide Medicaid Managed Care Report:
• Utilizes eligibility, encounter, and claims data Florida Medicaid Managed Information System (FLMMIS)

Claims Data can Provide:
• More Complete Longitudinal View of Patient
• Additional Value to CRG by adding Professional Services, Behavioral Health, and Pharmacy
• Provides more actionable data through more holistic view of a patient/member’s services
Managing Quality Performance – Providers Perspective

**Length of Stay**
8,781 Inpatient Admissions
-4.28% Average LOS, % Difference from Expected

**Mortality**
122 Deaths
< 11 Deaths with Risk of Mortality 1 or 2
-7.9% Mortality Rate, % Difference from Expected
Average cost of a ROM 1 or 2 mortality claim: $7,535
Average cost of a ROM 3 or 4 mortality claim: $22,591

**3M Potentially Preventable Admissions**
2,203 3M PPAs
1,629 PPAs severity 1 or 2
Average cost of a severity 1 PPA claim: $5,581
Average cost of a severity 2 PPA claim: $6,217

**Federal Case Mix Index**
Average CMI 1.7396

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Managing Quality Performance – Providers Perspective

### Outpatient Utilization

23,079 visits were ER visits.

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<thead>
<tr>
<th>Line of Business</th>
<th>Visits</th>
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<tbody>
<tr>
<td>Medicare</td>
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### 3M Potentially Preventable Visits (PPVs)

- **00562 Infections of Upper Respiratory Tract & Otitic Media**
- **00871 Signs, Symptoms & Other Factors Influencing Health Status**
- **00661 Level II Other Musculoskeletal System & Connective Tissue Diagnoses**
- **00563 Dental & Oral Diseases & Injuries**
- **00656 Back & Neck Disorders except Lumbar Disc Disease**

**Percent of Total 3M PPVs by EAPG for the Medical Visit Service Line**

*PPV Rate: 65.22%*

**Average cost of a PPV claim: $408**

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Questions?

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