



# HCI3<sup>®</sup> ECR<sup>®</sup> Analysis Tool Opportunity Report

HCI3

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## What Your Opportunity Report Includes

This Opportunity Report presents your customized results from the ECR® Analysis tool with comparisons to national and state benchmarks. The report provides a snapshot of your current healthcare spending on specific ECR® clinical areas and highlights the savings opportunities possible if your provider network reduces potentially avoidable complication (PAC) rates to state and national benchmarks. Your report includes:

### ECR® Analysis Summary

This page summarizes the results of all of the clinical areas for which you ran an ECR® Analysis, including the PAC rates (as a percentage of relevant costs) and corollary savings opportunity for each. Highlighted is the ECR® clinical area that represents the greatest savings opportunity for your organization. Also included is a graph charting the savings opportunity across all categories, which is useful to identify multiple clinical areas that could be targeted to realize greater savings. It is important to note that avoidable complications rates are only potentially avoidable, and can never be expected to reach zero.

### Analysis for Individual Clinical Areas

The remaining pages break-down your current spend by individual ECR® clinical area. The first chart, Average Relevant Costs Per Patient, shows on average how much of your per patient costs are being spent on complications that are potentially avoidable and on costs incurred through typical care. This PAC value is the real dollar amount that could be saved per patient if they experienced no avoidable complications.

All custom values in this report are derived from the individual ECR® Flow Tables generated as an output of the SAS program analysis of your claims data. Values including Average Typical Costs, Average PAC Costs, Total PAC Costs and PAC % can be found in each flow table. For comparative national and state data, the same analysis was conducted on a nationally representative dataset for a large commercially insured population.

## Glossary of Terms

**Savings Opportunity:** The amount of costs that could be avoided for a specific clinical area if your organization were able to reduce PAC rates to a level equal to the national minimum PAC rate. Calculated as:  
(User PAC% - U.S. Min PAC%) \* User Total PAC dollars

**PAC:** Potentially Avoidable Complications - complications that are potentially avoidable through high quality care.

**ECR®:** Evidence-informed Case Rate® - A single, risk-adjusted, prospective (or retrospective) payment given to providers across inpatient and outpatient settings to care for a patient diagnosed with a specific condition. Payment amounts are based on the resources required to provide care as recommended in well-accepted clinical guidelines.†

**CIP:** Commercially Insured Population - HCI3® runs the ECR® analysis against a very large and statistically representative commercially insured claims database to arrive at state and national benchmark levels.

**US Max/Min/Avg:** Benchmark values from a national CIP ECR® analysis conducted on the state-by-state level. For example, US Min is the result for the state with the lowest observed PAC rate for that clinical area.

### ECR® Clinical Areas

**ASTHMA:** Asthma

**CAD:** Coronary Artery Disease

**CHF:** Congestive Heart Failure

**COPD:** Chronic Obstructive Pulmonary Disease

**DM:** Diabetes

**GERD:** Gastro-esophageal Reflux Disease

**HTN:** Hypertension

**AMI:** Acute Myocardial Infarction

**PNE:** Pneumonia

**STR:** Stroke

**BARI:** Bariatric Surgery

**CABG:** Coronary Artery Bypass Graft Surgery

**COLON:** Colon Resection

**HIPR:** Hip Replacement

**KNEE:** Knee Replacement

**COLOS:** Colonoscopy

**GALL:** Gall Bladder (Cholecystectomy)

**KNRP:** Knee Arthroscopy

**HYST:** Hysterectomy

**PCI:** Percutaneous Coronary Intervention

**PREG:** Pregnancy and delivery

## ECR® Analysis Summary

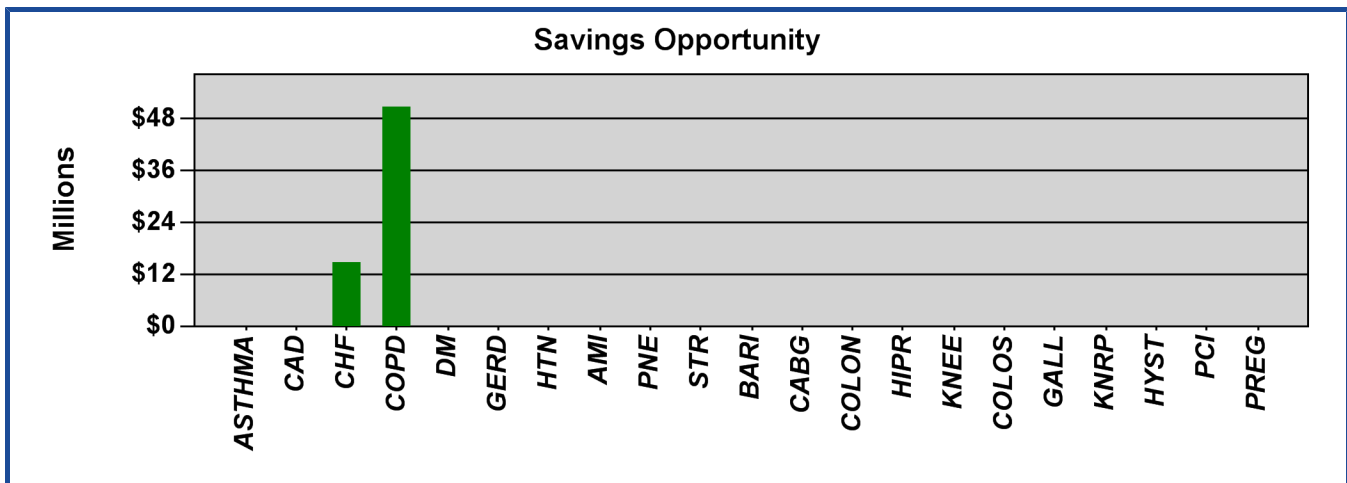
ECR® Clinical Area	PAC%	Savings Opportunity	Rank
ASTHMA	--	--	--
CAD	--	--	--
CHF	63.8 %	\$14,732,781	2
COPD	65.7 %	\$50,702,279	1
DM	--	--	--
GERD	--	--	--
HTN	--	--	--
AMI	--	--	--
PNE	--	--	--
STR	--	--	--
BARI	--	--	--
CABG	--	--	--
COLON*	--	--	--
HIPR	--	--	--
KNEE	--	--	--
COLOS	--	--	--
GALL	--	--	--
KNRP	--	--	--
HYST	--	--	--
PCI	--	--	--
PREG	--	--	--
<b>Your Total Savings Opportunity</b>		<b>\$65,435,060</b>	

\*Dataset lacks regional variation for colon resection. Savings opportunity for this ECR category was calculated using the average lowest PAC% across all other ECRs.

### Targetted Improvement: COPD

Using the national minimum rate of potentially avoidable complications as a benchmark, your greatest opportunity for savings lies in reducing your COPD PAC rate. Based on your current spend, reducing your rate of 65.7% to the national minimum of 36.2% would represent savings of \$50,702,279 across your entire population.

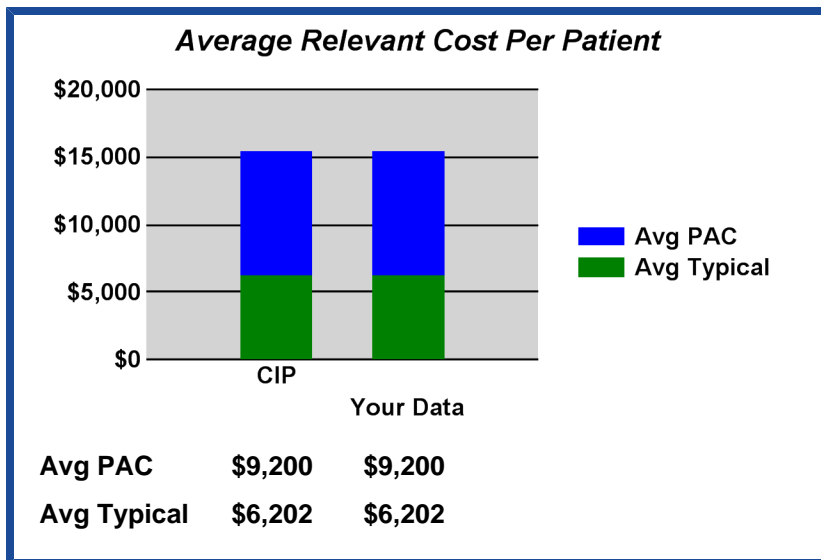
Reviewing the savings opportunity bar chart below will help you easily identify other areas with significant savings opportunity. Your organization may wish to align their efforts to target multiple PAC cost drivers.



For more information about your ECR® analysis methodology, Opportunity Report, or Prometheus Payment® please visit [www.hci3.org](http://www.hci3.org) or contact Chad J. Brown, MPH, MBA - [chad.brown@hci3.org](mailto:chad.brown@hci3.org)

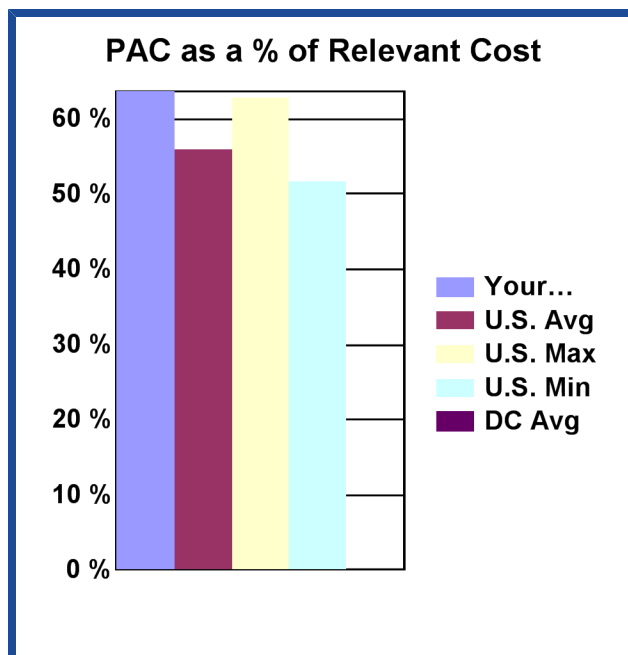
The following pages provide an in-depth review of costs for individual ECR® clinical areas:

## CHF



The Average Relevant Costs Per Patient chart shows how much of your per patient costs are being spent on complications that are potentially avoidable ("Avg PAC") in addition to costs incurred through typical care ("Avg Typical"). This PAC value is the dollar amount being spent on deficiencies in care that cause harm to the patient, and represents complications that might have been avoided and potential cost savings that could be realized through more proactive care.

The following figures display your PAC rates as a percentage of total relevant costs, compared to national and state benchmarks. When broken-down by state, you can see where your organization stands relative to the U.S. average, U.S. maximum, U.S. minimum and your state's average PAC rates. The last table tells you what your savings opportunity would be if you were able to reduce PAC rates to the U.S. minimum, based on total PAC dollars spent across all patients for this clinical area (see page 2 for calculation).



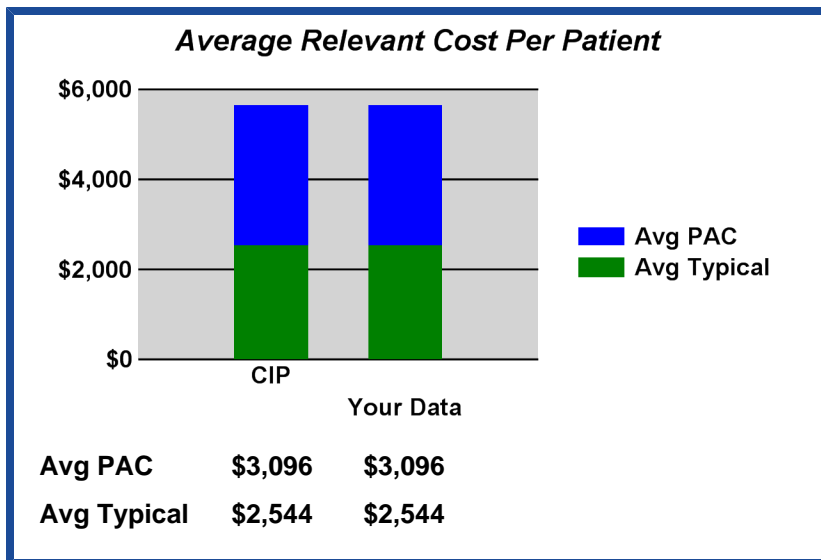
	PAC
<b>Your Data</b>	63.8 %
<b>U.S. Avg</b>	56.0 %
<b>U.S. Max</b>	63.0 %
<b>U.S. Min</b>	51.7 %
<b>DC Avg*</b>	n/a

\* State specific data for CHF is not available for DC.

	CHF
TOTAL PAC DOLLARS	\$122,124,558
PAC costs (% of Relevant)	63.8 %
US Min PAC Rate	51.7 %
PAC Saving Opportunity	<b>\$14,732,781</b>

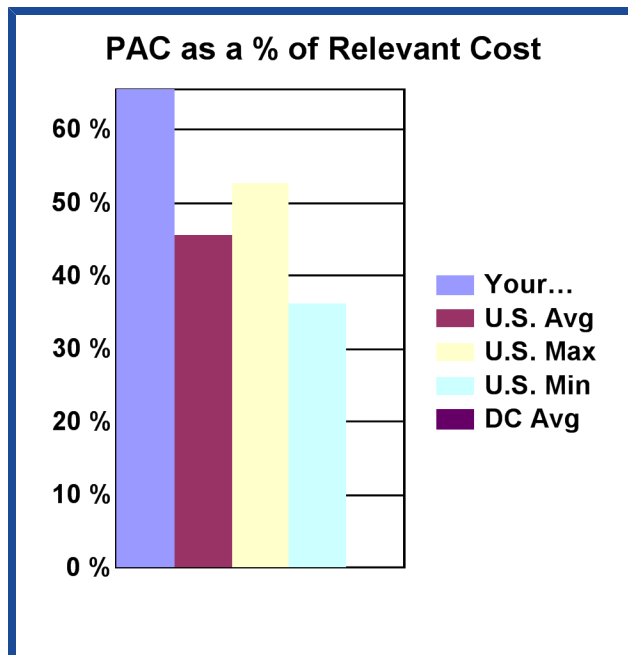
*Your CHF savings opportunity ranks 2 out of the 2 ECR® categories you analyzed*

## COPD



The Average Relevant Costs Per Patient chart shows how much of your per patient costs are being spent on complications that are potentially avoidable ("Avg PAC") in addition to costs incurred through typical care ("Avg Typical"). This PAC value is the dollar amount being spent on deficiencies in care that cause harm to the patient, and represents complications that might have been avoided and potential cost savings that could be realized through more proactive care.

The following figures display your PAC rates as a percentage of total relevant costs, compared to national and state benchmarks. When broken-down by state, you can see where your organization stands relative to the U.S. average, U.S. maximum, U.S. minimum and your state's average PAC rates. The last table tells you what your savings opportunity would be if you were able to reduce PAC rates to the U.S. minimum, based on total PAC dollars spent across all patients for this clinical area (see page 2 for calculation).



	PAC
<b>Your Data</b>	65.7 %
<b>U.S. Avg</b>	45.6 %
<b>U.S. Max</b>	52.8 %
<b>U.S. Min</b>	36.2 %
<b>DC Avg*</b>	n/a

\* State specific data for COPD is not available for DC.

	COPD
TOTAL PAC DOLLARS	\$171,811,730
PAC costs (% of Relevant)	65.7 %
US Min PAC Rate	36.2 %
PAC Saving Opportunity	<b>\$50,702,279</b>

*Your COPD savings opportunity ranks 1 out of the 2 ECR® category you analyzed*