

# SHERLOCK BENCHMARKS

All Universe Edition



*Volume II*

Medical Management Metrics

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# SHERLOCK BENCHMARKS

## All Universes Edition - 2020

### *Volume II: Medical Management Metrics*



SHERLOCK COMPANY

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November 2020

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## INTRODUCTION AND BACKGROUND

### *Background*

This is the “Medical Management Metrics” book of Volume II of the 2020 *Sherlock Benchmarks – All Universes Edition*. Together, these volumes provide statistics and analysis summarizing the administrative expenses and operational metrics of 36 health plans. These plans consist of Blue Cross Blue Shield Plans, Independent/Provider-Sponsored plans, Medicaid plans. They are intended to facilitate comparisons for users and to assist in the management of health plan administrative expenses. They should be useful to operational and financial managers of health plans, consultants and third-party vendors. *Sherlock Benchmarks* should also be valuable to Boards and persons charged with corporate finance responsibilities including strategic planners and investment bankers.

### *Organization of Sherlock Benchmarks*

The 2020 *Sherlock Benchmarks* are a carefully compiled and scrubbed summary of the surveyed operational characteristics of leading health plans.

*Sherlock Benchmarks* assists in performance improvements for health plans by facilitating comparisons between plans and their universe as a whole. It quantifies health plans’ relative performance and identifies sources of variance at a highly granular level. *Sherlock Benchmarks* information is unusually comprehensive and a highly valid analytical tool.

The *Sherlock Benchmarks* are produced in two volumes:

**Volume I: Financial Metrics** includes analyses of administrative expenses through financial ratios such as percent of revenues and per member per month. Data is divided into a total of 14 product lines and 79 functions. Additional descriptions are found below.

**Volume II** complements Volume I by facilitating in-depth analyses of the financial metrics. It is subdivided into four books: Operational, Staffing and Compensation, Medical Management and Utilization.

Operational metrics translate operating performance into expense performance, so expenses are often analyzed into factors of user demand, employee productivity, unit cost, staffing ratios and cost per employee. For instance, Claim and Encounter Capture and Adjudication is analyzed into claims per member, productivity of claims processors, cost per claim and per-employee costs of claims. In addition, every function is analyzed by factors of staffing ratios, staffing costs per FTE and non-labor costs. Numerous drivers of costs and quality are also provided. In the claims area, for example, these include metrics of electronic submission, auto-adjudication and factors requiring manual intervention.



This document, Volume II - Medical Management, is divided into eight sections:

TAB 1. INTRODUCTION AND BACKGROUND

This section describes the organization, conventions, applicability and processes of the *Sherlock Benchmarks* studies and this volume in particular.

TAB 2. MEDICAL MANAGEMENT ADMINISTRATIVE EXPENSES AND OUTSOURCING

This section provides a summary of costs of Precertification, Case Management, Disease Management and Nurse Information Line. It also includes a summary analysis of cost components of medical management by type of medical management activity. Outsourcing of these activities are also analyzed.

TAB 3. PRECERTIFICATION AND RECERTIFICATION

Pre-Certification includes carrying out pre-certification and medical necessity reviews on designated referrals and targeted outpatient procedures, services and inpatient admissions including to rehabilitation units as well as referrals. This analysis includes analyses of cost components (such as staffing ratios and productivity), In-Plan and Out-of-Plan certification and approval and denial rates.

TAB 4. CASE MANAGEMENT

“Case Management is a collaborative process which assesses, plans, implements, coordinates, monitors, and evaluates options and services to meet an individual's health needs through communication and available resources to promote quality cost-effective outcomes.”  
Source: *Case Management Society of America*. This analysis includes analyses of cases and costs by major practice category, productivity and staffing ratios.

TAB 5. DISEASE MANAGEMENT

Disease management is the process in which a population is identified and support services that help educate members are put in place. The outcomes are then processed, measured, evaluated and the results are reported to the relevant parties. This analysis includes analyses of cases and costs by major practice category, productivity, staffing ratios and the propensity to outsource disease management.

TAB 6. NURSE INFORMATION LINE

Nurse Information Line is telephonic one-on-one guidance to information, resources and tools to increase the member's ability to manage their own condition, understand their health care options and become active decision makers with their physician. It is staffed by Registered Nurses or other healthcare



professionals qualified or trained to provide support for health care decision making, education and assessment of health symptoms. This analysis includes cost per member, staffing metrics and inbound and outbound calls.

includes costs, types of quality cases (total, written and telephone) and staffing ratios.

#### TAB 7. UTILIZATION REVIEW AND APPEALS

Utilization Review and Appeals includes appeals of Utilization Management / Precertification / Recertification. These appeals are exclusively medical. The section also includes retrospective reviews of use of emergency departments, care received and out of system admissions. The review of eligibility and benefits and the conduction of investigations and / or required reviews are also included in this section. This analysis includes types of appeals (internal, expedited, written and external written), rates of approvals and denials, staffing ratios and an application of utilization review to certain high cost services.

#### TAB 8. QUALITY ASSURANCE AND WELLNESS

Quality Assurance and Wellness is concerned with the review of the quality of health care provided by providers. This includes NCQA Health Plan Report Card and CMS Star Plan Ratings. Reviews of quality management, the recommendation of solutions to problems and the collecting and synthesizing of quantitative and qualitative data to drive decisions is also incorporated into this section. This analysis

#### *Conventions Used in this Report*

In the *Sherlock Benchmarks*, we analyzed costs and operations for the health plans as a whole, by functional area and also by product. We have employed a number of reporting conventions, which we discuss below.

1. The terms “high” and “low” mean the average of the *two* highest and *two* lowest values, respectively. The standard deviation is the measure of dispersion. To facilitate comparability of standard deviations, we have expressed standard deviation as a percent of the mean, commonly termed the coefficient of variation.
2. Statistical results are un-weighted. That is, each metric reflects equally the experience of each health plan that reports a functional area for a product, without regard to the plan’s size.
3. Statistical measures for each functional area are calculated independently. Accordingly, the statistical analysis of total expenses is not the sum of the statistical analysis of each component cost.
4. Results were carefully validated to identify, and correct if possible, reporting errors.
5. Within each firm, ratios based on the total scope of products (for instance in the Total and Comprehensive



values) are intrinsically weighted by the relative importance of each product to that firm. For instance, a firm with a heavy commitment to Indemnity & PPO ASO will reflect that product's weighting and its company-wide costs will be lower as a result.

We offer a few additional comments regarding Volume II - Medical Management.

1. The information we received is through our contact, typically someone in the finance area, rather than directly from the operational department themselves.
2. The response rate was considerably lower in operational metrics as compared with financial metrics. Operational metrics are largely voluntary to help assure quality of responses.
3. The components may not sum to totals, for example in the case of product line breakouts. That is because response rates varied in each of the component parts and in totals.
4. Additional discussion about *Sherlock Benchmarks* survey procedures, data analysis and presentation is found under Tab 1 of Volume I - Financial Metrics.
5. A complete description of the characteristics of the participating plans is found in Tab 10 of Volume I - Financial Metrics.

### *Questions and Comments*

We invite questions and comments on the *Sherlock Benchmarks*.

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In addition, please know that we support your use of the *Sherlock Benchmarks*. We hope that you will not hesitate to contact us if you have any questions concerning classifications, calculation methodologies and the application of the *Sherlock Benchmarks* to improve the performance of your health plan.



## Tab 2

### Medical Management Administrative Expenses and Outsourcing

| <b>Metric</b>                                                         | <b>Page</b>        |
|-----------------------------------------------------------------------|--------------------|
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| Precertification.....                                                 | <a href="#">3</a>  |
| Case Management (High-Risk, Complex and Catastrophic)                 |                    |
| Maternity Complications.....                                          | <a href="#">3</a>  |
| Diabetes Mellitus.....                                                | <a href="#">4</a>  |
| Asthma.....                                                           | <a href="#">4</a>  |
| Chronic Obstructive Pulmonary Disease (COPD).....                     | <a href="#">5</a>  |
| Coronary Artery Disease (CAD).....                                    | <a href="#">5</a>  |
| Congestive and Other Heart Failure (CHF).....                         | <a href="#">6</a>  |
| Depression.....                                                       | <a href="#">6</a>  |
| Other.....                                                            | <a href="#">7</a>  |
| Total.....                                                            | <a href="#">7</a>  |
| Disease Management (Chronic)                                          |                    |
| Diabetes Mellitus.....                                                | <a href="#">8</a>  |
| Asthma.....                                                           | <a href="#">8</a>  |
| Chronic Obstructive Pulmonary Disease (COPD).....                     | <a href="#">9</a>  |
| Coronary Artery Disease (CAD).....                                    | <a href="#">9</a>  |
| Congestive and Other Heart Failure (CHF).....                         | <a href="#">10</a> |
| Other.....                                                            | <a href="#">10</a> |
| Total - From Financial Metrics Survey.....                            | <a href="#">11</a> |
| Nurse-Information Line.....                                           | <a href="#">11</a> |
| Health Management / Wellness Programs                                 |                    |
| Diabetes Mellitus.....                                                | <a href="#">12</a> |
| Obesity.....                                                          | <a href="#">12</a> |
| Other.....                                                            | <a href="#">13</a> |
| Total.....                                                            | <a href="#">13</a> |
| Quality Components.....                                               | <a href="#">14</a> |
| Medical Informatics.....                                              | <a href="#">14</a> |
| Utilization Review.....                                               | <a href="#">15</a> |
| Other Medical Management.....                                         | <a href="#">15</a> |
| Total Medical Management / Quality Assurance / Wellness.....          | <a href="#">16</a> |
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**Tab 3**  
**Precertification and Recertification**

| <b>Metric</b>                                          | <b>Page</b>               |
|--------------------------------------------------------|---------------------------|
| <b>Precertifications</b>                               |                           |
| Per 100 Members per Year                               |                           |
| In-Network                                             |                           |
| Approved Precerts Per 100 Members per Year.....        | <a href="#"><u>23</u></a> |
| Denied Precerts Per 100 Members per Year.....          | <a href="#"><u>23</u></a> |
| Total Precerts Per 100 Members per Year.....           | <a href="#"><u>24</u></a> |
| Out-of-Network                                         |                           |
| Approved Precerts Per 100 Members per Year.....        | <a href="#"><u>24</u></a> |
| Denied Precerts Per 100 Members per Year.....          | <a href="#"><u>25</u></a> |
| Total Precerts Per 100 Members per Year.....           | <a href="#"><u>25</u></a> |
| Total Precertifications                                |                           |
| Approved Precerts Per 100 Members per Year.....        | <a href="#"><u>26</u></a> |
| Denied Precerts Per 100 Members per Year.....          | <a href="#"><u>26</u></a> |
| Total Precerts Per 100 Members per Year.....           | <a href="#"><u>27</u></a> |
| Composition                                            |                           |
| Percent of In-Network                                  |                           |
| Percent of In-Network Approved.....                    | <a href="#"><u>27</u></a> |
| Percent of In-Network Denied.....                      | <a href="#"><u>28</u></a> |
| Percent of Out-of-Network                              |                           |
| Percent of Out-of-Network Approved.....                | <a href="#"><u>29</u></a> |
| Percent of Out-of-Network Denied.....                  | <a href="#"><u>29</u></a> |
| Percent of Total Precertifications                     |                           |
| Percent of Total Precertifications Approved.....       | <a href="#"><u>30</u></a> |
| Percent of Total Precertifications Denied.....         | <a href="#"><u>30</u></a> |
| Percent of Total Precertifications                     |                           |
| Percent of Total Precertifications In-Network.....     | <a href="#"><u>31</u></a> |
| Percent of Total Precertifications Out-of-Network..... | <a href="#"><u>31</u></a> |
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| In-Network                                             |                           |
| Approved Recerts Per 100 Members per Year.....         | <a href="#"><u>32</u></a> |
| Denied Recerts Per 100 Members per Year.....           | <a href="#"><u>32</u></a> |
| Total Recerts Per 100 Members per Year.....            | <a href="#"><u>33</u></a> |
| Out-of-Network                                         |                           |
| Approved Recerts Per 100 Members per Year.....         | <a href="#"><u>33</u></a> |
| Denied Recerts Per 100 Members per Year.....           | <a href="#"><u>34</u></a> |
| Total Recerts Per 100 Members per Year.....            | <a href="#"><u>34</u></a> |

**Precertification and Recertification (continued)**

| <b>Metric</b>                                               | <b>Page</b>        |
|-------------------------------------------------------------|--------------------|
| <b>Recertifications (continued)</b>                         |                    |
| Per 100 Members per Year (continued)                        |                    |
| Total Precertifications                                     |                    |
| Approved Recerts Per 100 Members per Year.....              | <a href="#">35</a> |
| Denied Recerts Per 100 Members per Year.....                | <a href="#">35</a> |
| Total Recerts Per 100 Members per Year.....                 | <a href="#">36</a> |
| Composition                                                 |                    |
| Percent of In-Network                                       |                    |
| Percent of In-Network Approved.....                         | <a href="#">37</a> |
| Percent of In-Network Denied.....                           | <a href="#">37</a> |
| Percent of Out-of-Network                                   |                    |
| Percent of Out-of-Network Approved.....                     | <a href="#">38</a> |
| Percent of Out-of-Network Denied.....                       | <a href="#">38</a> |
| Percent of Total Recertifications                           |                    |
| Percent of Total Recertifications Approved.....             | <a href="#">39</a> |
| Percent of Total Recertifications Denied.....               | <a href="#">39</a> |
| Percent of Total Recertifications                           |                    |
| Percent of Total Recertifications In-Network.....           | <a href="#">40</a> |
| Percent of Total Recertifications Out-of-Network.....       | <a href="#">40</a> |
| <b>Precertifications and Recertifications</b>               |                    |
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| LTAC.....                                                   | <a href="#">42</a> |
| Rehabilitation.....                                         | <a href="#">42</a> |
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| Outpatient Surgeries.....                                   | <a href="#">43</a> |
| Radiology .....                                             | <a href="#">44</a> |
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| PT / OT / ST.....                                           | <a href="#">45</a> |
| Home Health Care Services.....                              | <a href="#">45</a> |
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| Total Precertifications and Recertifications.....           | <a href="#">46</a> |

**Precertification (continued)**

| <b>Metric</b>                                                    | <b>Page</b>        |
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| Clinical FTE per Total Precert FTE.....                          | <a href="#">48</a> |
| <br><b>Percent of Total Recertifications Denied Cost Summary</b> |                    |
| 0                                                                |                    |
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| x Members Per Total Precert FTEs.....                            | <a href="#">48</a> |
| = Precerts/Recerts Per Precert FTEs Per Year.....                | <a href="#">48</a> |
| x Cost per Precerts/Recerts.....                                 | <a href="#">48</a> |
| = Costs Per Total Precert FTEs.....                              | <a href="#">48</a> |
| x Total Precert FTEs Per 10,000 Members.....                     | <a href="#">48</a> |
| = Costs Per Member Per Month.....                                | <a href="#">48</a> |
| <br><b>Cost Summary</b>                                          |                    |
| Non-Labor Costs per FTE.....                                     | <a href="#">48</a> |
| + Staffing Costs per FTE.....                                    | <a href="#">48</a> |
| = Total Costs per FTE.....                                       | <a href="#">48</a> |
| x FTEs per 10,000 Members.....                                   | <a href="#">48</a> |
| = Costs Per Member Per Month.....                                | <a href="#">48</a> |

**Tab 4**  
**Case Management**

| <b>Metric</b>                                                                    | <b>Page</b>               |
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| Screened Case Management Cases as a Percent of Identified Cases.....             | <a href="#"><u>51</u></a> |
| Opened Case Management Cases as a Percent of Screened Cases.....                 | <a href="#"><u>52</u></a> |
| Case Management Cases Entailing Offsite Visits as a Percent of Opened Cases..... | <a href="#"><u>52</u></a> |
| Number of Identified Case Management Cases per:                                  |                           |
| Licensed RN Case Manager.....                                                    | <a href="#"><u>53</u></a> |
| All Other Case Managers.....                                                     | <a href="#"><u>53</u></a> |
| Total Case Manager.....                                                          | <a href="#"><u>53</u></a> |
| Number of Screened Case Management Cases per:                                    |                           |
| Licensed RN Case Manager.....                                                    | <a href="#"><u>53</u></a> |
| All Other Case Managers.....                                                     | <a href="#"><u>53</u></a> |
| Total Case Manager.....                                                          | <a href="#"><u>53</u></a> |
| Number of Opened Case Management Cases per:                                      |                           |
| Licensed RN Case Manager.....                                                    | <a href="#"><u>53</u></a> |
| All Other Case Managers.....                                                     | <a href="#"><u>53</u></a> |
| Total Case Manager.....                                                          | <a href="#"><u>53</u></a> |
| Case Management Cases per 1,000 Admissions.....                                  | <a href="#"><u>54</u></a> |
| Admissions per Case Management Case.....                                         | <a href="#"><u>54</u></a> |
| Percent of Case Management FTEs that are Case Managers.....                      | <a href="#"><u>55</u></a> |
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| Chronic Obstructive Pulmonary Disease (COPD).....                                | <a href="#"><u>58</u></a> |
| Coronary Artery Disease (CAD).....                                               | <a href="#"><u>59</u></a> |
| Congestive and Other Heart Failure (CHF).....                                    | <a href="#"><u>59</u></a> |
| Depression.....                                                                  | <a href="#"><u>60</u></a> |
| Neoplasms.....                                                                   | <a href="#"><u>60</u></a> |
| Rare Disease Management.....                                                     | <a href="#"><u>61</u></a> |
| Transplants.....                                                                 | <a href="#"><u>61</u></a> |
| Obesity.....                                                                     | <a href="#"><u>62</u></a> |
| Acute Injury or Accident.....                                                    | <a href="#"><u>62</u></a> |
| Other.....                                                                       | <a href="#"><u>63</u></a> |
| Total Cases.....                                                                 | <a href="#"><u>63</u></a> |

**Case Management (continued)**

| <b>Metric</b>                                                      | <b>Page</b>        |
|--------------------------------------------------------------------|--------------------|
| <b>Percent of Case Management Cases by Major Practice Category</b> |                    |
| Maternity Complications.....                                       | <a href="#">64</a> |
| Diabetes Mellitus.....                                             | <a href="#">64</a> |
| Asthma.....                                                        | <a href="#">65</a> |
| Chronic Obstructive Pulmonary Disease (COPD).....                  | <a href="#">65</a> |
| Coronary Artery Disease (CAD).....                                 | <a href="#">66</a> |
| Congestive and Other Heart Failure (CHF).....                      | <a href="#">66</a> |
| Depression.....                                                    | <a href="#">67</a> |
| Neoplasms.....                                                     | <a href="#">67</a> |
| Rare Disease Management.....                                       | <a href="#">68</a> |
| Transplants.....                                                   | <a href="#">68</a> |
| Obesity.....                                                       | <a href="#">69</a> |
| Acute Injury or Accident.....                                      | <a href="#">69</a> |
| Other.....                                                         | <a href="#">70</a> |
| Total Cases.....                                                   | <a href="#">70</a> |
| <br><b>Case Management Cost Summary</b>                            |                    |
| Cost Summary                                                       |                    |
| Case Management Cases Per Member.....                              | <a href="#">71</a> |
| x Members Per Case Managment FTE.....                              | <a href="#">71</a> |
| = Cases Per Case Managment FTEs Per Year.....                      | <a href="#">71</a> |
| x Cost per Case.....                                               | <a href="#">71</a> |
| = Cost Per Case Management FTE.....                                | <a href="#">71</a> |
| x Case Management FTEs Per 10,000 Members.....                     | <a href="#">71</a> |
| = Cost Per Member Per Month.....                                   | <a href="#">71</a> |
| <br>Cost Summary                                                   |                    |
| Non-Labor Costs per FTE.....                                       | <a href="#">71</a> |
| + Staffing Costs per FTE.....                                      | <a href="#">71</a> |
| = Total Costs per FTE.....                                         | <a href="#">71</a> |
| x FTEs per 10,000 Members.....                                     | <a href="#">71</a> |
| = Costs Per Member Per Month.....                                  | <a href="#">71</a> |

**Tab 5**  
**Disease Management**

| <b>Metric</b>                                                                | <b>Page</b>        |
|------------------------------------------------------------------------------|--------------------|
| <b>Disease Management Activities</b>                                         |                    |
| Identified Disease Management Cases as a Percent of Total Members.....       | <a href="#">75</a> |
| Screened Disease Management Cases as a Percent of Identified Cases.....      | <a href="#">75</a> |
| Opened Disease Management Cases as a Percent of Screened Cases.....          | <a href="#">76</a> |
| Number of Identified Disease Management Cases per Manager.....               | <a href="#">76</a> |
| Number of Screened Disease Management Cases per Manager.....                 | <a href="#">76</a> |
| Number of Opened Disease Management Cases per Manager.....                   | <a href="#">76</a> |
| Disease Management Cases per 1,000 Admissions.....                           | <a href="#">77</a> |
| Admissions per Disease Management Case.....                                  | <a href="#">77</a> |
| Percent of Members Actively Managed through Disease Management Programs..... | <a href="#">78</a> |
| <b>Disease Management Cases per 10k Members by Major Practice Category</b>   |                    |
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| Asthma.....                                                                  | <a href="#">79</a> |
| Chronic Obstructive Pulmonary Disease (COPD).....                            | <a href="#">80</a> |
| Coronary Artery Disease (CAD).....                                           | <a href="#">80</a> |
| Congestive and Other Heart Failure (CHF).....                                | <a href="#">81</a> |
| Depression.....                                                              | <a href="#">81</a> |
| Neoplasms.....                                                               | <a href="#">82</a> |
| Rare Disease Management.....                                                 | <a href="#">82</a> |
| Transplants.....                                                             | <a href="#">83</a> |
| Obesity.....                                                                 | <a href="#">83</a> |
| Other.....                                                                   | <a href="#">84</a> |
| Total Cases.....                                                             | <a href="#">84</a> |
| <b>Percent of Disease Management Cases by Major Practice Category.....</b>   |                    |
| Diabetes Mellitus.....                                                       | <a href="#">85</a> |
| Asthma.....                                                                  | <a href="#">86</a> |
| Chronic Obstructive Pulmonary Disease (COPD).....                            | <a href="#">86</a> |
| Coronary Artery Disease (CAD).....                                           | <a href="#">87</a> |
| Congestive and Other Heart Failure (CHF).....                                | <a href="#">88</a> |
| Depression.....                                                              | <a href="#">88</a> |
| Neoplasms.....                                                               | <a href="#">89</a> |
| Rare Disease Management.....                                                 | <a href="#">89</a> |
| Transplants.....                                                             | <a href="#">90</a> |
| Obesity.....                                                                 | <a href="#">90</a> |
| Other.....                                                                   | <a href="#">91</a> |
| Total Diseases.....                                                          | <a href="#">91</a> |

**Disease Management (continued)**

| <b>Metric</b>                                                        | <b>Page</b>               |
|----------------------------------------------------------------------|---------------------------|
| <b>Disease Management Cost Summary</b>                               |                           |
| Cost Summary                                                         |                           |
| Disease Management Cases Per Member.....                             | <a href="#"><u>92</u></a> |
| x Members Per Disease Management FTEs.....                           | <a href="#"><u>92</u></a> |
| = Disease Management Cases Per Disease Management FTEs Per Year..... | <a href="#"><u>92</u></a> |
| x Cost per Disease Management Case.....                              | <a href="#"><u>92</u></a> |
| = Cost Per Disease Management FTEs.....                              | <a href="#"><u>92</u></a> |
| x Disease Managment FTEs Per 10,000 Members.....                     | <a href="#"><u>92</u></a> |
| = Cost Per Member Per Month.....                                     | <a href="#"><u>92</u></a> |
| Cost Summary                                                         |                           |
| Non-Labor Costs per FTE.....                                         | <a href="#"><u>92</u></a> |
| + Staffing Costs per FTE.....                                        | <a href="#"><u>92</u></a> |
| = Total Costs per FTE.....                                           | <a href="#"><u>92</u></a> |
| x FTEs per 10,000 Members.....                                       | <a href="#"><u>92</u></a> |
| = Costs Per Member Per Month.....                                    | <a href="#"><u>92</u></a> |

Tab 6  
Nurse Information Line

| Metric                                                 | Page               |
|--------------------------------------------------------|--------------------|
| Inbound Calls per Member per Year                      |                    |
| Inbound Calls per Information Line Nurse per Year..... | <a href="#">95</a> |
| Inbound Calls per Hour.....                            | <a href="#">96</a> |
| Inbound Calls per Week.....                            | <a href="#">96</a> |
| Costs per Inbound Call.....                            | <a href="#">97</a> |
| Costs per Information Line Nurse.....                  | <a href="#">97</a> |
| Number of of Hours Nurse Line is Available             |                    |
| Daily.....                                             | <a href="#">97</a> |
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| <b>Nurse Information Line Cost Summary</b>             |                    |
| Cost Summary                                           |                    |
| Inbound Calls per Member.....                          | <a href="#">98</a> |
| x Members Per Nurse Information-Line FTE.....          | <a href="#">98</a> |
| = Inbound Calls per Nurse Information-Line FTE.....    | <a href="#">98</a> |
| x Cost per Inbound Call.....                           | <a href="#">98</a> |
| = Costs Per Nurse Information-Line FTE.....            | <a href="#">98</a> |
| x Nurse Information-Line FTEs Per 10,000 Members.....  | <a href="#">98</a> |
| = Costs Per Member Per Month.....                      | <a href="#">98</a> |
| Cost Summary                                           |                    |
| Non-Labor Costs per FTE.....                           | <a href="#">98</a> |
| + Staffing Costs per FTE.....                          | <a href="#">98</a> |
| = Total Costs per FTE.....                             | <a href="#">98</a> |
| x FTEs per 10,000 Members.....                         | <a href="#">98</a> |
| = Costs Per Member Per Month.....                      | <a href="#">98</a> |



**Tab 7**  
**Utilization Review and Appeals**

| <b>Metric</b>                              | <b>Page</b>         |
|--------------------------------------------|---------------------|
| <b>Medical Necessity Appeals</b>           |                     |
| Percent of Appeals Approved vs. Denied     |                     |
| Internal Appeals                           |                     |
| Informal Reconsideration                   |                     |
| Percent Approved.....                      | <a href="#">101</a> |
| Percent Denied.....                        | <a href="#">101</a> |
| Formal Internal Appeals - Standard         |                     |
| Percent Approved.....                      | <a href="#">102</a> |
| Percent Denied.....                        | <a href="#">102</a> |
| Formal Internal Appeals - Expedited        |                     |
| Percent Approved.....                      | <a href="#">103</a> |
| Percent Denied.....                        | <a href="#">103</a> |
| Total Internal Appeals                     |                     |
| Percent Approved.....                      | <a href="#">104</a> |
| Percent Denied.....                        | <a href="#">104</a> |
| External Appeals                           |                     |
| Independent Review Appeals                 |                     |
| Percent Approved.....                      | <a href="#">105</a> |
| Percent Denied.....                        | <a href="#">105</a> |
| Total Appeals - Internal and External      |                     |
| Percent Approved.....                      | <a href="#">106</a> |
| Percent Denied.....                        | <a href="#">106</a> |
| Percent of Total Appeals                   |                     |
| Internal Appeals                           |                     |
| Informal Reconsideration.....              | <a href="#">107</a> |
| Formal Internal Appeals - Standard.....    | <a href="#">107</a> |
| Formal Internal Appeals - Expedited.....   | <a href="#">108</a> |
| Total Internal Appeals.....                | <a href="#">108</a> |
| External Appeals                           |                     |
| Independent Review Appeals.....            | <a href="#">109</a> |
| Total Appeals - Internal and External..... |                     |
|                                            | <a href="#">109</a> |

**Utilization Review and Appeals (continued)**

| <b>Metric</b>                                                               | <b>Page</b>         |
|-----------------------------------------------------------------------------|---------------------|
| Appeals per 10,000 Members                                                  |                     |
| Internal Appeals                                                            |                     |
| Informal Reconsideration.....                                               | <a href="#">110</a> |
| Formal Internal Appeals - Standard.....                                     | <a href="#">110</a> |
| Formal Internal Appeals - Expedited.....                                    | <a href="#">111</a> |
| Total Internal Appeals.....                                                 | <a href="#">111</a> |
| External Appeals                                                            |                     |
| Independent Review Appeals.....                                             | <a href="#">112</a> |
| Total Appeals - Internal and External.....                                  | <a href="#">112</a> |
| Total Internal Appeals per Clinical Employee Working on Medical Review..... | <a href="#">113</a> |
| <b>Medical Review</b>                                                       |                     |
| Number of Episodes Medically Reviewed per 1,000 Members.....                | <a href="#">114</a> |
| Number of Claims Medically Reviewed per 1000 Members.....                   | <a href="#">114</a> |
| Number of Claims Medically Reviewed Per Admission.....                      | <a href="#">115</a> |
| Claims Approved as a Percent of Claims Reviewed.....                        | <a href="#">115</a> |
| Claims Denied as a Percent of Claims Reviewed.....                          | <a href="#">116</a> |
| Claims Denied Per Member.....                                               | <a href="#">116</a> |
| Percent of Episodes Medically Reviewed by Medical Director.....             | <a href="#">117</a> |
| Clinical Employees Working on Medical Review per 10,000 Members.....        | <a href="#">117</a> |

**Tab 8**  
**Quality Assurance and Wellness**

| <b>Metric</b>                                                                       | <b>Page</b>         |
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| <b>Wellness</b>                                                                     |                     |
| Outreach Calls per 10k Members.....                                                 | <a href="#">121</a> |
| Outreach Calls per 1,000 Admissions (Total Acute, Including Behavioral Health)..... | <a href="#">121</a> |
| Cost Summary                                                                        |                     |
| Non-Labor Costs per FTE.....                                                        | <a href="#">122</a> |
| + Staffing Costs per FTE.....                                                       | <a href="#">122</a> |
| = Total Costs per FTE.....                                                          | <a href="#">122</a> |
| x FTEs per 10,000 Members.....                                                      | <a href="#">122</a> |
| = Costs Per Member Per Month.....                                                   | <a href="#">122</a> |
| <b>Quality of Care</b>                                                              |                     |
| Complaints about Providers per 10k Members.....                                     | <a href="#">123</a> |
| Total Quality Cases Per 1k Members Per Month.....                                   | <a href="#">123</a> |
| Percent of Quality Review FTEs that are RN's.....                                   | <a href="#">124</a> |
| Percent of Quality Review FTEs that are Non-Clinical .....                          | <a href="#">124</a> |
| Total Cases / FTE per Month.....                                                    | <a href="#">124</a> |
| Does your plan use the following accreditation agency?                              |                     |
| URAC.....                                                                           | <a href="#">124</a> |
| NCQA.....                                                                           | <a href="#">124</a> |
| Cost Summary                                                                        |                     |
| Non-Labor Costs per FTE.....                                                        | <a href="#">124</a> |
| + Staffing Costs per FTE.....                                                       | <a href="#">124</a> |
| = Total Costs per FTE.....                                                          | <a href="#">124</a> |
| x FTEs per 10,000 Members.....                                                      | <a href="#">124</a> |
| = Costs Per Member Per Month.....                                                   | <a href="#">124</a> |

# **SHERLOCK BENCHMARKS**

*All Universe Edition - 2020*

Volume II – Medical Management Metrics

