



BlueChoice® Solutions Top 15 Clusters Report Guide and Definitions

This report provides a summary of the information underlying the Risk Adjusted Cost Index (RACI) used to determine your eligibility for the BlueChoice Solutions network.

Fifteen clusters were selected to serve as illustrations. A cluster is one of 557 medical episode groups (MEGs), one level of severity, one of five comorbidity groups and one time period. The fifteen clusters selected are those where the difference between the total cost and expected cost is the highest, ranked in descending order by the amount that the total cost exceeds the total expected cost.

The RACI reflects differences in the cost of care managed by physicians, relative to peers within the same specialty, in the same geographic region, in the same time period, when treating patients with similar clinical conditions. Similar clinical conditions are episodes of care within the same level of severity in the same Medical Episode Group (MEG) for patients with similar Comorbidity within the same cluster. For more detailed information on MEGs, Severity, Comorbidity Groups, Geographic Regions, and additional detail on methodology, please visit www.bcbstx.com/provider/bluechoice_solutions/index.htm

The data used for this report is from claims for Blue Cross Blue Shield of Texas (BCBSTX) BlueChoice PPO/POS members for services during the incurred period. Episodes of care were built from this data by linking sets of health care services provided to a patient over time to treat a specific disease or health status. An episode continues as long as there is relatively continuous contact with the health care system for the same basic diagnosis, disease or health status. The cost of an episode includes all allowed charges for all services provided by all physicians, ancillary providers and facilities related to that episode of care. The expected cost is based on the average allowed cost of qualified episodes partitioned by MEG, Severity, and Comorbidity Group for a specialty in a geographic area in the same time period.

Solutions ID: Group provider IDs affiliated at the level of the Tax Identification Number. Solo provider IDs identified by UPIN or BPIN.

Report Date: The date that the report was generated.

Incurred Period: Data for this analysis includes services incurred between these dates.

Solutions ID Eligibility RACI: Total cost for all qualified episodes attributed to the Solutions ID (all modeled working specialties in all rating areas) divided by the total expected cost for those episodes.

Working Specialty: The specialty by which you are compared to your peers.

Rating Area: One of 22 geographic regions in Texas used to adjust for regional differences.

Risk Adjusted Cost Index (RACI): Total cost for all qualified episodes attributed to the working specialty and rating area divided by the total expected cost for those episodes.

MEG (Medical Episode Group): The Thomson Medical Episode Group numeric code identifying a clinically homogenous episode of care.

Severity Description: The Thomson Medical Episode Group description identifying a clinically homogenous episode of care.

Time Period: The time period within the 2 year incurred period to which the episode has been assigned. Time period 1 relates to the first year of the incurred period. Time period 2 relates to the second (most recent) year of the incurred period.

Severity: Indicates the level of severity observed in episodes of a specific clinical condition (Medical Episode Group). Subdivisions (x.xx) indicate more precise classification. For some Medical Episode Groups are further classified using age, gender and type of episode.

0	History of a significant predisposing factor for the disease, but no current pathology, e.g. history of carcinoma or neonate born to mother suspected of infection at time of delivery
1	Conditions with no complications or problems with minimal severity
2	Problems limited to a single organ or system; significantly increased risk of complications than Stage 1
3	Multiple site involvement; generalized systemic involvement; poor prognosis

Comorbidity Group: Reflects the relative number and complexity of coexisting illnesses of the patients in the episodes. Group I includes healthier individuals; Group V includes the most ill and complex. A linear relationship does not exist between Comorbidity group and episode cost (i.e. the cost for episodes of patients in Group II is not twice that of those in Group I).

For each Cluster (row):

Episode Count: The number of qualified episodes attributed to your provider/group identification code(s).

Total Cost: This is based on the average allowed (physician payment and patient liability) for all services provided by all physicians, ancillary providers and facilities related to the episodes of care attributed to you.

Total Expected Cost: This is based on the average allowed cost of qualified episodes partitioned by MEG, severity, comorbidity group, and time period for a specialty in a geographic region.