Innovations in Medicare Research: the CMS Research Identifiable Files

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Getting Access to Research Identifiable Files

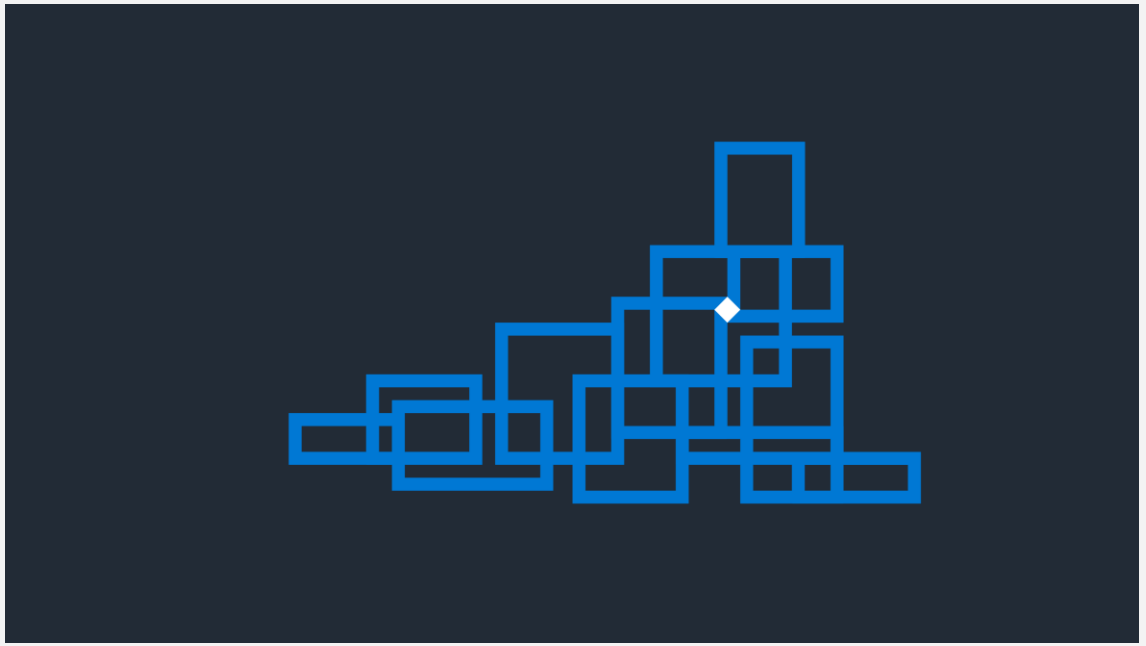
Step 1 – Submit and execute a Data Use Agreement (DUA) with CMS

Research Purpose

- Develop a study and set research goals
- Write Research purpose
- Iterate through study design and purpose with CMS

Can take a year

Milliman maintains many DUAs with CMS for different purposes



Access to What?

Step 2 – Which files to request access to and what do they mean?

Getting access is the easy part!

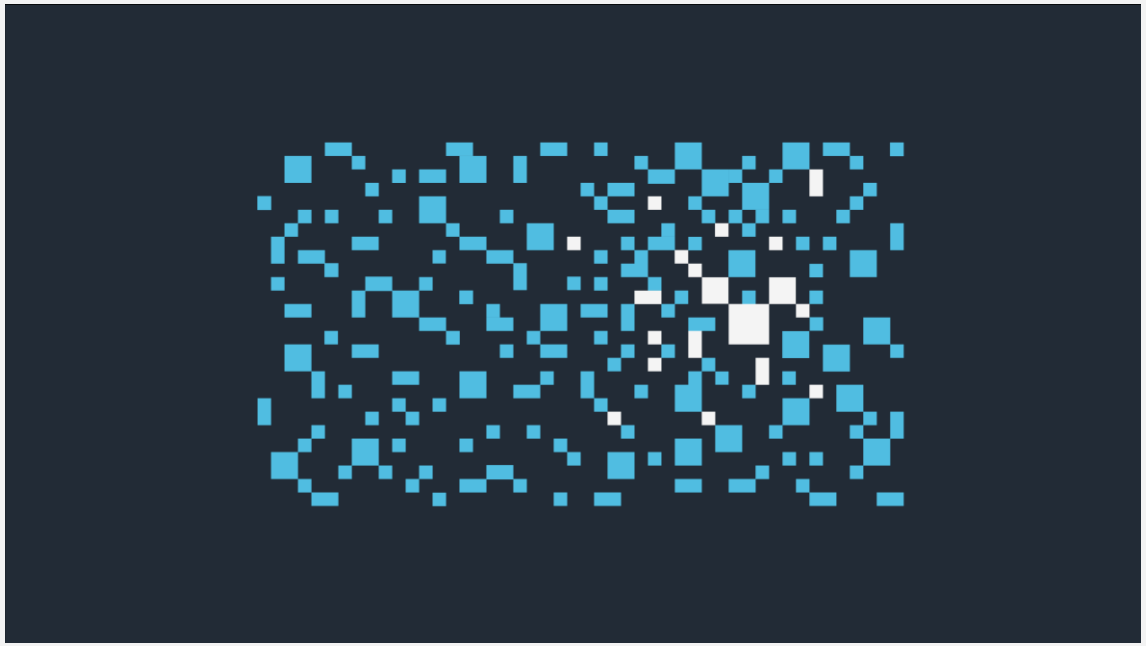
CMS offers a great many files

- Each has a cost to purchase access to
- They all need to be combined to be useful
- Information is often on separate tables, which may need to be requested and purchased separately
- Requesting an additional table requires significant planning, as approvals and delivery from CMS takes a significant amount of time

We got the data, now what?

Step 3 – Scrub and understand the data

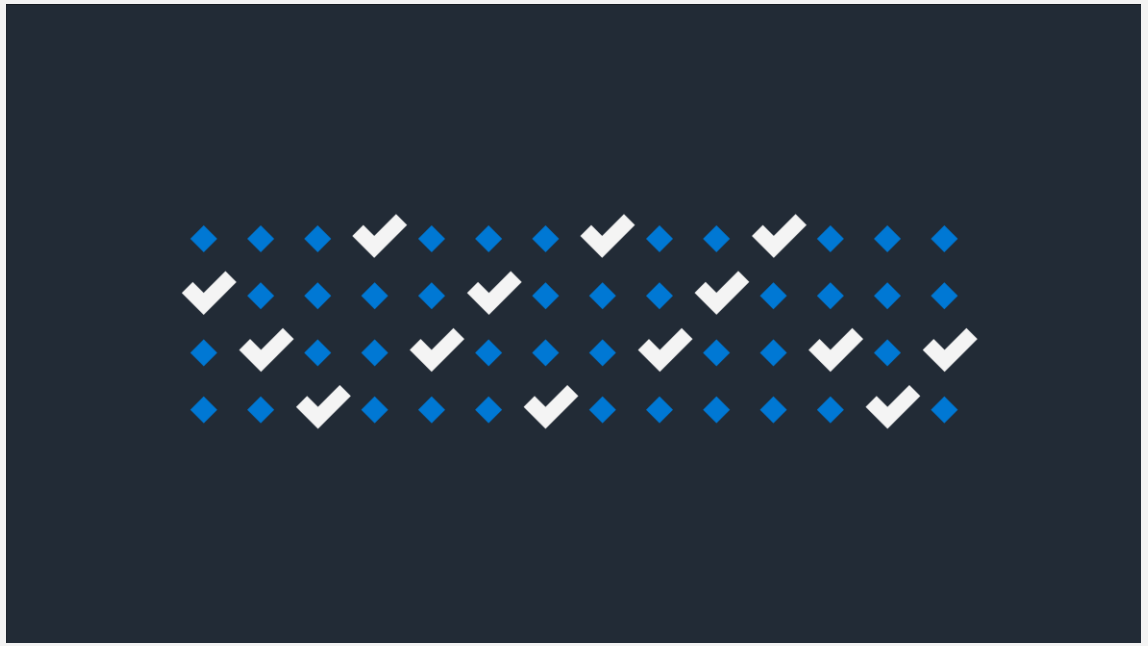
- Data layouts are generally available from CMS, but many fields aren't populated well or aren't documented well
- Scrubbing the data is critical
- Derivative calculations are often needed to turn the data into useful information
- We spend a lot of time scrubbing the data and reconciling it back to other data sources we have in order to ensure that we are interpreting the data correctly and that the data is complete enough to support the analysis we are performing



No risk scores? No dollars?

Step 4 – Transform and add Tools

- Add risk scores – they aren't in the VRDC and must be calculated
- Add Global RVUs (Relative Value Units) – MA Encounter Data does not have allowed or paid dollars and need financial values assigned
- We add many other tools and processes on top to make the data useful
- No software may be installed, and SaaS groupers can't be run since data would have to be shipped off externally – tools often need to be recoded in SAS or SQL and Python



MA Encounter Data

Illustrative Use Case

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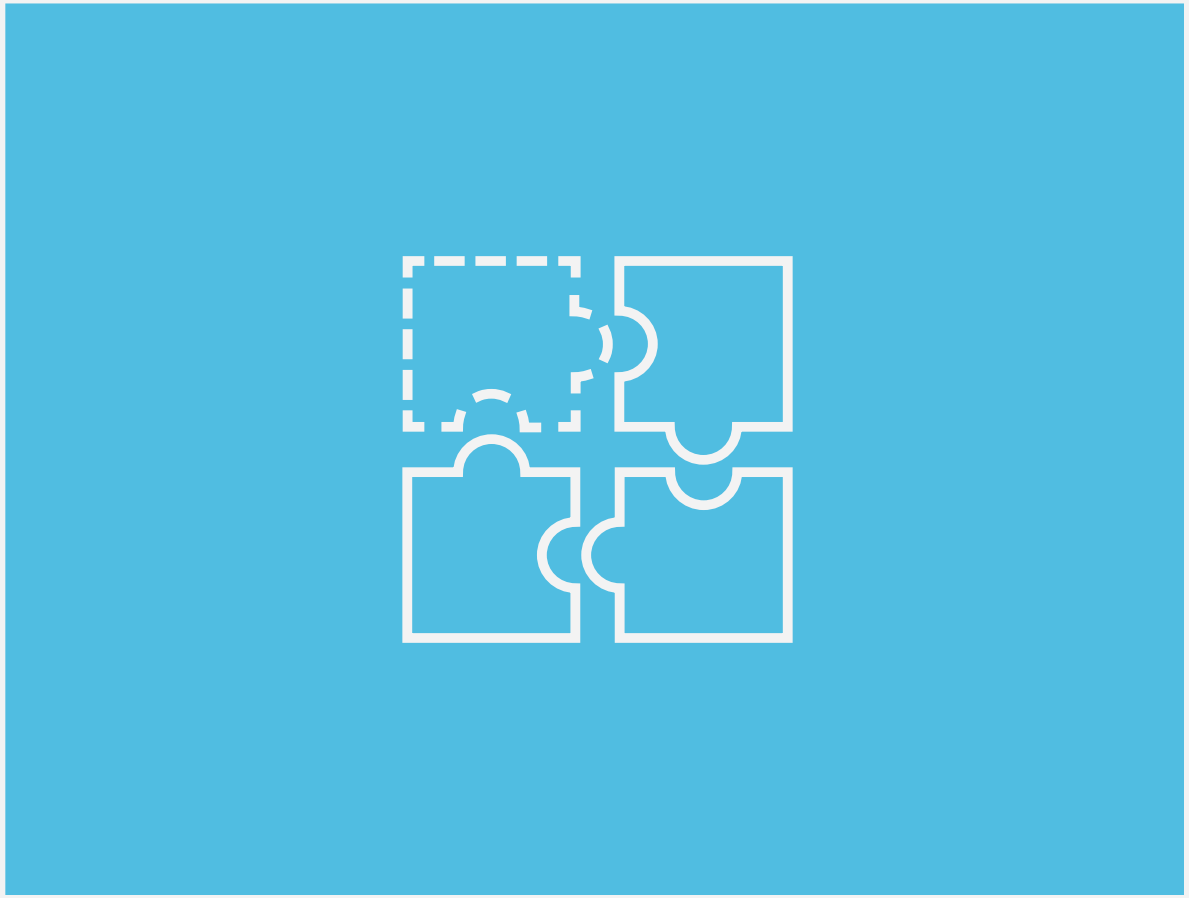
Illustrative Use Case: Provider Network Performance

- The enriched MA encounter data enables a variety of stakeholders to make informed data driven decisions about their provider network strategy
- Running claims-based attribution models on the encounter data assigns members to physician groups
- MA data also includes the specific MA plan each member is enrolled in
- Allows benchmarking of physician network performance for attributed populations, further segmented by carrier



Sample Physician Scorecard

Illustrative Example

Select Physician Group
XYZ MEDICAL GROUP

Select Carrier
ABC PLAN

Medicare Advantage Network Intelligence (MANI)

XYZ MEDICAL GROUP

CY 2019 MA Cost of Care Efficiency		ABC Plan	MA Total
MA Net Paid Expenditures PMPM		$948.31	$920.82
MA Benchmark Payment Ratebook PMPM	*Understand provider MA efficiency*	$895.20	$1,042.32
MA Efficiency		1.059	0.883
MA Risk Revenue PMPM		$742.63	$858.34
MA Loss Ratio for Standard Medicare Benefit		1.277	1.073

CY 2019 FFS Cost of Care Efficiency		FFS Total
FFS Expenditures PMPM		$1,004.17
REACH Rate Book	*Understand provider FFS efficiency*	$1,029.01
FFS Efficiency		0.976

CY 2019		Traditional Medicare (FFS)		Medicare Advantage (MA)		
Panel Metric	Use Case	Provider	Region	ABC Plan	Provider	Region
Panel Metrics						
Members (Person Years)	*Panel and Market Sizing*	53,867	229,576	4,791	45,318	130,916
Risk Scores	*Understand risk scores*	1.040	1.102	0.967	1.090	1.109
Utilization Metrics (rate per 1,000)						
IP Acute Days		1,183	1,395	1,497	1,418	1,474
IP Acute Admits	*General utilization patterns / opportunities*	246	279	238	229	229
ER Visits		280	326	297	306	324
PCP Visits		7,733	8,160	7,445	7,167	7,598
Wellness visits		194	384	217	238	602
Site Of Service Measures (% Outpatient and ASC)						
Surgery		40%	44%	49%	49%	49%
Radiology		67%	76%	65%	62%	75%
Lab	*Understand Hospital Usage*	21%	37%	13%	13%	28%
Drugs		37%	44%	29%	29%	33%
Therapy		30%	38%	15%	14%	17%
Office Visits		15%	22%	8%	7%	12%

Potential interested stakeholders

ACO Aggregators, Private Equity / Venture Capital Organizations

- Understanding of likely attributed population size (in total and by carrier) for existing or targeted physician groups
- Identification of higher performing providers in new markets
- Helps inform value-based contracting decisions

Medicare Advantage Plans

- Identification of higher performing providers in new markets being considered for service area expansions
- Understanding of how a provider's performance with the MA plan's attribution population compares with that provider's performance with other MA plan populations
- Aids development, refinement, and targeting of efficiency and quality incentive programs e.g., total cost of care, readmissions, annual wellness visits, etc.

Risk Score Project Example

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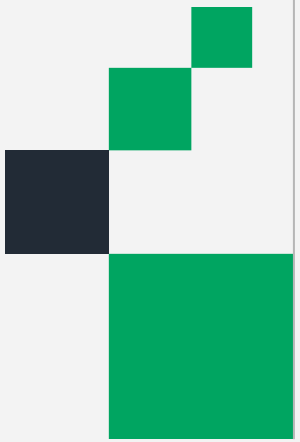
Background

2024 Risk Adjustment Model Change



The Medicare Advantage 2024 CMS Advance Notice proposed a clinical change to the MA Risk Model

The risk model forms the underpinnings for most payments to MA plans

The proposed model was a major revision, and our initial modeling showed the potential for plans to receive as much as 10% increases or decreases to their funding

CMS quantified the nationwide average impact at about -3%

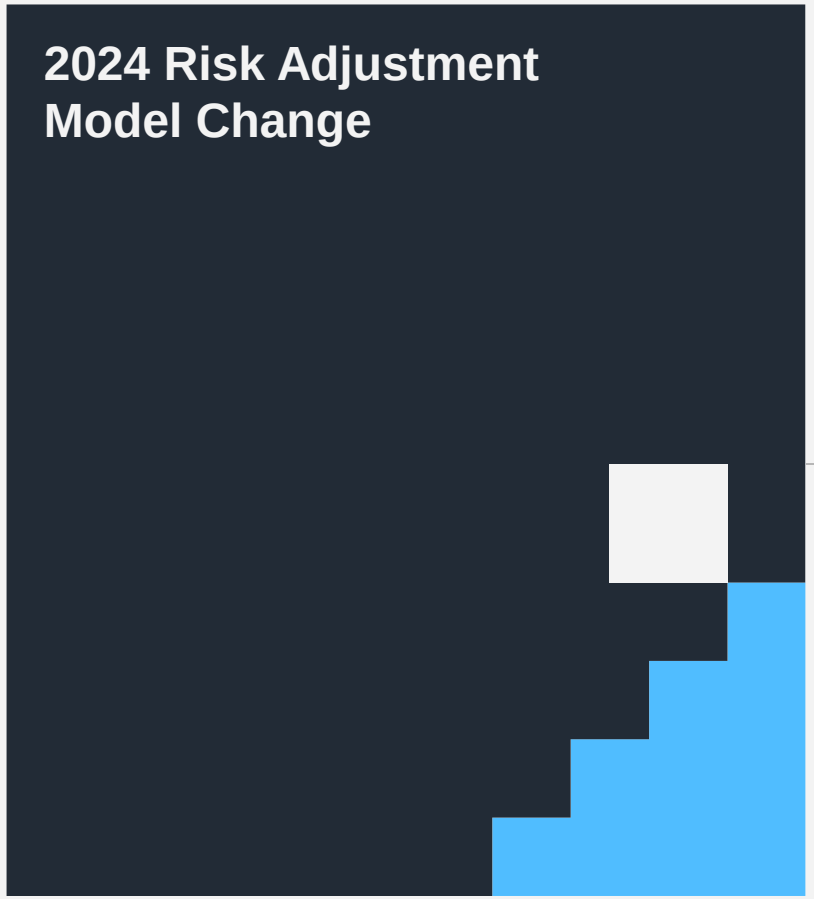
Impact by Plan Type / Population Type

2024 Risk Adjustment Model Change

Plan Type	Member Months	Raw Current Risk Scores	Raw Proposed Risk Scores	2023 Norm Risk Scores	Proposed 2024 Norm Risk Scores	Model Impact
Medicare Fee-for-Service	362,166,961	1.108	1.026	0.983	1.011	2.8%
Medicare Advantage						
General Enrollment	189,292,118	1.192	1.040	1.058	1.025	-3.1%
EGWP	54,550,644	1.183	1.049	1.050	1.033	-1.6%
D-SNP	32,667,568	1.771	1.502	1.572	1.480	-5.8%
C-SNP	4,064,389	1.989	1.593	1.765	1.570	-11.1%
I-SNP	891,632	2.899	2.563	2.572	2.525	-1.8%
MA Total	281,466,351	1.275	1.108	1.131	1.092	-3.5%
Grand Total	**643,633,312**	**1.181**	**1.062**	**1.048**	**1.047**	**-0.1%**

Approach

2024 Risk Adjustment Model Change



1

Use MA Encounter data combined with FFS data to calculate risk scores

- At an individual person level
- Combine diagnosis data across Original Medicare and multiple payers
- Under both the old and proposed models

2

Retain population, geography, plan indicators, etc

3

Delve into plan specific intricacies and model intricacies

4

Validate against MAO data outside the RIFs

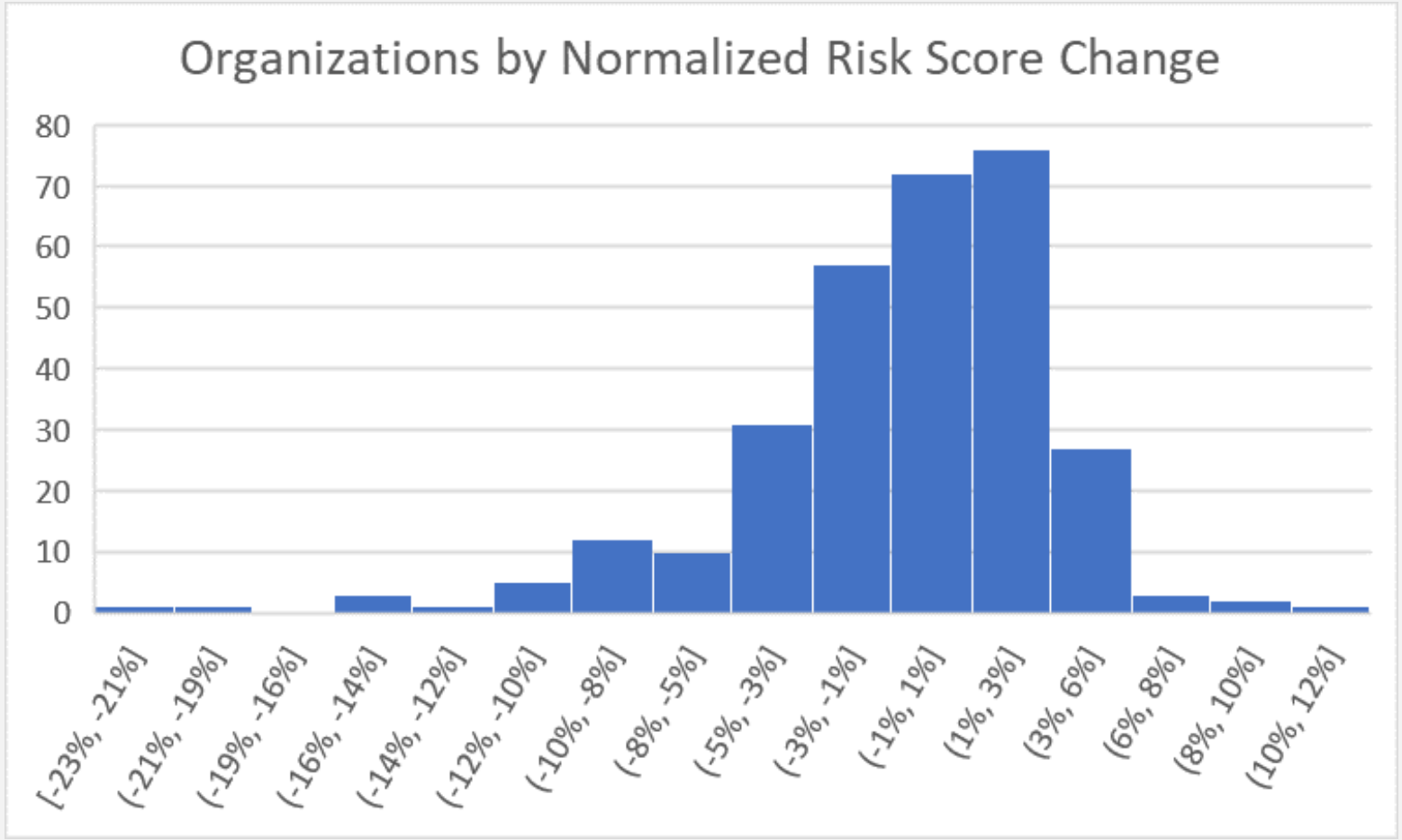
Geographical Difference

2024 Risk Adjustment Model Change

Plan Type	Member Months	Raw Current Risk Scores	Raw Proposed Risk Scores	2023 Normalized Risk Scores	Proposed 2024 Normalized Risk Scores	Puerto Rico Model Impact	National Model Impact
Medicare Fee-for-Service	500,231	1.102	1.009	0.978	0.994	1.6%	2.8%
Medicare Advantage*							
General Enrollment	2,460,559	1.571	1.277	1.394	1.258	-9.7%	-3.1%
EGWP	1,162,799	1.654	1.355	1.467	1.335	-9.0%	-1.6%
D-SNP	3,042,470	2.260	1.856	2.005	1.829	-8.8%	-5.8%
C-SNP	85,746	1.949	1.553	1.730	1.530	-11.5%	-11.1%
MA Total	6,751,658	1.900	1.555	1.686	1.532	-9.1%	-3.5%
Grand Total	**7,251,889**	**1.845**	**1.517**	**1.637**	**1.495**	**-8.7%**	**-0.1%**

Impact by Organization

2024 Risk Adjustment Model Change



Sample of plan specific output in a county

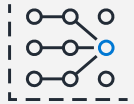
All figures are illustrative and not actual output

Organization	Plan Number	Plan Type	CY 2021 Member Months	v24 Raw HCC Model Risk Score	v28 Raw HCC Model Risk Score	Model Impact v28 / v24	
						Raw	After FFS Norm (3)
Medicare FFS in Service Area (1)			1,805,059	1.060	0.974	-8.1%	3.8%
Total MA for Plans in Service Area (2)							
General Enrollment		GE	354,105	1.083	0.985	-9.1%	2.7%
DSNP		DSNP	70,727	1.760	1.494	-15.1%	-4.2%
CSNP		CSNP	2,423	1.739	1.493	-14.2%	-3.1%
ISNP		ISNP	1,654	3.451	2.877	-16.6%	-5.9%
EGWP		EGWP	150,581	1.131	1.017	-10.1%	1.5%
Total		Total	579,490	1.188	1.063	-10.5%	1.0%
Carrier ABC	H1234-001	CSNP	146	1.289	1.214	-5.9%	6.3%
Insurer XYZ	H9876-001	EGWP	8,023	1.141	0.998	-12.5%	-1.3%
Carrier ABC	H1234-002	EGWP	25,436	1.154	1.021	-11.5%	-0.1%
Insurer XYZ	H9876-002	GE	2,473	1.150	0.984	-14.4%	-3.4%

Summary

2024 Risk Adjustment Model Change

A significant funding change was proposed, and ultimately implemented by CMS



We used the RIF data to calculate the impact by:

- Population type
- Plan
- Geography
- Populations with certain diseases
- Duration with an MA organization

Used to estimate funding effects in specific markets

Analyzed effects by beneficiary with specific diseases

Leveraging the Medicare 100% FFS Data

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What can be answered using the 100% FFS data?

- Primary Care Capitation (ACO REACH) – What will it look like for my ACO and how can I distribute it?
- Primary Care First – How does the capitation under PCF for my population compare to FFS?
- Who isn’t attributed to my ACO but are receiving services? What do they look like?
- What will my risk scores look like next year? Am I keeping up with the nation?
- How will the 2024 changes to MSSP impact my ACO? Should I rebase early?
- What other providers are my patients seeing?
- Are my providers better positioned under MSSP, ACO REACH, or neither?
- How do my expenditure trends compare to my region and to the nation?
- How am I performing against other providers in my region and nationwide?
- Where are there savings opportunities among my providers? Which service categories?
- What is the value of the AAPM bonus to my providers?

Milliman ACO Builder

Leverage complete data, meaningful analytics, and Milliman's ACO expertise to analyze provider performance.

Do you have the data you need?

Getting the data you need to make ACO value a reality is challenging. Innovative payment models hold great promise to improve outcomes and quality while managing costs. Achieving these goals requires in-depth performance insights—something you can't get from standard Medicare ACO reports. Without data for providers outside of your ACO, how do you accurately evaluate your competitive edge?

Introducing ACO Builder

Milliman ACO Builder quantifies participant-level performance for providers inside and outside your ACO, based on comprehensive data that's always current. It helps you improve partnerships with providers and payers to make healthcare more affordable, build the best network for your patient population, and excel in value-based care.

ACO Builder supports all major Medicare risk programs.

What makes ACO Builder different?

- In-depth metrics
- Data from outside your ACO
- Traceable calculations
- Pro-forma projection model
- Proven accuracy

Why choose ACO Builder?

More than just a dashboard

Available as a web-based solution or through Excel, it's a full pro-forma projection model

Connect with ACO experts

Connect with the consultants who created ACO Builder to get leading insights

Reduce risk and improve financial health

See how current participants are measuring up and potential impacts of new ones

Forecast the financial settlement

Build scenarios using different combinations of ACO participants and instantly see the estimated financial impact

Evaluate economic impact

Unpack the complex effects of program changes and contract renewals to improve your financial stability

Milliman ACO Builder Products

	USED FOR	PROBLEMS SOLVED	MAINLY USED BY	FORMAT
ACO Builder Forecast	Forecast financial outcomes	How would provider or program changes impact my financial outcome?	ACOs (MSSP and REACH)	Excel
ACO Builder Explorer	Explore potential provider partners	Which providers should I target to bring into my organization?	ACOs/ACO aggregators/MAOs with analytic capabilities	Flat File
ACO Builder Opportunity	Find opportunities and assess provider performance	How is a provider performing relative to peers and top performers? Where are there opportunities to reduce the total cost of care?	ACOs, ACO aggregators, risk bearing providers, MAOs	Power BI
ACO Builder: Medicare advantage network intelligence (MANI)	Understand and build your network	Which providers should I target for my network? How are my provider partners performing relative to the market and across Medicare Advantage plans?	Risk bearing providers and MAOs	Flat File, Excel

ACO Builder Forecast

For MSSP and ACO REACH

100% of Medicare FFS claims, beneficiaries, and participating physicians

Risk scores developed and vetted by pros

Reliable and accurate, built with CMS data that's been validated for you

Complete transparency – break down benchmark calculations to the participant or beneficiary category level

Built, tested, and updated by Milliman ACO experts

ACO Builder Opportunity

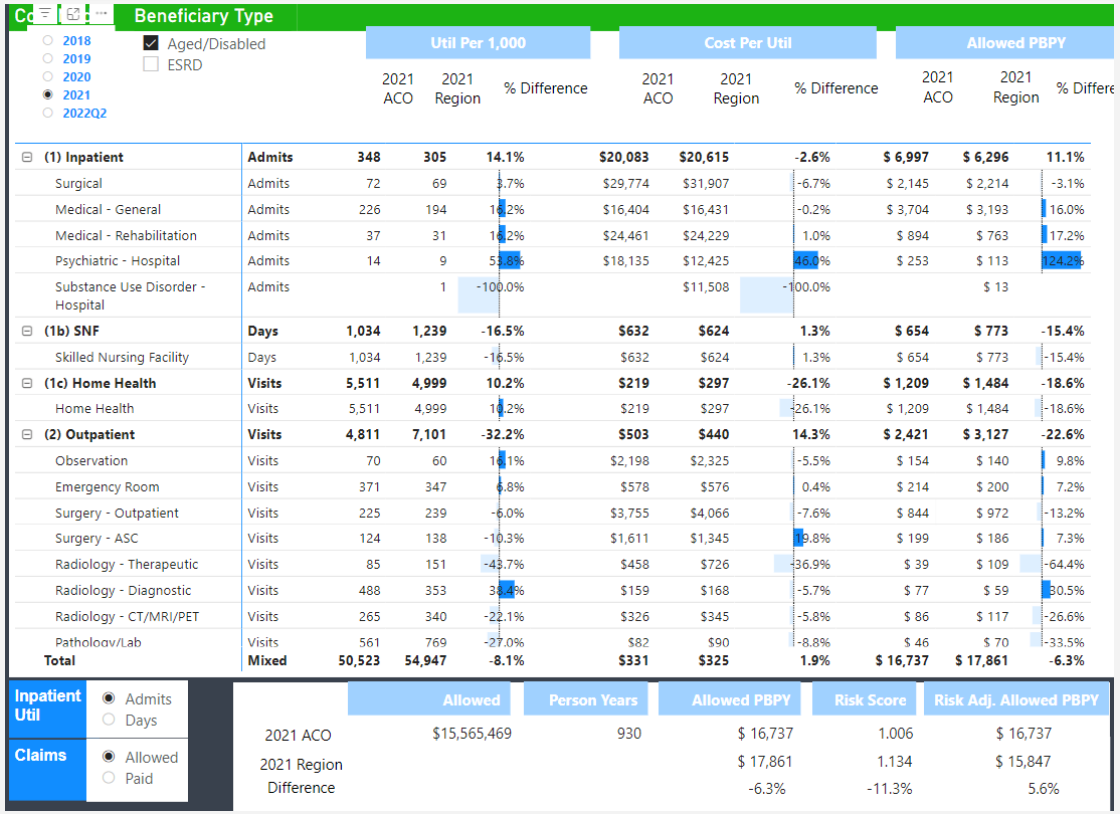
The ACO Builder Opportunity module extends ACO Builder Forecast to include:

Utilization and cost by service category for each provider TIN

Utilizing the 100% Medicare FFS database, ACO Builder Opportunity provides healthcare costs and utilization by medical service category. It also shows associated HCC risk scores by provider TIN and the regional assignable benchmarks. Select the provider group(s) and year, for each cost model report. Currently, 2018 through 2022Q2 cost models are available.

The cost models are delivered through Power BI and include ACO Builder Map View, which allows you to visually review the providers in any area of the United States.

Extend Opportunity to include Medicare Advantage results by plan and TIN. Specifically, results reflect 100% of the Medicare Advantage encounter data and will include Medicare Advantage utilization and estimated cost by medical service category for each Medicare Advantage plan (e.g., United, Humana, etc.) and TIN.



Beneficiary Type

2018 / 2019 / 2020 / 2021 / 2022Q2

Aged/Disabled / ESRD

		Util Per 1,000			Cost Per Util			Allowed PBPY		
		2021 ACO	2021 Region	% Difference	2021 ACO	2021 Region	% Difference	2021 ACO	2021 Region	% Differe
(1) Inpatient	**Admits**	**348**	**305**	**14.1%**	**$20,083**	**$20,615**	**-2.6%**	**$ 6,997**	**$ 6,296**	**11.1%**
Surgical	Admits	72	69	3.7%	$29,774	$31,907	-6.7%	$ 2,145	$ 2,214	-3.1%
Medical - General	Admits	226	194	16.2%	$16,404	$16,431	-0.2%	$ 3,704	$ 3,193	16.0%
Medical - Rehabilitation	Admits	37	31	16.2%	$24,461	$24,229	1.0%	$ 894	$ 763	17.2%
Psychiatric - Hospital	Admits	14	9	53.8%	$18,135	$12,425	46.0%	$ 253	$ 113	124.2%
Substance Use Disorder - Hospital	Admits		1	-100.0%		$11,508	-100.0%		$ 13	
(1b) SNF	**Days**	**1,034**	**1,239**	**-16.5%**	**$632**	**$624**	**1.3%**	**$ 654**	**$ 773**	**-15.4%**
Skilled Nursing Facility	Days	1,034	1,239	-16.5%	$632	$624	1.3%	$ 654	$ 773	-15.4%
(1c) Home Health	**Visits**	**5,511**	**4,999**	**10.2%**	**$219**	**$297**	**-26.1%**	**$ 1,209**	**$ 1,484**	**-18.6%**
Home Health	Visits	5,511	4,999	10.2%	$219	$297	-26.1%	$ 1,209	$ 1,484	-18.6%
(2) Outpatient	**Visits**	**4,811**	**7,101**	**-32.2%**	**$503**	**$440**	**14.3%**	**$ 2,421**	**$ 3,127**	**-22.6%**
Observation	Visits	70	60	16.1%	$2,198	$2,325	-5.5%	$ 154	$ 140	9.8%
Emergency Room	Visits	371	347	6.8%	$578	$576	0.4%	$ 214	$ 200	7.2%
Surgery - Outpatient	Visits	225	239	-6.0%	$3,755	$4,066	-7.6%	$ 844	$ 972	-13.2%
Surgery - ASC	Visits	124	138	-10.3%	$1,611	$1,345	19.8%	$ 199	$ 186	7.3%
Radiology - Therapeutic	Visits	85	151	-43.7%	$458	$726	-36.9%	$ 39	$ 109	-64.4%
Radiology - Diagnostic	Visits	488	353	38.4%	$159	$168	-5.7%	$ 77	$ 59	30.5%
Radiology - CT/MRI/PET	Visits	265	340	-22.1%	$326	$345	-5.8%	$ 86	$ 117	-26.6%
Pathology/Lab	Visits	561	769	-27.0%	$82	$90	-8.8%	$ 46	$ 70	-33.5%
Total	**Mixed**	**50,523**	**54,947**	**-8.1%**	**$331**	**$325**	**1.9%**	**$ 16,737**	**$ 17,861**	**-6.3%**

Inpatient Util: Admits / Days

Claims: Allowed / Paid

	Allowed	Person Years	Allowed PBPY	Risk Score	Risk Adj. Allowed PBPY
2021 ACO	$15,565,469	930	$ 16,737	1.006	$ 16,737
2021 Region			$ 17,861	1.134	$ 15,847
Difference			-6.3%	-11.3%	5.6%

Example of comparing practice cost and utilization to benchmarks

Practice Profiling Matrix to Support Growth Efforts

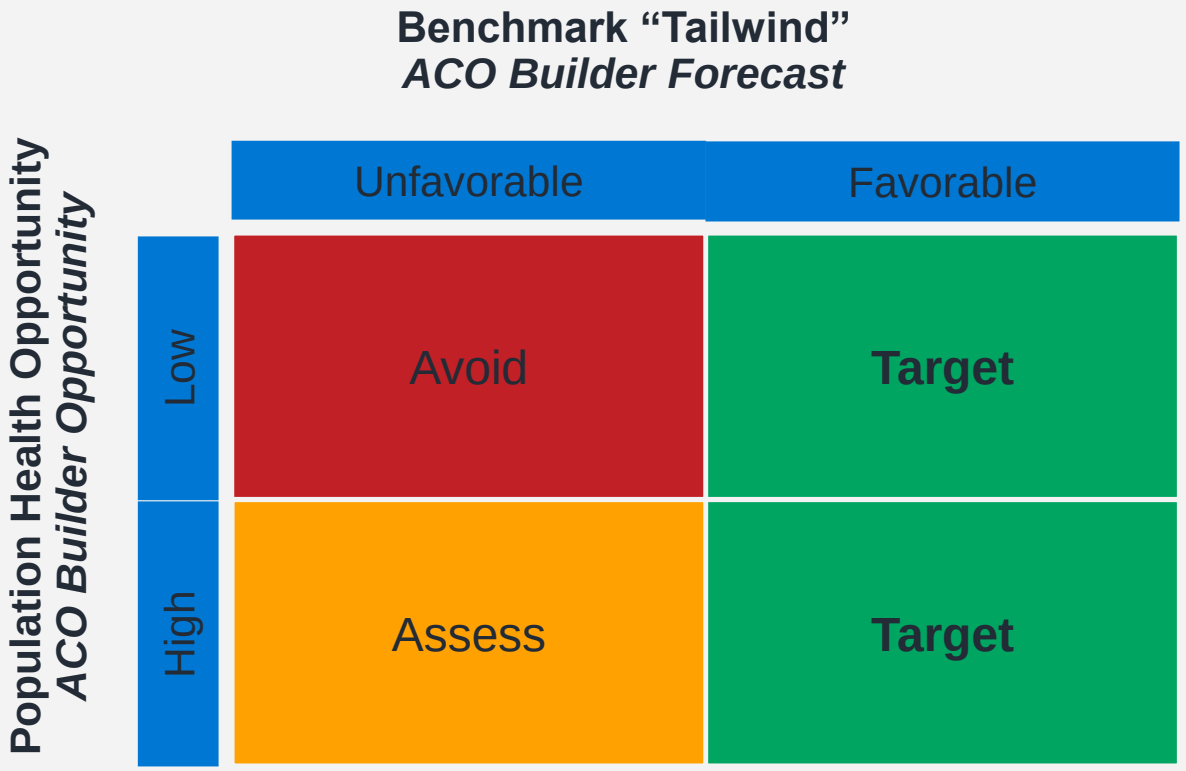
Benchmark "Tailwind": A practice's projected total cost of care relative to its financial benchmark measures the practice's estimated "tailwind" going into the performance year.

Population Health Opportunity: An estimate of the practice's opportunity to improve total cost of care efficiency, driven by a specific utilization and documentation and coding measures relative to benchmarks.

For each measure, we provide regional and national top tenth percentile, as well as detail for all practices – enabling performance comparisons to averages and top performers.

These metrics combined with empanelment, provide a data-driven process for our clients to identify and prioritize practices to partner with. The results are the culmination of decades of Milliman's experience helping Medicare Advantage plans, ACOs, and risk-bearing providers.

This is quantified by ACO Builder Opportunity.



Questions

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