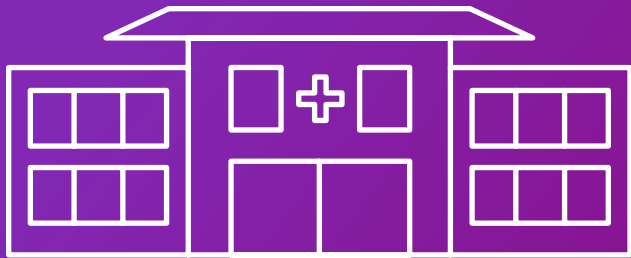


3M Health Information Systems

Designed for today's complex  
ambulatory environment:



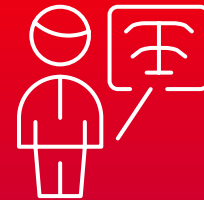
# 3M™ Enhanced Ambulatory Patient Grouping (EAPG) System

# The challenge: Managing the complex world of outpatient care, resource utilization and payment

The outpatient environment continues to grow in complexity as patients receive care in many settings instead of just one. Services are less centralized as care shifts from inpatient to outpatient settings. With all these changes, facilities can struggle to understand their outpatient populations, identify the resources that were used and generate clean claims. When facilities can manage the complexity of outpatient claims, they can easily identify cost-recovery opportunities and improve outpatient coding compliance and reimbursement.

The **3M™ Enhanced Ambulatory Patient Grouping (EAPG) System** is a comprehensive outpatient prospective payment system (OPPS) and methodology used to organize and pay for services with similar resource consumption across multiple settings, including hospitals, freestanding ambulatory surgery centers (ASCs) and renal dialysis centers. 3M EAPGs gives outpatient facilities unprecedented tools for effectively analyzing and managing this environment.

Read on to find out how 3M EAPGs can help transform patient data into actionable knowledge.



**While inpatient care uses the patient stay as the unit of analysis, 3M EAPGs use the patient visit and groups services that are similar in clinical characteristics and typical provider cost.**

# Why major payers and providers turn to 3M EAPGs



## Appropriate for all patient populations

Unlike other OPPS methodologies, the 3M EAPG methodology is not limited to the Medicare and Medicaid populations. It applies to all ambulatory patients.



## Clinically meaningful

3M EAPGs create a clinically meaningful outpatient classification system that serves as an efficient and vital communication tool for hospitals, physicians and health plans.



## Rewards efficiency through bundling and incentives

The 3M EAPG methodology takes a more bundled approach than other available methods. Payments can now be packaged and consolidated, creating efficiency and analytical clarity.



## Flexible use cases

The 3M EAPG methodology gives payers and providers flexibility to meet their use-case needs. This allows users to customize and choose among several options for bundling, including: consolidation, packaging, discounting, use of modifiers, handling medical visits and more.



# Appropriate for all patient populations

In the past, payment methodologies were specific to one setting or population, but the 3M EAPG methodology was designed to be suitable for all populations in multiple ambulatory settings.

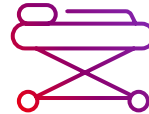
**This comprehensive approach is regularly updated to reflect services typically provided together.**



Patient visit



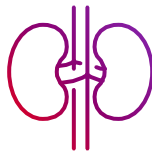
Hospital outpatient department



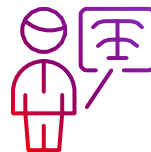
Freestanding ASC



Physician clinic



Renal dialysis center



Other diverse outpatient care settings

**3M EAPGs can be used for fetal procedures, RSV pneumonia, childhood preventive medicine and procedures considered “inpatient only” by Medicare.**



# Clinically meaningful

3M EAPGs bring clinical insight and appropriate incentives to the historically jumbled world of outpatient utilization and payment. Clinical meaningfulness is critical to a successful outpatient classification system, because in order to respond effectively, hospitals must communicate the incentives to medical staff. A clinically meaningful methodology is more readily accepted by hospitals and physicians and more useful as a communication and management tool. With 3M EAPGs, providers have access to powerful tools they haven't had before.

## 3M EAPGs provide

- A complete platform for analyzing and managing outpatient care
- Data that can be used in public reporting and other comparisons across hospitals and states
- Hospitals and other providers, government agencies, payers and researchers with a methodology that accommodates financial measures such as charges, costs and payments to create fair comparisons between utilization and efficiency across providers, attending physicians or service lines

**Outpatient data is grouped into clinically relevant categories, which supports meaningful improvements in the delivery of care.**

The 3M EAPG classification groups are more clinically meaningful than the CMS Ambulatory Payment Classification (APC) codes. In the APC methodology, an emergency department visit for chest pain would be classified as "level IV ED visit." Using 3M EAPG classification groups, the same visit can be classified in clear, succinct terms: chest pain.



# Rewarding efficiency

The 3M EAPG methodology takes a more bundled approach than either the CMS APCs or the other fee schedule and percentage-of-charge methods that are still widely used for outpatient care. 3M EAPGs consolidate procedures when multiple occurrences of the same procedure are present. In addition, clinically similar procedures are consolidated when reported on the same service date.

The consolidation feature allows for more efficient bundled payments rather than individual procedure payments. It also packages ancillary services together with the significant procedure where appropriate. When payment for all routine services delivered in a single patient visit is captured within a single, fixed charge, hospitals have a financial incentive to provide only the most appropriate services.



**The goal:** Provide hospitals with financial incentives to deliver appropriate services. 3M EAPGs take a bundled, per-visit approach, which is why it has been widely adopted.

**The 3M EAPG System is updated quarterly to stay current with industry standard outpatient code sets (i.e., ICD-10-CM and Health Care Procedure Coding System) and changes in clinical practice.**



# Rewarding efficiency

## Easily predict and verify expected payment for hospitals and providers

3M EAPG grouping logic is the same for every payer, although different payers can choose different configuration options and may follow different update schedules. Each payer that uses 3M EAPGs makes its own decisions about prices and payment policies. For hospitals, other providers, health plans and other organizations that seek to understand, predict and verify expected payment, 3M makes available software that emulates payer-specific grouping, pricing and reimbursement policies. This payment prediction software is available for 16 payers nationwide (as of 2018).



**1,000**

provider organizations



**18** Medicaid programs

*and*



**13** Commercial payers

have licensed 3M EAPGs to predict and verify payment as well as analyze and improve internal operations



# Flexibility is key

A successful outpatient classification system must be flexible enough to accommodate a full range of options to incorporate ancillary services into the visit payment. The 3M EAPG methodology can be used to develop an outpatient case mix index called the “service mix index” for managing, comparing and analyzing ambulatory care and various other settings. Additionally, the 3M EAPG methodology only needs information that is already routinely available from hospital outpatient or professional claims.

**3M EAPGs can be configured to meet the needs of payment policy. For example, users may choose among several options for packaging ancillary services, discounting multiple occurrences of the same procedure, and paying or not paying for multiple medical visits that occurred on the same day.**



# Rely on a proven methodology

In ambulatory care, it's always been challenging to see the full picture, including all the services provided, how the organization was paid for those services, which providers are efficient and which are not, and, ultimately, the patient's outcome. By consistently defining the unit of analysis as the ambulatory visit across different settings, 3M EAPGs can provide deep insight and facilitate unique comparisons.

By using 3M EAPGs, providers can easily manage the complexity of outpatient claims, identify cost-recovery opportunities and improve outpatient coding compliance and reimbursement.



## Call today

For more information on how 3M software and services can assist your organization, contact your 3M sales representative, call us toll-free at **800-367-2447**, or visit us online at **[www.3m.com/his](http://www.3m.com/his)**.



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