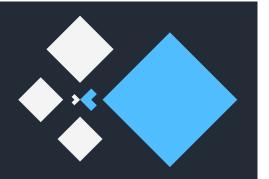
Milliman Health Cost Guidelines (HCG)

Grouper Software



The Health Cost Guidelines - Grouper software categorizes medical and pharmacy claims data into healthcare benefit service categories that can be used to analyze and benchmark medical utilization and cost. Claims data is categorized using the Health Cost Guidelines definitions by hospital, surgical, medical, and other service categories. The HCG Grouper software can be used to analyze cost and utilization for many different types of population data, such as product lines, lines of business, employer groups, primary care panels, disease populations, and others. Each line of claim detail is assigned an HCG service category for use in commercial, Medicare, or Medicaid analysis. Additionally, the Grouper applies a standard for counting utilization: e.g., number of admits, cases, days, procedures, scripts, and visits.

HCG GROUPER

The ability to categorize healthcare claims data into these groupings is useful for many purposes, including:

- Benchmarking
- Utilization tracking
 - Inpatient days per 1,000
 - Office visits per 1,000
 - Prescription drugs scripts per 1,000
 - Average charge tracking
 - Analyzing the claim cost dollar

The HCG Grouper is a standalone application that is platform-independent and can be installed and running on a standard Windows PC in a matter of minutes. Claims are input through the HCG Grouper in flat file format, and results are output in formats that lend themselves to a flexible integration model with the vast majority of commercially available databases or analytical applications.

The benefits of the HCG Grouper software include:

 Utilizes the most current medical code sets and Health Cost Guidelines methodology to assign HCG service categories

- Helps quantify your organization's performance with monitoring that aligns with product creation and rate structure. A great tool for managing enterprise cost and utilization. Maintains the CMS methodology for defining preventive services (out-sources the annual CMS changes to Milliman)
- Creates longitudinal CMS PBP categories for Medicare Advantage filings and year-round business reporting/ analysis (mitigates the expense of annual CMS PBP definition compliance)
- Includes out-of-the-box reports for cost modeling using numerous dimensions as well as the Milliman data integrity view. Applies Milliman's internal data audits
- Uses a Windows application design that permits integration into an existing data warehouse or data mart solution
- Aligns your regular data loads with Milliman HCG benchmarks
- Leverages more than 1 00 HCG categories that permit granular insight for all reporting needs
- Optionally includes HCG Cost and Validation Model to support subsequent financial and utilization analysis of the input claims data and overall data quality



ABOUT MILLIMAN

- With more than 5,000 employees and revenue of US \$1.6 billion in 2024, the firm serves the full spectrum of business, financial, government, union, education, and nonprofit organizations.
- We are one of the world's largest independent actuarial and consulting firms, with offices in principal cities worldwide, covering markets in North America, Latin America, Europe, Asia and the Pacific, the Middle East, and Africa.
- Our insight and expertise reach across global boundaries, offering specialized consulting services in employee benefits, healthcare, life insurance, financial services, and property and casualty insurance.
- Our clients can depend on us as industry experts, trusted advisors, and creative problem-solvers. We are proud to provide consulting services to more than 80% of the largest global insurance companies.

- Our experience has embedded a culture of strong commercial awareness and clear communication of complex actuarial issues.
- Milliman remains a driving force in the industry we helped define, thanks to the vision of our founders and innovations by succeeding generations of principals.



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Every day, in countries across the globe, Milliman works with clients to improve healthcare systems, manage emerging risks, and advance financial security, so millions of people can live for today and plan for tomorrow with confidence.

