

Total Population Health:

Role Of Facility-Based Person Specific Utilization
Management in the Triple Aim

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Agenda

- Definition of UM
- History of UM
- UM's Bad Rep
- Traditional UM Processes
- UM Post the Triple Aim and ACA
- Impact on Hospitals and Others
- Conclusion

Utilization Management - Definition

Utilization management (UM) is "a set of techniques used by or on behalf of purchasers of health care benefits to manage health care costs by influencing patient care decision-making through case-by-case assessments of the appropriateness of care prior to its provision."

Institute of Medicine (IOM) Committee on Utilization Management by Third Parties (1989)

Utilization Management - History

- Provider-based utilization review in the 1960s and 1970s
- Third-party utilization management in the 1980's due to greater expenditures on medical care without health status improvement.
- Prospective Payment Systems and Peer Review Organizations evolve in the 1990's
- Mid 1990's in the mid-2000's growth of case and disease management program as technology becomes more sophisticated
- In the 2000's care coordination and other strategies
- In 2012 refocus due to ACA and national focus on the Triple Aims

Utilization Management – The Bad Rep



"I'm exploring another revenue stream."

- Initially treated the cost of care as a singular outcome metric
- Confuses the objectives of healthcare
- Reduces healthcare value by mixing up care process with care results
- Results in overzealous denial of care
- Delays care
- Creates unexpected financial risks to patients

Examples of UM Processes

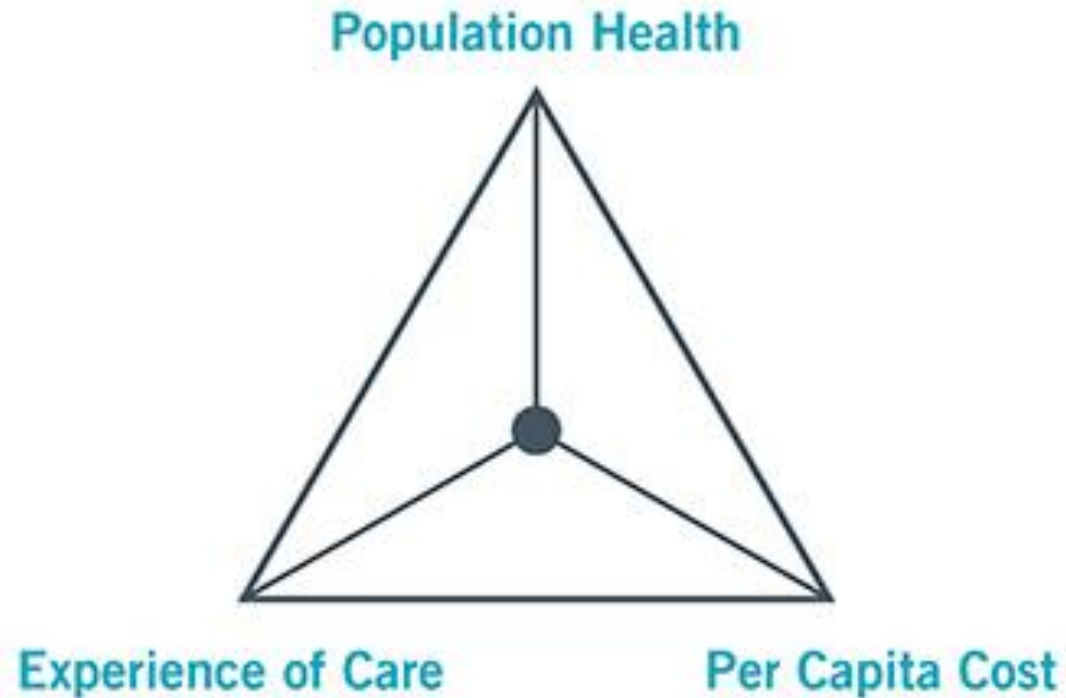
- The evaluation of the appropriateness and medical need of health care services according to evidence-based criteria or guidelines
- **Discharge planning, concurrent planning, pre-certification and clinical case appeals**
- **Concurrent clinical and peer reviews, appeals**
- UM Reviewers (RN or SWer), a UM program manager, and a Physician Adviser

Examples of UM Processes (Cont.)

- Policies dictate the frequency of reviews, priorities, etc.
- Escalation processes and dispute processes, and processes for evaluating inter-rater reliability amongst UM reviewers
- Criteria** may be developed in-house, acquired from a UM vendor, or acquired and adapted to suit local conditions.

**Two commonly used Medical and Behavioral UM criteria frameworks are the McKesson InterQual criteria,[\[2\]](#) and the Milliman Care Guidelines (Milliman is now known as MCG)

The Triple Aim

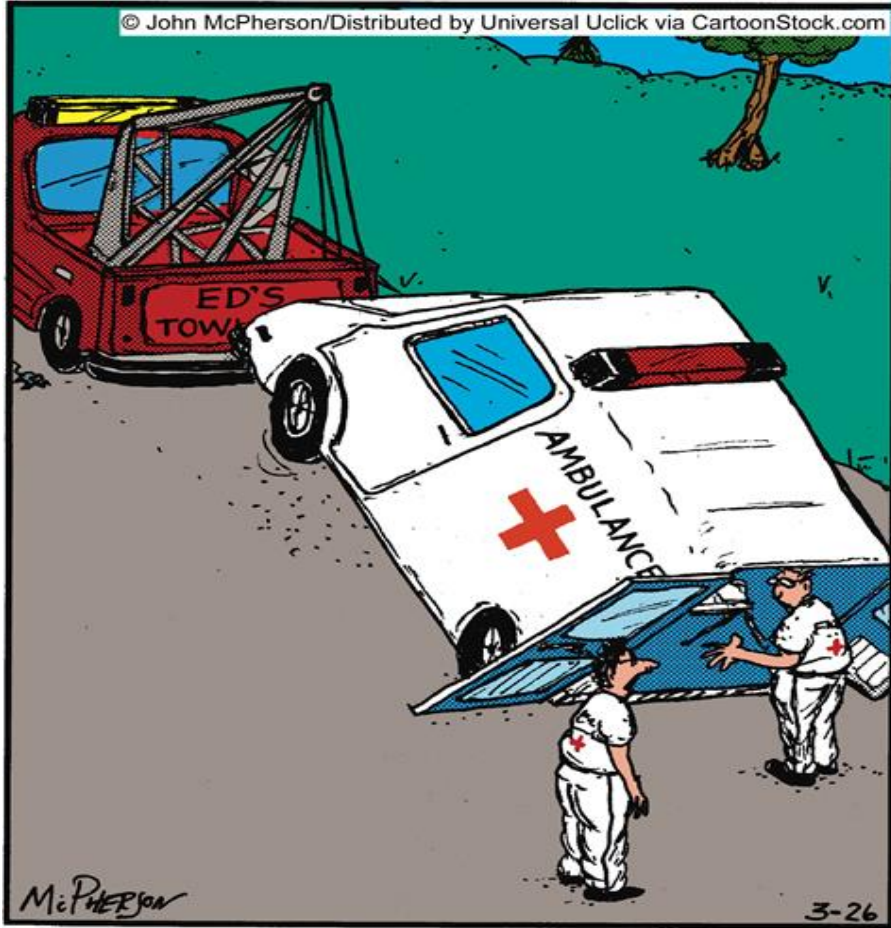


The IHI Triple Aim is a framework developed by the Institute for Healthcare Improvement that describes an approach to optimizing health system performance. It is IHI's belief that new designs must be developed to simultaneously pursue three dimensions, which we call the "Triple Aim."

UM Post the Triple Aim and ACA

- Automated algorithm-based authorization processes
- Shift to a collaborative, exception-based model through decision-support software
- Actionable intelligence
- Value-based payments
- Performance-driven collaboration
- Macro and micro collection and aggregation of clinical and financial performance data

Impact of the Triple Aims and ACA



"Look through her purse and see if she has a Triple-A card."

- Hospitals
- Shared Risk Organizations
- Non-Risk Bearing Primary Care Organizations
- Specialty Care Organizations

Hospitals

Aim #1: Improving the Patient Experience of Care

- Patient Safety*
- Hospital-acquired conditions*
- Greater Adherence to Evidence-Based Care Processes*
- Care Experience (Listening, Cleanliness, Pain Control, etc)

Role of UM Hospital and Payer or Shared-Risk Provider Staff:

- Quality of Care Reviews during UM Reviews
- *Monitor at and Refer to Quality Management

Role of the UM Department

- Macro and micro level trending analysis
- Review by the UM Committee
- Referrals to QM and Peer Review Committees

Hospitals (Cont.)

Aim #2: Improving the Health of Populations

- Preventing Readmissions

Role of UM Hospital and Payer or Shared-Risk Provider Staff:

- Discharge Planning
- Transition Management
- Care Coordination with preferred providers and specialty agencies

Hospitals (Cont.)

Aim #3: Reducing the Per Capita Cost of Health Care

- Evidence-based care
- Guideline adherence
- Level of care appropriateness

Role of UM Hospital and Payer or Shared-Risk Provider Staff:

- Prospective and Concurrent Review
- Discharge and Transition Management
- Provider consultations and education
- Monitor at and Refer to Quality Management

Role of the UM Department

- Macro and micro level trending analysis
- Review by the UM Committee
- Referrals to QM and Peer Review Committees



“We look for people who can quickly adapt to changes in the workplace.”

Risk-Sharing Organizations

Organizations receiving value-based payments for decreased ambulatory-sensitive conditions, readmissions, and ER visits, including: ACOs and PPOs

Role of UM Staff

Member-specific approach to:

- Prospective/Concurrent Review
- Discharge/Transition Management
- Provider consultations and education
- Monitor at and Refer to Quality Management
- On-going care coordination and monitoring

Role of UM Department

- Support micro and macro data analysis
- Provider monitoring
- Provider education

Non-Risk Bearing Primary Care Providers

FQHCs and Look-Alikes, PCMHs, HHs, CMHCs and Integrated Care Organizations

- Performance-based or value-based payment
- Must collaborate with hospital UM staff for the coordination of timely discharge planning and transition management
- Share information timely
- Ensure medication reconciliation and follow-up appointments
- Educate providers in the case of admissions for ambulatory-sensitive conditions and/or readmissions, ER visits, crisis services
- **May employ utilization management and/or care coordination staff to support MEMBER-SPECIFIC efforts**

Specialty Organizations

- Role in supporting UM depends on the type of services provided and the needs of the member
- Data-sharing and coordination of care at a minimum
- For providers offering level of care services – transition management
- Support for on-going follow-up
- Recommendations: Develop metrics to support role in utilization management



“This is gobbledegook. I asked for mumbo-jumbo.”

QUESTIONS

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