Applications of the ACG® System

**Care Management**

The ACG Predictive Models are cutting edge tools that allow you to better target your case management and disease management objectives. The ACG PM™ remain grounded in the disease burden perspective unique to the ACG System, which focuses on commonly occurring patterns of morbidity and an assessment of all types of medical need.

This comprehensive approach has been proven to have many advantages over comparable case-mix adjustment approaches, especially those that use complex data-mining or artificial intelligence algorithms. Specifically, the System:

- **Identifies Unique Individuals for Care Management**
  Unlike many traditional methods for case identification the ACG Predictive Models identify up to 25% more clients in need of care-management intervention before they become high utilizers, typically defined as those who are seeing multiple providers and taking multiple prescriptions. These individuals are often excellent candidates for care management as they may benefit from improved coordination of care.

- **Improves Care Management Processes**
  Patient risk assessments can be performed quickly and on the entire population using available claims information, thereby leading to significant administrative efficiency gains. By including retail pharmacy claims to the available data, high risk patients can be identified with as little as 3 months of data. Additionally, the clinical markers produced by the System eliminate the need to review claims manually, helping the care manager understand a patient's disease and morbidity profile. The utilization of both medical and pharmacy data allows care managers to focus on patient care, rather than administrative tasks.

**Population Health**

Population profiling is used when comparing the morbidity patterns of one or more groups or regions. By taking into account the differences in illness burden among different patient populations, the ACG System determines variations in disease prevalence as well as resource use across groups or geographic regions.

Typically, population profiling is the first step to better understanding the health care needs of a population. For example, for subpopulations that differ in age, gender, geographical region, ethnicity or other characteristics, population profiling can assess the differences in health status and identify the health care needs of special subgroups. Population profiling can also help explain variabilities in referral rates and differences in primary care services costs. Having a solid knowledge of the morbidity pattern of different populations also allows for the accurate evaluation of the efficiency of different health care practices, as well as the equitable setting of capitation payments.
Performance Analysis
Health care is being increasingly driven by performance, both in terms of cost efficiency and patient outcomes. The use of the ACG® System offers incentives to providers to deliver appropriate, high-quality care rather than generate more episodes and additional cost. It considers the total disease experience of each patient and provides a rich array of supporting clinical variables that provide context around the provider’s treatment approach. This allows health care administrators, physicians and payers the ability to change treatment options that may not be as effective as others when considering outcomes and cost efficiency.

Finance/Budgeting
The ACG System has been widely and successfully used for capitation/rate setting, for setting insurance premiums, and for assisting in the appropriate distribution of resources within health systems of all sizes.

Capturing differences between populations in terms of their disease burdens is essential for the fair, equitable, and cost effective distribution of limited health care resources. The ACG System is in wide use by health care providers, payers, and governments to ensure that resources appropriately target populations in greatest need.

“The ACG System provides a meaningful measure of the population’s health status, which helps ensure fair funding and distribution of health resources, accurate assessments of the quality of care patients receive and fair evaluations of the professionals who serve them.”

Gabriel Mª Inclán Iribar
Minister of Health; Basque Region

About the Adjusted Clinical Groups® (ACG) System
The Johns Hopkins Adjusted Clinical Groups (ACG) System offers a unique approach to measuring morbidity that improves accuracy and fairness in evaluating provider performance, identifying patients at high risk, forecasting health care utilization and setting equitable payment rates. The ACG System measures the morbidity burden of patient populations based upon disease patterns, age and gender, relying on diagnostic and pharmaceutical code information found in insurance claims or electronic medical records. This “person driven” approach captures multi-dimensional data over time, providing the user with a more accurate view of the patient population, subgroup or individual members.

The ACG System also provides the ability to handle, describe and manage healthier populations. Unlike other systems, the ACG System was developed using commercial managed care populations as well as state Medicaid populations, both of which closely resemble the general population. The ACG System was one of the first—and remains one of the most successful—systems of its kind, having been used in commercial, government and research settings worldwide. Its flexibility and built-in, industry specific logic provides an invaluable tool for managing the appropriateness and effectiveness of care provided in today’s marketplace. The ACG System is the most widely used population-based case-mix system in the world, impacting over 100 million lives.
### What Sets the ACG® System Apart

1. **One System, Many Tools**
   The ACG System provides more than actuarial cells or a simple statistical score. It is a complete taxonomy with hundreds of measures and complete versatility of use.
   Since its inception, the System has kept pace with evolving data inputs and outputs needed by its global client base. The ability to stay with the ACG System, while getting new versions, markers and functionality, provides an attractive stability.

2. **Captures Multimorbidity**
   The ACG System performs grouping based on clinical similarities and expected resource requirements.
   Accounting for co-morbidity is essential because many illnesses build on each other to define health service needs.

3. **Population Based**
   The ACG System is particularly applicable in policy initiatives that are oriented around persons, not conditions, such as population-based funding, performance analysis, primary care quality assurance, and case selection for high risk patients enrolled in disease management programs.

4. **Transparent & Locally Customizable**
   The underlying logic is transparent and easy for all within an organization to understand and work with.
   The ACG System is totally customizable, allowing it to be adapted to meet the needs of variously sized organizations and specific geographic regions.

5. **Proven Globally**
   The ACG System is used globally, and in many countries is considered the standard bearer of population management approaches. This is a significant achievement, as it is flexible enough to span the various types of health care delivery systems found throughout the world.

6. **Johns Hopkins University Backing**
   The ACG System continues to evolve through research and development conducted at the Johns Hopkins University Bloomberg School of Public Health—a world renowned institution, and the Johns Hopkins Center for Population Health Information Technology.
   For more than 30 years, the System has been maintained, and its use supported, by dedicated Johns Hopkins faculty and staff in medicine, biostatistics, and health economics.
About JHU

The Johns Hopkins ACG® System has the distinction of being developed, tested and supported by a world-renowned academic and medical research institution, The Johns Hopkins University. The academic home of the ACG System supports an unparalleled openness in the methodology, which allows the system to be easily adapted to unique local circumstances and applications. The ACG methodology is subject to continuous critical review and testing by a team of distinguished health services researchers. This ongoing, rigorous review provides a level of credibility that is crucial to both providers and purchasers of health care.