

Utilization Management

Organizational Transformation: Creating Efficiency, Accountability & Compliance

In the midst of significant change, the utilization management (UM) department for one region of a large, national health plan was underperforming—it was not operating to standards and lacked oversight, accountability and managed care experience. Toney Healthcare was engaged to provide utilization management expertise and best-practice operational services, with a focus on assessing and improving utilization management operations.

Toney Healthcare performed a deep-dive evaluation of the plan's utilization management function, starting with a big-picture view then assessing collaboration and processes internally and with other organizations inside and outside the health plan. Bringing deep utilization management expertise to the engagement, **our clinical experts transformed the entire operation, building the policies and processes to optimize performance, comply with business and regulatory requirements, and enable better service to its members.**

DRIVING COLLABORATION AND REMOVING SILOS

Each of this health plan's functions had fully independent operations, with siloes for prior authorization, concurrent review, and post-acute utilization management, and no connection to care or behavioral health management. This inefficient structure not only duplicated work, but work was missed, creating significant consequences for member health when patients fell through the cracks. Plus, the lack of a quality department meant that nobody was paying attention to compliance or utilization metrics, with severe financial ramifications.

Toney Healthcare completely reorganized the medical management function from a macro perspective, building out processes and policies across utilization management, care management (CM) and behavioral health (BH) departments to ensure responsibilities were clear and the organization functioned as a cohesive, interdisciplinary team. A quality department was established to track performance and ensure compliance. In addition, the utilization management department was reconstructed, with a focus on care transitions, review and quality to improve health and financial outcomes. Not only did these changes improve health outcomes through better utilization and care management, but they enhanced staff and provider relations, driving satisfaction.



Restructured UM department and provided interim leadership



Created quality department and developed standards and processes to support performance improvement and compliance



Developed policies and processes for CM, UM and BH to remove siloes and meet NCQA and CMS standards



Deployed nurse team to eliminate backlog and conduct admissions review



Created staffing plan and hired key leadership and clinical resources



Trained clinical, physician and leadership resources on MCG care guidelines, new processes and best practices



Created suite of reports for quality performance



BUILDING EXPERTISE THROUGH GUIDANCE, STAFFING AND TRAINING

Lacking resources, supervisor administration and seasoned managed-care leadership—and with little health plan experience—the organization needed direction, oversight and true understanding of utilization management requirements.

Toney Healthcare brought deep expertise in utilization management operations, developing a staffing plan, managing the department, and hiring clinical and leadership roles to take on the responsibility for the long term. Key deliverables included training and job aids for clinical staff, management, physicians and leadership on how to operate a utilization management department—understanding what they were supposed to do, how they were measured and how to report to regulatory bodies. The result was an efficient, highly trained utilization management department that effectively managed member needs and ensured appropriate interactions at appropriate levels of care.

In addition, Toney Healthcare helped the utilization department more effectively work with hospitals, teaching them to ask the right questions, advocate for patients and empower their members with the right equipment and training to facilitate safe and successful transitions and to prepare them for self-care.

DRIVING ACCURATE DATA AND REPORTING

The health plan's utilization data was inaccurate, limited, and incomplete—with no way to acquire real-time data. Without accurate information for reporting, the health plan had no idea where it stood on even basic measures such as admissions, approval rates or quality metrics. The impact of this lack of quality data was significant:

- **Lack of compliance** with key quality metrics and no path to understand the current state or how to plan and execute a quality improvement plan.
- **Reduced quality of care**—Members were not treated at the right level of care or supported during transitions, creating health risks and reducing satisfaction.
- **Significant financial consequences**—The health plan was losing money but had no indication of where utilization was out of line or how to prioritize improvements.

Toney Healthcare worked hand-in-hand with the health plan's IT team and the data warehouse to build reports and calculate important KPIs that would address all quality, performance improvement and compliance needs. We helped the health plan identify how their dollars were used and what key performance areas needed work, then prioritize an action plan to speed quality improvement. Our team also created reports to help the plan's leadership assess utilization on a daily, monthly and quarterly basis to track trends and manage populations in real-time rather than retrospectively.



BUILDING SYSTEMIC QUALITY AND COMPLIANCE

As a health plan without a quality department, this organization struggled to meet care quality and other performance metrics required by CMS, NCQA, and state and local regulations. Toney Healthcare helped address this issue on both a structural and procedural level—starting with a blueprint for establishing a quality department that included guidelines, recommendations and processes to improve quality performance and compliance. All processes and policies were built to align with NCQA and CMS standards, with appropriate reporting that supports key quality metrics.

As part of the quality evaluation, Toney Healthcare discovered that the health plan was not applying MCG care guidelines appropriately, creating care quality issues that affected health and financial outcomes. Toney Healthcare provided an in-depth training of MCG guidelines and the hierarchy of criteria for different programs such as Medicare and Medicaid. The system was then stress-tested with an admissions review based on MCG guidelines to ensure that policies and procedures were working, people and departments were communicating, and everybody understood their role. After this process was complete—and had **generated \$1.02M in savings in just one month at two hospitals**—the health plan’s nurses took over management of the program.



[Read more about how Toney Healthcare saved this health plan \\$1.02M in one month.](#)

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Toney Healthcare’s team of experts is ready to help you address your utilization, care and behavioral health resource needs with plug-and-play health management services and expertise so you get the help you need, fast—and without HR headaches.
Learn more at [ToneyHealthcare.com](https://www.toneyhealthcare.com).

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