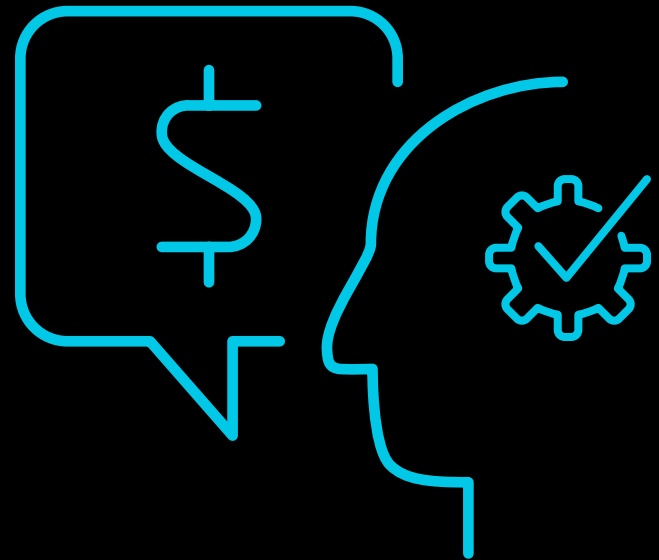


# Representing the patient burden of illness in a value-based health care world



# How do you capture the patient's burden of illness in value-based health care?



Through an accurate assessment of the patient's health status using risk adjustment factors (RAF) score.

A RAF score is assigned in a risk-adjusted model based on a patient's demographic factors and diagnosis codes mapped to hierarchical condition categories (HCCs). RAF scores are used as a metric to predict care utilization and financial projection for the following year for patient care.

## Demographic risk score

- Age
- Residence (community versus skilled nursing facility (SNF) or institution)
- Medicaid disability and interaction with age/gender



## Disease risk score

- Reported HCC diagnoses
- Diagnosis interaction factor (related to specific comorbid categories)



## Patient RAF

- Reflects underlying health status and expected costs for managing total patient burden of illness

# Why is HCC specificity key to an accurate RAF score?



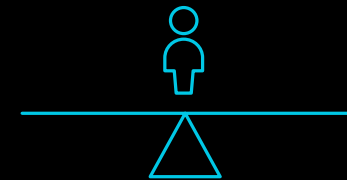
The RAF score represents the patient population for a health care organization. This score is used to determine financial metrics and care utilization benchmarks for value-based programs.



HCCs represent the patient complexity, presenting the patient's chronic conditions and patient care provided.



HCC specificity and compliant documentation are key to capturing the accurate RAF scores that represent the patient burden of illness.



Average RAF score baseline for an individual = 1.0



Healthy patients may have a RAF score below the 1.0 average

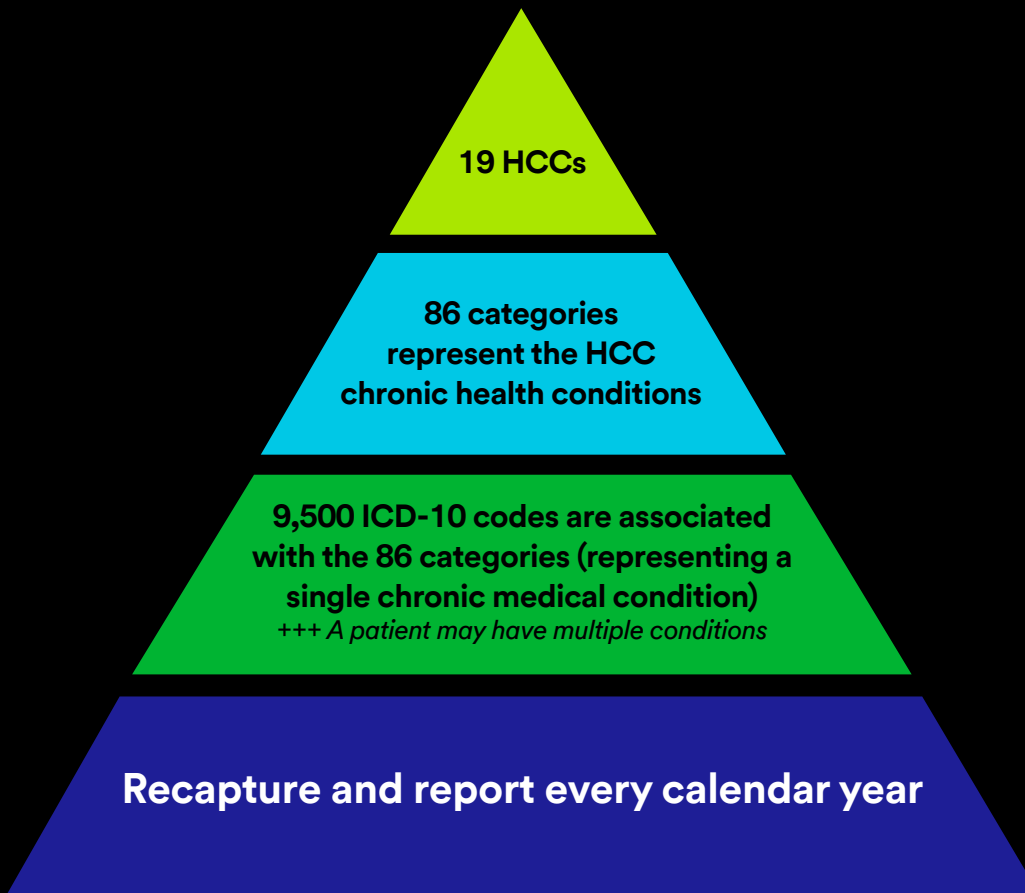
Sicker patients may have a RAF higher than the 1.0 average.

*HCC's represent the chronic conditions associated within a RAF score.*

# Why are HCCs important?



HCCs present the complexities of a patient's conditions. Managing your patient's HCCs in a value-based world has never been more important. Or complex.



## Consider the following:

In 2020 there were 19 HCC categories representing 86 chronic health conditions used to determine a patient's RAF score. This continues to increase year after year.

**Complex?** Yes, but important as value-based health care continues to expand across patient populations. HCCs provide the complete clinical picture of the patient and the patient's chronic condition.

# Why is specificity with documentation key to an accurate RAF score?



Specificity can make a difference. The ability to document greater specificity can have an impact on RAF scores and subsequent reimbursement.

## Diabetes Centers for Medicare & Medicaid Services (CMS) HCCs.

Possible impact for a diabetic patient.

2021 risk adjustment factor score		
Category	Description	Score
HCC 19	Diabetes without complications	0.105

(example 1)

2021 risk adjustment factor score		
Category	Description	Score
HCC 18	Diabetes with complications	0.302

(example 2)

CMS HCC 19 (example 1) shift to CMS HCC 18 (example 2) raised the individual patient's RAF score by 0.197 which can increase the potential reimbursement impact\*

\*Actual impact is based on the healthcare organization's plan

$$(0.302 - 0.105) = 0.197 \times 855 \text{ PMPM} = 168.43 \text{ month} \times 12 = \$2,201.22$$

HCC 19  
shift to  
HCC 18

Difference  
= 0.197

Total per  
member  
per month

Additional reim-  
bursement based  
on specified HCC  
category

Months  
per year

Additional financial  
impact per patient

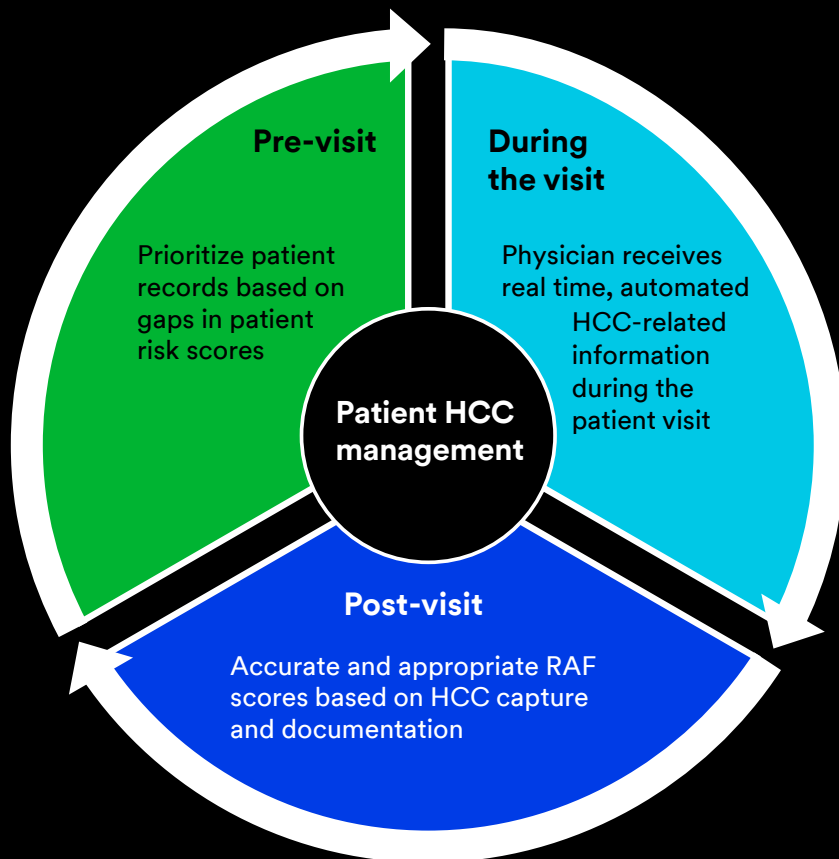
**= \$2021 / year**

Potential reimbursement impact  
representing 498 patients:

- = \$1,006,568 to Medicare Advantage plan at 100% realization
- = \$503,284 to Medicare Advantage plan at 50% realization
- = \$251,642 to Medicare Advantage plan at 25% realization

# Capturing the complete patient story with 3M™ M\*Modal HCC Management.

3M HCC Management is a closed-loop solution that uses artificial intelligence (AI)-powered computer-assisted physician documentation (CAPD) technology to deliver efficiency in identifying and documenting HCCs, thereby helping ensure an accurate RAF score representing the patient.



## HCC management benefits:



### Pre-visit

The physician has the most relevant patient information available upon opening the patient chart



### During the visit

The point of care nudges reduce the need for additional “after hours” administrative tasks



### Post-visit

Calculates RAF scores for all patients in a facility’s population helping auditors identify gaps from year to year, in addition to presenting a clear picture of the patient population

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).



**Health Information Systems**  
575 West Murray Boulevard  
Salt Lake City, UT 84123 U.S.A.  
800 367 2447

[www.3M.com/his](http://www.3M.com/his)

3M is a trademark of 3M Company.  
M\*Modal is a trademark of 3M Company.

Copyright © 2022, 3M. All rights reserved.  
Published 10/22  
70-2011-9491-0