



Blue Care Network & Landmark Healthcare Physical, Occupational & Speech Therapy Program April 2008

Landmark Overview

- Providing & managing physical medicine services for insurance companies & employer groups since 1985
- 6.5 million lives under management
- Our services include:
 - Performance reporting
 - Clinical management
 - Network development
 - Claims administration
- Office locations
 - Corporate headquarters in Sacramento, CA
 - Clinical services office in Southeast MI
 - Sales offices in Louisville, KY

Landmark's Therapy Team

- Therapists' experience
 - Average 20+ years in clinical practice
 - Outpatient focused
 - Board consulting
 - CARF, JCAHO, AOA accreditation
- Medical Directors' experience
 - Average 18+ years in clinical practice
 - State & National quality initiatives
 - Data analytics & clinical research projects
- Michigan Rehabilitation Advisory Panel

Our Guiding Principles

- Patient centered care founded on evidence-based clinical guidelines
- Functionally oriented and measurable treatment regimens
- Transparent clinical expectations and administrative requirements

Our Guiding Principles

- Access to actionable data through performance reporting and benchmarking
- Peers supporting peers to ensure best practices
- Deployment of care management programs that are user-friendly, simple-to-understand and technology enabled
- Respect for the challenges practitioners face every day



Clinical Management Programs for Physical, Occupational & Speech Therapy

Current Outpatient Therapy Program

Blue Care Network

- Physician enters PT, OT, ST referral in iExchange
- Automatic 12 visit approval for PT & OT
- Speech reviewed after evaluation
- Process treatment plan extensions
- Provide clinical appropriateness review
- Claims payment
- Network management

New Outpatient Therapy Program

Blue Care Network

- Therapy referrals entered in iExchange
- Claims payment functions
- Network management

Landmark Healthcare

- Process all PT, OT, & ST treatment plans
- Clinical appropriateness review for PT, OT, & ST services
- Peer-to-peer support
- Provider inquiries and appeals specific to clinical decisions
- Manage benefit limits

Physical, Occupational & Speech Therapy

Discipline	Patients	Visits
Physical Therapy	90%	93%
Occupational Therapy	8%	6%
Speech Therapy	2%	1%
Total	100%	100%

Physical, Occupational & Speech Therapy

- Discipline specific management programs
- Tailored for the unique aspects of each program:
 - Volume considerations
 - Coverage rules
 - Benefit parameters

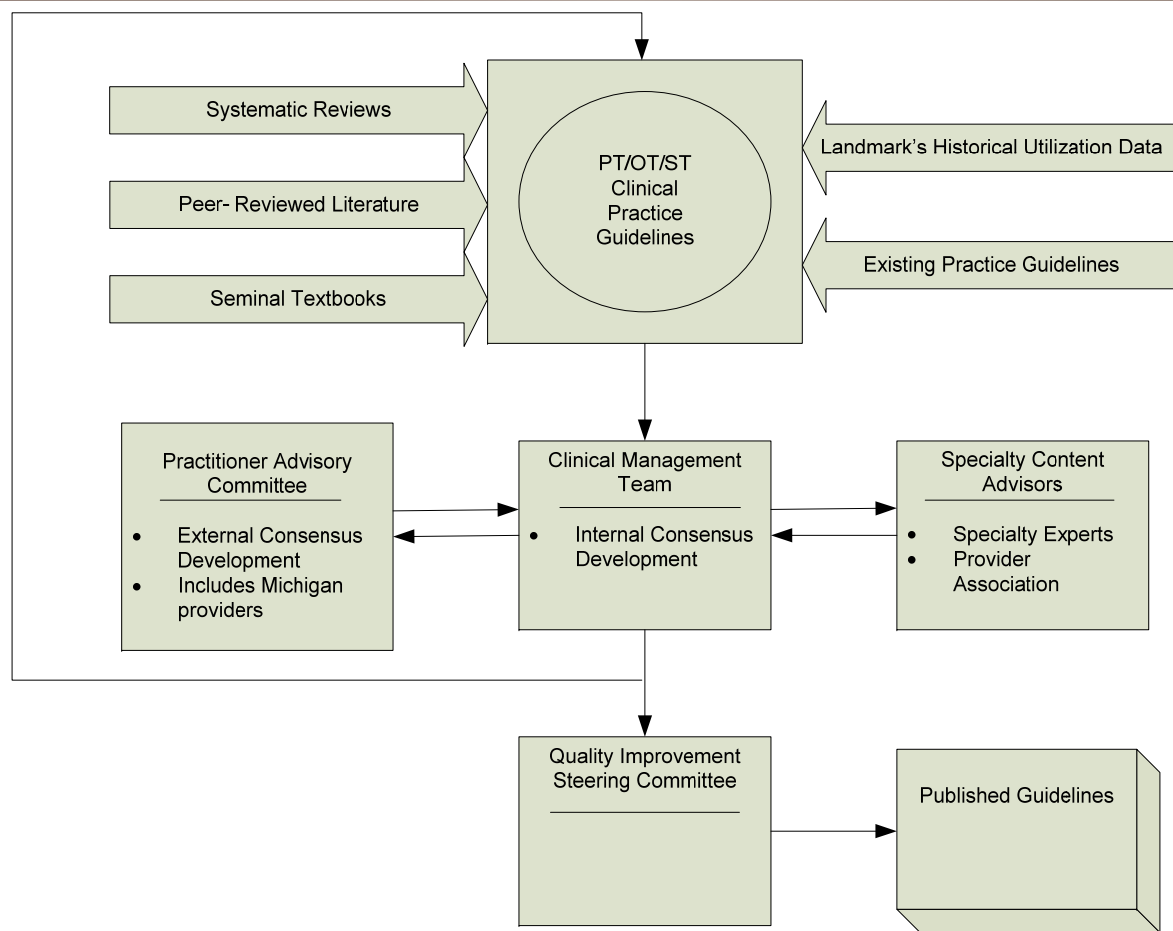


Clinical Practice Guidelines

Clinical Practice Guidelines

- Diagnosis specific guidelines
- Comprehensive and process oriented
- Focuses on functional improvement
- Improves the quality of care
- Basis for clinical recommendations
- Valuable educational resource

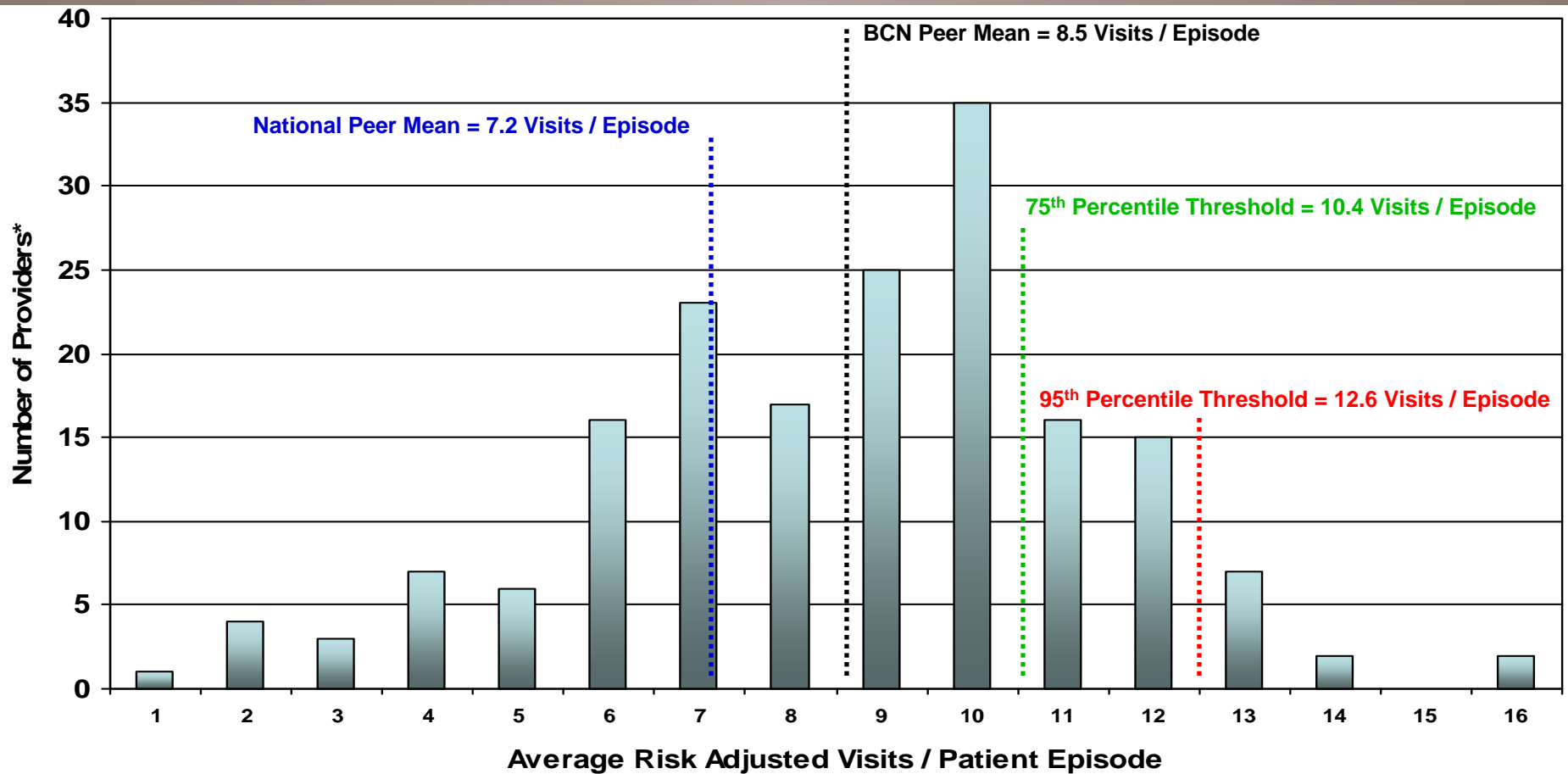
Clinical Practice Guideline Development





Physical Therapy Program

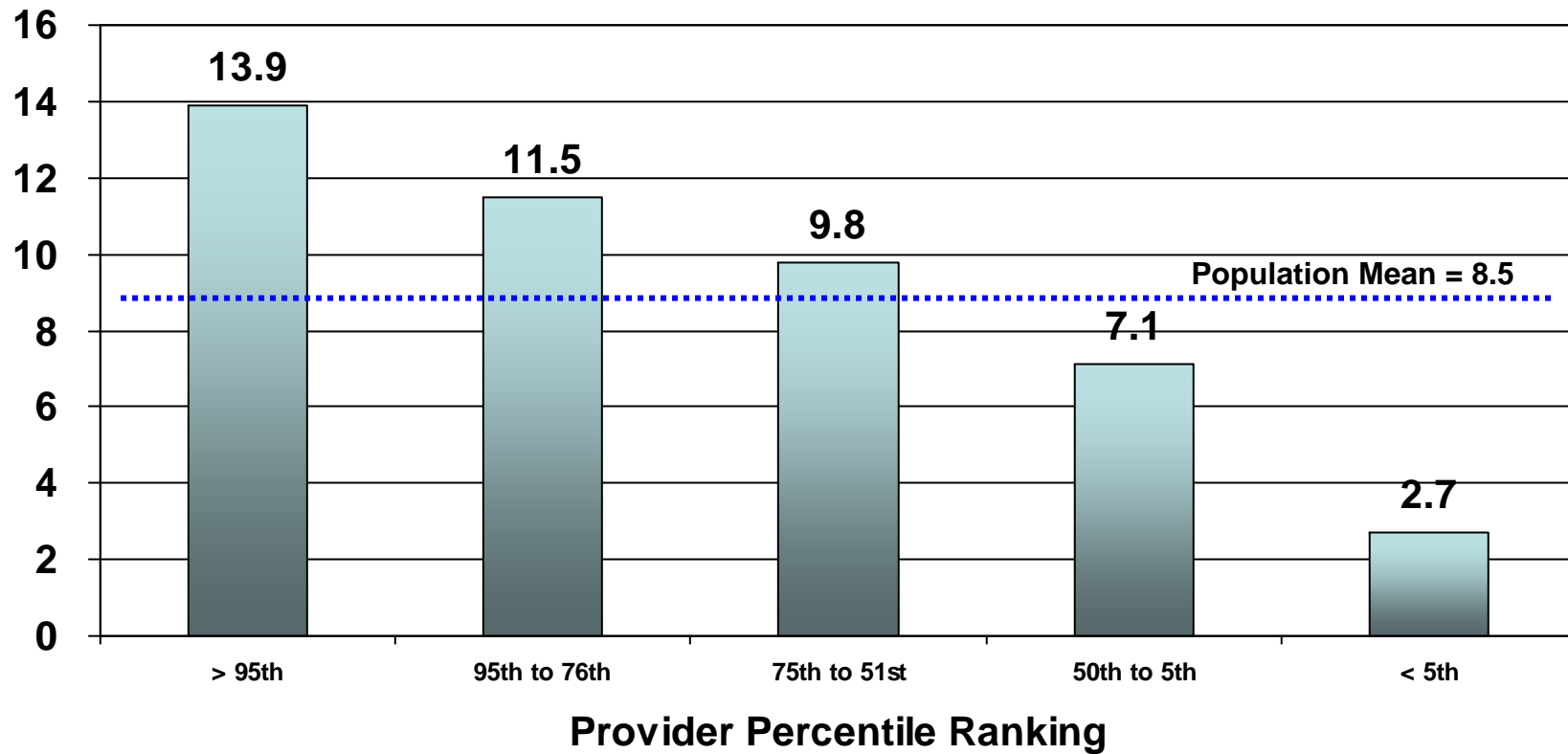
Physical Therapy Provider Distribution



Providers with 10 or more treatment episodes in the IPT, OPT, & Outpatient Hospital Settings
Confidential and proprietary to Landmark Healthcare, Inc.

Outpatient Physical Therapy

(Total Adjusted Visits / Patient Episode)

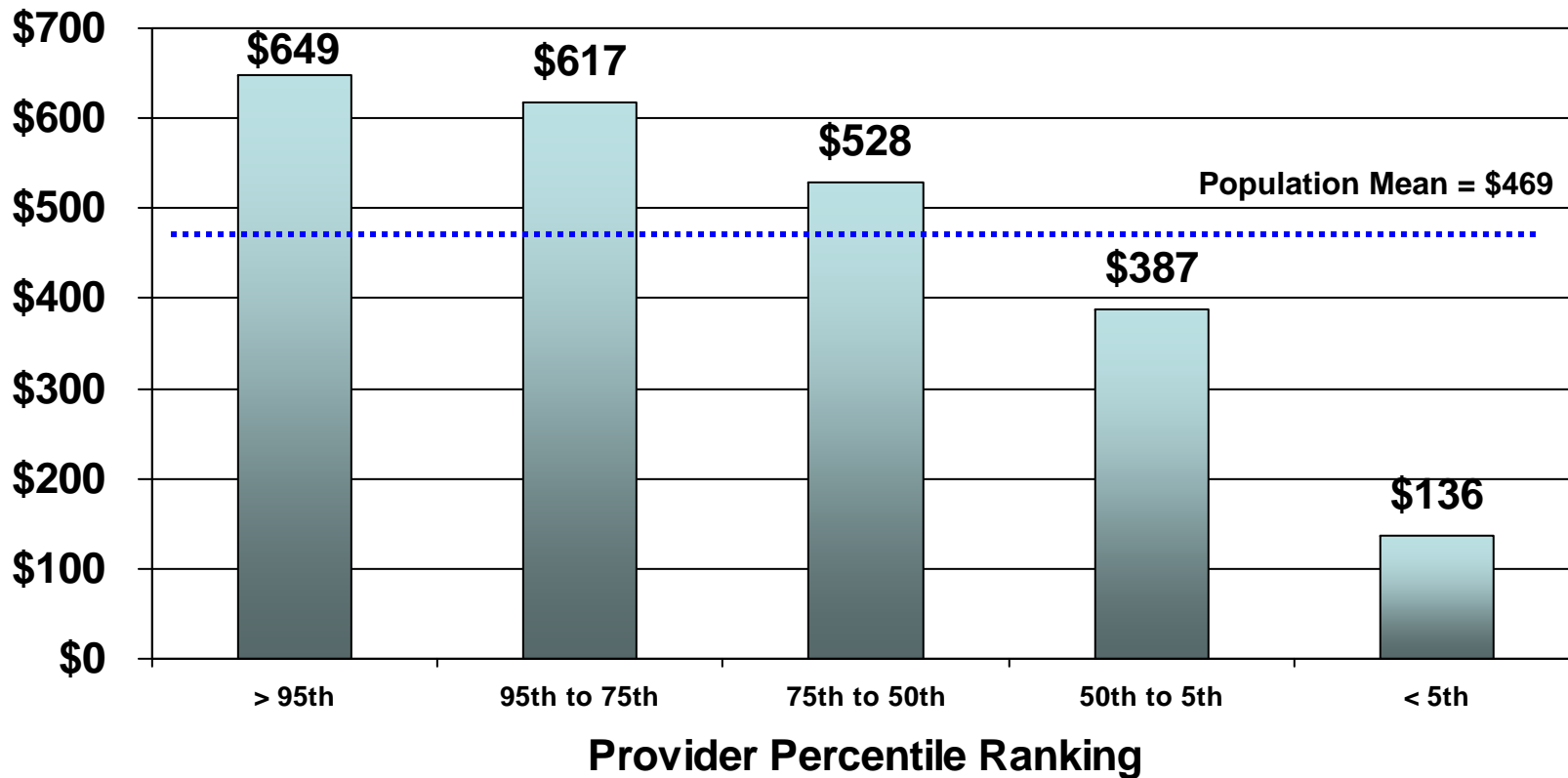


Providers with 10 or more treatment episodes in the IPT, OPT, & Outpatient Hospital Settings

Confidential and proprietary to Landmark Healthcare, Inc.

Outpatient Physical Therapy

(Cost / Patient Episode)



Providers with 10 or more treatment episodes in the IPT, OPT, & Outpatient Hospital Settings

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Utilization Management Categories

A	<ul style="list-style-type: none"> • High volume, Efficient Providers (5th to 50th Percentile) • Treatment Plan Not Required • Voluntary Outcome Assessment Submissions • Retrospective Monitoring • Performance Summaries
B	<ul style="list-style-type: none"> • Low Volume & Average Performing Providers (51st to 75th Percentile) • Annual Treatment Waiver Program (Typically 6-8 Visits) • Treatment Plan Required Beyond Waiver Threshold • Voluntary Outcome Assessment Submission • Performance Summaries and Education
C	<ul style="list-style-type: none"> • High volume, Inefficient Providers (76th Percentile & Above) • Treatment Plan Required Beyond 1st Visit • Mandatory Outcome Assessment Submission • Medical Record Audits • Peer-to-peer Telephonic Counseling • Performance Summaries and Education

Treatment Authorization Process

- Prior authorization issued for initial evaluation and visit
- Treatment plan requirements
 - UM category A – notification only
 - UM category B – waiver notification – TP thereafter
 - UM category C – TP following first visit
- Patient reported outcomes for UM category C
- Submission via eForm, fax, or mail
- Clinical peer review & guideline application
- Quick turnaround of treatment plan reviews

Re-categorization Process

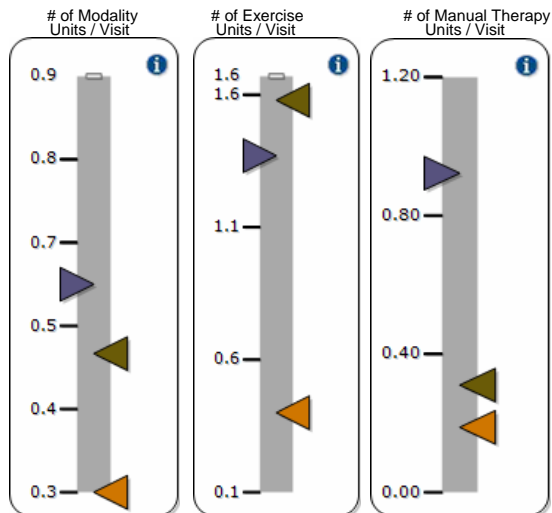
- Bi-annual performance trend review
- Identify sustained changes in practice patterns
- Providers may move into a higher or lower UM category
- Affected providers will be notified in advance
- PPS allow self-monitoring
 - On-line tool updated monthly
 - Hard copy sent quarterly

Practitioner Performance Summary (PPS)

- Individual performance trends
- Comparative peer measures
- Clinically relevant dashboard metrics
 - Performance history
 - Clinical Categories
- Provides timely feedback & benchmarking
- Accessible online and via hard copy

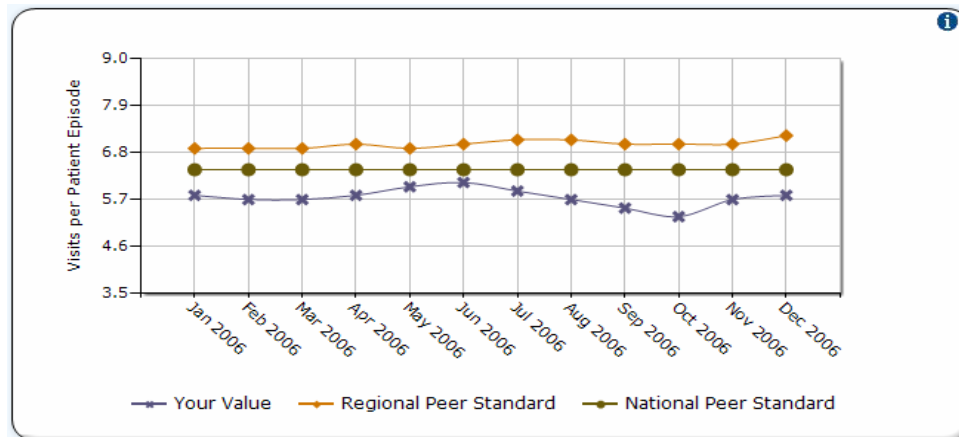
Performance Summary Dashboard

Treatment Process Metrics

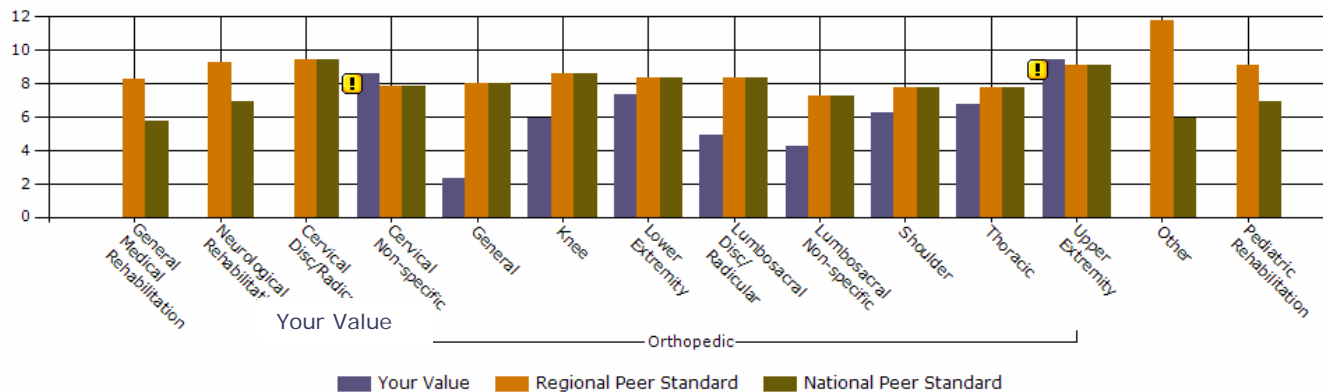


Performance History

Show Performance History for: 12 months



Performance by Clinically Related Diagnostic Category



Summary Drill Down

Member Summary for 1/1/2006 to 12/31/2006

<u>Member</u> ▲	<u>Episodes</u>	<u>Visits</u>	<u>Risk</u> ⓘ <u>Adjusted Visits</u>	<u>Total Units</u> <u>of Service</u>	<u>Modality</u> <u>Units</u>	<u>Exercise</u> <u>Units</u>	<u>Manual</u> <u>Therapy Units</u>
<u>AA2194</u>	1	5	4.9	10	0	9	0
<u>BB4097</u>	1	7	10.6	25	14	6	4
<u>CC4884</u>	1	1	0.8	4	2	1	1
<u>DD5799</u>	1	2	1.5	3	1	0	1
<u>EE9656</u>	1	12	11.9	26	0	25	01
<u>FF1068</u>	1	6	6.1	24	12	5	6
<u>GG2194</u>	1	8	7.5	22	16	5	0
<u>HH3113</u>	1	1	1.0	2	2	0	0
<u>II6519</u>	1	3	3.0	4	0	3	0
<u>JJ9364</u>	1	1	1.2	4	0	2	1
<u>KK9946</u>	1	38	41.9	109	36	68	1
<u>LL0085</u>	1	3	2.9	118	1	4	2

Detail Drill Down

Visit Detail for 119946 from 1/1/2006 to 12/31/2006

<u>Member</u>	<u>Date of Service</u>	<u>Diagnosis</u>	<u>Diagnostic Group</u>	<u>Procedure</u>	<u>Procedure Category</u>
MM9946	1/23/2006	▲ 7242	Orthopedic - Lumbosacral Non-specific	97001	Evaluation
	1/25/2006	7242	Orthopedic - Lumbosacral Non-specific	97112	Exercise
	1/25/2006	7242	Orthopedic - Lumbosacral Non-specific	97014	Modality
	1/25/2006	7242	Orthopedic - Lumbosacral Non-specific	97110	Exercise
	1/26/2006	7242	Orthopedic - Lumbosacral Non-specific	97110	Exercise
	1/26/2006	7242	Orthopedic - Lumbosacral Non-specific	97014	Modality
	1/26/2006	7242	Orthopedic - Lumbosacral Non-specific	97112	Exercise
	1/30/2006	7242	Orthopedic - Lumbosacral Non-specific	97110	Exercise

**Physical Therapy
Practitioner Performance Summary**



Name: Advanced Physical Therapy
Provider ID: F0000010091

Practitioner Performance Summary
Reporting Period: 10/01/06 - 09/30/07

Name: ABC Clinic

Provider ID: XXXXX

Peer Group: Outpatient Physical Therapy

Reporting Period: 10/01/06 - 09/30/07

Practitioner Performance Summary

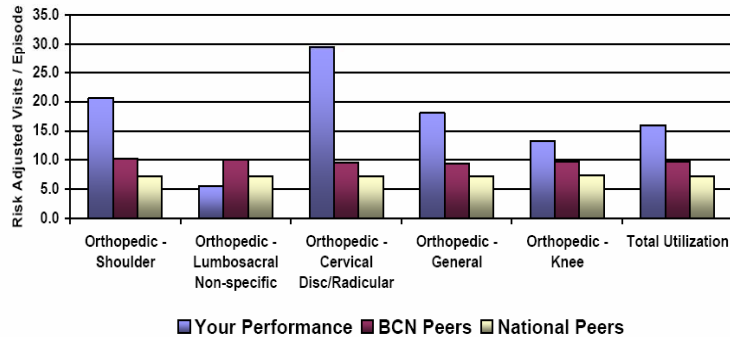
The Practitioner Performance Summary (PPS) provides you with a suite of reports that compare your risk adjusted treatment efficiency metrics to Blue Care Network and National Peer Performance Standards. As shown below, these reports allow you to understand differences between your practice patterns and those of such local and national standards and to track changes in your performance over time.**

The data compiled in the PPS has been aggregated according to the Blue Care Network Provider ID F0000010091. <peer comparison text string>

The PPS will be mailed quarterly and is available anytime at LandmarkHealthcare.com.

Clinically Related Diagnostic Categories

Mean Risk Adjusted Visits per Episode for Top 5 Clinical Categories

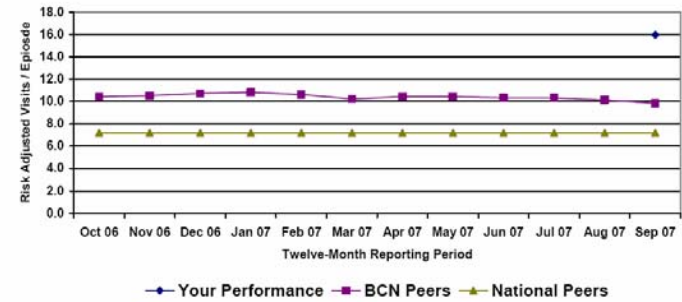


Clinically Related Diagnostic Categories

Top Clinical Categories Ranked by Number of Episodes

Clinical Category	Your Performance		BCN Peers	
	No. Episodes	Cost/Episode	No. Episodes	Cost/Episode
Orthopedic - Shoulder	6	\$1,148	1,532	\$616
Orthopedic - Lumbar/Sacral Non-specific	4	\$245	1,979	\$470
Orthopedic - Cervical Disc/Radicular	1	\$1,350	248	\$531
Orthopedic - General	1	\$1,118	732	\$491
Orthopedic - Knee	1	\$720	1,336	\$590
All Other Categories	4	\$858	3,623	\$517
Total Utilization	17	\$852	9,450	\$532

Performance Trend
Mean Risk Adjusted Visits per Episode by Rolling 12-Month Reporting Period



**Please refer to the PPS FAQ document which accompanies this report for metric definitions and chart descriptions. Landmark's online Practitioner Performance Summary, the PPS FAQs and Physical Therapy Clinical Practice Guidelines are also available through Landmark's secure web-portal Landmark Connect™ at www.LandmarkHealthcare.com

Should you have any questions regarding this evaluation, please contact the Clinical Management Department at (800) 638-4557 between 8:30 a.m. and 5:00 p.m.

Performance Summary Availability

- **Online PPS**
 - Available May 2008
 - Accessible 24/7
 - Updated monthly
- **Hard Copy PPS Report**
 - Mailed May 2008
 - Report updates mailed quarterly



Occupational Therapy Program

Treatment Authorization Process

- Prior authorization issued for initial evaluation and visit
- Annual treatment plan waiver
 - Patient notification required
- Treatment plan review
 - Necessary for all services beyond waiver thresholds
 - Submission via eForm, fax, or mail
- Voluntary patient reported outcomes
- Clinical peer review & guideline application
- Quick turnaround of treatment plan reviews



Speech Therapy Program

Treatment Authorization Process

- Prior authorization issued for initial evaluation and visit
- Treatment plan necessary following first visit
- Standardized tests & measure required
- Submission via fax or mail
- Clinical peer review & guideline application
- Quick turnaround of treatment plan reviews



Landmark Connectsm

Real-time Access to Administrative & Clinical Tools

Administrative Tools	Clinical Tools
<ul style="list-style-type: none">• E-forms: Electronic Authorization Request Submission, Date Extension & Status Inquiries• Administrative Policies & Procedures, Reference Manuals & Training Materials	<ul style="list-style-type: none">• Clinical Practice Guidelines• ICD9 Look-up• Record Keeping Tools• Outcome Assessment Instruments• Clinical Policies & Procedures• Performance Summaries

Accessing Landmark's Clinical Resources

- Go to Landmark's secure website at www.LandmarkHealthcare.com
- Select "Landmark Connect" from the Practitioner menu
- Logon if currently registered or complete the new user registration
- Get answers to your technical questions
 - Hours: 8:30 a.m. to 5:00 p.m. EST
 - Toll Free Telephone Number: (877) 531-9139

Communicating with Landmark

- Michigan Regional Office
 - Office Hours:
Monday - Friday from 8:30 a.m. to 5:00 p.m. EST
 - Telephone Number: (248) 410-4609
- Sacramento Corporate Offices
 - Office Hours:
Monday - Friday from 8:30 a.m. to 5:00 p.m. EST
 - Toll Free Telephone Number: (877) 531-9139



Program Summary

Program Goals

- Convergence with patient centered care not predetermined treatment regimes
- Provision of actionable data
- Decrease in unexplained variation
- Change outlier provider behavior

Program Timeline

- May 2008
 - PT Practitioner Performance Summaries May 2008
 - Landmark Connectsm available
- June 2008
 - UM requirements sent to all providers
- July 2008
 - Clinical appropriateness review commences



Q & A