



# Utilization Management Policy

## Monitoring of Over and Under Utilization

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### Policy Statement

The provider network will be evaluated for over and under utilization of health care services on no less than an annual basis. Assessment methodology will include statistical analysis of pre-established standards of health care quality measures. For those providers identified as delivering potential substandard care, the Utilization Management department will investigate and, where indicated, develop specific corrective action plans in conjunction with the Credentialing and Risk Management department.

### Purpose

This policy describes the process by which Optum\* by OptumHealth Care Solutions, LLC monitors the over and under utilization of health care services.

### Scope

All in and out of network programs, involving all provider types, where utilization management takes place.

\*Optum™ Physical Health (“Optum”) includes OptumHealth Care Solutions, LLC; ACN Group IPA of New York, Inc.; ACN Group IPA of California, Inc. d/b/a OptumHealth Physical Health of California; Managed Physical Network, Inc.; and OrthoNet Holdings, Inc. which includes OrthoNet New York IPA, Inc., OrthoNet West, Inc., OrthoNet, LLC, OrthoNet of the South, Inc.



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## Background

### Overview:

The monitoring for the over or under utilization of health care services takes place at both the population (aggregate patient data) level and during individual patient episodes of care. Patient and health care provider perspectives are considered as part of the process (table 1).

Aggregate data are used to assess health care providers, who meet baseline inclusion criteria e.g., a minimum patient number for a defined reporting period, for the risk of over and under utilization of health care services. The Quality Management Department provides reporting that supplies the data used to identify health care providers who may be over- or under-utilizing health care services. These data benchmark individual health care providers in comparison with a series of committees’ approved metrics termed *Key Performance Indicators* (KPI). The risk of over utilization is identified when one or more KPI are exceeded. The potential for under utilization is recognized when the visits per patient are less than or equal to the weighted average minus two standard deviations.

Individual patient care management is assessed for the over and under utilization of health care services during case-specific review, and when identified by pre-established utilization thresholds.

The data analysis and/or case review process prompt further investigation in the form of peer-to-peer discussion (intervention). The intervention process is supported by a dedicated electronic database. The first aim of an intervention is to identify gaps in the application of current best evidence. The second goal is to offer resources and support – when indicated – that are intended to assist practitioners in aligning their clinical decision making with current evidence (table 2).

The summary reporting of over/under utilization analysis and interventions is recorded in the *Annual Utilization Management Program Evaluation*.

Key Performance Indicators (KPI) Associated with Over/Under Utilization Table 1

KPI	Level	Perspective
Dates of service	Aggregate & Individual Episode	Provider
Services per date of service	Aggregate & Individual Episode	Provider
Types of services	Aggregate & Individual Episode	Provider
Plain film radiography per patient	Aggregate	Provider
Clinical resource use per patient	Aggregate	Provider
Patient Satisfaction - Visit Specific - General	Individual Episode	Patient
Patient Demographics and Diagnostics	Aggregate & Individual Episode	Patient
Outcome Measurement	Individual Episode	Patient

Intervention Types Table 2

<ul style="list-style-type: none"> <li>Aggregate data review and peer to peer intervention</li> <li>Case specific outreach secondary to clinical submission review</li> <li>In-network threshold case review and outreach</li> </ul>	<ul style="list-style-type: none"> <li>Out-of-network threshold case review and outreach</li> <li>Patient Satisfaction Survey/Consumer Assessment of Healthcare Providers and Systems (CAHPS)</li> </ul>
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### References

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2. Haldeman S. Guidelines for Chiropractic Quality Assurance and Practice Parameters. 1993; Aspen Pub, Gaithersburg, MD
3. Liebenson C. Rehabilitation of The Spine, Williams & Wilkins, 2007
4. Waddell G. The Back Pain Revolution, Churchill Livingstone, 2004
5. Yeomans SG. The Clinical Application of Outcomes Assessment. Stamford CT: Appleton & Lange 2000
6. Centers for Medicare and Medicaid Services (CMS)
7. Performance Measurement: Accelerating Improvement, 2005; *National Academies Press*: <http://www.nap.edu>.
8. Crossing the Quality Chasm: A New Health System for the 21st Century, 2001; *National Academy Press*: <http://www.nap.edu/books/0309072808/html/>

### Policy History/Revision Information

Date	Action/Description
2/23/2000	Original effective date
3/07/2001	Annual review and approval completed
9/20/2002	Annual review and approval completed
11/11/2003	Annual review and approval completed
10/18/2004	Annual review and approval completed
2/14/2006	Annual review and approval completed
4/10/2008	Annual review and approval completed
1/15/2009	Policy reformatted
4/30/2009	Annual review and approval completed
4/08/2010	Annual review and approval completed
10/07/2010	Policy revised with the addition of key performance indicators and description of intervention types.
10/26/2010	Policy rebranded to "OptumHealth Care Solutions, Inc. (OptumHealth)"
4/07/2011	Annual review and approval completed
4/19/2012	Annual review and approval completed
4/18/2013	Annual review and approval completed
4/17/2014	Annual review and approval completed; Policy rebranded "Optum* by OptumHealth Care Solutions, Inc."
4/16/2015	Annual review and approval completed
4/21/2016	Annual review and approval completed
4/20/2017	Annual review and approval completed; Legal entity name changed from "OptumHealth Care Solutions, Inc." to "OptumHealth Care Solutions, LLC."
4/26/2018	Annual review and approval completed
4/25/2019	Annual review and approval completed
4/23/2020	Annual review and approval completed; no significant changes made to the document
4/22/2021	Annual review and approval completed; Deleted reference to URAC
5/03/2022	Annual review and approval completed; Appended OrthoNet guidance
6/29/2022	Updated legal entity name "OptumHealth Care Solutions, LLC." to *Optum™ Physical Health ("Optum") includes OptumHealth Care Solutions, LLC; ACN Group IPA of New York, Inc.; ACN Group IPA of California, Inc. d/b/a OptumHealth Physical Health of California; Managed Physical Network, Inc.; and OrthoNet Holdings, Inc. which includes OrthoNet New York IPA, Inc., OrthoNet West, Inc., OrthoNet, LLC, OrthoNet of the South, Inc.

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4/27/23	Annual review and approval completed; no significant changes made to the document. Updated contact email from <a href="mailto:policy.inquiry@optumhealth.com">policy.inquiry@optumhealth.com</a> to <a href="mailto:phpolicy_inquiry@optum.com">phpolicy_inquiry@optum.com</a> .
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### Contact Information

Please forward any commentary or feedback on Optum utilization management policies to: [phpolicy\\_inquiry@optum.com](mailto:phpolicy_inquiry@optum.com) with the word "Policy" in the subject line.

The services described in Optum\* by OptumHealth Care Solutions, LLC policies are subject to the terms, conditions and limitations of the Member's contract or certificate. Optum reserves the right, in its sole discretion, to modify policies as necessary without prior written notice unless otherwise required by Optum's administrative procedures.

Certain internal policies may not be applicable to self-funded members and certain insured products. Refer to the member's Summary Plan Description (SPD) or Certificate of Coverage (COC) to determine whether coverage is provided or if there are any exclusions or benefit limitations applicable to any of these policies. If there is a difference between any policy and the member's SPD or COC, the member's SPD or COC will govern.

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## Appendix

### OrthoNet Guidance

**Purpose:** To monitor and analyze all relevant utilization data and, if indicated, take action to correct any demonstrated patterns of potential or actual inappropriate under- or over-utilization.

**Timeframe/Reference:** NCQA Standards & Guidelines 2021: Element D - UM Timeliness Report; UR Timeframes NYS Article 49 §4901 (h).

**Policy:** OrthoNet will monitor utilization data for each of its product lines. It will set benchmark for the data types selected and monitor the performance of these data types to detect possible under- /over-utilization. OrthoNet will analyze the performance of the selected data quarterly. OrthoNet will perform an analysis to determine if performance changes.

OrthoNet will monitor the trend over time and formulate appropriate actions if potential or actual over- or under-utilization is detected.

OrthoNet will monitor and submit a report to the UM committee for timeliness of UM decision making.

#### Ensuring Appropriate Utilization Procedures:

1. The UM committee and appropriate OrthoNet staff will select relevant types of utilization data that will be monitored for each product line.

Candidate measures may include:

- length of stay for inpatient/post-acute/SNF facilities
- numbers of patients seeking care for specific conditions
- admission rates/discharge rates for inpatient/facility stays
- rates of selected surgical procedures with potential inappropriate utilization:
- laminectomy/discectomy
- total hip replacement
- total knee replacement
- meniscetomy/chondroplasty
- subacromial decompression
- hallux valgus repair
- carpal tunnel release
- Synvisc/Hyalgan injection
- bone growth stimulators

OrthoNet will seek externally available data for these benchmark measures where such data exist.

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2. OrthoNet will monitor these selected measures at least quarterly. This task will be included in the UM Work Plan. The UM committee and chief medical officer or designee will coordinate its preparation and presentation.
3. OrthoNet will formulate and undertake appropriate actions for measures found and confirmed to be outside the established benchmarks. These actions will be developed under the direction of the UM committee and will be implemented by appropriate OrthoNet management and staff. All interventions will be monitored and re-measured after a suitable interval (set by the UM committee).
4. OrthoNet will monitor and submit a report to the UM committee for timeliness of UM decision making.

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