

Care Providers & Payers

Decision Management Solutions

InterQual Actionable Evidence-Based Intelligence

A Foundation for Greater Collaboration Between
Healthcare Payers and Providers



**BUSINESS
CARE
CONNECTIVITY**

InterQual Makes a Difference: Helping to Decrease Cost While Supporting the Right Care Decisions

Ensure right admissions

Using InterQual® Criteria helped a regional health plan reduce admissions and total patient days, projecting an estimated savings of up to \$4 million annually.¹

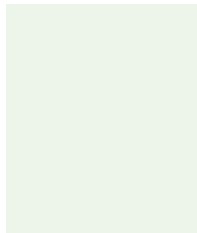


30%

For companies that compared their existing decision support solutions to InterQual Criteria, over 30% of approved admissions in the sample would not have met InterQual recommended level of care and may have resulted in fewer or less expensive inpatient admissions.²

8% Shorter hospital stays

A nationwide retrospective market study comparing 1,169 hospitals using InterQual Criteria with 1,169 hospitals not using InterQual Criteria observed that the length of stay at hospitals using InterQual was 8% shorter for all patient types and 9% shorter for commercial patients.³



Prevent readmissions

InterQual customers, who stopped using InterQual, observed an increase in hospital readmissions of half a percentage point.⁴

2% better core quality measures

A study comparing hospitals using InterQual Criteria with hospitals not using InterQual Criteria observed that the hospitals using InterQual noted 2% better core quality measures (for heart failure, acute myocardial infarction, pneumonia and surgical care).⁵

1. Internal McKesson analysis, 2005.
2. Internal McKesson analysis, 2001-2007.
3. 2008 CMS Hospital Compare; 2008 AHD Hospital Discharge data; Internal McKesson analysis; AIS database; HealthLeaders – InterStudy; IMS Payer Solutions consulting on data sources and analytic methods. Analysis validated by IMS Payer Solutions consulting on data sources and approach.
4. CMS Hospital Compare; internal McKesson sources, 2008-2010.
5. CMS Hospital Compare; internal McKesson sources, 2008-2010.

The InterQual Advantage

Payers and providers have long struggled to solve the same problem: how to contain cost without compromising the quality of care. Payers want to ensure that their members are receiving the care that is right for them at the right cost, while providers want to make certain that their patients are being given the right care without an inordinate administrative burden.

On top of this challenge, the healthcare industry is changing more rapidly than ever before. A demand for healthcare system transformation now mandates that payers maximize efficiency and reduce costs, cover new risk pools (such as the uninsured and the underinsured through health insurance exchanges), and improve safety and the quality of care. At the same time, providers are being asked to share in the risk of managing these groups and are being measured on quality and outcomes while they continue to see their reimbursement rates drop. Spending cuts, industry fees and new risk-sharing arrangements are dramatically changing risk and reimbursement arrangements.

Healthcare organizations are under enormous pressure to work efficiently, spend wisely and demonstrate improved financial and clinical outcomes, requiring them to collaborate in ways they never have before.

The InterQual® portfolio provides the powerful, actionable clinical content and shared technology that **bring greater intelligence** — with consistency, collaboration and quality — to both the delivery of healthcare services and the business of healthcare.

The InterQual portfolio:

- Connects and aligns payers, providers and other organizations with actionable, evidence-based clinical

intelligence that helps optimize care management decisions, support the appropriateness of care and manage medical costs

- Helps organizations reduce administrative costs and increase efficiencies through shared technology
- Supports better patient outcomes through integrated, streamlined care management processes, care plans and guidelines for the appropriateness and transitions of care



A Common Language

InterQual is unmatched in its ability to drive alignment within organizations, between payers and providers, and between healthcare organizations and regulatory and accreditation entities — critical to continuous quality and efficiency improvements. More than 300 payers, 92% of the Top 100 Hospitals⁶ and 86% of hospital discharges⁷ use InterQual, making it the most widely used content

supporting decisions about the appropriateness of care among payers, providers and government entities.

Alignment with Federal and State Government and National Organization Guidelines

The Centers for Medicare & Medicaid Services (CMS) contract with Quality Improvement Organizations (QIOs) for care management decisions. CMS

licenses InterQual for its use as well as for the QIOs that serve it. With all QIOs having access to InterQual Criteria, InterQual is the most frequently used criteria for assessing the appropriateness of care for beneficiaries. InterQual products enable any provider organization serving Medicare beneficiaries to access Medicare-related content and streamline patients' reviews.

92%
of the Top 100
Hospitals⁶ use
InterQual



300+
managed care
organizations⁸
use InterQual

90%
of top managed
Medicaid payers
use InterQual

6. Top 100 Hospitals Report, 2014, Truven Health Analytics.
http://www.100tophospitals.com/studies_and_winners/100_top_hospitals/.

7. McKesson calculation.

8. April 2013 internal analysis mapped to AIS database.

InterQual Criteria: Actionable Evidence-Based Intelligence Across the Care Continuum

Content Suite	Modules	Description
InterQual Level of Care Criteria	<ul style="list-style-type: none"> • Acute Adult • Acute Pediatric • Long-Term Acute Care • Acute Rehabilitation • Subacute and Skilled Nursing Facility • Home Care • Outpatient Rehabilitation and Chiropractic 	<p>For assessing the clinical appropriateness of patient services across the continuum of care: prospectively, concurrently or retrospectively. Rich clinical detail allows organizations to consider severity of illness, comorbidities and complications, and the intensity of services being delivered in real time, guiding them to the most efficient, safest level of care.</p> <p>Transition Plans help foster the movement of patients safety across the continuum of care.</p>
InterQual Behavioral Health Criteria	<ul style="list-style-type: none"> • Child Psychiatry • Adolescent Psychiatry • Adult Psychiatry • Geriatric Psychiatry • Substance Use Disorders and Dual Diagnosis • Residential and Community-Based Treatment 	<p>For managing the delivery of psychiatric and substance use treatment, including initial and concurrent level-of-care decisions. The comprehensive range of level-of-care alternatives allows for movement up and down the continuum of care, and criteria content is tailored to the needs of seniors, adults, adolescents and children.</p>
InterQual Care Planning Criteria	<ul style="list-style-type: none"> • Durable Medical Equipment (DME) • Imaging • Molecular Diagnostics (MDx) • Procedures • Specialty Referral • Specialty Rx Oncology • Specialty Rx Non-Oncology • SIM <i>plus</i>[™] (retrospective monitoring) 	<p>For identifying when imaging studies, procedures, DME, MDx tests, specialty pharmacy medications and specialty referral consultations are appropriate. The criteria can be applied prospectively or retrospectively to manage utilization and identify differences in practice patterns. Many products help drive to the most effective evidence based alternative where appropriate.</p> <p>Clinical Evidence Summaries complement InterQual Molecular Diagnostic Criteria with relevant research on complex and controversial diagnoses. The CES are comprehensive, evidence-based papers providing an overview of all aspects of management.</p>
InterQual Complex Case Management Content	<ul style="list-style-type: none"> • InterQual Coordinated Care Content 	<p>For assessment of complex cases and/or high-risk members. Patented assessments blend multiple conditions or disease states to generate a patient-specific care plan. Assessments cover common barriers to care, case management, conditions management, readmission reduction, and many industry validated screening tools. The content is designed to help organizations meet NCQA Case, Disease, and SNP program requirements.</p>

A Common Technology

Solutions that allow payers and providers to share criteria and convey the rationale behind care management decisions are central to building trust. InterQual technology solutions enable the transparency and bi-directional communication in decision-making that foster collaborative patient care. With streamlined data sharing, payers and providers in settings across the care continuum can work together to improve quality and cost effectiveness.

InterQual Integration Partners

InterQual Criteria are fully integrated with more care and case management applications than any other criteria, enabling payers and providers to define their own workflows and maximize efficiencies. More than 25 partners utilize our CareEnhance Review Manager Enterprise Integration Toolkit to develop their unique integrations. With each new release, our partners undergo a well-defined certification

process to validate their updated integration. McKesson integration partners install, support and maintain the validated integration for our 500+ shared clients.

“We have a single set of expectations and fewer disputes over claims. By adhering to InterQual standards, we have the data to support our decisions and show how our cases meet the criteria, which enables us to be better aligned and more in partnership with our payers.”

— Karen Dunning, Director of Continuum Care Management, Sacramento Sierra Region, Sutter Health

Technology to Support and Streamline Your Workflow

Product Name	For	Description
CareEnhance® Review Manager Enterprise	Payers Providers	An interactive, browser-based product that helps automate the care review process, retrieve data, aggregate reporting and electronically share medical necessity reviews, along with the additional patient information required for the review. Review Manager can be deployed as either an installed or a McKesson-hosted application.
Clear Coverage™	Payers	A powerful utilization management, coverage determination, and network compliance platform, Clear Coverage incorporates InterQual Criteria in an automated, interactive workflow to support shared decision-making between payers and their network providers. By making clinical and coverage rules transparent to providers in real time, medical management staff is then free to review only the minority of cases that truly require their expertise. It is the only auto-authorization product that includes network steerage and benefit/eligibility verification.
McKesson Diagnostics Exchange™	Payers	This test identification and policy management solution connects payers and labs to drive appropriate molecular diagnostics (MDx) coverage and payment. Tests are precisely identified using McKesson Z-Code™ Identifiers and test information including evidence is accessible through an online national catalog. It empowers payers to easily manage MDx to reduce costs and ensure test appropriateness.
InterQual Online	Payers Providers	Affordable, easy-to-use reference-only access to InterQual Criteria via the Web.
InterQual Online Anonymous Review	Providers	Perform interactive, Web-based reviews without specifying patient data, and then transfer the results into another application. This is an ideal solution for government organizations.
InterQual View	Payers Providers	Use this convenient solution for locally installed, reference-only access to InterQual. It features flexible print options, adjustable font sizes, informational notes and citations. Available at no additional cost with your InterQual license.

Additional Products for Flexible Delivery, Customization and Continuous Improvement

Product Name	For	Description
InterQual Mobile	Payers Providers	Access InterQual Level of Care and Behavioral Health Criteria from your Android™ or Apple® mobile device for free with an existing InterQual license.
InterQual Transparency Solution	Payers	Give network providers access to InterQual Criteria in an intuitive, reference-only format via their provider portals. Physicians can simply log into the portal and click the link for InterQual Criteria. The criteria subsets appear in an easy-to-navigate screen display.
InterQual Historical Criteria	Payers Providers	Assess the appropriateness of care for audited claims using criteria in effect at the time of service.
CareEnhance Review Manager Enterprise Plus Pak	Payers Providers	Enables the organization of discharge planning and denial management programs.
InterQual Content Customization Tool	Payers Providers	Author and edit guidelines to incorporate locally developed business and medical policies into a single workflow with your licensed InterQual Criteria. Supported in CareEnhance Review Manager Enterprise, Clear Coverage and the McKesson VITAL Platform.
InterQual Interrater Reliability Suite	Payers Providers	Measure how well and how consistently your staff applies InterQual Criteria with this Web-based tool to help improve usage and quality within your organization. Compare your results to benchmarks to drive corrective action where needed.

Unmatched Clinical Integrity

The volume of articles, guidelines, papers and other available sources of clinical content far exceeds any one individual's ability to synthesize and obtain valid and relevant information. Is the content fact-based, rational and founded on evidence-based standards of care? Is the content comprehensive — does it represent the most knowledgeable and appropriate distillation of the vast quantity of material available? Is the content current, given the rapid pace of change?

The InterQual Development Cycle

InterQual's sound clinical logic rests on our rigorous, comprehensive

development cycle. Refined and proven, this development cycle combines systematic, critical assessment of medical literature by our highly trained InterQual Clinical Development Team with peer review by our InterQual Clinical Review Panel of hundreds of experts.

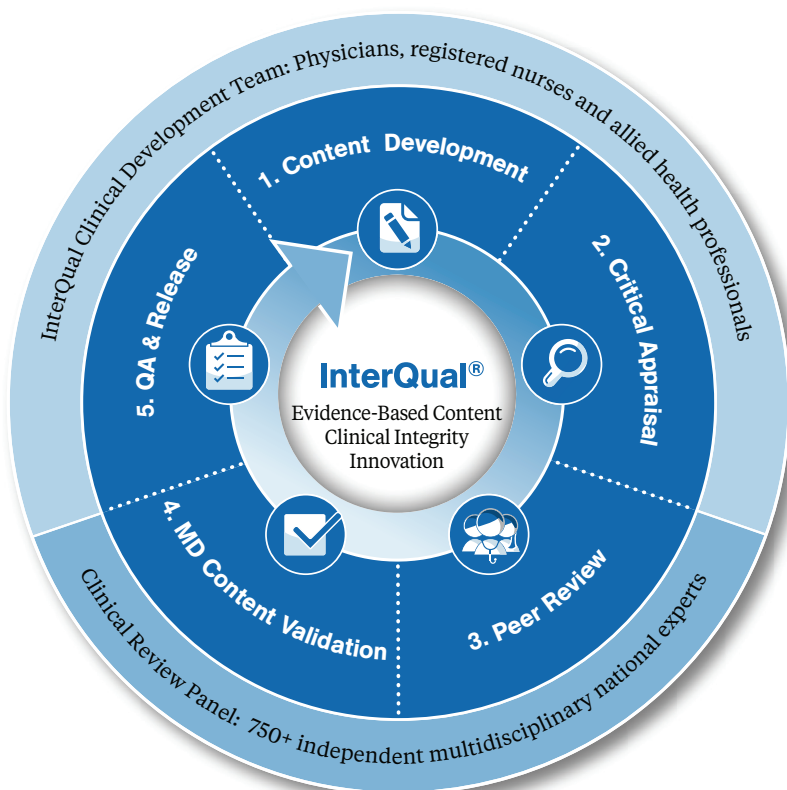
Quality Indicators

The National Quality Forum (NQF) – made up of members from the Joint Commission, Centers for Medicare & Medicaid Services, hospitals, private sector purchasers, and consumers – have worked together since 2001 to define a national standard set of hospital quality measures. These measures focus on common

data elements for the purpose of measuring the quality of hospital care and the goal of improving the healthcare delivery process.

In 2004, InterQual Criteria began including Quality Indicators to place all current and applicable inpatient measures at your fingertips. This convenient access within the criteria helps you more readily meet care standards for patient safety and hospital accreditation. And by providing the ability to track outcomes and performance measures in an effective way, InterQual helps enable providers and payers to better prepare for risk sharing and value-based reimbursement.

InterQual Evidence-Based Development



1. InterQual Clinical Development Team identifies content for development and updating

- Teams of physicians, registered nurses and allied health professionals
- Monitors latest evidence, market trends and client needs to identify, assess and case test potential new offerings and changes to existing content
- Evaluates industry and regulatory trends in practice, coverage and reimbursement

2. InterQual Clinical Development Team critically appraises the clinical evidence

- Comprehensively reviews medical

literature (including behavioral health) and other respected sources

- Evaluates validity using extensive training and experience in evidence-based medicine
- Incorporates new evidence
- Classifies and cites sources used

3. Independent Clinical Review Panel, drawn from 750+ experts, provides authoritative peer review

- All physician panel members are board certified in the specialties they review; licensed, credentialed or both in their areas of practice, actively practicing and screened for conflicts of interest
- Multiple reviewers from across the country evaluates each proposed new criteria and criteria

change for correct interpretation of the literature

- Provide expert guidance on standards of care for areas not conducive to clinical trials

4. New set of Independent Physician Experts validates content

- Provides additional round of expert review to validate clinical accuracy
- Confirms that the content reflects current standards of care for areas not conducive to clinical trials

5. InterQual Clinical Development Team conducts final quality assurance check and releases content

- Reviews for clinical consistency and completeness across products
- Prepares approved content for distribution

InterQual Sources

Literature databases include:

- PubMed
- National Guideline Clearinghouse
- ClinicalTrials.gov
- Various specialty databases

Evidence sources include:

- Peer-reviewed journal articles
- AHRQ evidence reports
- Cochrane Reviews
- Evidence-based specialty society guidelines

Other sources include:

- Specialty society guidelines
- Accreditation organization standards such as the Joint Commission's
- Centers for Medicare & Medicaid Services coverage determinations

Continuous Innovation

The InterQual portfolio has been rigorously updated, expanded and refined for nearly 40 years. We were the first to recognize the need for evidence-based criteria to answer critical questions about the appropriateness of care and resource use, and our history reflects our commitment to innovation in meeting the changing needs of both providers and payers. We also recognize that what worked in the past is not good enough for today's healthcare system.

Examples of recent enhancements include the following:

Consideration of Comorbid Conditions

The latest innovation in our Level of Care Acute Criteria supports appropriate admission of medically complex patients with comorbid conditions who might otherwise not meet criteria for the primary condition alone. This helps minimize administrative inefficiencies of secondary reviews for those who should qualify for inpatient care. The Criteria also includes consideration of comorbid conditions for continued stay as well as responder criteria for a holistic view of clinical stability.

A more proactive, intuitive and collaborative review process

InterQual Acute Criteria utilize a "condition-specific" approach, which organizes the criteria by primary condition and then integrates a wealth of additional information designed to address relevant complications, comorbidities and guideline standard treatments. This condition-oriented model proactively moves patients along the care continuum while presenting criteria for all levels of care in one view and combining severity and intensity criteria for admission and continued-stay review. This unique

day-by-day approach facilitates a progression in the treatment given and also assesses how patients are responding which impacts future treatment plans and ultimately reduces costs, drives quality and improves patient outcomes.

Added guidance for new-to-market specialty drugs including the latest oral treatments

Recent updates to InterQual Specialty Rx Criteria include the addition of new-to-market injectable and oral drugs, expanding both the oncology and non-oncology portfolios. Considering the complexity and expense of specialty pharmaceuticals, InterQual provides payers and clinicians the most up-to-date and objective, evidence-based resource to make the most clinically appropriate decisions when managing cost and quality. In addition to many updates based on the latest evidence, criteria related to off-label indications are updated in accordance with the NCCN Compendium®.

The most current, relevant evidence to help keep pace with rapidly developing new diagnostic capabilities and tests.

Diagnostic tests are 3% of the total cost of care but affect 70% of medical costs⁹ due to their ability to determine the potential benefit from a specific therapy

or a patient's risk of developing a specific disease. InterQual Molecular Diagnostics Criteria are updated quarterly to provide effective evidence-based clinical decision support for diagnostic tests, including more than 90% of high-volume molecular and genetic tests.¹⁰ InterQual Clinical Evidence Summaries, which complement InterQual Molecular Diagnostics Criteria with relevant research on complex and controversial diagnoses, are also available in the McKesson Diagnostics Exchange, a program for unique test identification and standardized coverage determination. This assists in understanding the clinical and financial impact of diagnostic tests.

Greater flexibility in creating, modifying and accessing clinical criteria in a single workflow

The InterQual Content Customization Tool helps organizations address local or regional variations or regulatory mandates in care management guidelines, implement their own medical and business policies, and add guidelines for emerging healthcare services. At the same time, organizations can store and access all utilization management criteria from one location via the cloud, using the criteria in a single automated workflow to minimize misinterpretation, increase efficiency and support sound care management decisions.

Faster, clearer communication between organizations sharing the care review process

The review transmission feature within CareEnhance Review Manager Enterprise enables organizations to electronically share medical necessity reviews and additional patient information (e.g., diagnosis codes, patient/member identifiers). Making the review process more efficient, in turn, reduces administrative costs and improves decision making. This enhancement facilitates concise dialog between payers and providers while cutting down on manual, repetitive data entry, the errors inherent in that process, and the miscommunication that can result.

Comprehensive care plans for complex cases.

For case management assessment of complex cases or high-risk members, the InterQual Coordinated Care Content assessment blends multiple conditions or disease states and generates a patient-specific care plan. Assessment covers common barriers to care, case management and 31 specific conditions or disease states.

9. "Payers Move to Pre-Authorize Expensive Genetic Tests." The Dark Report. September 13, 2010. <http://www.darkreport.com/dark/2010.htm>.

10. Analysis based on 2008 HCPCS data.

Support for Your Success

McKesson offers a comprehensive portfolio of standard and customized education, training, technical services and professional consulting to help you get the greatest value from your InterQual criteria and technology. We can help you:

- Reduce deployment risks
- Optimize product performance
- Facilitate technology adoption
- Integrate legacy systems and point applications
- Accelerate “time to value” around installed products and services
- Improve business processes
- Identify strategic opportunities
- Set goals and direction
- Expand or develop new medical management programs and capabilities

Education and Services

Category	Offering	Description
Professional Services	Business Consulting Services	Needs assessment coupled with development and phased, strategic rollout of solutions tailored to address your unique business issues, ROI goals and timing.
	Implementation Services	Support for the overall InterQual, CareEnhance Review Manager Enterprise and Clear Coverage engagement, including project scoping and resources management, risk mitigation, project initiation, system design, system validation, user training and production.
	Technology & Integration Services	Services that provide expert integration/customization planning and execution, including Web services development, interface construction, data loading and more.
	Optimization Assessments	Onsite discovery of high-impact, post-implementation improvement opportunities achievable through recommended action steps.
	Value Realization Programs	Value assessment of product and program performance against metrics and benchmarks; identification of improvement opportunities supported by additional InterQual investments.
Education and Training	InterQual Learning Source	A self-paced, Web-based training modules coupled with instructor-led training sessions on InterQual products via multimedia delivery; approach accounts for a learner’s role and experience level.
	InterQual Expert Resource Program	A program that prepares members of your own staff to answer questions and explain to fellow reviewers how to accurately and consistently apply InterQual Criteria.
	InterQual Certified Instructor (IQCI™) Program	A “train-the-trainer” program that provides qualified instructor candidates with the knowledge and materials to train others within their organization giving you greater flexibility to manage the training of your staff.

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