



## 3M™ Clinical Risk Grouping Software

- Clinically precise tool for longitudinal care coordination
- Addresses total cost-of-care management, quality outcomes measurement and improvement, and provider and health plan profiling
- Can help form the basis for effective chronic disease risk adjustment

### What are the 3M™ Clinical Risk Groups?

The 3M Clinical Risk Groups (CRGs) are a population classification system that uses diagnosis and procedure codes, pharmaceutical data and functional/mental health status to assign individuals to severity-adjusted homogeneous groups.

Depending on the level of granularity you want, the grouping results can be aggregated to predefined or user-defined 3M CRG groups that maintain clinical significance and severity adjustment.

### The challenge: Account for clinical complexity

Clinical complexity presents a challenge for population health management. Some individuals are healthy. Some are very sick. No two patients or enrollees are the same, not even those with the same diagnosis.

Accounting for clinical complexity requires that you identify patients with chronic illnesses and multiple problems. But more than simply identifying them, you must recognize that individuals with the same illness may have different levels of severity.

Each individual has different needs for health care that largely depend on his or her health status. Population health management—including equitable payment—requires that clinical complexity be accurately taken into account.

### The 3M solution: Risk adjust the individual's burden of illness

The 3M Clinical Risk Grouping Software can help you meet these challenges by grouping data to risk adjust for each individual's burden of illness. The 3M Clinical Risk Groups (CRGs) help relate the historical clinical and demographic characteristics of individuals to the amount and type of health care they would be expected to use in the future.

The 3M software uses expert clinical logic to assign each individual to a single, mutually exclusive severity-adjusted risk group. Each individual 3M CRG can provide a foundation for both a payment system and a care coordination system. Because 3M CRGs are clinically based, they create a language that links the clinical and financial aspects of care.

### Key features and benefits

3M CRGs can provide a comparative and detailed population-based understanding of disease severity. This understanding can help you design care coordination strategies and best practices to control costs, maintain quality and improve outcomes.

3M CRGs can also be used to help you:

- Minimize financial incentives for treating low-cost patients
- Set fair rates to discourage adverse risk selection and reward cost-effective treatment of high-risk individuals
- Align best practices with reimbursement
- Profile utilization patterns and the appropriateness of capitation rates



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Because the 3M Clinical Risk Grouping Software groups individuals into clinically similar classes, it can be used as a powerful management tool to help you profile providers as well as measure and improve quality of care and outcomes.

### Strong clinical foundations

The 3M CRGs can be used to measure and manage population health. The categorical severity adjustment incorporates claims data, pharmaceutical data and functional/mental health status when assigning risk groups, which can help you identify individuals with multiple chronic co-morbid conditions and determine their severity of illness. Because they carry clinical as well as financial relevance, the 3M CRGs can help you:

- Track and improve outcomes by reducing potentially preventable events, such as avoidable initial hospital admissions and ER visits
- Track the prevalence and progress of chronic disease
- Analyze the clinical efficacy of treatments
- Determine the medical costs and risks of groups of individuals
- Monitor quality of care

### A tool for both prospective and retrospective analysis

Like the Centers for Medicare & Medicaid Services (CMS) Diagnosis Related Groups (DRGs), 3M CRGs provide a means of adjusting payment amounts according to clinical characteristics and resource demands. Although DRGs and 3M CRGs are both classification systems, DRGs are used as a retrospective tool, while 3M CRGs may be used both prospectively and retrospectively.

In addition, the DRG grouping process addresses a specific inpatient hospital admission, while the 3M CRG grouping process profiles an individual over a period of time, typically a year. With the predictive capability of 3M CRGs, payers can set rates that both encourage providers to care for high-risk, sicker patients and also drive care coordination improvements that can help yield better outcomes.

### Call today

For more information on how 3M solutions can assist your organization, contact your 3M sales representative, call us toll-free at **800-367-2447**, or visit us online at **www.3Mhis.com**.



#### Health Information Systems

575 West Murray Boulevard  
Salt Lake City, UT 84123  
U.S.A.  
800 367 2447  
www.3Mhis.com

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### External validation of the 3M™ Clinical Risk Groups (CRGs)

The 3M CRGs have undergone extensive independent validation and are used in population health initiatives by several state data commissions, health departments and commercial payers for:

- Quality outcomes and total cost-of-care management for managed care and accountable care organizations (ACOs) in state Medicaid programs, such as Texas and New York
- Outcomes-based payment programs used by commercial payers and regional/national health plans, including many Blue Cross® Blue Shield® organizations
- Public performance reporting and All Payer Claims Database analysis by state agencies, including the Utah Department of Health and the Texas Health and Human Services Commission
- Population health and episodes-of-care analyses for the Medicare Payment Advisory Commission (MedPAC)
- Comparisons of quality and utilization in special needs delivery programs, such as HIV, mental health and substance abuse

3M also uses 3M CRGs as an integral component of the **3M™ Patient-focused Episodes Software** and **3M™ Population-focused Preventables Software**.

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