Strategies for Assessing Health Plan Performance on Chronic Diseases: Selecting Performance Indicators and Applying Health-Based Risk Adjustment

Appendix III

Using Expanded Diagnostic Clusters (EDCs) for Risk Assignment

The results presented in this report use ACGs to analyze the relative health status of each health plan's population. Expanded Diagnostic Clusters (EDCs) provide an alternative way of stratifying each cohort. EDCs are disease specific markers that are assigned to patients based on their relative health status for one disease only. They differ from ACGs in that ACGs account for all co-morbidities, not just the disease being studied.

Tables 83 and 84 demonstrate the results of using EDCs instead of ACGs for stratification of the cohort and measuring inpatient admissions for enrollees with diabetes. These tables are comparable to Tables 28 and 29 in the report, which utilize ACGs for stratification. The results in Table 83 show that 46.8 percent of enrollees with diabetes are classified as having Type 2 diabetes without complications. The groups are stratified according to severity, with Type 1 diabetes with complications as the most severe. When this classification scheme is used to analyze inpatient admissions, the data show that the percentage of enrollees with an admission increases with the severity of the EDC group, from a low of 17.4 to a high of 68.3 percent. This is consistent with the results of the same analysis using ACGs, presented in Table 29. Either ACGs or EDCs can be used for stratification, but they should not be used simultaneously. In this study, we stratify our cohorts using the ACG system because, unlike EDCs, ACGs allow us to compare similar populations across diseases.

Table 83. Distribution of Diabetes Cohort Across Health Plans by EDC Strata (CY02)

EDC defined "severity" strata	MCO A	MCO B	MCO C	MCO D	MCO E	MCO F	All MCOs
Insufficient Data	6.0	3.6	8.4	6.7	6.5	6.9	6.8
Type 2 Diabetes without Complications	47.6	43.9	45.7	48.2	41.8	46.8	46.8
Type 1 Diabetes without Complications	14.2	31.2	16.9	16.6	19.7	18.7	17.1
Type 2 Diabetes with Complications	16.2	10.9	14.4	14.8	12.9	14.3	14.7
Type 1 Diabetes with Complications	16.0	10.4	14.7	13.8	19.1	13.3	14.5
All Types Combined	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 84. Percent of the Diabetes Cohort With at Least One Inpatient Admission by EDC Strata (CY02)

EDC defined "severity" strata	MCO A	MCO B	MCO C	MCO D	MCO E	MCO F	All MCOs
Insufficient Data	20.2	62.5	14.3	23.7	0.0	19.1	19.4
Type 2 Diabetes without Complications	19.2	15.5	15.6	17.8	21.1	16.1	17.4
Type 1 Diabetes without Complications	28.8	20.3	25.1	30.5	34.5	28.2	28.2
Type 2 Diabetes with Complications	52.8	37.5	52.0	50.2	60.5	52.3	51.7
Type 1 Diabetes with Complications	66.2	52.2	64.9	70.8	80.4	69.8	68.3
All Types Combined	33.6	24.9	29.6	32.4	38.8	30.9	31.8