A physician’s guide to
Aexcel®
www.aetna.com

For designations effective
January 1, 2014
We believe a better health care system is more transparent and consumer friendly, and also recognizes physicians for their efficient and effective use of available health care resources.

Aetna is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies, including Aetna Life Insurance Company and its affiliates (Aetna).
As one of the oldest and largest health insurers in America, Aetna has the opportunity to transform the health care system in this country.

Aexcel originated from discussions with large employer groups who were challenged by rising health care costs. Patients, in turn, were becoming increasingly engaged as consumers of health care. As such, they wanted access to information about physicians to help them make informed health care decisions before seeking care from a physician.

**Aexcel is a component of our performance network strategy and our overall health care transparency efforts.**

**It is a designation for specialists who:**
- Are part of the broader Aetna network of participating providers
- Have met specific clinical performance and efficiency criteria

Physicians who are not Aexcel designated remain Aetna participating physicians. Aexcel designation has no bearing on a physician’s contract or their payment.

Aetna members are reminded that Aexcel designation is only a guide to choosing a physician. Members should consult with their treating physicians before selecting specialty physicians for their care. Designations have the risk of error and should not be the sole basis for selecting a physician.
Keeping physicians informed

As Aexcel is implemented throughout the country, we make affected physicians aware of its introduction to their area beforehand. We also review the program with specialty societies and other groups within organized medicine. Our goal is to work collaboratively with physicians, employers and members.

Sharing suggestions

We encourage physicians to give us their feedback and suggestions for improving Aexcel. Follow the path below to our secure provider website.

For more information on Aexcel, visit our public website at [www.aetna.com](http://www.aetna.com) or the secure provider website. Once logged in, select “Aetna Support Center,” then “Doing Business with Aetna.”


Sharing results with physicians to improve care

We give members information to help them make informed decisions about their care, and work with physicians to help them improve the care they provide.

Ask your network account manager or local market medical director for a comprehensive description of our Aexcel methodology, the detailed information behind the metrics and other data intended to help improve performance.

If you don’t know how to contact your network account manager directly, call the Aetna Provider Service Center at [1-888-MDAetna (1-888-632-3862)](tel:1-888-MDAetna). [1-888-MDAetna (1-888-632-3862)](tel:1-888-MDAetna)

Discussions with the clinical community, including key physician organizations, are a valuable way to share information and gather important input about potential Aexcel program enhancements.

In addition to this guide, physicians can access information and detailed descriptions of the Aexcel evaluation methodology through our website at [www.aetna.com](http://www.aetna.com). Type “Aexcel” into the search bar and select the first choice within the results.

Similar information is also available on our secure provider website.

Aexcel designation and its use in alternative networks

As employers are placing more of the financial responsibility for health care on their employees, they are looking for affordable, quality options that help them better control their costs.

To meet this demand, we offer alternative networks that include Aexcel-designated physicians. These networks tier physicians (including those with Aexcel designation) based on hospital affiliation, quality and cost efficiency, or other similar criteria.
How we evaluate physicians

We perform our Aexcel evaluation at the physician group or tax identification number (TIN) level rather than at the individual physician level. This approach offers more robust data for evaluation. Outlined within this guide is the measurement criteria used to determine physician Aexcel designations effective January 1, 2014.

Our evaluation process includes a balance of clinical performance and efficiency measures. We identify those specialists and groups that managed at least 20 Aetna episodes of care (EOCs) over the last 3 years. A reasonable volume of Aetna members is necessary to credibly measure performance.

Aexcel markets

We introduce Aexcel in markets where:

• There is a significant plan sponsor commitment and willingness to partner.
• The existing Aetna network is large enough to maintain appropriate physician access for our members with the establishment of a specialist performance network.
• Variation in efficiency across specialists is distinguishable; establishing a performance network results in benefits to our customers.
• There is sufficient claims experience to enable credible analysis of specialists.

Aexcel physician specialty categories

We chose to address physician specialty care in developing this program for several reasons:

• Specialty care is more episodic than primary care.
• Specialty care drives most of the advances in treatment, procedures, pharmaceuticals and diagnostic imaging, as well as the cost increases that accompany these advances.
• Specialty categories chosen as part of Aexcel represent approximately 70 percent of specialty costs and approximately 50 percent of Aetna’s total medical costs.

Aexcel specialty categories

Cardiology
Neurology
Otolaryngology/ENT
Cardiothoracic surgery
Neurosurgery
Plastic surgery
Gastroenterology
Obstetrics and gynecology
Urology
General surgery
Orthopedics
Vascular surgery

We offer Aexcel in the following markets, which cover all, or parts of, 25 states and the District of Columbia.

Arizona
Central Valley, CA
Los Angeles, CA
Northern CA
San Diego, CA
Colorado
Connecticut
Delaware
Metro DC
(DF, MD, VA)
Jacksonville, FL
Orlando, FL
South Florida
Tampa, FL
Atlanta, GA
Chicago, IL
Indianapolis, IN
Kansas City, KS
and MO
Louisville, KY
Maine
Massachusetts
Detroit, MI
New Jersey
Las Vegas, NV
Metro NY
Cincinnati, OH
Cleveland, OH
Columbus, OH
Toledo, OH
Oklahoma City, OK
Tulsa, OK
Pittsburgh, PA
Austin, TX
Dallas, TX
El Paso, TX
Houston, TX
San Antonio, TX
Richmond, VA
Seattle, WA
Clinical performance evaluation

A physician needs to fulfill at least one of the following clinical performance criteria to be further considered for Aexcel designation on the basis of efficiency:

- Aetna claims-based measures with minimum member/event volume threshold
- Recognition by the National Committee for Quality Assurance (NCQA) or Bridges to Excellence®
- Completion of Performance Improvement Module (PIM) activity
- Use of health information technology, including electronic medical records and ePrescribing
- Alignment with Aetna’s Institutes of Quality® (IOQ)

Clinical performance criteria in detail

Claims-based measures with minimum volume threshold

Using claims information, we evaluate whether the physician met the claims-based clinical performance standards established by respected professional organizations. Some of these standards pertain to all Aexcel specialties. Other standards are specialty specific.

The physician or group must have at least 10 cases in any given measure, or 30 cases across their measures, to be evaluated. The denominator can represent unique members or events, depending on the measure. In some measures, such as breast cancer screening, the denominator is members. In some measures, such as inpatient adverse event rate, the denominator is each admission, and a member can have multiple admissions.
Recognition by NCQA or Bridges to Excellence
At least 50 percent of specialists in the group are recognized by either Bridges to Excellence or NCQA through their recognition programs in the areas of diabetes, cardiac/stroke, low back/spine, hypertension, chronic obstructive pulmonary disease, congestive heart failure, asthma, Patient-Centered Medical Home and coronary artery disease.

PIM activity
At least 50 percent of specialists in the group have completed a medical specialty board performance-based improvement module — in conjunction with Maintenance of Certification (MOC) — within the previous two years (not prior to September 1, 2010). If a physician’s board does not identify PIM as part of his/her board-specific MOC, a physician may still be able to qualify by completing part 4 MOC requirements within his/her specialty. MOC part 4 activity is a practice improvement program specifically designated by the appropriate board.

Use of health information technology
At least 50 percent of specialists in the group have earned the Physician Office Link designation or have incorporated a Certification Commission for Health Information Technology (CCHIT)-certified electronic medical record and/or ePrescribing software in their practice.

Alignment with Aetna’s IOQ
At least 75 percent of specialists in the group maintain an active medical staff appointment at an Aetna IOQ facility and his/her primary specialty is the specialty for which the facility is recognized for IOQ. IOQ is a designation for facilities that have demonstrated quality care based on measures of clinical performance and efficiency.

Efficiency evaluation
For physicians who pass the clinical performance criteria, a measure of the efficiency of their care is developed and compared to that of their peers. We use the Symmetry® Episode Treatment Groups® (ETGs®) methodology to measure a physician’s efficiency.

This methodology is based on episodes of care (EOC), which are one of the current industry standards for measuring efficiency. EOC methodology focuses on all of the costs (inpatient, outpatient, professional, office, lab, pharmacy and ancillary) required to care for a patient’s underlying medical condition.

For statistical validity, physicians must have a minimum of 20 Aetna member EOCs over a 3-year period to be evaluated for efficiency. An index rating is created based on actual cost for the episode compared with the expected cost of the episode. The expected cost is the average adjusted cost of an episode managed by the peer group. The expected average cost is risk-adjusted as described in the following section.

Episodes are then attributed to physicians based upon who was responsible for the majority of the care. For example, surgical episodes are attributed to the surgeon with the highest allowed charges. For non-surgical episodes, the episode is attributed to the physician with the highest number of office visits.

We chose 20 as a minimum threshold based on a comparison of results using random samples of various thresholds, including 10, 20, 30, 50 and 100. We found there was a reasonably similar result for groups with at least 20 episodes versus at the higher thresholds. Furthermore, using 20 episodes as a minimum lets the program be more inclusive.

Physicians do not pass the efficiency standard if their results either did not meet the minimum 20–episode threshold or they did not meet the minimum standard at a statistically significant level. All other physicians pass the efficiency standard. The statistical significance is performed at the 90 percent confidence level.

*Compliance with this standard is either based on information in Aetna’s provider data system or physician/group’s self-reported information.
Risk adjustment

Some physicians may care for more patients with chronic or complex conditions in a given time period than their peers do. As a result, we evaluate physicians by comparing their services for patients with similar conditions. We apply risk-adjustment factors to account for differences in the use of health care resources among individuals. Use of health care resources can differ among patients because of age, gender, chronic disease risk, pharmacy benefit and insurance product type.

In addition, we compare all the resources used to treat a physician’s patients to those of other physicians in the same specialty and geographic location. If a physician is a part of a group practice, we evaluate the entire group. In this case, performance measurement results of other physicians in the group practice will have an impact on each individual physician’s evaluation.

Maintaining sufficient access to specialists

Once the selections are complete, we may need to supplement the performance network with additional physicians to maintain sufficient access to specialists. Using Symmetry EOCs, we will add doctors to the Aexcel network whose efficiency index, and statistical significance around that index, are the closest to the mean and the most statistically significant. However, only physicians who have passed the clinical performance evaluation are eligible.

Re-evaluating physicians for Aexcel designation

We re-evaluate a physician’s performance at least every two years. As a result, a physician’s Aexcel designation status could change from one period to the next. Physicians who previously did not receive Aexcel designation may now meet the criteria. Similarly, physicians who are currently designated may lose their designation because they did not meet the clinical performance and/or efficiency standards. This could be due to a physician’s individual performance. It could also mean the overall performance of the physician’s peers in his/her market, whom the physician is measured against, has improved.

Regardless of whether a physician receives Aexcel designation, he/she remains a participating physician in Aetna’s broader network.

We realize that physicians, members and employers alike are impacted by changes to the composition of Aetna networks. To reduce these concerns, we consider member and physician disruption when configuring the Aexcel network for physician access.

How to recognize Aexcel specialists in provider directories

Members can easily find Aexcel-designated physicians in our DocFind® online provider directory, available at www.aetna.com. A blue star next to a physician’s name indicates Aexcel designation.

For additional detail on each physician, members can log in to our Aetna Navigator® secure member website, and choose DocFind. On this secure website, members can see the volume, clinical performance and efficiency standards we used to determine the physician’s Aexcel status. The detail on each physician shows which of those performance standards the physician met.
Important information about our data

As Aexcel continues to evolve, we look for opportunities to further enhance our methodology and evaluation process based on new clinical evidence, feedback from physicians, members and employers, and emerging industry trends.

While we are committed to using the best available information, there are certain data limitations:

• The clinical quality claims-based measures and efficiency information is based on Aetna data only. Using combined claims data from multiple payers (other insurance companies, and self-insured and government plans) may give a more complete picture of physician performance but is not yet available. We support industry-wide data collection initiatives. When credible combined data becomes available, we will consider using it in our evaluations.

• The claims data used to evaluate physicians does not include all procedures, lab or pharmacy data. It only includes those for which we have received claims. Physicians may perform health care services, but not share all the information with us. Also, because of the way claims are submitted and/or processed, health care service details may not always be available in the claims data we use. Therefore, we strongly encourage physicians to reach out to us with additional data they might have in medical charts that is not available to us.

• Inclusion of pharmacy data is limited to those members who have Aetna pharmacy benefits.

• During the review process, we are aware that some physicians may treat patients with more than one health issue or with more complex conditions. Therefore, we apply risk-adjustment factors to evaluate physicians to take these considerations into account.

While we use an industry-recognized model, a perfect mechanism that accounts for all variations in a patient population does not exist.

We believe quality and efficiency profiles are meaningful. However, this information represents a partial evaluation of clinical quality and efficiency, and Aetna members are encouraged to consider all relevant factors when choosing a physician.

About our data sources

We use a number of data sources in our measures. Besides the external sources previously listed, from which recognitions and certifications can be reviewed, there are also a number of data sources internal to Aetna that are used. These include administrative medical and pharmacy claims, member eligibility data and provider information.
The Aexcel reconsideration process

We want physicians to be confident that our decisions are made using a comprehensive set of evidence and data, and encourage physicians to become active participants in the evaluation process.

We notify all Aexcel-eligible physicians by letter of their evaluation results. A reconsideration process is available for those physicians who seek corrections or changes to their Aexcel designation. Physicians may also request additional information.

Our notification letter explains that if physicians have more information they’d like us to consider, including that contained in medical charts, they have 30 calendar days to initiate a request for further review. All requests for reconsideration must be sent to us in writing or by e-mail.

A team of Aetna representatives (including medical directors and members of Aetna’s Network Management and Analytics staff) participate in the review of physician requests for reconsideration.

After reviewing the additional information the physician provides, we make a final determination on his/her Aexcel designation status. This occurs within 45 calendar days from the stamped date of receipt of the reconsideration request from the physician. We notify physicians by letter of our final determination.

Additional information may supplement our records

There may be several situations in which physicians have information that supplements our data. These include:

Clinical performance
- Additional information to substantiate PIM activity and/or use of CCHIT-endorsed technology.
- The physician did not have a meaningful role in the management of the case. (Case attributed to the wrong physician.)
  Example: Case managed by a covering physician.
- The medical record includes additional information showing that the clinical events in the case had a different clinical significance than apparent in the claims record. (Interpretation of claims record differs substantially from interpretation of medical record.)
  Example: A re-admission within 30 days was actually planned at the time of discharge of the index case.
- An event did not actually happen. (Coding error.)
  Example: A hospital codes an acute myocardial infarction after a surgical procedure when the member did not have an acute myocardial infarction.
- There are other unusual circumstances.

Efficiency
- The physician/group did not have a meaningful role in the management of the episode.
  Example: Episode predominantly managed by a different physician/group.
- The physician is attributed to the wrong physician group.
  Example: Physician associated with another group.
- The specialty designation was incorrect.
  Example: Physician designated as a general surgeon rather than correctly designated as a plastic surgeon.
- Other: Possible missing or erroneous claims information.

Additional information about the program

A physician’s designation could change at any time if he/she moves to another group practice. In this case, the physician’s designation would reflect that of the new physician group until the next Aexcel review cycle. If a physician’s designation changes, we will notify him/her prior to updating our secure member website. Physicians should promptly notify us of a change in their group affiliation so we can update their profile accordingly.

About our oversight monitor

The National Committee for Quality Assurance (NCQA) is an independent not-for-profit organization that accredits and evaluates a wide range of health care organizations, and recognizes physicians in key clinical areas. Its mission is to improve the quality of health care. NCQA serves as an independent ratings examiner for Aetna, reviewing how our Aexcel program meets criteria required by physician measurement programs.

The results of the latest NCQA review demonstrate Aetna’s full compliance with the requirements related to physician measurement programs. The report is available on the NCQA website at http://nyrxreport.ncqa.org/. It allows for a comparison on the extent to which reviewed health plans in New York state comply with provisions of an agreement made with the New York Attorney General.

Member complaints

If your patients have a complaint about Aexcel, please direct them to register their complaint with Aetna.

Or, they may register a complaint to NCQA at customersupport@ncqa.org or to NCQA Customer Support, 1100 13th Street, NW, Suite 1000, Washington, DC 20005.
### Updates to Aexcel methodology

<table>
<thead>
<tr>
<th>Focus</th>
<th>2010</th>
<th>2012</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volume criteria to be met</td>
<td>Minimum of 20 episodes using Symmetry ETG. No changes from prior year.</td>
<td>No changes</td>
<td>No changes</td>
</tr>
<tr>
<td><strong>Efficiency</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Efficiency measurement is based on</td>
<td>Symmetry ETG version 6.5. No changes from prior year.</td>
<td>Symmetry ETG version 7.5</td>
<td>No changes</td>
</tr>
<tr>
<td>Determining whether physicians meet the minimum efficiency standard</td>
<td>Physicians do not pass the efficiency standard if their results either did not meet the minimum 20-episode threshold or they did not meet the minimum efficiency standard at a statistically significant level. All other physicians pass the efficiency standard. No changes from prior year.</td>
<td>Physicians will be chosen who are efficient and statistically significantly so. The Aexcel network will be further fortified with physicians whose efficiency index and statistical significance around that index are the closest to the mean and the most statistically significant until the network size is one where members have adequate access to physicians within an Aexcel market. No changes</td>
<td></td>
</tr>
<tr>
<td>Efficiency case-mix adjustment</td>
<td>Physicians are compared to their peers within an assigned market. If a market value is not available, physicians are compared with a peer group from a group of similar markets (market-type). If a market-type value is not available, then physicians are compared to the national level. No changes</td>
<td>No changes</td>
<td>No changes</td>
</tr>
<tr>
<td>Application of ETGs</td>
<td>Episodes for physicians with multiple specialties will be assigned to the Aexcel specialty based on the specialty assigned to the ETG. Where a physician has more than one specialty and an ETG is on more than one of the specialty ETG lists, the episode is assigned to each of their specialties.</td>
<td>No changes</td>
<td>No changes</td>
</tr>
<tr>
<td><strong>Clinical performance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clinical performance measures</td>
<td>Additional claims-based measures added, and the measure of “appropriate HIV testing for pregnant patients” was retired. Additional clinical measures added for Metro NY market for 2009 effective in all Aexcel markets in 2010.</td>
<td>Additional claims-based measures added. Volume criteria changed for claims-based measures to case count of 10 on an individual measure or 30 across measures. Board-certification requirement removed and replaced with maintenance of board certification by the completion of MOC/PIM. Certification by external entity — additional programs added for recognition. Five claims-based measures are no longer National Quality Forum endorsed and, as a result, will no longer be considered. One additional measure was added.</td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reconsideration process</td>
<td>Expanded in 2009. No changes from prior year.</td>
<td>No changes</td>
<td>No changes</td>
</tr>
</tbody>
</table>
Clinical performance evaluation

The Aexcel designation process includes evaluation of four key criteria:

• Volume
• Clinical performance
• Efficiency
• Network adequacy

A physician/group must meet at least one of the clinical performance criteria outlined here in order to be further evaluated for Aexcel on the basis of efficiency. An Aetna medical director is available to discuss our findings with the physician.

Every physician has the chance to give us more information for reconsideration. For example, a physician can let us know if they are pursuing, or have completed, a PIM activity. Or, they give us information about their use of health information technology, which applies National Quality Forum-endorsed measures.

Certification by external entity
At least 50 percent of specialists in the group are recognized by either Bridges to Excellence or the NCQA through their recognition programs in the areas of diabetes, cardiac/stroke, low back/spine, hypertension, chronic obstructive pulmonary disease, congestive heart failure, asthma, Patient-Centered Medical Home, Physician Office Link and coronary artery disease.

PIM activity
At least 50 percent of specialists in the group have completed a medical specialty board performance-based improvement module (in conjunction with MOC) within the previous two years (not prior to September 1, 2010). If a physician’s board does not identify PIMs as part of his/her board-specific MOC, a physician may still be able to qualify by completing part 4 MOC requirements within his/her specialty. MOC part 4 activity is a practice improvement program specifically designated by the appropriate board.

Use of health information technology
At least 50 percent of specialists in the group have earned the Physician Office Link designation or have incorporated a CCHIT-certified electronic medical record and/or ePrescribing software in their practice.

Alignment with Aetna’s IOQ
At least 75 percent of specialists in the group maintain an active medical staff appointment at an Aetna IOQ facility and his/her primary specialty is the specialty for which the facility is recognized for IOQ. IOQ is a designation for facilities that have demonstrated quality care based on measures of clinical performance, access and efficiency.

Claims-based measures
This measure is a claims-data evaluation of certain clinical performance standards established by respected professional organizations. Additional information is below.
Claims-based measures evaluation process overview

Step 1  We begin with a view of all Aetna in-network physicians in a geographic market who practice in the selected specialty (for example, all cardiologists in the Aetna network in Atlanta).

Physicians are ordered according to an overall index score. Index metrics are based on established evidence-based measures of clinical performance.

Each metric is case-mix adjusted and must have at least 10 eligible cases across one measure or 30 cases across all measures to be scored. Only scored metrics are included in the index score; metrics are weighted according to the number of eligible cases.

Step 2  We identify physicians with the lowest index scores. Physicians whose measured outcomes fall below the 5th percentile of the peer group are reviewed further (steps 3 – 5) and may be excluded from consideration for Aexcel designation, unless other clinical criteria are met.

Step 3  We apply a statistical significance formula (95 percent confidence limits) to the lowest group, removing any cases with insufficient statistical significance and reducing the group that may be excluded from Aexcel designation.

Step 4  An Aetna medical director reviews metric detail reports of physicians remaining in the lowest group using available clinical data. Some cases have logical clinical explanations and are eliminated from the index score, allowing additional physicians to be considered for Aexcel designation.

Step 5  Detailed clinical performance data for each metric is shared with the physicians remaining in the lowest group. An Aetna medical director is available to discuss this data. Every physician has the opportunity to provide additional information for reconsideration.
Efficiency evaluation

The Aexcel designation process includes evaluation of four key criteria:

- Volume
- Clinical performance
- Efficiency
- Network adequacy

For specialists who meet the case volume and clinical performance standards for Aexcel designation, a measure of the efficiency of their care is developed and compared to their peers. Aetna uses Optum Symmetry® Episode Treatment Groups® (ETGs®). Physicians pass the efficiency standard if their results meet the minimum 20-episode threshold and are found to be efficient and statistically significantly so. The statistical significance is performed at the 90 percent confidence level.
Step 1: Episodes of care (EOCs)
Aetna claims are divided into EOCs using Optum’s Symmetry ETG software.
Aexcel uses episodes occurring in the most recent 3 years, managed by the 12 Aexcel specialties in each Aexcel market.

Step 2: Outliers
The highest and lowest 5 percent of episodes in each ETG and a combination of variables based on total cost are considered outliers and are therefore excluded.
EOC 1 and EOC 7 are excluded.

Step 3: Attribution
Patient episodes are attributed to physicians. Surgical episodes are attributed to the surgeon with the highest allowed charges. If the episode is nonsurgical, the physician with the highest number of visits receives the attribution of the case. Example:

<table>
<thead>
<tr>
<th>EOC 2</th>
<th>EOC 3</th>
<th>EOC 4</th>
<th>EOC 5</th>
<th>EOC 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physician A</td>
<td>Physician B</td>
<td>Physician C</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

EOC 2 Expected cost + EOC 3 Expected cost = Physician A expected cost

Step 4: Expected cost per episode (case-mix adjusted)
The EOCs for individual patients are severity adjusted for age, comorbidities and complications. Additional variables are added to the case mix (benefit product, year of service, pharmacy rider, gender) in the efficiency measurement. A case-mix adjusted expected cost per episode for each specialty, market and commonly managed type of episode (for example, orthopedic episodes in Tampa for evaluation and treatment of femoral fractures) is calculated based on actual observed costs in that market. The expected amount is then assigned to each episode of care in the same specialty, market and episode type.

Step 5: Physician total episode cost
Each physician’s total episode cost is calculated. Physician A total cost example:
EOC 2 cost + EOC 3 cost = Physician A total cost

Step 6: Physician expected episode cost
Each physician’s total expected episode cost is calculated. Physician A example:
EOC 2 expected cost + EOC 3 expected cost = Physician A expected cost

Step 7: Physician composite index
The physician’s cost for each episode and the expected cost for each episode are used to create a composite index. The composite index represents the individual physician’s severity-adjusted comparison of costs to same-specialty, same-geographic-area peers treating the same or similar conditions.
Physician A total cost + Physician A expected cost = Physician A composite index

Step 8: Efficiency and statistical significance
Each physician’s composite index is compared to the peer average. A statistical analysis for confidence intervals (CIs) is then applied to the composite index to determine if the physician’s composite index is significantly different from the peer average. This is an important step to adjust for the effect of a low number of episodes. In the example below,

Physician A is efficient and statistically significant,
Physician B is efficient but not statistically significant, and
Physician C is not efficient and statistically significant:

<table>
<thead>
<tr>
<th>Efficient (below peer average)</th>
<th>Not efficient (above peer average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td></td>
</tr>
</tbody>
</table>

Physician A | Physician B | Physician C |

A summary and detailed reports can be run for each physician so they can see how their use of resources compares to their peers.
Aexcel designation is only a guide to choosing a physician. Members should confer with their existing physicians and the specialists they’re selecting before making a decision. Aetna is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies.

www.aetna.com

©2013 Aetna Inc.
38.02.800.1 E (5/13)