Episode of Care Analytics to Improve Specialty Care Outcomes

The Institute for Accountable Care (IAC) has developed episode-of-care analytic reports to help health care organizations evaluate the performance of specialist physicians. The reports are developed with the Episode Grouper for Medicare (EGM), a comprehensive system developed specifically to analyze the care delivered to complex patients with multiple comorbidities that was originally developed under a contract with the Center for Medicare and Medicaid Services (CMS). The reports incorporate 100% of Medicare Part A and Part B claims across multiple years to ensure sufficient volume to generate reliable estimates of performance. Our benchmarking reports provide actionable information to organizations interested in engaging specialist physicians, identifying preferred specialist partners, and finding opportunities to improve the value of specialty care for their beneficiaries.

Why Use Episodes of Care?

Episodes provide a way to evaluate which specialty services and practitioners are driving your organization's total cost of care. Episodes provide a holistic picture of specialty care, looking past the initial surgery or hospitalizations to provide insight into the post-acute recovery including follow-up visits, rehabilitation, home health and more.

The Episode Grouper for Medicare (EGM)

EGM is a software application that reads in Medicare claims data chronologically and assigns each beneficiary's services and their associated Medicare payments to episodes of care. The tool includes chronic, acute, and procedural episodes of care. Strengths of EGM include:

- Visibility into over 800 chronic, acute and procedure episodes
- Advanced risk adjustment models that produce observed versus expected results
- Identifies potential avoidable services and complications
- Allows assessment of overlapping acute and chronic conditions
- Able to roll up results at the patient, provider, or organization level.

Unlike most episode groupers, EGM profiles surgeries or acute events in the context of their underlying chronic conditions. Examples include episode spending for surgeries done specifically for cancer or acute event rates for a cohort of patients with chronic heart failure.

Finally, EGM was designed to support team-based care models and allows end users to look at the number and type of clinicians involved in care. There is substantial variation in the number of clinicians that touch a patient over the course of an episode and EGM can highlight opportunities to optimize the clinical team.

Episode Grouper Applications

EGM is a versatile tool that can help healthcare systems and ACOs find opportunities to improve efficiency by identifying:

- High value providers
- Opportunities to shift care to lower cost settings,
- Avoidable complications of care
- Low-value or duplicative services,
- Opportunities to reduce unnecessary admissions or procedure.

EGM also allows insights into the clinical performance of physician practices, individual clinicians (for high-volume episodes) and health care facilities or systems. Examples include:

- Comparison of employed specialist groups to community or national benchmarks,
- Profiling specialist groups in your market to identify preferred referral partners,
- Effectiveness in managing cohorts of patients with similar episode profiles (e.g., heart failure, COPD, or diabetes) over time,
- Identifying and optimizing care teams.

Finally, EGM can also be used to profile a provider's full book of business. Rather than assessing specialty practices based on one or two procedures, EGM can measure aggregate performance across a range of services that make up a specialist group's principal services.

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