



Symmetry Episode Risk Groups (ERG)

A successful approach to cost risk assessment

As health plans work to improve care and control costs, risk assessment has never been more important. **Risk assessment is the measurement of the expected health care cost or utilization of an individual or population. It enables organizations to assess members' risk and predict the potential medical and pharmaceutical costs associated with those risks.** Optum® Symmetry® Episode Risk Groups® (ERG®) helps health plans accurately assess current and future health cost risk for individuals and groups in a variety of ways.

Episode Risk Groups predicts health care usage for individuals and groups in commercial and Medicare Advantage populations by creating individual risk profiles that incorporate episodes-of-care methodology, medical and pharmacy claims information as well as demographic variables. Like many existing risk assessment methodologies, ERG uses administrative medical claims as input to predict cost risk. But significantly, ERG use episodes of care as markers of risk rather than the diagnoses from individual medical encounters.

An innovative approach to risk assessment

ERG focuses on the key information describing a member's underlying condition rather than the individual services rendered in treatment. And because episodes of care can incorporate pharmaceutical data, ERG also takes into consideration information available from a member's use of prescription drugs. The result is a powerful, cost-effective and practical solution to cost risk assessment.

Incorporating episodes-of-care methodology

The ERG system incorporates Symmetry's patented Episode Treatment Groups® (ETG®) medical condition classification and episode building system. ETG assigns individual medical services to unique episodes of care and characterizes these episodes. In this way, ETG defines clinically based units that can be combined to construct a profile of risk for an individual. ETG prioritizes related medical conditions, allowing focus on that condition best describing the mix of services required for the ongoing evaluation.



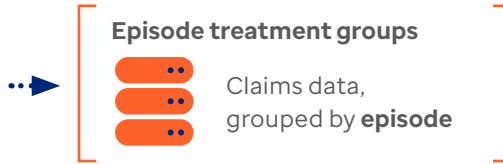
Risk markers in ERG are very granular. The use of over 900 markers of risk allows ERG to be one of the best risk assessment tools for predicting future health care costs.

ETG also has an episode-specific severity score that reflects an individual's comorbidities and condition-specific complications, as well as age and gender. This is important as the clinical severity of an episode is highly correlated with increased resource consumption and, in turn, higher costs.

How it works: An integrated approach

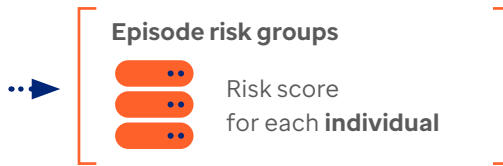
Claims data

- Diagnosis codes
- Drug codes
- Procedure codes



Claims data

- Age
- Gender
- Risk markers



Four easy steps to better risk assessment

- 1. Create ETG episodes of care:** The building blocks of ERG are created using ETG methodology. The software identifies and combines related services – both diagnostic and procedural – into medically relevant units describing complete episodes of care. Each patient will have an ETG for each of their episodes of care during the review period.
- 2. Map ETG to ERG:** The ETG output provides a record of the different episodes of care identified for an individual. Episodes are further categorized into ERG, based on the member's ETGs and associated severity levels. A member can be assigned zero, one or multiple ERGs.
- 3. Develop an individual's ERG profile:** Age, gender and mix of ERGs provide a clinical and demographic risk profile for a member.
- 4. Create individual risk scores:** A member's risk score is computed by summing the predetermined weights attached to each ERG and to their demographic characteristics. Retrospective and prospective risk scores are computed for each member.

Key benefits of ERG

- Predictive ability based on sound and transparent methodology refined over nearly 20 years
- The deep clinical foundation of ERG provides an effective tool for understanding how patient profiles impact current and future health risk
- Numerous models within one product including retrospective (concurrent), prospective and actuarial/underwriting model options
- Important use cases include identification of members with highest cost risk, comparison of providers and their performance using a fair, meaningful method and support of accurate payment rates
- The Symmetry Suite of products provides a comprehensive solution for health risk assessment and episode-of-care methodologies

Learn more about Symmetry Episode Risk Groups



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