

SHERLOCK EXPENSE EVALUATION REPORT

2009 INDEPENDENT / PROVIDER-SPONSORED PLANS EDITION **Volume II.B: Medical Management**

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TAB 2. MEDICAL MANAGEMENT OVERVIEW

<i>Metric</i>	<i>Page</i>
Total Medical Management Cost Summary	
<i>Summary Analysis - Factors of Cost</i>	
Total Staffing Cost per Total FTE	3
+ Total Non-Staffing Costs per Total FTE	3
= Total Medical Mgmt. Costs per Total FTE	3
x FTEs per 10,000 Members	3
= Cost Per Member Per Month	3
Precertification Cost Summary	
<i>Summary Analysis - Factors of Cost</i>	
Precerts/Recerts Per Member	3
x Members Per Precert FTEs	3
= Precerts/Recerts Per Precert FTEs Per Year	3
x Cost per Precerts/Recerts	3
= Costs Per Total Precert FTEs	3
x Total Percert FTE 10,000 Members	3
= Costs Per Member Per Month	3
Case Management Cost Summary	
<i>Summary Analysis - Factors of Cost</i>	
CM Cases Per Member	4
x Members Per Case Manager	4
= Cases Per Case Manager Per Year	4
x Cost per CM Case	4
= Costs Per Case Manager	4
x Case Managers Per 10,000 Members	4
= Costs Per Member Per Month	4
Disease Management Cost Summary	
<i>Summary Analysis - Factors of Cost</i>	4
DM Cases Per Member	4
x Members Per Disease Manager	4
= DM Cases Per Disease Manager Per Year	4
x Cost per DM Case	4
= Costs Per Disease Manager	4
x Disease Managers Per 10,000 Members	4
= Costs Per Member Per Month	4
Nurse-Based Counseling Cost Summary	
<i>Summary Analysis - Factors of Cost</i>	
NBC Calls (in plus successful outbound) Per Member	5
x Members Per NBC FTEs	5
= NBC Calls (in plus successful outbound) Per NBC FTEs*	5
x Cost per NBC Call (in plus successful outbound)	5
= Costs Per NBC FTEs	5
x NBC FTEs Per 10,000 Members	5
= Costs Per Member Per Month	5

Medical Management Overview, continued

<i>Metric</i>	<i>Page</i>
Medical Management Staffing Summary	
<i>Precertification</i>	
Total FTEs per 10,000 Members	5
Precert. Clinical FTEs per 10,000 Members	5
Non-Clinical Intake FTEs per 10,000 Members	5
<i>Case Management</i>	
Total CM FTEs per 10,000 Members	5
Case Managers FTEs per 10,000 Members	5
<i>Disease Management</i>	
Total DM FTEs per 10,000 Members	6
Disease Managers FTEs per 10,000 Members	6
Other DM FTEs per 10,000 Members	6
<i>Nurse-Based Counseling</i>	
Total NBC FTEs per 10,000 Members	6
<i>Health and Wellness</i>	
Total Health and Wellness FTEs per 10,000 Members	6
<i>Other Medical Management</i>	
Total Other Medical Mgmt. FTEs per 10,000 Members	6
Clinical FTEs per 10,000 Members	6
Medical Mgmt. FTEs per 10,000 Members	6
Medical Management Outsourcing	
<i>Percent Outsourcing</i>	
Pre-Certification	7
Case Management	8
Disease Management	9
Mental Health	10
Pharmacy Management	11
Other Medical Management	12
Care Management - Activities	
Case Management Cases per 10k Member	13
Disease Management Cases per 10k Member	13
Precerts/Recerts Per Member	
CM Cases Per Member	13
DM Cases Per Member	13
NBC Calls (in plus successful outbound) Per Member	13
Percent of Membership in Managed Care Plans	14

TAB 3. PRECERTIFICATION

<i>Metric</i>	<i>Page</i>
Summary Analysis - Factors of Cost	
Precerts/Recerts Per Member	19
x Members Per Total Precert FTEs	19
= Precerts/Recerts Per Precert FTEs Per Year	19
x Cost per Precerts/Recerts	19
= Costs Per Total Precert FTEs	19
x Total Percert FTEs Per 10,000 Members	19
= Costs Per Member Per Month	19
Labor vs. Non-Labor	
Total Staffing Cost per Total FTE	19
+ Total Non-Staffing Costs per Total FTE	19
= Total Costs per Total FTE	19
x Total FTEs per 10,000 Members	19
= Cost per Member per Month	19
In-Plan Precertification Pathway	
<i>Expressed PMPY, unless Otherwise Noted</i>	
<u>Total Precert. & Recert. → In-Plan Precert. & Recert. → In-Plan Precert. → In-Plan Precert. Approved</u>	20
Total Precert. & Recert.	20
In-Plan Precert. & Recert.	20
In-Plan Precert.	20
In-Plan Precert. Approved	20
Percent of Total Precert. & Recert. that are In-Plan	21
Percent of In-Plan Precert. & Recert. that are In-Plan Precert.	21
Percent of In-Plan Precert. that are Approved	21
Out-of-Plan Precertification Pathway	
<i>Expressed PMPY, unless Otherwise Noted</i>	
<u>Total Precert. & Recert. → Out-of-Plan Precert. & Recert. → Out-of-Plan Precert. → Out-of-Plan Precert. Approved</u>	22
Total Precert. & Recert.	22
Out-of-Plan Precert. & Recert.	22
Out-of-Plan Precert.	22
Out-of-Plan Precert. Approved	22
Percent of Total Precert. & Recert. that are Out-of-Plan	23
Percent of Out-of-Plan Precert. that are Approved	23
In-Plan Recertification Pathway	
<i>Expressed PMPY, unless Otherwise Noted</i>	
<u>Total Precert. & Recert. → In-Plan Precert. & Recert. → In-Plan Recert. → In-Plan Recert. Approved</u>	24
Total Precert. & Recert.	24
In-Plan Precert. & Recert.	24
In-Plan Recert.	24
In-Plan Recert. Approved	24
Percent of In-Plan Precert. & Recert. that are In-Plan Recert.	25
Percent In-Plan Recert. that are Approved	25

Precertification, continued

<i>Metric</i>	<i>Page</i>
Out-of-Plan Recertification Pathway <i>Expressed PMPY, unless Otherwise Noted</i>	
<u>Total Precert. & Recert. → Out-of-Plan Precert. & Recert. → Out-of-Plan Precert.</u> <u>→ Out-of-Plan Recert. Approved</u>	26
Total Precert. & Recert.	26
Out-of-Plan Precert. & Recert.	26
Out-of-Plan Recert.	26
Out-of-Plan Recert. Approved	26
Percent of Out-of-Plan Precert. & Recert. that are Out-of-Plan Recert.	27
Percent Out-of-Plan Recert. that are Approved	27
In-Plan Precert./Recert.	
Percent of Precert. that are In-Plan	28
Percent of In-Plan Precert. that are Denied	28
Out-of-Plan Precert./Recert.	
Percent of Precert. that are Out-of-Plan	28
Percent of Out-of-Plan Precert. that are Denied	28
Percent of Out-of-Plan Recert. that are Denied	
Total Precert./Recert.	
Percent of Total Precert. & Recert. that are Precert.	29
Percent of Out-of-Plan Precert. that are Denied	29
Percent of Total Precert. that are Approved	29
Percent of Total Recert. that are Denied	29
Percent of Total Recert. that are Approved	29
Total Precerts and Recerts per Admission	30
Total Precerts and Recerts per Clinical FTE	30
Staffing Mix	
Non-Clinical Staff / Clinical Staff	30
Non-Clinical Staff / Precert FTEs	30
Clinical FTE / Total Precert FTE	30
Staffing Ratios	
Total FTEs per 10,000 Members	30
Precert. Clinical FTEs per 10,000 Members	30
Non-Clinical Intake FTEs per 10,000 Members	30

TAB 4. CASE MANAGEMENT

<i>Metric</i>	<i>Page</i>
Summary Analysis - Factors of Cost	
CM Cases Per Member	33
x Members Per Case Management FTEs	33
= Case Management FTEs Per Year	33
x Cost per CM Case*	33
= Costs Per Case Management FTEs	33
x Case Management FTEs Per 10,000 Members	33
= Costs Per Member Per Month	33
Labor vs. Non-Labor	
CM Cases Per Member	33
+ Total Non-Staffing Costs per Total FTE	33
= Total Costs per Total FTE	33
x Total FTEs per 10,000 Members	33
= Cost per Member per Month	33
<i>Volume Drivers</i>	
Referred CM Cases as a Percent of Inpatient Admissions	34
Screened CM Cases as a Percent of Referred Cases	34
Opened CM Cases as a Percent of Screened Cases	35
CM Cases Ent. Offsite Visits as a Pct. of Opened Cases	35
<i>Costs Per CM Case Manager</i>	
Pct. of Med. Mgt. FTEs that are Case Managers	36
Pct. of Cases Entailing Offsite Visits	36
<i>Productivity</i>	
CM Cases per 1,000 Admission	36
Admissions per CM Cases	36
CM Cases per 10k Members by Major Practice Category*	
Diabetes Mellitus	37
Asthma	37
Coronary Artery Disease (CAD)	38
Congestive and Other Heart Failure	38
Transplants	39
Other - Including Chronic Obstructive Pulmonary Disease, Depression, Neoplasms, Rare Disease Mgmt	39
Total Cases	40

*CM Case is the number of actual case management cases opened.

**CM Cases is the number of case management cases by major practice category.

Case Management, continued

<i>Metric</i>	<i>Page</i>
Percent of Total CM Cases by Major Practice Category**	
Diabetes Mellitus	41
Asthma	41
Coronary Artery Disease (CAD)	42
Congestive and Other Heart Failure	42
Transplants	43
Other - Including Chronic Obstructive Pulmonary Disease, Depression, Neoplasms, Rare Disease Mgr	43
Total Cases	44
Cost per CM Case**	
Total Cases	45
Cost PMPM by Major Practice Category	
Diabetes Mellitus	46
Asthma	46
Coronary Artery Disease (CAD)	47
Congestive and Other Heart Failure	47
Depression	48
Neoplasms	48
Transplants	49
Other - Including Chronic Obstructive Pulmonary Disease, Rare Disease Mgmt., Obesity, and Other	49
Total Cases	50
<i>Case Management Activities</i>	
Number of Referred CM Cases per Manager	51
Number of Screened CM Cases per Manager	51
Number of Opened CM Cases per Manager	51
Offsite visit per Manager	51

*CM Case is the number of actual case management cases opened.

**CM Cases is the number of case management cases by major practice category.

TAB 5. DISEASE MANAGEMENT

<i>Metric</i>	<i>Page</i>
Disease Management Cost Summary	
DM Cases Per Member	55
x Members Per Disease Management FTEs	55
= DM Cases Per Disease Management FTEs Per Year	55
x Cost per DM Case*	55
= Costs Per Disease Management FTEs	55
x Management FTEs Per 10,000 Members	55
= Costs Per Member Per Month	55
Labor vs. Non-Labor	
+ Total Non-Staffing Costs per Total FTE	55
= Total Costs per Total FTE	55
x Total FTEs per 10,000 Members	55
= Cost per Member per Month	55
<i>Productivity</i>	
DM Cases per 1,000 Admissions	56
Admissions per DM Cases	56
Staffing Costs per DM FTE	56
Staffing Costs Pct. Total Costs	56
Percent of Members Actively Managed through Disease Management Programs	56
DM Cases per 10k Members by Major Practice Category**	
Diabetes Mellitus	57
Asthma	57
Chronic Obstructive Pulmonary Disease	58
Coronary Artery Disease (CAD)	58
Congestive and Other Heart Failure	59
Rare Disease Mgmt.	59
Other - Including Depression, Neoplasms, Transplants, Obesity, and Other	60
Total Cases	60
Percent of Total DM Cases by Major Practice Category**	
Diabetes Mellitus	61
Asthma	61
Chronic Obstructive Pulmonary Disease	62
Coronary Artery Disease (CAD)	62
Congestive and Other Heart Failure	63
Rare Disease Mgmt.	63
Other - Including Depression, Neoplasms, Transplants, Obesity, and Other	64
Total Diseases	64

*DM Case is the number of actual disease management cases opened.

**DM Cases is the number of disease management cases by major practice category.

Disease Management, continued

<i>Metric</i>	<i>Page</i>
Cost per DM Case by Major Practice Category**	
Diabetes Mellitus	65
Asthma	65
Chronic Obstructive Pulmonary Disease	66
Coronary Artery Disease (CAD)	66
Congestive and Other Heart Failure	67
Other - Including Depression, Neoplasms, Rare Disease Mgmt., Transplants, Obesity, and Other	67
Total Diseases	68
Costs PMPM by Major Practice Category	
Diabetes Mellitus	69
Asthma	69
Chronic Obstructive Pulmonary Disease	70
Coronary Artery Disease (CAD)	70
Congestive and Other Heart Failure	71
Depression	71
Rare Disease Mgmt.	72
Other - Including Neoplasms, Transplants, Obesity, and Other	73
Total Diseases	73
<i>Are the following Disease Management activities outsourced?</i>	
Diabetes Mellitus	74
Asthma	75
Chronic Obstructive Pulmonary Disease	76
Coronary Artery Disease (CAD)	77
Congestive and Other Heart Failure	78
Depression	79
Neoplasms	80
Rare Disease Mgmt.	81
Transplants	82
Obesity	83
Other	84
<i>Volume Drivers</i>	
Referred DM Cases Pct. Inpatient Admissions	85
Opened DM Cases Pct. Screened Cases	85
<i>Disease Management Activities</i>	
Number of Referred DM Cases per Manager	86

*DM Case is the number of actual disease management cases opened.

**DM Cases is the number of disease management cases by major practice category.

TAB 6. NURSE-BASED COUNSELING

<i>Metric</i>	<i>Page</i>
Summary Analysis - Factors of Cost	
NBC Calls (in plus successful outbound) Per Member	89
x Members Per NBC FTEs	89
= NBC Calls (in plus successful outbound) Per NBC FTEs*	89
x Cost per NBC Call (in plus successful outbound)	89
= Costs PerNBC FTEs	89
x NBC FTEs Per 10,000 Members	89
= Costs Per Member Per Month	89
Labor vs. Non-Labor	
Total StaffingCost per Total FTE	89
+ Total Non-Staffing Costs per Total FTE	89
= Total Costs per Total FTE	89
x Total FTEs per 10,000 Members	89
= Cost per Member per Month	89
Staffing Costs per FTE	90
Staffing Costs as a Percent of Total Costs	90
Costs per Nurse Counselor	90
Costs per Nurse-Based Counseling FTE	90
Available Hours per Week per Counselor	90
Percent of Outbound CallsDeemed Successful	90
Inbound Calls per Hour	91
Outbound Calls per Hour	91
Total Calls per Hour	91
Inbound Calls per Day	91
Outbound Calls per Day	91
Total Calls per Day	91

TAB 7. UTILIZATION REVIEW AND APPEALS

Metric	Page
Appeals	
Internal Reconsidered Appeals Pathway	
<i>Expressed Per 10,000 Members per Year, unless Otherwise Noted</i>	
<u>Total Internal and External Appeals → Internal Appeals → Internal Reconsidered Appeals</u>	
→ Internal Reconsidered Approved Appeals	97
Internal and External Appeals	97
Internal Appeals	97
Internal Appeals Reconsidered	97
Internal Appeals Reconsidered Approved	97
Percent of External and Internal Appeals that are Internal Appeals	98
Percent of Internal Appeals that are Reconsidered	98
Percent of Reconsidered Internal Appeals that are Approved	99
Internal Expedited Appeals Pathway	
<i>Expressed Per 10,000 Members per Year, unless Otherwise Noted</i>	
<u>Total Internal and External Appeals → Internal Appeals → Internal Expedited Appeals</u>	
→ Internal Expedited Approved Appeals	100
Internal and External Appeals	100
Internal Appeals	100
Internal Appeals Expedited	100
Internal Appeals Expedited Approved	100
Percent of Internal Appeals that are Expedited	101
Percent of Expedited Internal Appeals that are Approved	101
Internal Written Appeals Pathway	
<i>Expressed Per 10,000 Members per Year, unless Otherwise Noted</i>	
<u>Total Internal and External Appeals → Internal Appeals → Internal Written Appeals</u>	
→ Internal Expedited Written Appeals	102
Internal and External Appeals	102
Internal Appeals	102
Internal Appeals Written	102
Internal Appeals Written Approved	102
Percent of Internal Appeals that are Internal Written	103
Percent of Internal Written Appeals that are Approved	103
External Written Appeals Pathway	
<i>Expressed Per 10,000 Members per Year, unless Otherwise Noted</i>	
<u>Total Internal and External Appeals → External Written Appeals → External Written Approved Appeals</u>	104
Internal and External Appeals	104
External Written Appeals	104
External Written Appeals Approved	104
Percent of External and Internal Appeals that are External Written Appeals	105
Percent of External Written Appeals that are Approved	105

Utilization Review and Appeals, continued

<i>Metric</i>	<i>Page</i>
<i>Total Appeals</i>	
Percent of External and Internal Appeals that are Approved	106
Total Internal & External Appeals per 10k Members	106
<i>Total Internal Appeals</i>	
Percent of Internal Appeals that are Approved	107
Percent of Internal Appeals that are Denied	107
Total Internal Appeals per 10k Members	108
Internal Appeals / FTE	108
<i>Reconsidered Internal Appeals</i>	
Percent of Reconsidered Internal Appeals that are Denied	108
<i>Expedited Internal Appeals</i>	
Percent of Expedited Internal Appeals that are Denied	109
<i>Internal Written Appeals</i>	
Percent of Internal Written Appeals that are Denied	109
<i>External Written Appeals</i>	
Percent of External Written Appeals that are Denied	110
Total External Written Appeals per 10k Members	110
<u>Utilization Review</u>	
Home Health Reviews per 10k Members	111
Home Health Reviews per Home Care Visit	111
Skilled Nursing Care Reviews per 10k Members	112
Skilled Nursing Care Reviews per SNF Admission	112
Hospice Services Reviews per 10k Members	113
High Cost DME Reviews per 10k Members	113
High Cost DME Reviews per Equipment Used	114

TAB 8. QUALITY ASSURANCE AND WELLNESS

<i>Metric</i>	<i>Page</i>
Labor vs. Non-Labor	
Total Staffing Cost per Total FTE	117
+ Total Non-Staffing Costs per Total FTE	117
= Total Costs per Total FTE	117
x Total FTEs per 10,000 Members	117
= Cost per Member per Month	117
Quality of Care	
Complaints about Providers per 10k Members	117
Total Quality Cases Per 1k Members Per Month	117
Written Quality Cases Per 1k Members Per Month	117
Telephone Cases Per 1k Members Per Month	117
Percent of Quality Review FTEs that are RN's	118
Percent of Quality Review FTEs that are Non-Clinical	118
Total Cases per FTE per Month	118
Written Cases per FTE per Month	118
Telephone Cases per FTE per Month	118
<i>Health Management / Wellness Programs</i>	
Costs PMPM by Condition	
Obesity	118
Other*	118
Total Diseases	118

*Other includes Chronic Obstructive Pulmonary Disease, Congestive Heart & Other Heart Failure, Depression, Neoplasms, Rare Disease Mgmt, Transplants, and Other.