



## **Economic Profiling Policy**

Harbor Health Systems maintains an Economic Profiling Policy that is on file with the State of California and approved in our MPN application process.

A copy of the current policy for the Harbor One MPN is attached as Exhibit A.

Any provider who would like may access this policy on our website in the provider resources section. Because we manage multiple networks, providers should register in our portal to access all of the documentation specific to each program in which they are currently included.

This policy provides the details related to our definition, method, limitations, and usage of economic profiling.



## **Exhibit A: Economic Profiling Policy**

- (a) Economic Profiling means any evaluation of a particular physician, provider, medical group, or individual practice association based in whole or in part on the economic costs or utilization of services associated with medical care provided or authorized by the physician, provider, medical group, or individual practice association.
- (1) Harbor Health Systems' MPN uses Economic Profiling as a comparison of the efficiency with which claims outcomes are achieved. The methodology employed is as follows:
  - Claims Data from our customer's California claims database that included an extended collection of providers from various networks outcome factors were reviewed to measure the following areas: Claim Duration, Care Duration, Total Temporary Disability, Disability Rating at case closure, Total claims cost, Medical Incurred Cost, Indemnity Incurred Cost, Expense Paid, whether the case had to be re-opened and whether the case was contested in litigation.
  - Medical Providers are ranked based on their total participation in Claims in some or all of these areas.
  - A rank-sum is used to achieve a final total outcomes score.
- (2) Economic profiling is not used in utilization review.
- (3) Economic profiling is not used in peer review.
- (4) For initial selection to participate, the outcome score is used to evaluate providers stratified by specialty and geography. Based on need, providers are selected from the best scores available in the Strata. This profile assumes that within each stratum, the risk mix and profiles are homogenous so no weighting is applied.

For provider retention decisions, the outcome score is used to evaluate providers stratified by specialty and geography. Based on need, providers are selected from the best scores available in the Strata. This profile assumes that within each stratum, the risk mix and profiles are homogenous so no weighting is applied.

Economic profiling is not used to penalize providers used in this program.

Economic profiling is not used in provider termination decisions.

Providers may elect to contract for participation under a tiered reimbursement structure. Providers that score in the top 33rd percentile are compensated at a higher level of reimbursement of the Official Medical Fee Schedule (100% of OMFS).

Provider that score below the top 33rd percentile are compensated at a lower level of reimbursement of the Official Medical Fee Schedule.

Harbor Health Systems makes this policy available to all providers in the MPN.