



Using ODG Risk Assessment Score for CM Triage

Creating an effective strategy for identifying claims that would benefit most from engaging a limited supply of case managers, assigning these high value resources at the most effective time, is one of the most important factors in influencing a successful outcome.

With the use of a predictive tool like the ODG Risk Assessment Score (RAS), users are empowered to develop strategies that allow them to focus on claims most likely to have poor outcomes, such as no return-to-work or prolonged disability durations as well as increased costs and use of ineffective or potentially harmful treatments, while automating and streamlining lower risk claims which do not require the same level of intervention.

Using the information below as a framework to build on, users can configure “business rules” to develop the most effective approach, which when implemented effectively, will maximize the value triaging claims for Case Management provides, balancing resources and intervention based on the unique aspects of each claim for best-in-class outcomes.

ODG Risk Assessment Score (RAS)

ODG generates a Risk Assessment Score (RAS) on a scale of 0 to 100, where magnitude and volatility are equally weighted to provide the relative risk level for each claim at intake and again whenever new information becomes available.

The scoring mechanism for based magnitude includes:

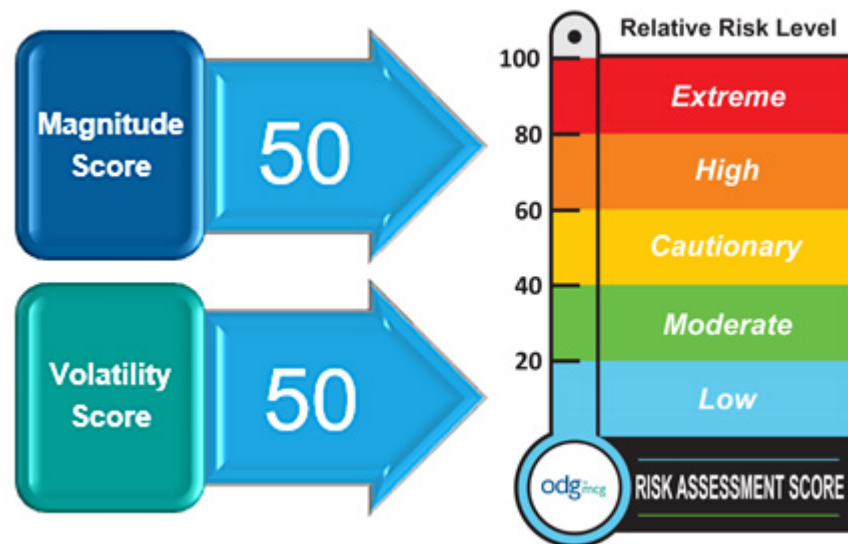
- the overall duration from the first day out of work through the first day back to work
- associated paid claims costs
- cost projection for a given claim
- typical duration for similar claims using a database of over 10 million lost time claims

The scoring mechanism for volatility:

- the difference between a good and bad outcome
- mean and target durations

Magnitude: Starting at 0, the greater the duration and costs of a particular injury/illness the higher the number from the origin, with 100 being those with the highest durations/costs. This portion of the risk score provides a predictive correlation of specific independent variables for a particular type of claim and the corresponding risk for a similar claim to have increased costs and durations. Meaning claims with a high magnitude are predicted to have longer durations and higher costs.

Volatility: Starting at 0, the probability of a good versus bad outcome correlates to the difference between 0 and 100, with the greater increase in difference corresponding to the greater probability of a poor outcome. This portion of the risk score provides a predictive correlation of specific independent variables for a particular type of claim and the corresponding risk for a similar claim to achieve the target disability duration. Meaning claims with a higher volatility are predicted to have less likelihood of achieving the target (Best Practice) disability duration.



The overall “severity” of a claim is therefore related to the independent variables that impact the dependent costs and duration in days of lost work (magnitude) as well as the typical duration based on over 10 million lost time claims and the target duration which isolates the medical components of functional improvement from an injury/illness to provide a target timeframe (volatility).

ODG Risk Assessment Score has five levels of risk listed below:

Risk Assessment Score Levels

Low Risk: Represents Risk Score from 0 up to 20; typically claims in this category have low volatility (the difference between a good and bad outcome is relatively low) and resolve on their own regardless of intervention, with most having return to work in 14 days or less.

Moderate Risk: Represents Risk Score greater than 20 up to 40; typically claims in this category have relatively low volatility though the potential impact of assigning to a case manager is minimal given most claims in this category return to work in 30 days or less. CM is typically reserved on these claims, assigned only when red flags are identified.



Cautionary Risk: *Represents Risk Score greater than 40 up to 60;* typically claims in this category may benefit from CM, though given the scarcity and costs of these types of resources, most clients will only send claims with red flags, or when ample resources are available. However, when other claim variables are identified that would indicate an opportunity for CM intervention, such as projected return to work timeframe exceeding the best practice and/or average duration (claim typical/A value), CM referral may be beneficial. Claims in this category typically have return to work durations >45-60 days and more than 25% will exceed the Claim Average.

High Risk: *Represents Risk Score greater than 60 up to 80;* typically claims in this category would benefit from referral to a clinical resource, such as CM. These types of claims tend to have high variability (the difference in duration from the average to the best practice is typically >2x the best practice duration) and often there are one or more psychosocial barriers that impact return to work durations. Without close monitoring and frequent interventions, these claims will likely result in a poor outcome.

Extreme Risk: *Represents Risk Score greater than 80 up to 100;* claims in this category are at most risk for a poor outcome and should be referred to a clinical resource, such as CM as early in the claim as possible. Most claims will have more than one psychosocial barrier to recovery, with most claims exceeding the best practice durations, and >80% exceeding the typical duration. Without vigilant management, these claims typically have >1 year of lost time and many never return to their pre-injury/illness functional level.

ODG can help define and build predefined rules that trigger referral to additional resources such as case management, peer review, IME. Typically, clients will use the level and/or score to create business rules such as:

- When risk score is High/Orange or Extreme/Risk (>60) assign to a case manager.
- When risk score is Extreme/Red (>=80) send for supervisor review, or place on watch list, and/or bring to case conference/nurse roundtable.
- When Risk Score is Cautionary/Yellow or above (>40) with projected return-to-work average is greater than 7 days assign to case manager.

In general, the risk status corresponds with the magnitude and volatility of a claim, with an exponential increase at each level to the corresponding costs. When benchmarking client data, on average 15-20% of claims fall into the High/Extreme status, though this relatively smaller proportion of claims account for more than 80% of the total costs for all claims.

ODG RAS tool can help identify the at-risk claims for referral to case management. Thus, reducing total cost of the claim and earlier return-to-work.

Contact us at odghelp@mcg.com or 1-800-488-5548 for more information on how to use ODG RAS tool or to speak with the ODG Strategic Solutions team about obtaining a customized plan designed to meet the unique needs of your organization.