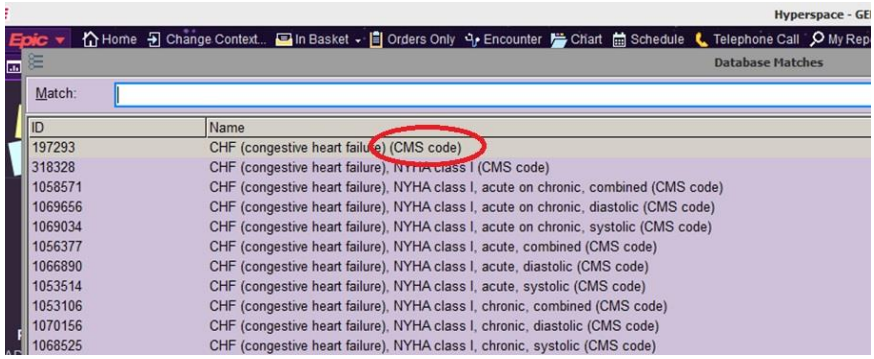
UCSF Health
Office of Population Health

What is Risk Adjustment (or Capture)?

Value based payment models are increasing across the US and at UCSF. Value based payments are typically risk-adjusted. Risk-adjustment is the capture of medical complexity through the documentation and coding of certain medical conditions.
These conditions are called Hierarchical Condition Categories (HCCs), which translate into a numerical score then used as a multiplier for our cost targets.

HCCs are ~115 categories of mostly chronic but some acute conditions.

- Maps to ~8K ICD-10 codes – i.e. far too many to remember
- In general, these conditions make sense (i.e. diabetes, cancer, sepsis, COPD, Parkinson's disease) for indicating complexity.



When does an HCC "count" for a patient?

- Only conditions documented in a face-to-face visit with a provider "count." Must be in a video or office visit – not a refill, telephone call, etc.
- An HCC must be documented at least once throughout the year (not necessarily every visit) to "count."

How does this impact UCSF?

- At the end of the calendar year, all of the HCCs coded for the patient–by any clinician at any face-to-face encounter—are added together to form a numerical score.
- All the HCCs for the population at UCSF are averaged together.
- Nationally, these average scores are normed to 1.
- That averaged and normed score is used as a multiplier to determine UCSF's spend target.

For example:

$15,000	X 1.1	= $16,500
Expected spend per patient	Average UCSF risk score	Updated per patient cost target

Tools to Help

The HCC Best Practice Alert (BPA) prompts HCC codes that were applied to the patient in the past calendar year. Ideally, it is a tool that prompts efficient pre-charting.

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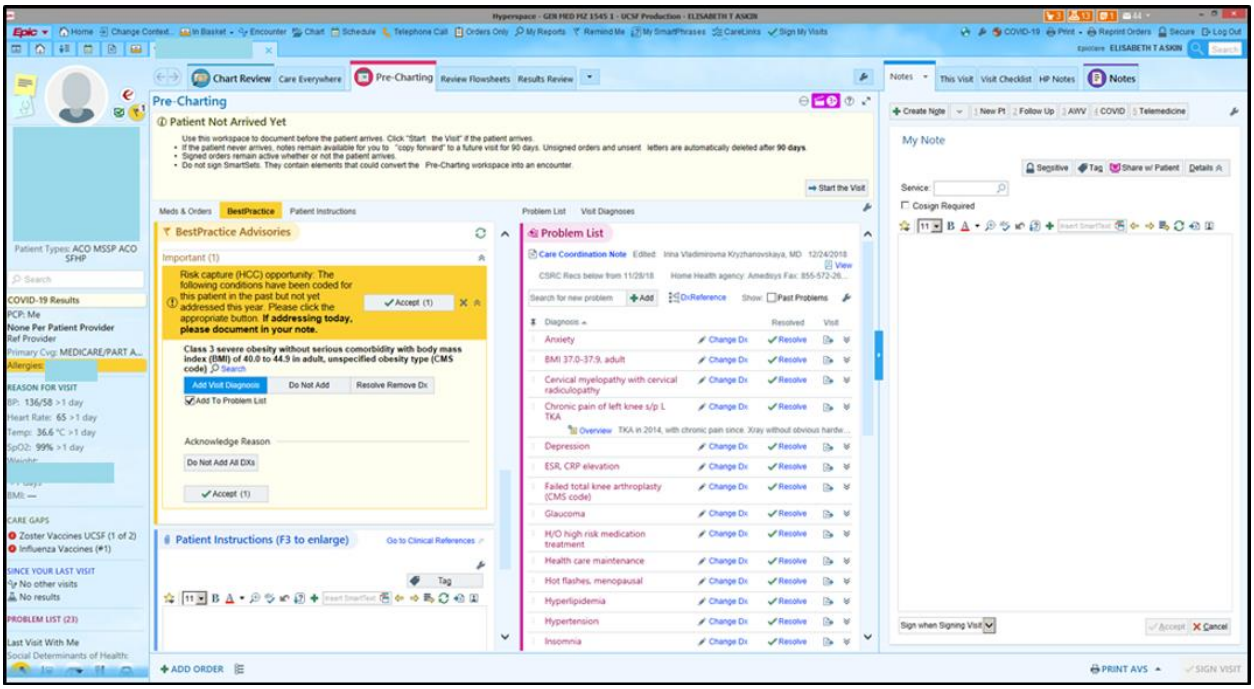
It will only prompt a code ONCE each year for Medicare patients. If nothing else, please use it to "remove" or get rid of inaccurate codes! Our tracking system is only as good as our coding, and your knowledge of what is incorrect for a patient helps to make our system better.

Here is how the BPA looks in an encounter:



In addition to the BPA, we have expert help from a clinical documentation specialist (CDS) nurse. The CDS nurse can answer questions about documentation and coding and sometimes will send queries to prompt consideration of missing diagnoses.

Bottom Line

In general, these are important conditions that you are already considering in your care.

It might not matter that much if you don't document and code for knee osteoarthritis, but it already matters that we don't give ourselves full credit for our consideration of serious conditions like severe obesity, CKD, immunosuppression, and heart failure.

Our team is involved in many initiatives to make documenting/coding easier for clinicians. We ask that you use the BPA when it shows up to help capture the complexity of our patients.