



3M™ Clinical Risk Grouping Software for payers

- Clinically precise tool for longitudinal disease management
- Ideal for provider profiling, quality measurement, and outcomes improvement
- Aligns payment incentives with clinical goals
- Essential basis for effective chronic disease risk adjustment

What are 3M Clinical Risk Groups?

Using diagnosis and procedure codes, 3M Clinical Risk Groups (3M CRGs) classify individuals into severity-adjusted homogenous groups for risk adjustment. Depending on the level of granularity desired, 3M CRGs can be aggregated to predefined or user-defined aggregated CRG groups that maintain clinical significance and severity.

The challenge

The prevailing trend in American healthcare finance is to be sure providers are paid appropriately for services delivered. Because a few individuals consume a disproportionate share of resources, existing payment systems often create incentives to provide treatment for individuals who are least likely to generate high medical expenses and to limit services to high-utilization populations.

The result is often reduced services for those who need them the most, with little or no incentive to provide early, less expensive care. Payers place themselves in considerable financial jeopardy if they fail to adequately adjust their payment levels and manage the populations they serve. By correlating payment levels with the predicted level of future medical services required by the population being served (risk adjustment), payers can reduce their risk levels and raise the efficiency of their care management through provider profiling and aligning best practices.

The 3M solution

3M CRGs can be used by payers, researchers, consultants, epidemiologists, government health policy leaders, or others to group data as the basis for effective risk adjustment. Because 3M CRGs are clinically precise, they can be a powerful tool for disease management, provider profiling, as well as measuring and improving quality of care and outcomes. 3M CRGs can help an organization align payment incentives with its clinical goals.

As a management tool, risk adjustment must be able to quantify the future level of risk posed by each individual in the population based on medical history and treatment patterns. The assignment of 3M CRGs leads to the establishment of equitable rates by increasing payments to providers for high-risk individuals and reducing payments for low-risk individuals, thus creating equitable rates for both payers and providers.

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Key features and benefits

3M CRGs can provide the basis for a comparative understanding of severity, treatment, best practice patterns, and disease management strategies, which are necessary management tools for payers who want to control costs, maintain quality, and improve outcomes. This can encourage competition between providers based on the quality and efficiency of care delivery, rather than cost avoidance and service restriction.

3M CRG-adjusted payment rates can help:

- Minimize financial incentives for treating low-cost patients
- Provide increased incentives to adequately treat individuals at high risk
- Promote financial and clinical efficiency in care delivery

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

Like the Center for Medicare and 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 analyzes inpatient, ambulatory, and pharmacy data over a period of time. With the predictive capability of 3M CRGs, payers can set rates that minimize inappropriate incentives, and, at the same time, reward providers who clinically and financially manage high-risk individuals effectively.

Strong clinical foundations

With 3M Clinical Risk Grouping Software, you're using a management tool that clinically assigns individuals to meaningful severity-adjusted risk groups. These groups identify individuals with multiple chronic co-morbid conditions and explicitly specify the severity of illness for each individual. The clinical orientation of 3M CRGs maximizes the level of understanding, acceptance, and usefulness of these measures in establishing effective clinical care guidelines, care pathways, provider profiles, and outcomes assessment.

Additionally, the 3M Clinical Risk Grouping Software can help you perform the following functions:

- Determine and track chronic disease prevalence and progress over time
- Analyze clinical efficacy of treatment patterns
- Determine costs associated with medical services and assess the level of risk for particular groups of individuals
- Track quality of care
- Profile utilization patterns and the appropriateness of capitation rates
- Address both chronic and multiple medical conditions and the level of severity

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

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