

**Subject: Ensuring Appropriate Utilization      Page 1 of 3**

**Objective:**

- I. To ensure the facilitation of appropriate care across the continuum.
- II. To ensure mechanisms are in place to detect and correct potential under and over utilization of services.

**Policy:**

- I. Tuality Health Alliance (THA) monitors relevant utilization data for each contracted health plan and analyzes all data collected to detect under and over utilization. THA will monitor utilization data from physician practices, provider sites, and high volume specialists to detect potential under and over utilization of services.
  - A. Analysis is performed at least annually and includes:
    1. Annual reports of findings
    2. Evidence that analysis results in identified areas or procedures in need of improvement
  - B. Under or over-utilization thresholds
    1. HEDIS, CAHPS, OPIC or DHS data
    2. Pharmacy Benefit data
    3. OMAP benchmarks
    4. Length of Stay data
    5. Unplanned readmissions
    6. Member complaints and appeals
- II. THA may conduct qualitative and quantitative analysis to determine the cause and effect of all data not within thresholds.
  - A. By practice sites
  - B. THA will measure the effectiveness of interventions to address under and over utilization.
- III. THA may provide utilization pattern reports to THA physicians in an effort to educate and assist physicians to implement strategies to achieve appropriate utilization. THA measures whether the interventions have been effective and implements strategies to achieve appropriate utilization.

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- IV. In the event there are identified problems of under and over utilization identified, THA will work with the physician, developing an action plan and re-evaluate the measures of the interventions to ensure effectiveness with the action plan.
  
- V. All THA staff and physicians sign annual Conflict of Interest and Confidentiality Statements and financial incentive statements describing those staff and providers who make utilization related decisions and those who supervise them to sign a document acknowledging that they have received the statement.
  - A. Utilization Management (UM) decision-making is based only on appropriateness of care and service and existence of coverage.
  
  - B. THA does not specifically reward physicians or other individuals conducting utilization review for issuing denials of coverage or service care.
  
  - C. There are no financial incentives for UM decision makers.
  
- VI. THA Case Managers will conduct concurrent review of admission and continued stay of THA patients at all facilities.
  - A. To ensure early and appropriate discharge planning.
  
  - B. To ensure coordination between utilization management activities, continuous improvement, and other patient care monitoring activities.
  
  - C. To review multidisciplinary functions.
  
  - D. To review and analyze patterns of utilization and variance tracking.

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                              May 2005

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**THA Plan Director**

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**THA Medical Director**

**Addendum**

	Thresholds
Hysterectomy	
LOS data	
Readmits within 30 days (under & over utilization)	
Immunizations 0-2, Mammography, Cervical Cancer Screening	
Emergency Room Utilization	
Diabetes Management	
Complaints and Appeals	
Pharmacy Utilization	
Ambulatory visit rates	
Referral rates to specialists	