



The Johns Hopkins University's

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Risk Adjustment Conference**



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Tucson, Arizona
Loews Ventana Canyon

Plenary: Measurement to Management

Minnesota Medical Home Initiative: Patient Complexity Tiers

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Minnesota's Cross-Payer Health Care Home Legislation (Implementation 7/1/10)

- Develop a cross-payer system of PMPM care coordination payments to certified Health Care Homes (HCH) based on the complexity of the patient
- In addition to medical complexity, consider inclusion of factors such as “limited English-language skills, cultural differences, or other barriers to health care” to assess patient complexity
- U of M project objectives were to design, implement, and refine patient risk stratification method and support design of program management and evaluation tools:
 - 1) Define currently non-billable work of care coordination based on the estimated time and work required to coordinate their care
 - 2) Create a method to stratify patients into objectively verifiable “complexity tiers” based on how much care coordination they are expected to need over a given time period to achieve or maintain optimal health
 - 3) Develop method of risk stratification that can be conducted by HCH providers
 - 4) Refine risk stratification method during first two years of implementation
 - 5) Support development of evaluation tool and information exchange with HCHs



Developed ACG Based Patient Complexity Tiers

- Based on ACGs Version 9.0
- Combinations of major ADGs and selected EDCs
- HCH providers stratify patients using a menu of selected EDCs and then applying an adaptation of Hopkins' criteria for assigning conditions to major ADGs to determine whether a selected EDC is a “major condition group”
- Risk stratification based on the sum of Major Condition Groups (i.e. of selected EDCs that meet major condition criteria)
- Additional “non-medical” risk factors used to increase payment by defined % within tiers



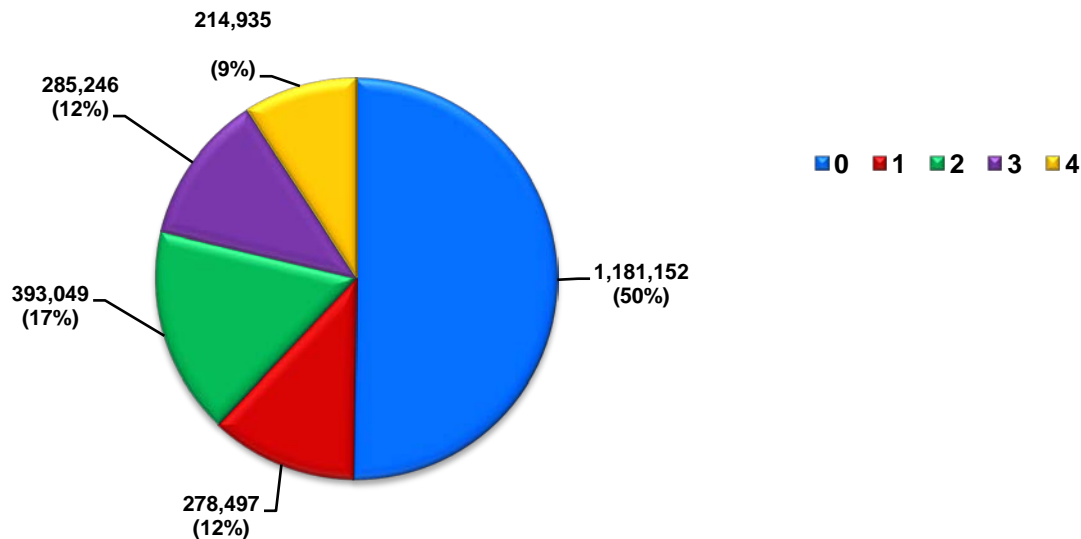
Patient Complexity Tiers

- Tier “Zero” - 0 Major condition groups
- Tier One - 1-3 Major condition groups
- Tier Two - 4-6 Major conditions groups
- Tier Three - 7-9 Major condition groups
- Tier Four - 10+ Major condition groups



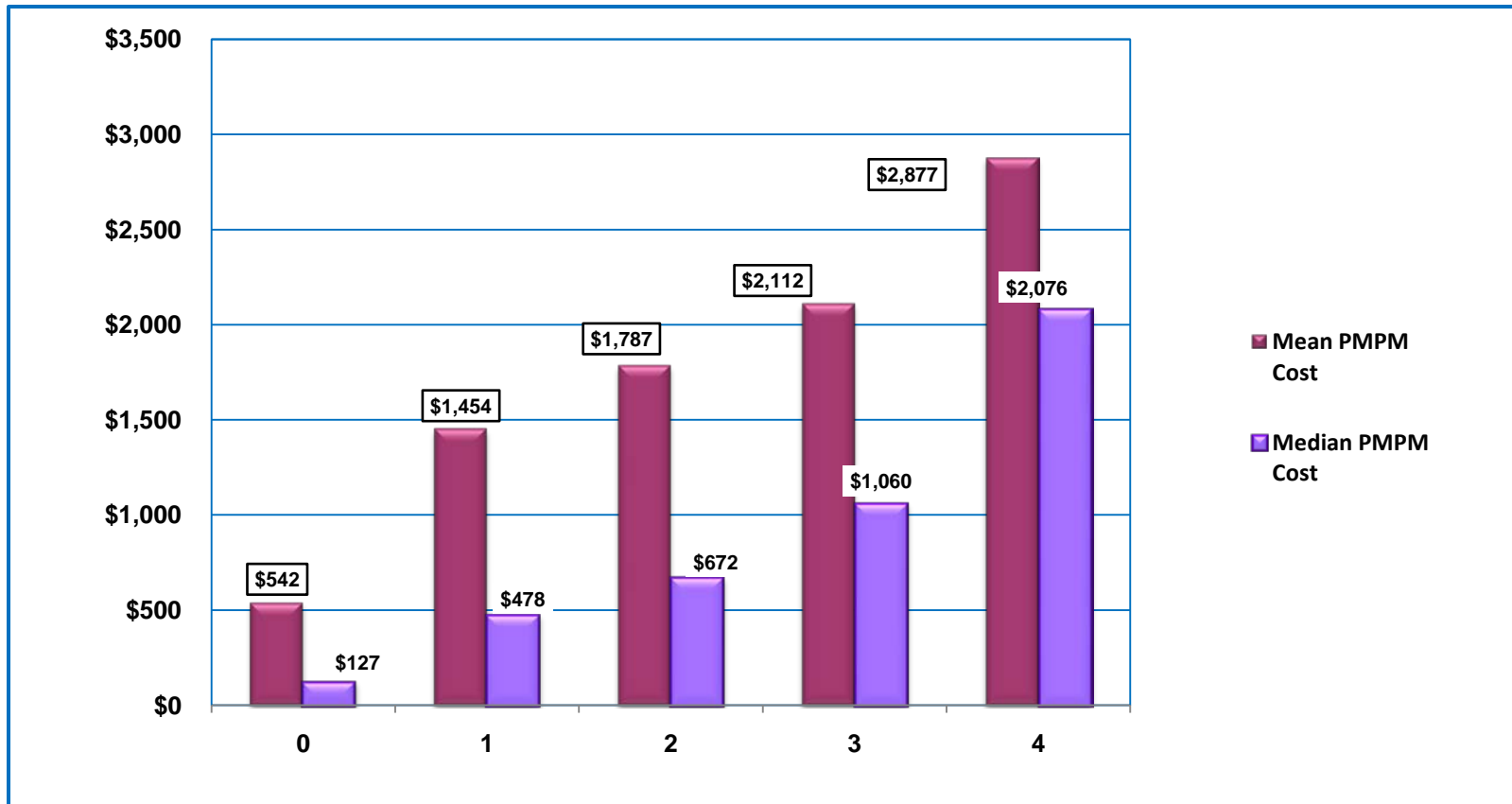
Risk Tiers for MN Public Program FFS Population

Distribution of Member Months by MCGs (modified EDC) Tiers



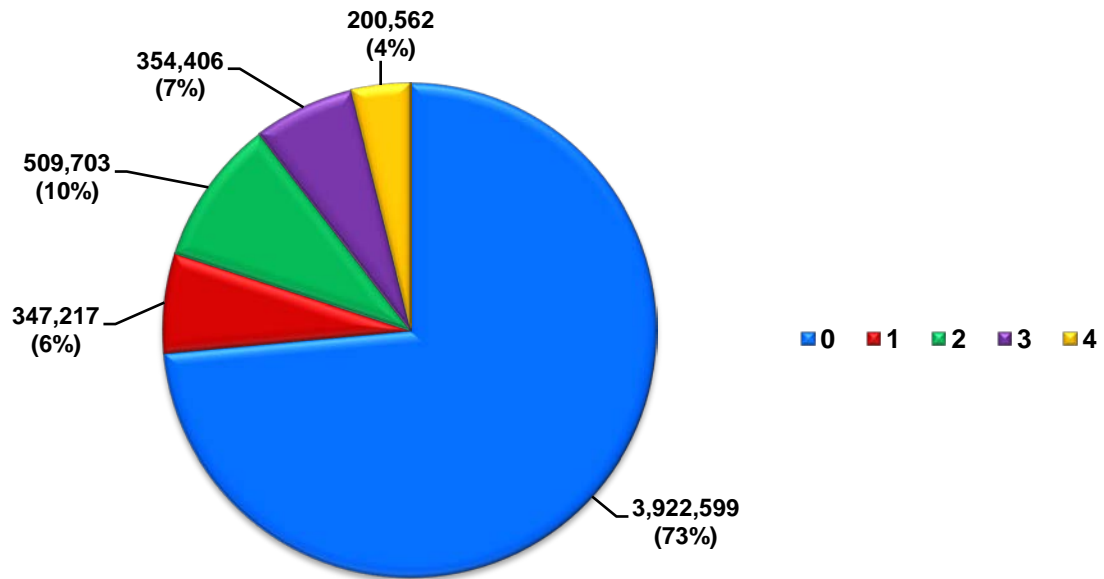
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Medical Costs for MN Public Program Population HCH Tiers



Risk Tiers for MN Public Program HMO Population

Distribution of Member Months by MCGs (modified EDC) Tiers



“Non-Medical” Complexity Factors

- Identified as highest-priority: readiness to engage in care; primary language other than English; major active mental health condition; access to communication tools; social support; employment/education
- Two factors chosen as a starting point (present in administrative data and thus verifiable):
 - ❖ Primary language other than English
 - ❖ Major active mental health condition
- Each of these two factors will trigger a defined-percentage increase in the rate for each tier



MN HCH payer-provider information sharing can lead to improved care across payers

- ACGs are a commonly used by MN payers allowing for easier cross-payer implementation of HCH payment and data sharing methods
- Tools in development to support tier assignment by HCH providers – concept of “major” conditions needs to be translatable and supported by IT that can be feasibly applied by HCH providers
- New opportunities for payer-provider data sharing for better patient care management and population health management and evaluation
- Provider submitted data on risk factors and care coordination effort and effectiveness opportunity to refine and improve risk assessment and program evaluation methods

