

Hierarchical Condition Category (HCC) Insights

Insight for success in value-based contracts—helping organizations ensure appropriate care and payment



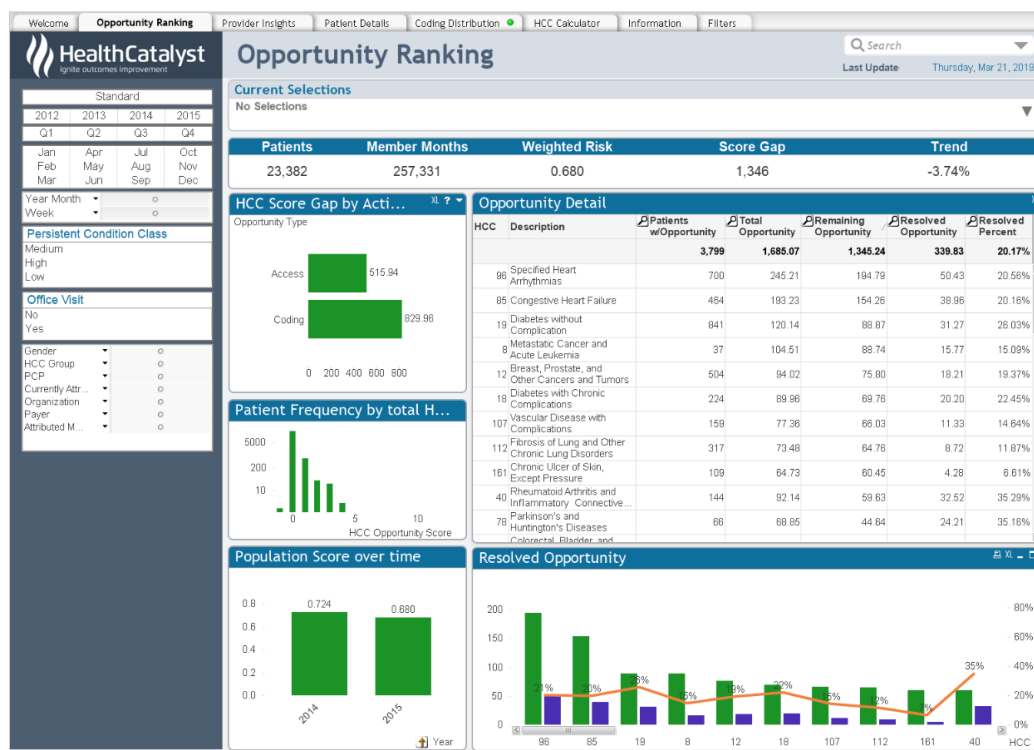
Type: Analytics Accelerator

ID: 1181

Revised: 2019-04-01

The **HCC Insights** analytics accelerator provides data and visualizations to improve the accuracy of HCC coding, helping to assign appropriate risk and severity to members covered under value-based contracts and ensuring proper payment for appropriate levels of care. The tool supports organizations looking for opportunities to reduce gaps in care, improve provider education around coding, and facilitate appropriate provider reimbursement.

Note: Like all analytics accelerators, this application is implemented in a custom way. Organizations identify their own areas of focus—and the appearance and functionality of the accelerator may differ from what is presented here.



Intended users

- Population Health or ACO leadership and data analysts
- Chief Medical Informatics Officer
- Chief Medical Officer
- Population health program leadership
- Program managers for risk capture
- Primary care and care management leadership and teams
- Medical coding leadership

Potential data sources

- Claims
- EMR - Clinical

Key measures

- Gaps in care
- Variation in coding practices

HCC Insights supports improvement work for organizations in value-based care arrangements.

The problem

The HCC risk adjustment model, which assigns eligible beneficiaries a Risk Adjustment Factor (RAF) score based on their health and other life conditions, is used by CMS to estimate predicted costs for Medicare beneficiaries. As organizations increasingly participate in risk-adjusted payment models, they choose to focus on HCC coding for several reasons:

- **Issues with HCC coding are common.** Most organizations struggle to provide correct coding and specific diagnoses. The challenge is compounded by the fact that HCC/RAF scores are reset every year, so they need ongoing attention to ensure they're in sync with patients' current realities.
- **HCC coding strongly influences the rate that CMS pays providers** in many risk-adjusted payment models. Medicare Advantage and NextGen ACOs are two prominent examples of these arrangements.
- **Failure to monitor HCC/RAF scores can have significant impact**. Because HCC/RAF scores are a major driver in reimbursements for population risk, even small changes in average score can result in millions of dollars of annual payments for a health system.

Our approach

HCC Insights enables provider groups to prioritize initiatives to improve coding and better manage chronic diseases for Medicare patients. It surfaces potential opportunities on an individual patient and provider/practice level and helps identify appropriate interventions. The tool supports efforts to see and meet the true health needs of an organization's patient populations—and helps ensure the organization is reimbursed for the value it provides.

Benefits and features

- **Identify opportunities to close gaps in patient care.** The application shows—at the system, practice, PCP, and individual level—potential care gaps by identifying patients who had high risk scores last year but currently do not. This allows you to identify patients needing appointments in the calendar year, provide necessary preventive or chronic-condition care, and review and document ongoing risks.
- **Track coding trends to support improved precision, consistency, and completeness.** HCC Insights identifies providers who use generic codes, where precise codes may be more accurate. It allows you to compare providers to one another and to the system average to identify those overusing generic codes and needing education. The accelerator helps identify missed documentation as well. For example, because chronic conditions are sometimes not the primary reason for visits, they may not show up on a patient's billing history; to address this, the accelerator can highlight persistent conditions (such as amputations) that impact a patient and their needed level of care every year—and thus identify when these codes may be necessary to improve coding accuracy.

Use cases

- The **Director of Care Management** weaves use of the accelerator into standard workflows to ensure that high-risk patients are contacted for preventive care, receiving appropriate level of care for the severity of their condition, and enrolled in the program(s).
- Assigned to monitor HCC codes, the **population health data analyst** identifies high variation in physician coding. She then works with the **ACO leadership** to prioritize the highest opportunities for improvement and direct the team to appropriate interventions.
- The **Director of Primary Care** services uses the Accelerator to find providers who, compared to others in the system, are overusing generic diagnosis codes. He uses the data to support his conversations with select providers and to guide an internal education offering to improve diagnostic accuracy and specificity.

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