The Potential Array of "Medical Management" Approaches Within Managed Care Organizations

I. Approaches Targeted at Clinicians

A. Non-financial

1) Practice guidelines/policies

2) General education and targeted "quality improvement" feedback

3) Mandatory PCP gatekeeper (including authorization of referrals)

4) Retrospective peer-comparisons via practice performance profiles

5) Admission/procedure pre-certification

6) Second opinion for major treatments (e.g., surgery)

7) "Formulary" type practice choice limitations

8) Health plan subsidized / coordinated health information technology (HIT) / electronic health records (EHRs)

B. Financial

1) Risk sharing based on individual clinician or groups practice efficiency (via capitation, withhold, or bonus)

2) Rewards for attaining quality targets (pay for performance – "P4P")

3) Retrospective denial of FFS claims, based on "utilization review" assessing whether they adhere to practice policies

4) Productivity bonuses

II. System-wide/Cross-cutting Approaches

A. Non-financial

1) Selection/de-selection of certain providers

2) Use of high volume "Centers of Excellence"

3) Ongoing credentialing of providers
4) Nurse "case manager" for high cost/high need members sometimes using "predictive modeling" methods to identify cases before they are expensive.

5) Comprehensive population based "disease management" programs.

6) Offering enhanced access to enrollees for certain type of services / decreased access for others

7) Giving provider groups more "devolved" control (and risk)

8) Initiating major quality improvement study to provide evidence based re-engineering

9) Development of special facilities (e.g., work site clinics, elder support centers)

B. Financial

1) Careful monitoring and feedback of costs in various risk pools

2) Use of risk adjustment in financial analyses and payments

III. Consumer/Patient Targeted Approaches (sometimes termed "demand management")

A. Non-financial

1) Screening reminders for prevention

2) Educational/informational outreach programs (often web-based)

3) Supportive (non-medical) services (e.g., home care, support groups)

4) Nurse information/triage

B. Financial

1) Incentives to select or avoid certain providers or settings (sometimes involves "tiering" of providers.)

2) Cost sharing for certain types of services (benefit design including traditional co-insurance and new web-based "medical savings accounts")

3) Customized networks, sometimes linked to employer "defined contribution" (of premium) and web-based provider panel/benefits customization by consumer.

(Source: Jonathan Weiner – Johns Hopkins University – 2007)