

UNLEASHING THE POWER OF

# Real Time Episoding + Benchmarks

*Shining Light for Value-Based Operations*

**JAN 23** | 2-3 PM ET



# A Conversation Featuring:



**Aneesh Chopra**  
*Chief Strategy Officer*



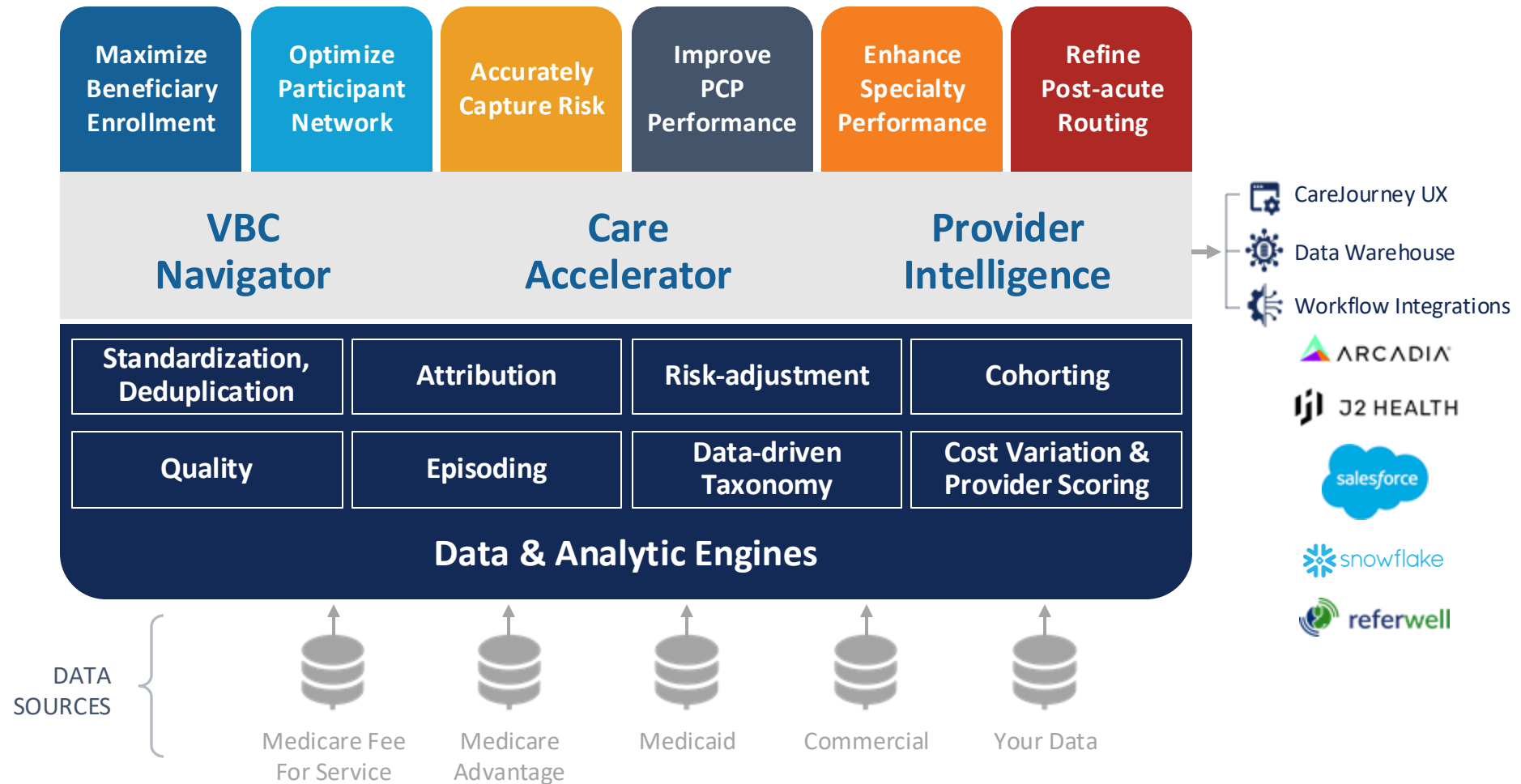
**Keely Mulcahy**  
*Sr. Director of Provider  
Intelligence*



**Erica Everhart**  
*Head of Thought  
Leadership*



# Introducing CareJourney by Arcadia



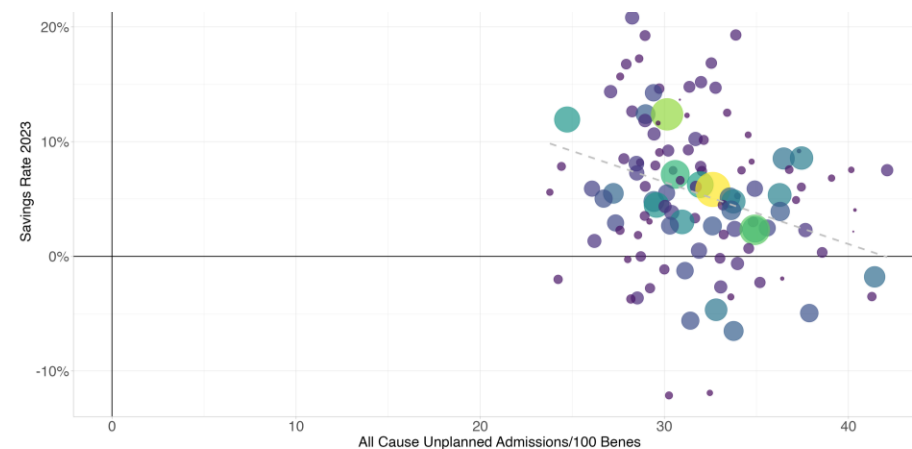
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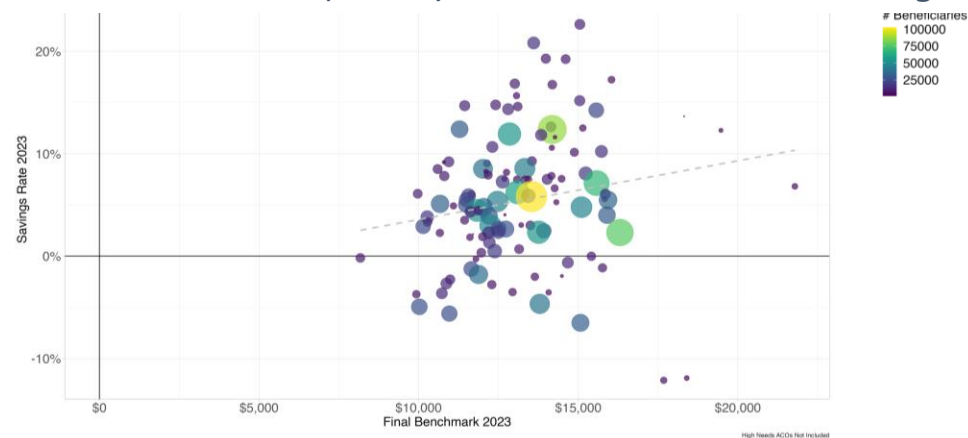
# The Unanswered "Why" on Drivers of Success

Small correlation re: unplanned admissions, benchmark, and results

*All Cause Unplanned Admissions vs ACO REACH Gross Savings Rates*



*Final Benchmark (PMPY) vs ACO REACH Gross Savings Rates*



Components of Spend (PMPY) by REACH Savings Group 2023

With Average Benchmark

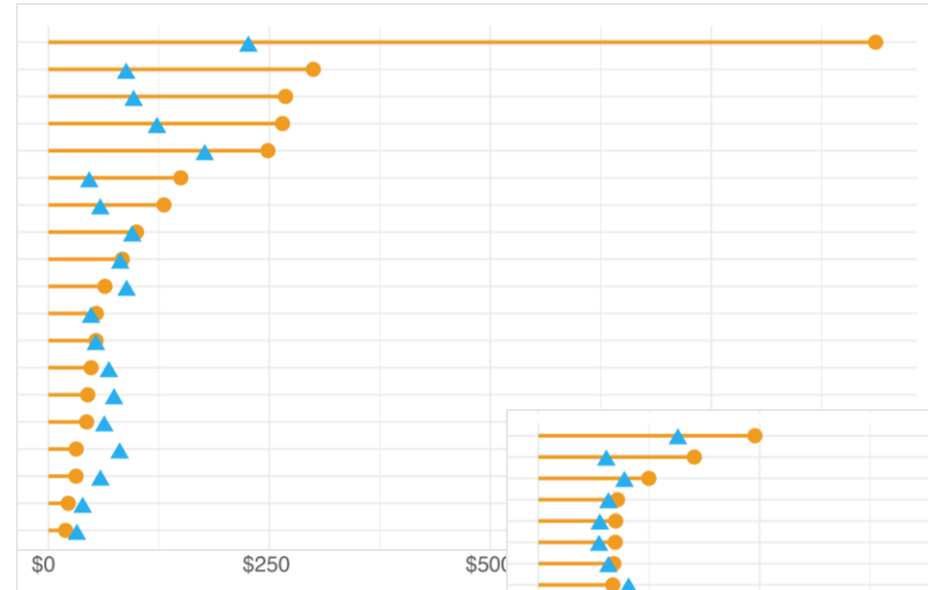


Source: ACO REACH PUF.

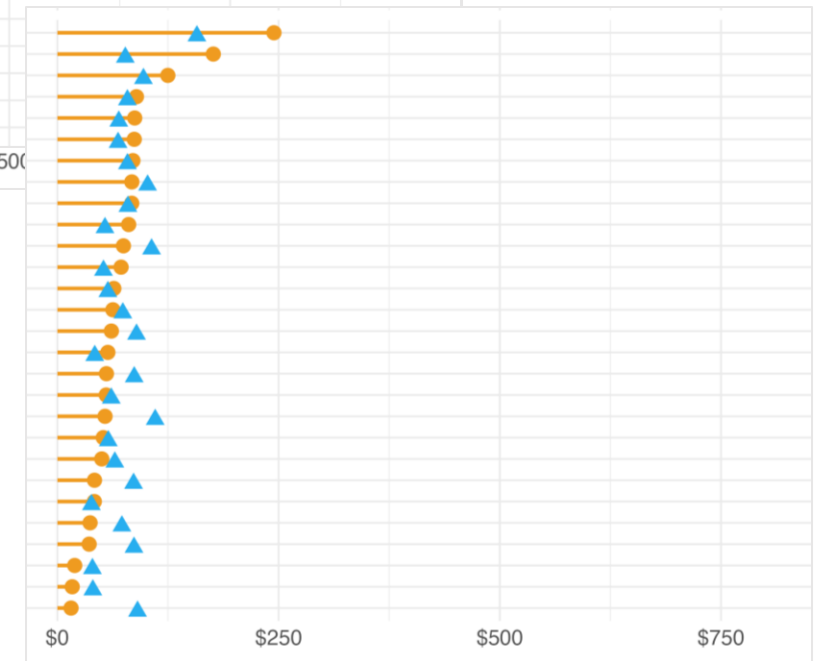
# A Look at CCM Patterns

Top 12 CCM Billing Providers

Top Billing NPI	Sum of CCM Claims in 2023	ACO Affiliation in 2023
Provider 1	894,763	No
Provider 2	94,416	No
Provider 3	31,740	Yes
Provider 4	29,024	No
Provider 5	27,022	No
Provider 6	26,361	Yes
Provider 7	25,699	Yes
Provider 8	20,140	No
Provider 9	16,242	Yes
Provider 10	13,771	No
Provider 11	13,750	No
Provider 12	13,403	No



*Top Savers Care  
Coordination per  
Frail Elder  
Observed v.  
Expected*



Orange: Observed CCM \$  
Blue: Expected CCM \$

# A Need For Transparent Episode Approach



## Patient Episoding and Segmentation

*Capturing 250+ acute, chronic, procedure and patient segment episodes*



### High-Need, High-Cost Segmentation Framework

Developed by Jose F. Figueroa, MD, MPH at the Harvard T.H. Chan School of Public Health  
Work Funded by the Commonwealth Fund

Patient Segment	Attributable Patients
Moderate Morbidity	24%
Frail Elderly	23%
Complex Multimorbidity	16%
Relatively Healthy	10%
Major Disability	9%
Minor Morbidity	6%
Serious Mental Illness	8%

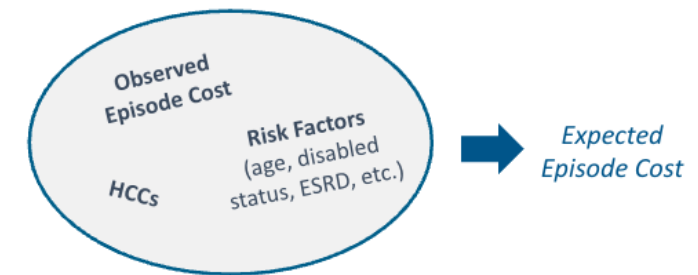
Episode Name	Number of Episodes	Cost Score	Average Observed Cost	Average Expected Cost	Adjusted O/E Ratio	Opportunity	Average Observed vs Expected Cost
Spinal Fusion	62	2 / 5	\$32,524	\$32,125	1.01	\$208,563	<div><div></div></div>
Back And Neck Pain Treatment Without Fusion	37	1 / 5	\$12,354	\$11,108	1.11	\$77,300	<div><div></div></div>
Fracture/dislocation Treatment Pelvis/hip/femur	27	5 / 5	\$28,309	\$38,629	0.73	N/A	<div><div></div></div>

Source: <https://bettercareplaybook.org/resources/high-need-high-cost-segmentation-framework>  
CareJourney Data 2023, MSSP cohort of attributable patients



## Establishing an O:E Ratio

### Example Expected Episode Cost Calculation



*The regression model differs slightly for each episode type – more information is available on the next slide.*

The “score” for each episode is then calculated as the observed vs. expected cost ratio within a CBSA.

### Attributed Provider for Cardiac Valve Episode Dr. Smith

Total Allowed: \$3,204  
Expected:\* \$3,500

**O/E = 0.915** for this particular population

# Top ACOs Best Manage Risky Patients

Top Savers reduced treatment for most expensive patients by 17%.

Frailty Cohort	Average Total Cost of Care: Observed to Expected, by Patient Segment ACO REACH PY2023							
	Negative Savers				Top Savers			
	% Pop	Obs.	Exp.	O:E	% Pop	Obs.	Exp.	O:E
All	100%	\$16,075	\$16,283	0.99	100%	\$14,265	\$17,109	0.83
Frail Elders	23%	\$28,902	\$28,887	1.00	27%	\$24,099	\$28,958	0.83
People with complex multimorbidity	16%	\$15,101	\$15,560	0.97	18%	\$13,086	\$15,940	0.82
People with moderate morbidity	27%	\$9,304	\$9,731	0.96	25%	\$8,600	\$10,056	0.86
People with minor morbidity	7%	\$6,929	\$7,391	0.94	5%	\$6,039	\$7,082	0.85
Relatively healthy	8%	\$6,450	\$7,089	0.91	4%	\$5,989	\$6,663	0.90
People with serious mental illness	9%	\$13,499	\$13,821	0.98	11%	\$10,723	\$13,446	0.80
People with Major Disability	10%	\$24,923	\$24,524	1.00	10%	\$20,047	\$23,367	0.92

Source: CareJourney research

**Top Savers:** those ACOs attaining greater than 10% gross savings;

**Negative Savers:** those ACOs experiencing gross losses

# Top ACOs Keep Risky Patients Out of Hospital

Top Savers prevented 20% of expected hospitalizations in a year

Frailty Cohort	Unplanned Hospitalizations per 1000 Person-Years: Observed to Expected, by Patient Segment ACO REACH PY2023							
	Negative Savers				Top Savers			
	% Pop	Obs.	Exp.	O:E	% Pop	Obs.	Exp.	O:E
All	100%	237	232	1.02	100%	203	259	0.78
Frail Elders	23%	502	490	1.02	27%	415	520	0.80
People with complex multimorbidity	16%	172	173	0.99	18%	143	190	0.76
People with moderate morbidity	27%	287	299	0.96	25%	226	292	0.78
People with minor morbidity	7%	97	99	0.97	5%	81	106	0.77
Relatively healthy	8%	72	81	0.90	4%	62	77	0.81
People with serious mental illness	9%	197	204	0.97	11%	132	204	0.65
People with Major Disability	10%	414	396	0.98	10%	327	407	0.88

Source: CareJourney research



# Top ACOs Effectively Manage Other Episodes

Top Savers significantly beat expected results across complications, ED visits, and admissions.

	Average Episode Payment		Complications		Admissions/Readmissions	
	Negative Savers O:E	Top Savers O:E	Negative Savers O:E	Top Savers O:E	Negative Savers O:E	Top Savers O:E
Coronary Artery Disease	0.99	0.96	0.96	0.88	1.00	0.94
Emphysema (COPD)	0.99	0.84	0.94	0.72	0.99	0.85
Heart Failure	0.96	0.81	0.91	0.70	0.99	0.83

Source: CareJourney research

# Success Amplified By Four Key Factors



## Peer Benchmarks

*A guidepost to frame your context and motivate performance*



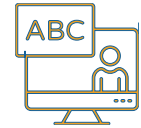
## Open Approach

*Ability to unpack episodes, understand clinical nuance, and identify patients for impact*



## Parallel Analytics on Your Data

*Tracking real time during an episode to identify earliest intervention possibility*



## Integration into Workflow

*Opportunity to drive action without an added burden*

# Driving Action Through Insight

Uncovering variation + prioritizing intervention



**Michael**  
Male, 70 yo

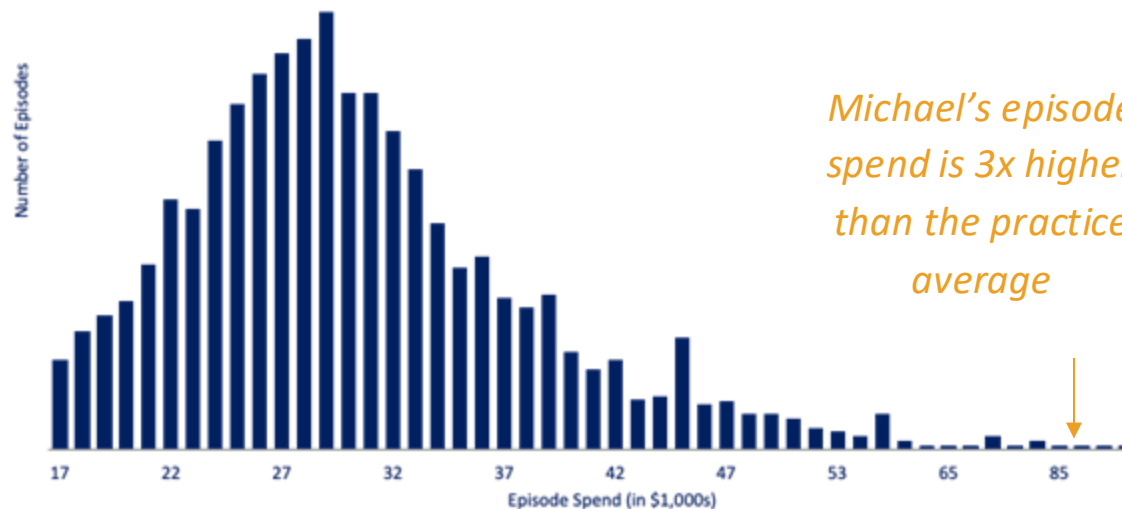
HCC Score

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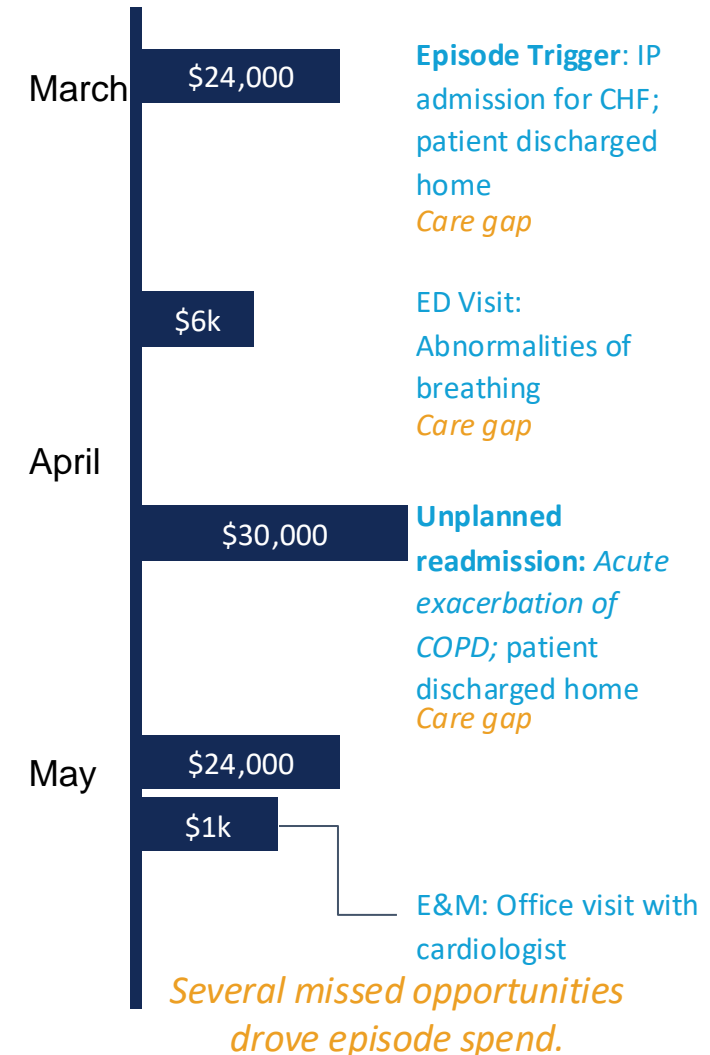
Care Gaps

Risk assessment  
Medication Reconciliation  
Care Plan Adherence  
Patient Education

*For our cardiology group of interest: Understand high-cost patient CHF episode outliers to identify specific interventions*



## Michael's CHF Episode Timeline



# Activating Episodes On Your Data

*Moderated By:*



**Keely Mulcahy**  
*Sr. Director of Provider  
Intelligence*

*Featuring:*



**Aneesh Chopra**  
*Chief Strategy  
Officer*



**Erica Everhart**  
*Head of Thought  
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By Erica Everhart  
January 22, 2025

Controlling the rapidly increasing costs of healthcare is fraught with ethical conundrums, particularly around limiting access to care. After all, there are only so many ways to reduce healthcare costs – largely boiling down to (1) reducing utilization or (2) reducing the cost of services. Of the two options, reducing utilization was the focus of healthcare reform over the last decade.

In some cases, inadequate provider networks limit the number of “in-network” providers reducing the number of beneficiaries who can feasibly receive care covered by their insurance plan in a year. In other instances, a practice called prior authorization requires the insurance company’s approval of care in advance. These utilization management practices engender strong emotions from people who feel their health, or

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