



# Public Employees' Benefits Program – State of Nevada

Medical Management Review  
Q1 PY 2020

July 1, 2019 – September 30, 2019

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## Return on Investment

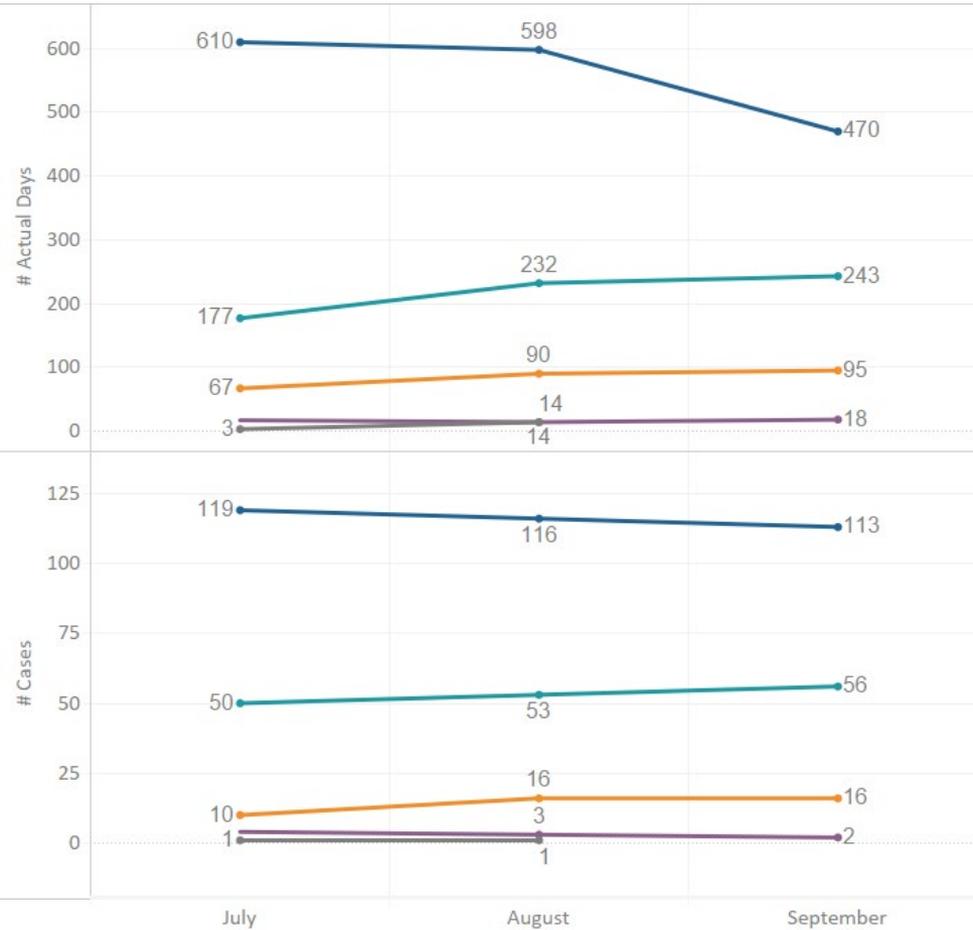
The following table summarizes medical management savings and ROI for the Public Employees' Benefits Program during the period July 1, 2019 through September 30, 2019. Utilization Management savings are achieved through medical necessity reviews of requested inpatient bed days and outpatient services. Case Management savings are estimated costs that would have been incurred to the plan, had we not intervened.

7/1/2019 - 9/30/2019			
	Fees	Estimated Savings	ROI
Utilization Management	\$146,351	\$854,676	5.8 to 1
Case Management	\$294,385	\$1,105,672	3.8 to 1
Total	\$440,736	\$1,960,348	4.4 to 1

Utilization Management Breakout	
Inpatient Savings:	\$ 786,700
Outpatient Savings:	\$ 67,976
Total:	\$ 854,676

# Utilization Management

## Acute Inpatient Activity Summary



July 1, 2019 - September 30, 2019

	# Cases	# Actual Days	# Requested Days	# Days Approved	# Saved Days	Estimated Savings
Medical	348	1,678	1,697	1,643	54	\$332,550
Surgical	159	652	657	625	32	\$413,792
Mental Health	42	252	254	248	6	\$8,320
Substance Abuse	9	49	49	34	15	\$18,623
Obstetrics	2	17	17	17	0	\$0
<b>Grand Total</b>	<b>560</b>	<b>2,648</b>	<b>2,674</b>	<b>2,567</b>	<b>107</b>	<b>\$773,284</b>

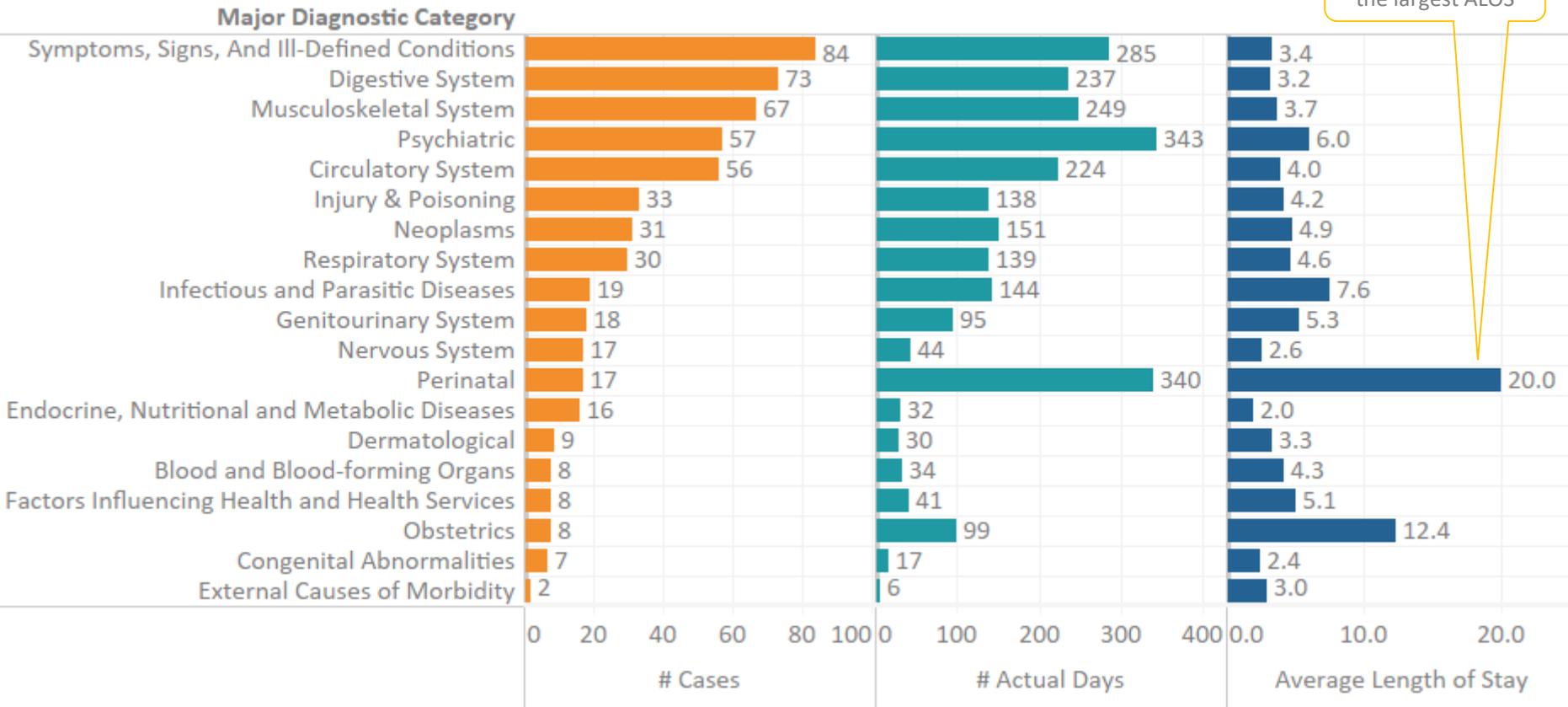
As a result of the Utilization Review process, 107 unnecessary bed days were saved resulting in **\$773,284** in estimated savings

- Medical
- Mental Health
- Obstetrics
- Substance Abuse
- Surgical

## Acute Inpatient – Cases and Actual Days by Diagnostic Categories

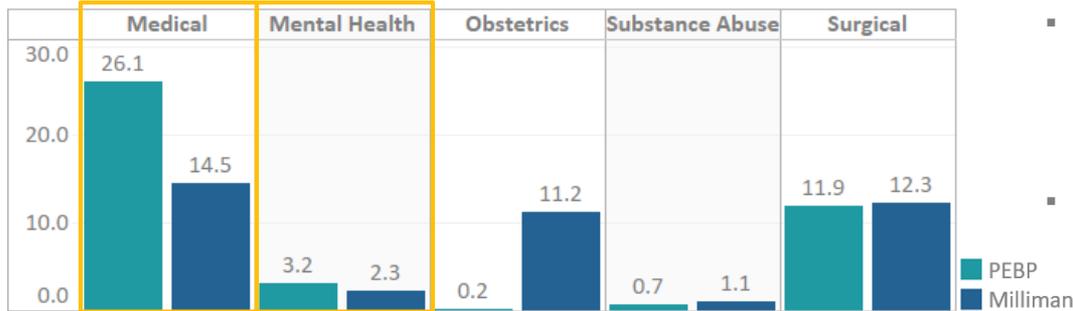
The graph below presents the number of cases, actual days, and average length of stay of the top major diagnostic categories during the report period.

Perinatal represents the largest ALOS



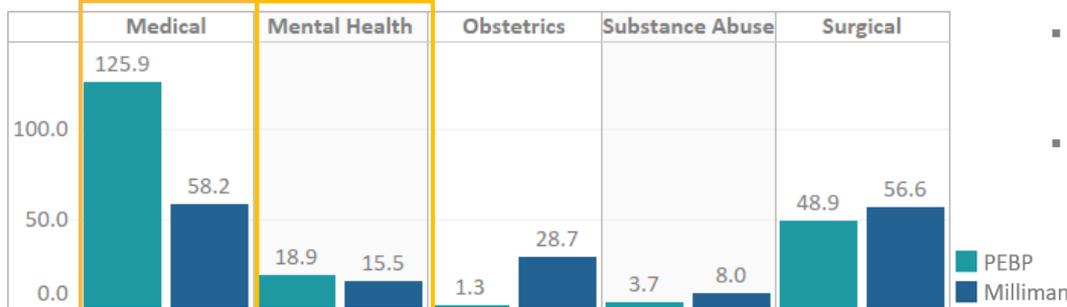
## Acute Inpatient – Utilization Benchmarks

Admissions per 1,000



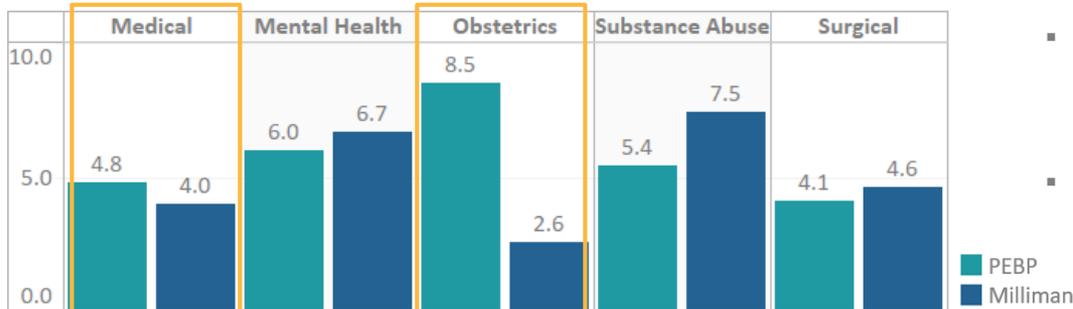
- Medical: Admissions were **80.0%** higher than Milliman benchmark. There were 328 admissions during the 1st quarter of PY 2020.
  - 2 members had 4 inpatient admissions
  - 6 members had 3 inpatient admissions
  - 36 members had 2 inpatient admissions
- Mental Health: Admissions were 39.1% higher than Milliman benchmark. There were 38 admissions during the 1st quarter of PY 2020.
  - 1 members had 3 inpatient admissions
  - 5 members had 2 inpatient admissions

Days per 1,000



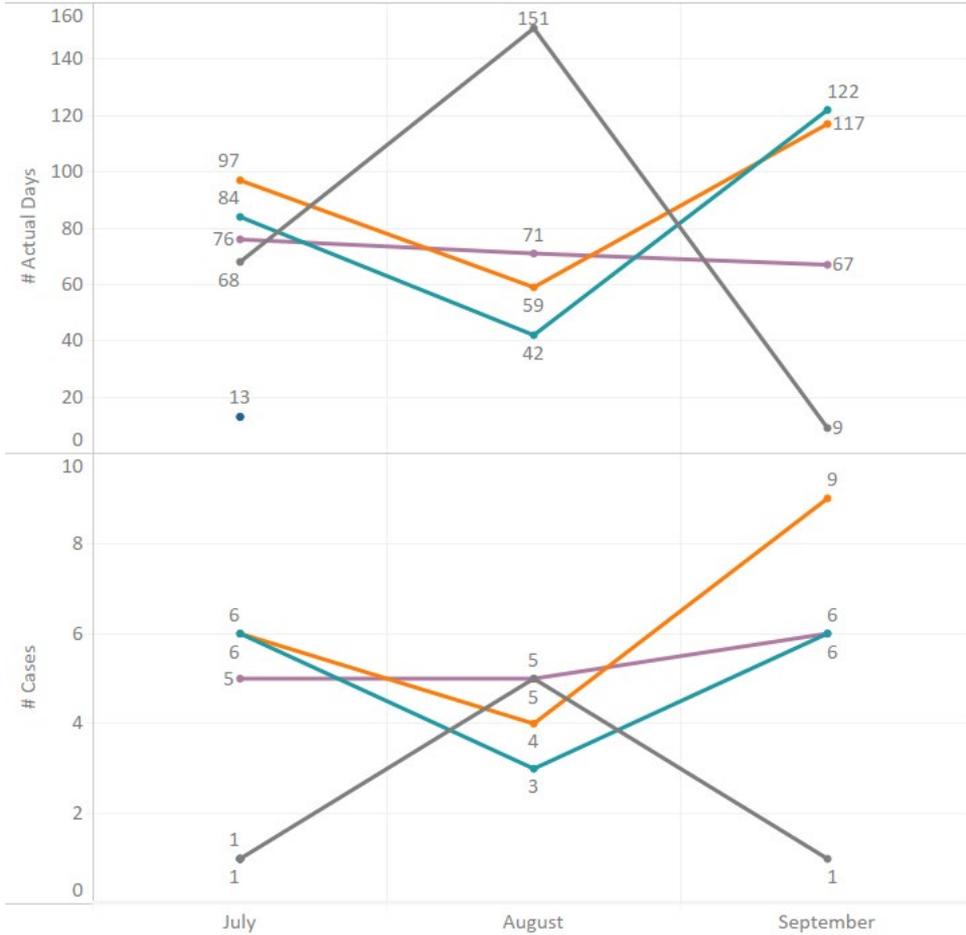
- Medical: Days were 116.3% higher than Milliman benchmark.
  - 12 members utilized 20 or more days each during the 1st quarter of PY 2020
- Mental Health: Days were 21.9% higher than Milliman benchmark.
  - 3 members utilized 16 or more days each during the 1st quarter of PY 2020

Average Length of Stay



- Medical: ALOS were **0.8** days higher than Milliman benchmark.
  - 107 of the 348 cases were above the benchmark
  - Removal of 12 outlier cases that consumed 20 or more days each resulted in an ALOS of 3.8
- Obstetrics: ALOS were **5.9** days higher than Milliman benchmark.
  - There were only 2 cases for obstetrics, and both were above the benchmark

## Non-Acute Inpatient Activity Summary



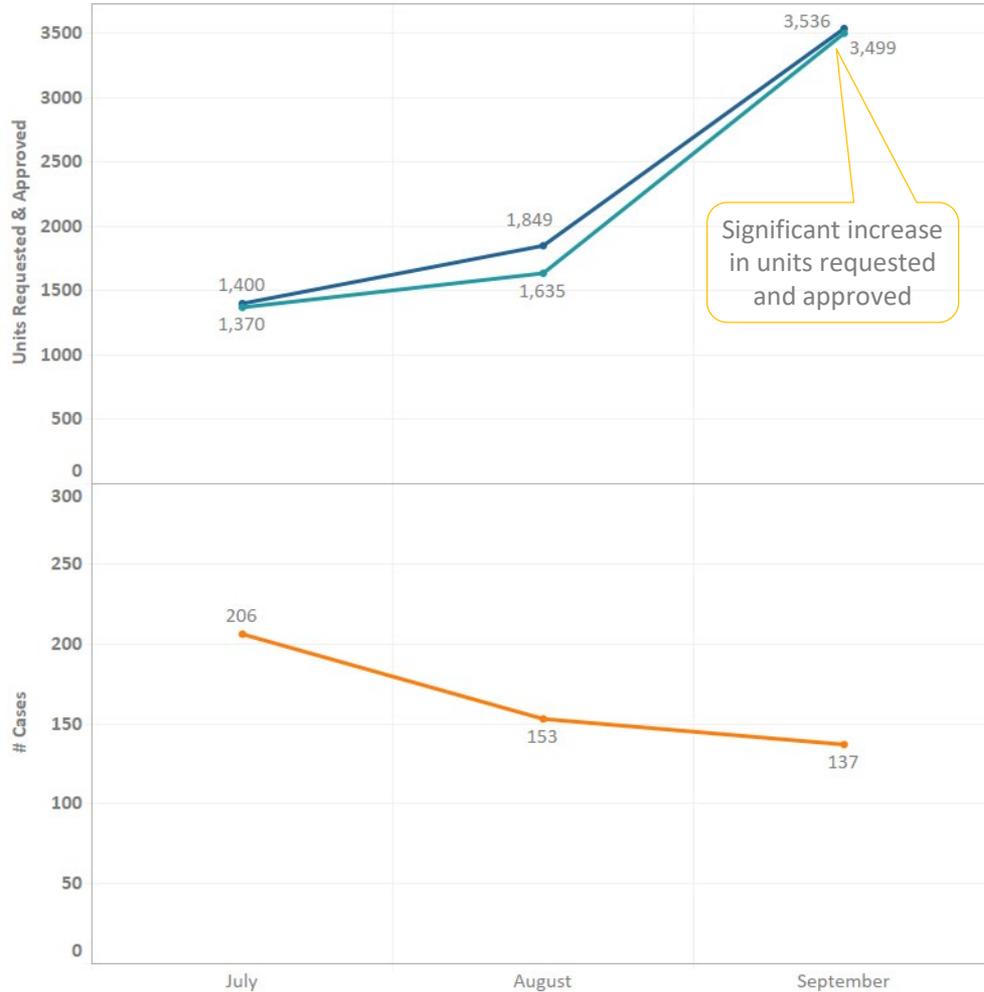
July 1, 2019 - September 30, 2019

	# Cases	# Actual Days	# Requested Days	# Days Approved	# Saved Days	Estimated Savings
Residential Substance Abuse	19	273	276	275	1	\$903
Skilled Nsg Facility	16	214	218	208	10	\$6,808
Medical Rehab	15	248	254	252	2	\$5,705
Long Term Acute	7	228	228	228	0	\$0
Residential Mental Health	1	13	13	13	0	\$0
<b>Grand Total</b>	<b>58</b>	<b>976</b>	<b>989</b>	<b>976</b>	<b>13</b>	<b>\$13,416</b>

As a result of the Utilization Review process, 13 unnecessary bed days were saved resulting in **\$13,416** in estimated savings

- Long Term Acute
- Medical Rehab
- Residential Mental Health
- Residential Substance Abuse
- Skilled Nsg Facility

## Outpatient – Summary



Surgery represents 51% of all case types

Significant increase in units requested and approved

July 1, 2019 - September 30, 2019

	# Cases	Units Requested	Units Approved	Units Saved	Estimated Savings
<b>Surgery</b>	255	651	646	5	\$8,075
<b>Diagnostic Test</b>	105	153	127	26	\$36,650
<b>Med Treatment</b>	54	2,037	2,002	35	\$21,773
<b>DME</b>	53	3,024	2,821	203	\$1,479
<b>Home Health</b>	9	256	256	0	\$0
<b>Home Infusion</b>	9	467	458	9	\$0
<b>MH/SA</b>	8	107	104	3	\$0
<b>PT/OT/ST</b>	3	90	90	0	\$0
<b>Grand Total</b>	<b>496</b>	<b>6,785</b>	<b>6,504</b>	<b>281</b>	<b>\$67,976</b>

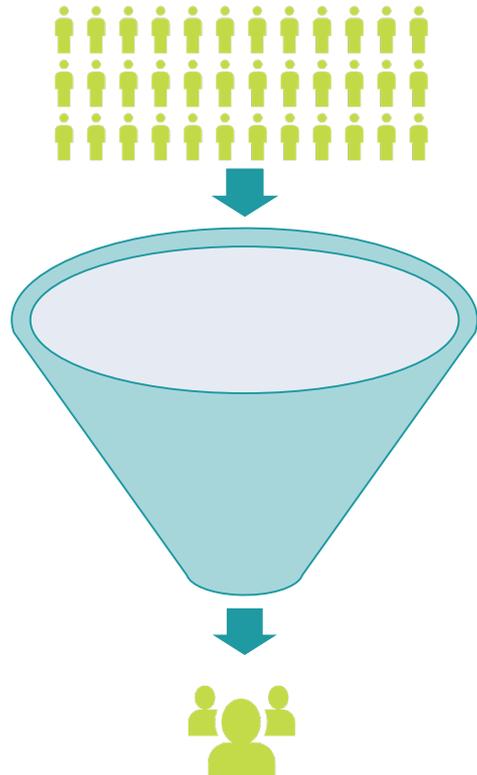
There were 281 units saved resulting in \$67,976 in estimated savings

- # Cases
- Units Approved
- Units Requested

Outpatient savings are based on the number of non-certified units by each procedure (CPT, HCPCS) multiplied by unit or days within an authorization or Therapies sessions one unit equals one day.

## Case Management Referrals from Utilization Management

A critical function of Utilization Management is to identify members who are in need of more extensive Case Management services. One procedure that fulfills this function is the trigger of Utilization Management cases that meet specific requirements to Case Management.



- 618 inpatient cases were completed in Utilization Review
- 496 outpatient cases were completed in Utilization Review
  
- 351 inpatient cases (56.8%) automatically triggered to Case Management
- 137 outpatient cases (27.6%) automatically triggered to Case Management
  
- 153 inpatient cases (43.6%) were deemed appropriate for Case Management
- 16 outpatient cases (11.7%) were deemed appropriate for Case Management
  
- AHH BoB UM inpatient referrals to CM acceptance rate = 30.7%
- AHH BoB UM outpatient referrals to CM acceptance rate = 14.5%

# Case Management

## Case Management Summary

In the report period, our Case Managers performed interventions on behalf of the Public Employees' Benefits Program plan. Through their work with members, facilities and physicians, these Case Managers achieved over \$1.1M in estimated savings. Savings are costs that potentially would have incurred to the plan, had we not intervened.

The following tables illustrate overall case activity and total savings achieved for the report period:

Case Activity	7/1/2019- 9/30/2019
Beginning Cases	91
Opened Cases	228
Closed Cases	137
Ending Open Cases	182

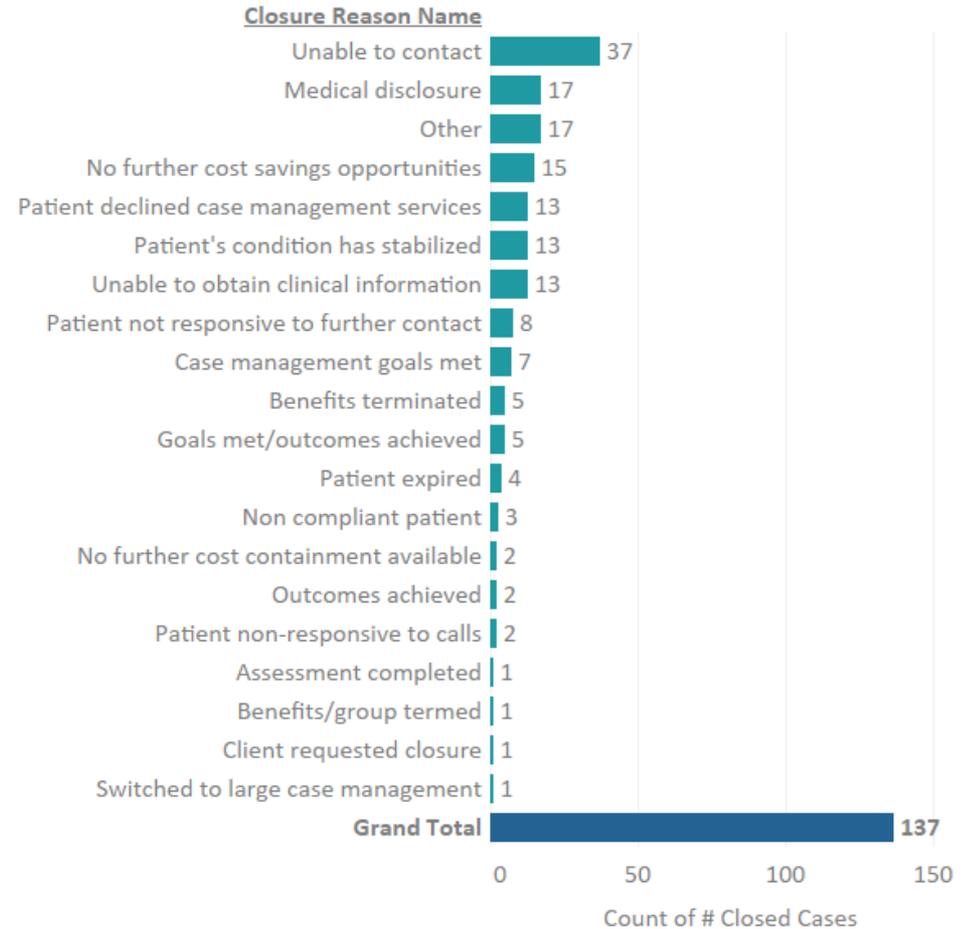
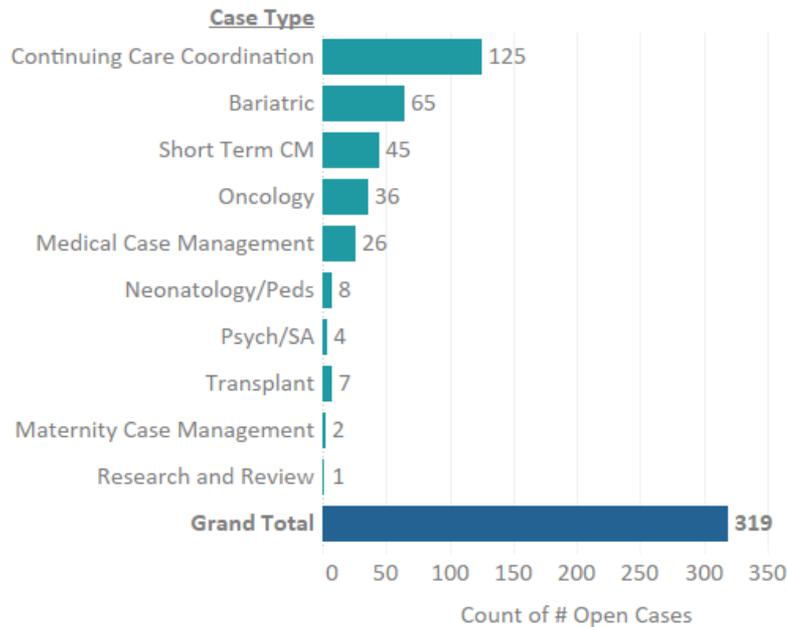
Total Case Management Savings
\$1,105,672

Average Savings per Case = **\$3,466**

(based on 319 cases in an open state between 7/01/2019 and 9/30/2019)

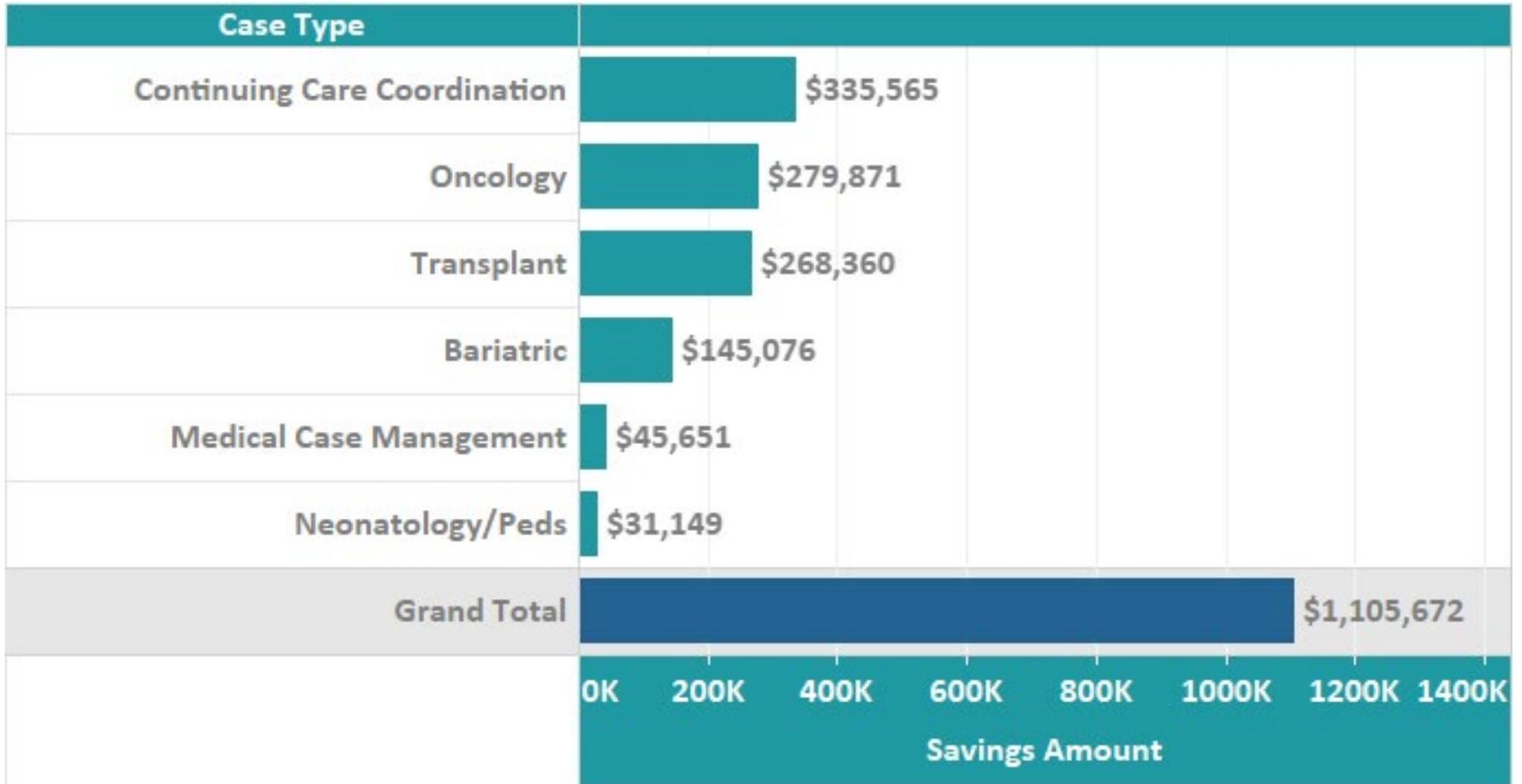
## Case Management Activity

The following tables summarize the number of open cases by case type and closed cases by closure reason.



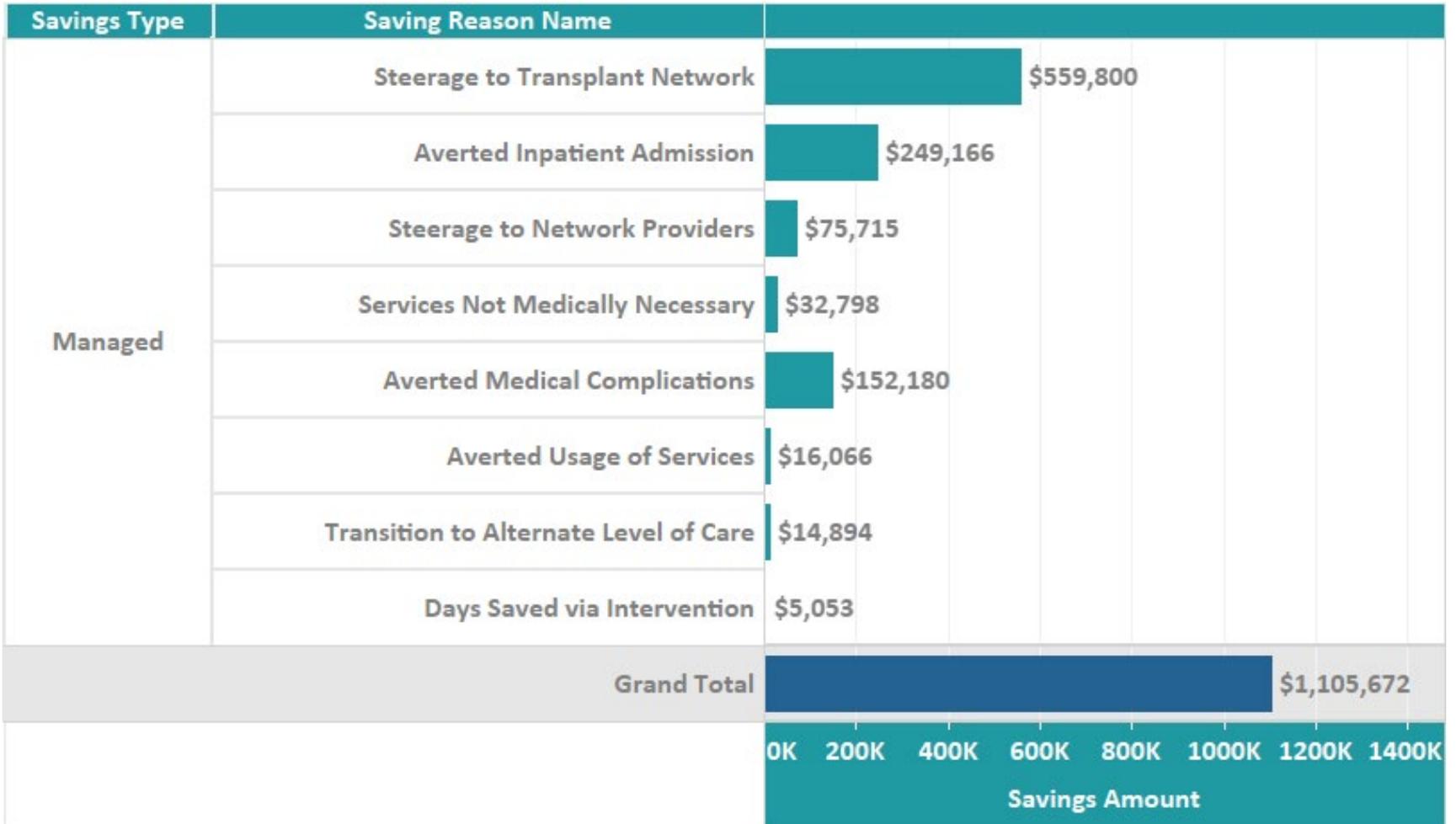
## Savings by Case Type

The following graph presents savings by case type for the report period.



## Case Management by Savings Reasons

The following graph presents savings by savings reason for the report period.

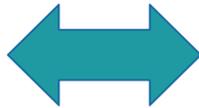


# Post-Discharge Counseling

## Participation Summary

The tables below presents the Public Employees' Benefits Program Post-Discharge Counseling participation rate compared to the AHH Book of Business rate.

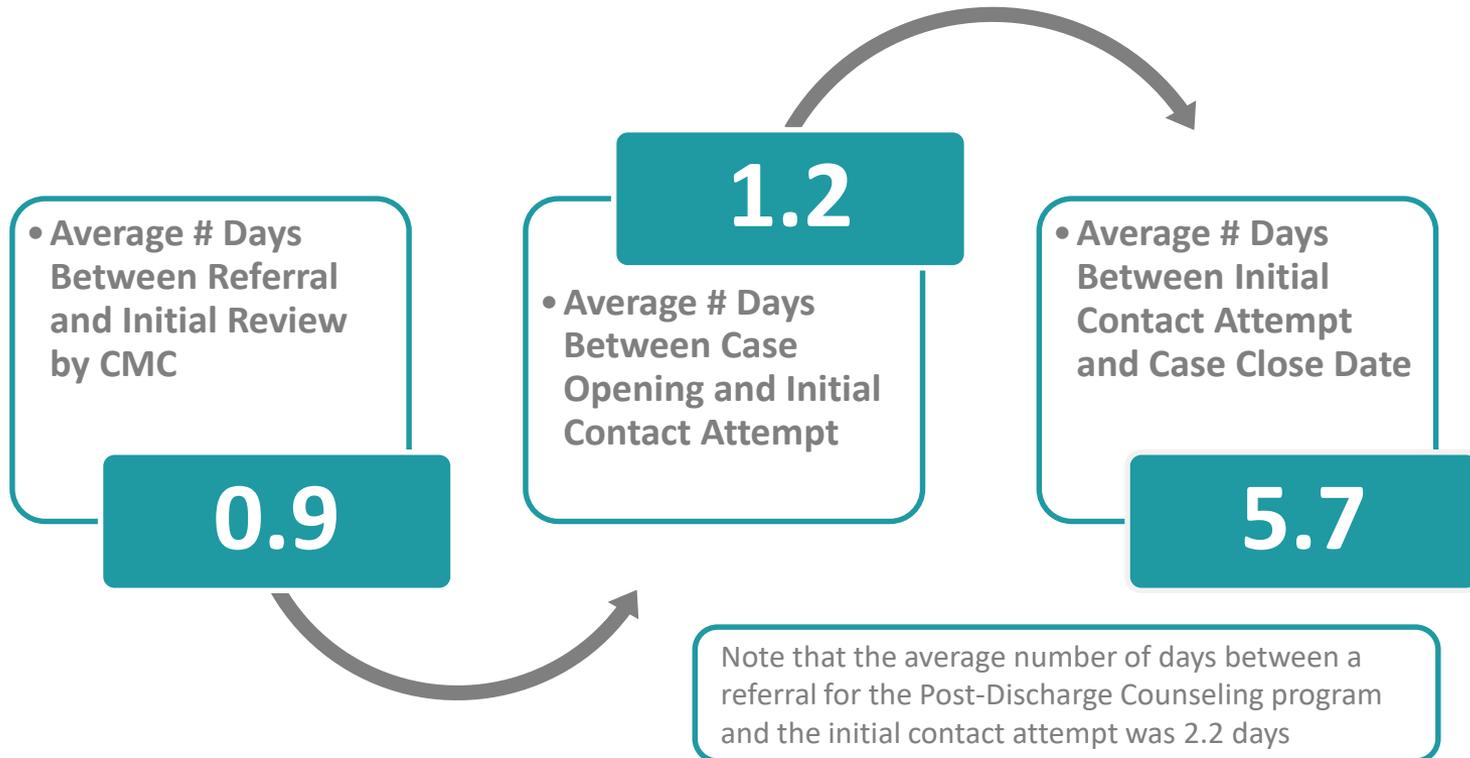
Program Metric	July 1, 2019 - September 30, 2019	AHH BOB
# Cases Identified	356	AHH BOB Percent of Cases with Successful Outreach
# Participating Cases	101	
<b>% of Cases with Successful Outreach</b>	<b>28.4%</b>	<b>50.0%</b>



The participation rate for the 2019 report period was lower compared to the AHH BOB rate

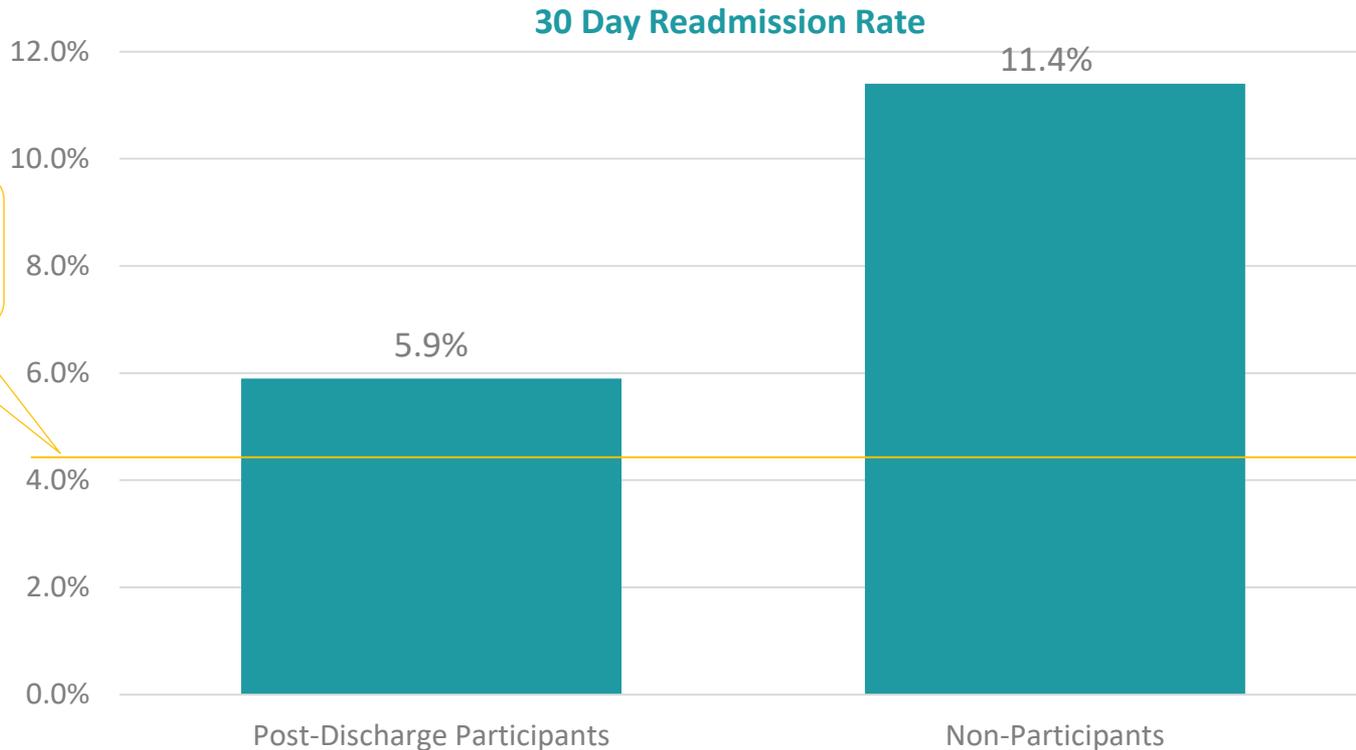
## Average Turnaround Time

The table below presents a summary of the average turnaround times for the Post-Discharge Counseling program. Following a referral to the Post-Discharge Counseling program, the CMC will complete an initial review of the case and determine if the case is appropriate for the program. Once the case is reviewed and deemed appropriate, the case will be referred to a case manager who will review the case and subsequently make an initial contact attempt.



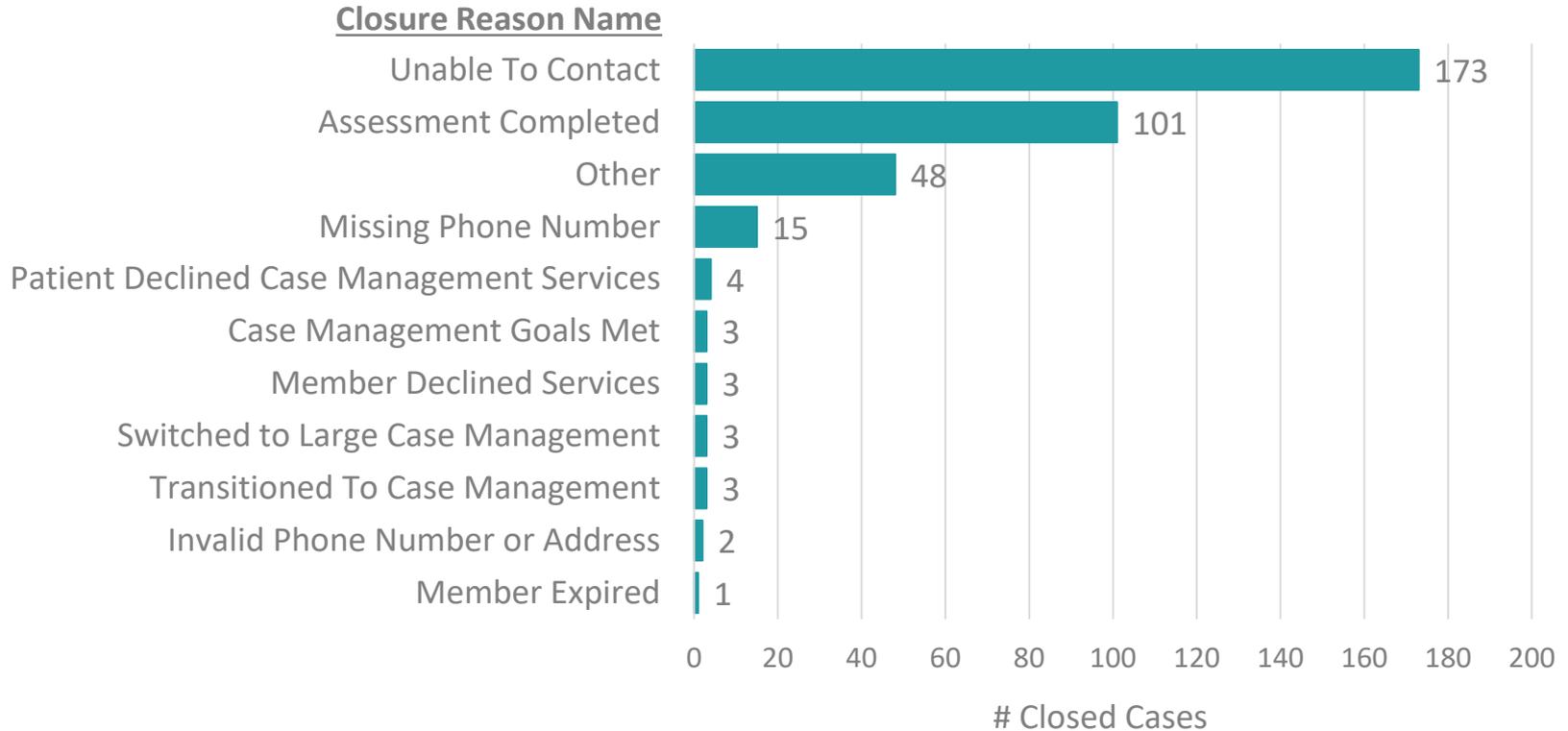
## 30 Day Readmission Rate

There were three 30-day readmissions for members that participated in the Post-Discharge Counseling program during the report period. The 30-day readmission rate for participants in this program was below the rate for non-participation, illustrating the effectiveness of the Post-Discharge program.

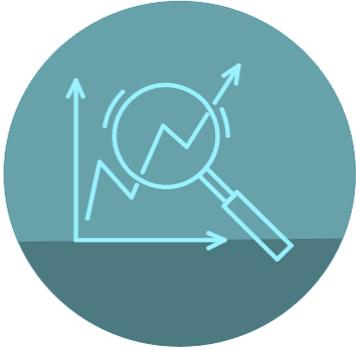


## Case Closure Reason

Post-Discharge Counseling cases are closed for a variety of reasons and a case may have more than one closure reason. The following graph presents the number of closed cases by closure reason during the report period.



# Utilization Analysis



## Observations

- Medical was higher than the Milliman benchmark for acute inpatient admissions, days, and ALOS
- Outpatient had over 100% increase in units requested and approved
- Surgery represented 51% of all outpatient cases and accounted for 12% of savings
- Continuing care coordination and bariatric make up approximately 60% of CM case types



## Insights

- Medical represented over 60% of acute inpatient days and cases with the primary diagnostic category of perinatal (23% of perinatal days was consumed by one case)
- The major increase in outpatient units requested and approved was in DME followed by med treatment services
- Musculoskeletal system represented approximately 25% of surgery outpatient cases, units requested, and units approved
- CM CCC and Bariatric primary diagnostic category:
  - Neoplasm represent 44% of open CCC cases
  - Endocrine, nutritional and metabolic diseases represent 92% of open Bariatric cases



## Proposed Changes/Recommendations

- American Health to review outpatient pre-certification requirements and provide recommended changes for PEBP consideration
- Consider adopting a Maternity Education program providing education to support to expectant mothers and reduce instances of complications and subsequent high-dollar claims.

# Glossary Utilization Management

## Inpatient Services

- Emergent- Admission via emergency room
- Urgent- Direct admission from a doctor's office or other provider without an emergency room visit
- Elective- Scheduled admission for elective services
- Medical- Medical treatment without surgical intervention for diagnosis, includes admissions for complications of pregnancy without delivery
- Surgical- Surgical procedure performed during an admission
- Obstetrics- Admission associated with a delivery
- Mental Health- Psychiatric Conditions
- Substance Abuse- Chemical substance abuse and alcohol dependency in which detoxification and rehab requires acute monitoring

## Non-Acute Inpatient Services

- Medical Rehab- Admission to an acute level of care for rehabilitation services due to a medical/surgical condition
- Long Term Acute Care (LTAC)- Admission to a long term acute/sub-acute facility
- Skilled Nursing Facility (SNF)- Admission to a facility for skilled level of care
- Residential Substance Abuse- Admission for sub-acute rehabilitation services to treat substance abuse conditions
- Hospice Inpatient- Admission to a facility for hospice care
- Residential Mental Health- Admission for sub-acute rehabilitation services to treat psychiatric conditions

## Outpatient Services

- Outpatient- Services are provided in a hospital on an outpatient basis or a free standing facility

- Surgery- Includes percutaneous transluminal coronary angioplasty (ptca) procedures
- Diagnostic Test- Radiology testing or other invasive procedures for diagnostic purposes
- PT/OT/ST- Physical Therapy, Occupational Therapy, or Speech Therapy services
- Medical Treatment- Includes services such as chemotherapy, radiation therapy, allergy testing/treatment, cardiac rehab services, and pulmonary rehab services
- Home Health- Nursing services provided in the home
- Home Enteral Feeding- Enteral feeding services provided in the home
- Home Infusion- Infusion services provided in the home
- DME- Durable medical equipment, orthotics, and prosthesis
- Hospice Home- Home hospice care

## Statistics

- Report Period- Data based on cases with discharge/end date within the report period
- # Cases- Number of completed cases with a discharge date within the time period
- % Total Cases- Number of cases for line item divided by the total number of cases
- Actual Days- Sum of actual Length of Stay for all cases on a line item
- % Actual Days- Actual days divided by sum of subtotal actual days
- Average Length of Stay (ALOS)- Actual days divided by number of cases for a line item
- CM Accepted- Counted when a UR case has been referred to and opened to case management. This does not indicate communication has occurred between a CM and patient or that they are accepting of CM Services.

# Glossary Utilization Management (Continued)

## Acute Inpatient Statistics

- Milliman Commercial Population- National Benchmark for acute care utilization statistics for a moderately-managed population
- Admissions/1000- Period- Number of admissions in period per 1000 total lives (# of admissions for present quarter times 4 divided by total lives)
- Admissions/1000- YTD- Annualized # of admissions per 1000 total lives (# of admissions YTD times 4 divided by present quarter divided by total lives)
- Days/1000- Period-Number of actual inpatient days per 1000 total lives (# of days for present quarter times 4 divided by total lives)
- Days/1000- YTD- Annualized number of admissions per 1000 total lives (# of days YTD times 4 divided by present quarter divided by covered lives)
- Average Length of Stay (ALOS)- Number of inpatient days divided by the number of cases

## Savings Summary

- Requested Days- Total number of days requested by a provider for all cases
- Saved Days- Requested days minus Certified Days
- Saved Services- Requested outpatient days, services, and units minus Certified Days, Services, and Units
- Savings- Number of Saved Days multiplied by the Milliman Cost Per Day amount listed in legend

# Glossary Case Management

- Managed Savings- An avoidance of potential charges that are realized through the intervention/actions of the case manager
- Alternate Payer Source- Identified separate responsible party such as Medicare or Worker's Compensation
- Averted Inpatient Admission- Assessed patient education, environment, and compliance and acted accordingly to reduce unnecessary admissions
- Averted Medical Complication- Prevented usages of services related to complications/exacerbations
- Averted Usage of Services- Lead to early discharge or decrease in services
- Days Saved via Intervention- Treatment provided at a less restrictive environment or early discharge or care continued at an alternate lower cost location/provider
- Development of Alternate Care Plan- Analysis determined a lower level of care would be appropriate
- Patient Advocacy- A part of case management that provides clinical, financial and emotional support for members and families; care coordination for health care services to reduce gaps in care; side-effect management and educational support to ensure best outcomes
- Referral to Specialist/Medical Consultant- Ensured patient had the most appropriate physician treatment plan
- Services not Medically Necessary- Approved only appropriate services
- Services reduced via Interventions- Negotiated a reduction in services or a timely discharge to next appropriate level of care
- Steerage to Network Providers- Facilitated the transitions to network providers
- Transition to Alternate Level of Care- Facilitated a timely transfer to a lower level of care

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