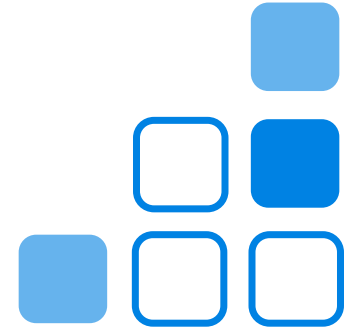


MedInsight Chronic Conditions Hierarchical Groups (CCHGs)



MedInsight® Chronic Conditions Hierarchical Groups (CCHGs) is a unique clinical care-based methodology for enhancing population health management based on patient and chronic condition information. CCHGs is designed to accurately identify cost trend drivers and effectively allocate disease and care management resources. Coupled with traditional actuarial analyses, this highly effective, patient-centric model facilitates an information-driven management process that results in more effective care and lower administrative costs.

What is CCHGs?

Historically, clinical analytics tools have been condition-centric, grouping utilization and cost based on conditions rather than persons. A person with more than one chronic condition will have some of their utilization and costs grouped to Condition A, meanwhile other utilization and cost will be grouped to Condition B. MedInsight CCHGs provides a model that captures 100% of a person's healthcare experience while keeping all of a person's utilization and costs together. This product reflects on the complex interactions that diseases have between one another, and improves the accuracy of the identification of clinical conditions that drive trends.

How Does It Work?

MedInsight CCHGs assigns all members to one of 48 unique categories using a clinically relevant hierarchy that is based on the way physicians make treatment decisions. Using the CCHGs hierarchy, each patient is assigned a "primary" condition that reflects their top priority condition for clinical management, and also enables analysis of utilization and cost attributed to the member, rather than typical condition analytics that look at only the costs for the condition and ignore the acute care needs. MedInsight CCHGs enables the user to make smarter and more informed decisions on financial trend drivers and can help medical management departments by effectively allocating disease and care management resources. CCHGs is the ideal analytic product for segmenting and stratifying populations into actionable cohorts.

The hierarchical categorization of conditions within MedInsight CCHGs is based on *how physicians make treatment decisions*, a unique part of CCHGs methodology.

The CCHGs product also offers the following advantages:

- Assigns all members within mutually exclusive categories on a month-to-month basis to align with actuarial data storage best practice standards
- Groups clinically similar patients into the same category
- Enables identification of key causes for utilization and cost trends
- Captures 100% of cost and resource utilization; all acute and chronic care is flagged at the claim level
- Facilitates the development of population-based budgets
- Accounts for multi-morbid individuals by storing up to five levels of secondary condition classifications
- Define real patient populations for measuring resource utilization, clinical quality, and other outcomes
- Groups individuals in a manageable number of categories; a simple and broad approach to start various rollup and drill-down analysis exercises

Improving Care

Medicine is about treating patients. MedInsight CCHGs centers care back to the patient level. By deconstructing trends and identifying drivers accurately and efficiently, MedInsight CCHGs aims to measure prevalence, impact, and case findings in a population, providing a better understanding of how to allocate disease and care management resources to the benefit of doctors, hospitals, and patients alike.

The MedInsight® Chronic Conditions Hierarchical Groups is a population health grouper in the MedInsight Products portfolio, a suite of standalone analytic products developed and offered by the MedInsight team at Milliman.

FIGURE 1: HIGH-LEVEL CCHG PROCESS WORKFLOW

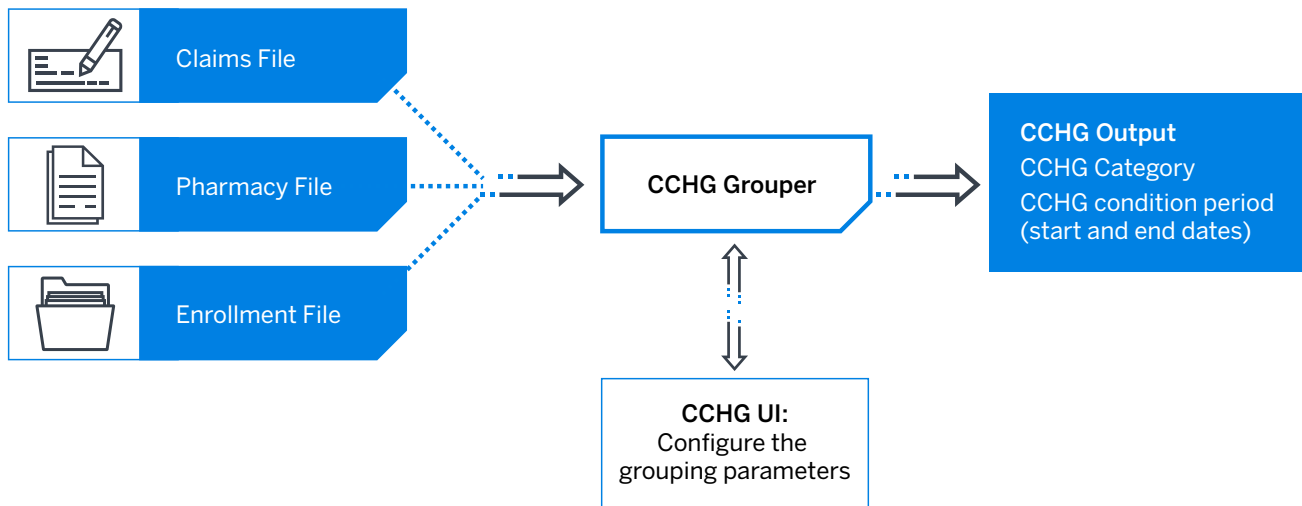


Figure 1. A representation of the high-level CCHG process workflow. The application reads a client's enrollment file primarily to get members' age and gender. The claims files are assigned the CCHG metrics.