Data Users Group January 2009 conference call

Instituted a process to examine the source of PHO’s radiology costs in 1999

Work initiated in 1999 is still relevant today
Many health plans and commercial insurers require prior authorization or prior notice for high tech radiology (HTR) imaging

- BCN, Aetna, CIGNA, UHC, BCBSM, Priority Health, HAP, Health Plus

National trends for HTR continue to outpace inflation, medical costs, and most other diagnostic medicine
1999-2000

Principal Health PHO had one risk contract – Priority Health HMO

- Risk withhold return was dependent on financial performance

- PHO analytical staff observed that CT, ultrasound, and MRI imaging costs were higher than Priority Health Plan average
Plan of Action

- Reviewed PHO level Priority Health radiology data with PHO Physicians’ Quality & Utilization Management Committee

- Reviewed PHO level Priority Health radiology data with PHO Board of Directors
Plan of Action, cont.

- Further analysis of the radiology data
  - Holland Hospital prepared radiology utilization report using internal data
  - PHO staff “drilled down” hospital radiology utilization data to report ordering physician, location of service, and facility
  - PHO staff ran reports of hospital radiology utilization for certain diagnostic groups: headache, abdominal pain, back pain, & adult sinusitis
Plan of Action, cont.

- PHO Medical Director and Clinical Network Coordinator (RN) met with radiologists
  - Observations of current clinical practice
  - Evidence based practice guidelines for the 4 disease categories
  - Role of the radiologist in diagnostic imaging
Interventions

- PHO Physicians’ Quality & Utilization Management Committee prepared evidenced based practice guideline recommendations for the diagnostic work up for:
  - Adult Sinusitis
  - Back Pain
  - Headache
  - Abdominal pain
Interventions, cont.

- PHO Medical Director and Clinical Network Coordinator (RN) presented PHO radiology utilization data & guidelines to various physician specialties:
  - PCPs
  - ENTs
  - OB/Gyn
Interventions, cont.

- Neurology
- GI
- General Surgery
- Allergists
- Orthopedic surgeons
- ED
- Radiology
Other Factors Influencing Radiology Utilization

- Evidenced based care & best practice findings
- Medicine’s progression from high-touch to high-tech
- Medical liability influence
<table>
<thead>
<tr>
<th>Year</th>
<th>PHO</th>
<th>PLAN</th>
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<tr>
<td>1999</td>
<td>$11.99</td>
<td>$11.73</td>
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<tr>
<td>2001</td>
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<td>2002</td>
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<td>2003</td>
<td>$17.36</td>
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**High Tech Radiology**
- 1999: $3.12
- 2000: $3.64
- 2001: $4.00
- 2002: $2.88
- 2003: $2.66

**Other Radiology**
- 1999: $8.91
- 2000: $10.54
- 2001: $11.24
- 2002: $12.82
- 2003: $13.29

**Total Radiology**
- 1999: $8.61
- 2000: $10.34
- 2001: $10.71
- 2002: $12.82
- 2003: $13.29
Principal Health PHO High Tech Radiology Utilization
2004-2008

Year

# Imaging Procedures/1000 Members

250
200
150
100
50
0

2004 2005 2006 2007 2008

Data Not Available
Plan implemented prior authorization program 1/2005
Plan discontinued prior authorization program 8/2006
Plan re-implemented prior authorization program 11/2008

PHO
PLAN

Plan implemented prior authorization program 1/2005
Plan discontinued prior authorization program 8/2006
Plan re-implemented prior authorization program 11/2008
From there to here . . .

- The work we started in 1999 set the foundation for Principal Health PHO’s radiology utilization today.
- The focus on Priority Health radiology utilization & the practice changes made “spilled over” onto all payers.
- Monitoring mode – intervene/educate when necessary.
- Use AIM guidelines rather than researching evidenced based radiology use guidelines.
Current Plan of Action

- Principal Health PHO reviews radiology utilization monthly, based on payer report data
  - Practice unit & individual physician data is reviewed to determine trends
  - PHO staff use evidenced based radiology (AIM) guidelines when reviewing radiology utilization with physician practice units
Current Plan of Action, cont.

- PHO staff will follow same process if utilization trends significantly increase.
- Principal Health PHO physician education (GR & CU) presenters incorporate diagnostic radiology best practices when pertinent to the topic being presented.
- Principal Health PHO Education Committee plans physician education using radiology and other physician utilization data.
Thank you for your attention!