



Solventum™ Clinical Risk Groups (CRGs) Classification System

- Assigns each patient to a single, mutually exclusive risk category
- Supports effective chronic disease risk adjustment and longitudinal care coordination
- Addresses total cost of care management, quality outcomes measurement and improvement, as well as profiling for providers and health plans

The difference between DRGs and CRGs

The Centers for Medicare & Medicaid Services (CMS) diagnosis related groups (DRGs) and Solventum CRGs are both classification systems that provide a means of adjusting payment amounts according to clinical characteristics and resource demands. CMS DRGs address a specific inpatient hospital admission and are used as a concurrent tool for the CMS population, whereas Solventum CRGs profile an individual over a period of time (typically a year), may be used concurrently and prospectively and are suitable for all populations.

The challenge: Accounting for clinical complexity

Whether you are a payer, provider or part of an accountable care organization (ACO), clinical complexity presents a challenge for population health management. Within any medical population, some individuals are healthy while others have multiple chronic conditions. No two patients are exactly alike, even those with the same diagnosis; all have distinct healthcare needs and require differing levels of care and resources.

To get a more complete and accurate view of individual patients and their resource utilization, organizations need visibility into care across settings and comorbidities. Population health management – including equitable payment – requires taking this level of clinical complexity into account.

The solution: Using claims data to measure burden of illness and risk

Using standard claims data (inpatient, ambulatory and pharmaceutical), the Solventum CRG Classification System assigns each patient to a single, mutually exclusive risk category and then groups data to risk adjust for each individual's burden of illness. Included in this categorical clinical model are more than 350 CRGs, many of which have multiple levels of severity of illness, resulting in more than 1,300 potential discrete Solventum CRG assignments.

By helping relate the historical clinical and demographic characteristics of individuals to the amount and type of healthcare they have used recently and would be expected to use in the future, Solventum CRGs build the foundation for both a payment system and a care coordination system. Because Solventum CRGs are clinically based, they also create a language that links the clinical and financial aspects of care. The predictive capability of Solventum CRGs can help healthcare organizations control costs, maintain quality and drive care coordination improvements to yield better outcomes.



Solventum CRGs can be used to help you:

- Determine the medical costs and risks for groups of individuals. The software incorporates institutional, professional claims data and pharmaceutical data when assigning risk groups. It also offers the option of integrating standard functional assessment data to provide a functional status group (FSG).
- Measure and manage population health. Solventum CRGs include consideration of social determinants of health (SDoH) and behavioral health codes.
- Improve quality of care and outcomes. Track the prevalence and progress of chronic disease, analyze the clinical efficacy of treatments and design care coordination strategies and best practices informed by a detailed population-based understanding of disease severity.
- Establish fair rates and payment programs. Use data to identify profile utilization patterns, evaluate the appropriateness of capitation rates, discourage adverse risk selection, reward cost-effective treatment of high risk individuals and align best practices with reimbursement.
- Track and improve outcomes of value-based quality measures. Risk adjust potentially preventable events, such as avoidable initial hospital admissions and emergency department (ED) visits.

Supporting risk-adjusted comparisons in population health analysis

Solventum CRGs have undergone extensive independent validation and are used in population health initiatives by state data commissions, health departments and commercial payers for programs related to:

- Quality outcomes and total cost of care management
- Value-based payment programs
- Public performance reporting and all payer claims database analysis
- Population health and episodes of care analyses
- Comparisons of quality and utilization in special needs delivery programs, such as mental health and substance abuse

Built into other Solventum solutions

Solventum CRGs are an integral component of these solutions:

- <u>Solventum™ Patient-focused Episodes (PFEs) Classification System</u>, which defines episodes of care to reflect a patient's total burden of illness and comorbidities, as well as quantifies the patient's acute and post-acute resource needs.
- Solventum™ Population-focused Preventables (PFPs) Classification System, which bundles together the <u>Solventum™ Potentially Preventable Admissions (PPAs) Classification System</u>, <u>Solventum™ Potentially Preventable Emergency Department Visits (PPVs) Classification System</u> and <u>Solventum™ Potentially Preventable Services (PPSs) Classification System</u> to measure and manage potentially preventable events and improve population health.



Contact Solventum today

For more information on how our software and services can assist your organization, contact your Solventum sales representative, call us at 800-367-2447, or visit us online at **Solventum.com**.



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