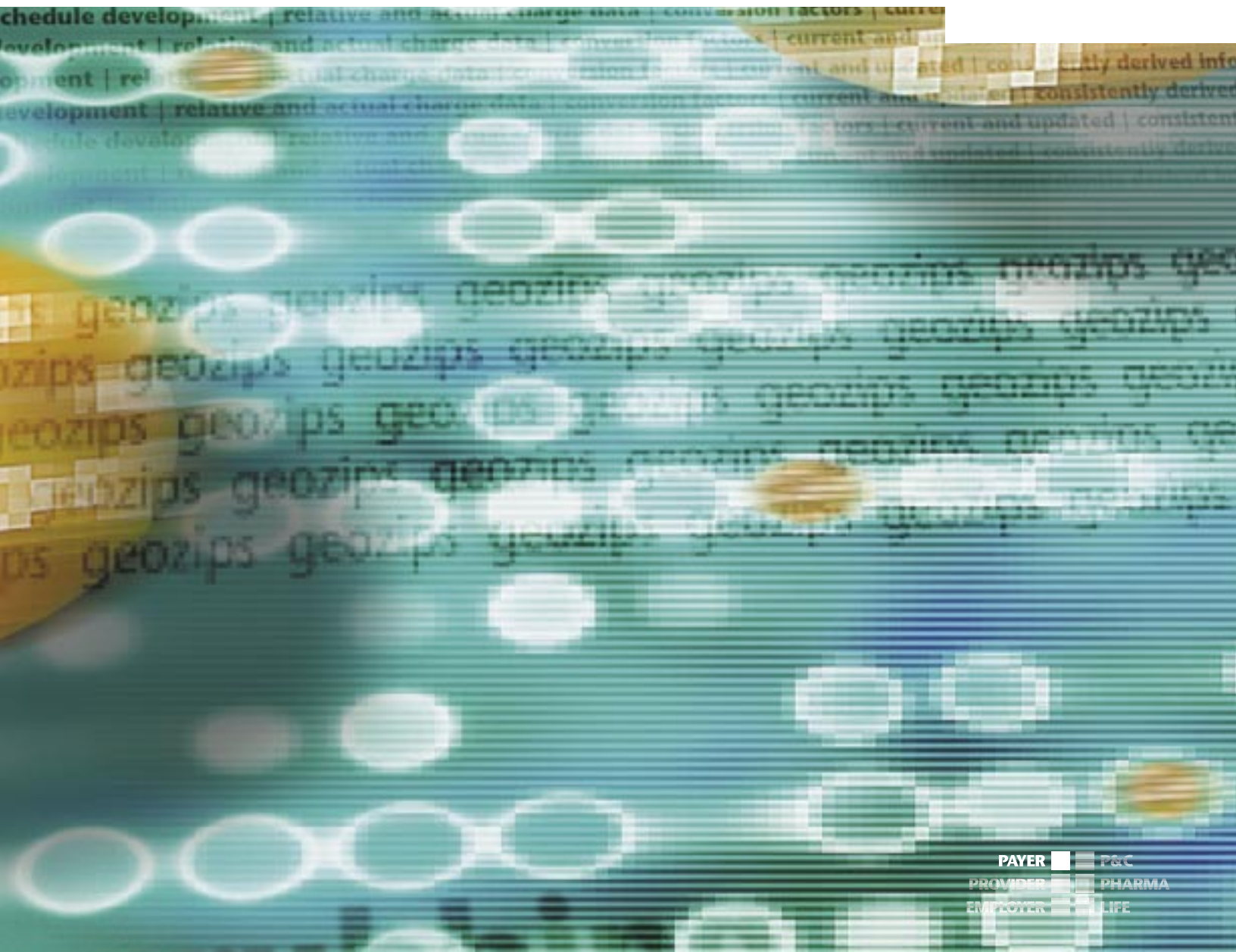


ingenix
mdr[®]

Charge Payment System





overview

Helping you manage your costs

The MDR Payment System is a powerful relational database of Relative and Actual Charge Data (RACD) that can help you develop your own reimbursement schedule for both in- and out-of-network claim payments, and thereby help you review claims with greater efficiency and confidence.

The highly respected system entails more than 800 million current, unique, and continuously updated provider charge records now in use with 1,200 private-sector health care companies. The MDR system employs a blended methodology that combines actual charge data and relative value units to derive RACD amounts.

value

Confidence accompanies good data

- Access objective data for local charge levels
- Negotiate fees more effectively by referencing a recognized benchmarking product
- Manage reimbursement risk while controlling administrative costs
- Call upon Ingenix support as you prepare to answer provider appeals

industry recognition

Continual updates

For the past decade, MDR Payment System has been one of the most-requested and recognized charge data products, because:

- Our vast repository of current claims data is one of the largest anywhere
- Our extensive experience collecting data and our proprietary computation methodologies provide for consistently derived information
- Our breakdown by more than 350 geographic areas (geozips) means you can set your rates for out-of-plan claims using data from the location of service
- Our customer service is matched by no one
- We release data modules quarterly

options

Maximizing utility

NATIONAL AND REGIONAL DATA

While most subscribers find their needs best served by our nationwide data, the high quality of our MDR data is available at attractive prices to eligible organizations that require regional data. Regional outputs enable subscribers to target MDR data for their major market areas. Four data regions are available: Northeast, Midwest, South, and West. Purchase of complete system outputs remains the best value for subscribers with high-volume information needs for most areas of the country.

POPULAR FORMATS

A wide variety of output formats is available for most systems, including tapes, cartridges, PC diskettes, and CD-ROM, Web fulfillment, as well as bound volumes.

We buy data wholesale and retail it to our client base through our Eclipse BR Software Solutions. While our customers may view data as a commodity, to us it's much more—we depend on those rates.

When we first launched the StarTech product line we licensed data from another vendor—basically, it was a pricing decision. Then we discovered that support was not at the level it should have been, and late updates compromised our delivery schedules.

Several of our largest customers began to request Ingenix MDR because they feel that it's the nationally accepted database product. It doesn't cost that much more—it made sense to switch.

I consider the additional cost of MDR to be "sleep insurance"—the data has integrity, and Ingenix puts the resources behind me to support MDR data. We've been happy with the relationship.

—Scott Settle, CEO
StarTech Software Systems, Inc.
Novi, Michigan

the mdr blended methodology

Following well-established standards

Since 1988, Ingenix has used a blended methodology to compute the relative charge and the allowed charge amount information included in the various RACD modules. This blended methodology couples a Relative Value Scale with Conversion Factors computed from claims data to calculate the relative charge and allowed amounts. Conversion Factors and Relative Values are used and accepted throughout the industry as a fair and reasonable method for calculating RACD charge values and modeling fee schedules.

One of the main benefits of the blended methodology is its ability to supply you with claims-based information for infrequently performed procedures. In our Medical Module, for example, about 350 of the more than 7,800 Physicians' Current Procedural Terminology (CPT™) codes used by physicians account for approximately 90 percent of all services and

procedures performed. Therefore, most of the remaining 7,000+ CPT™ codes have very little associated data. Using the blended methodology, we're able to supply dependably derived information for these infrequently performed services and procedures.

MDR modules are updated regularly to reflect geographic billing or pricing trends in health care. Each release uses billed charge data from a 12-month moving window prior to the release date (36 months for our Inpatient and Outpatient Facility Modules). With the exception of our Allowed Medical Module, charge data are trended forward through the use of a CPI-based inflation factor to the current quarter of the release.

CLAIMS DATA

Ingenix maintains an actual claims database entailing 800 million current, unique, and continuously updated provider claims records; these records anchor the MDR product line. We collect claims data from both claims payers and, in the cases of our Inpatient and Outpatient Facility Modules, from CMS.

DATA SCRUBBING

Ingenix developed and employs a unique data scrubbing technology—data must pass a rigorous editing process that screens all records before inclusion in the MDR database. This scrubbing technology examines data elements such as dates of service, geographic areas, and charge amounts to provide an up-to-date picture of charge levels in your area.

Percentiles

In our database products, the 85th percentile (for example) is that dollar amount at which 85 percent of the charges are lower than or equal, and 15 percent are greater than or equal. Note that percentiles are not the same as percentages and should not be mistaken as such.

RELATIVE VALUE SCALE

The Relative Value Scale is a numeric ranking that compares procedures to each other in terms of difficulty, time, work, risk, and resources used to perform each procedure—note that it is not a fee or a dollar amount. For example, one procedure may have a value of 5 while another might be valued at 50; the higher the value the greater the resources, risk, etc., required to perform the procedure. Each service code has its own Relative Value. The Relative Value Scale serves to:

- Maintain a rational relationship between various medical procedures
- Provide a constant that allows very-low-volume or no-volume services to be derived using data from similar procedures

CONVERSION FACTORS

A Conversion Factor is the price per unit of Relative Value. To find this price per unit, we simply divide a service's billed amount by its Relative Value. For example, if a service's billed charge is \$10 and its Relative Value is 2, the Conversion Factor is \$5. In this way, Conversion Factors place billing patterns on a common scale for comparison. Next, we array Conversion Factors for each class of similar service codes in each geographic area and present them in percentiles ranging from the 25th to 95th, or 10th to 95th in the case of our Allowed Medical Module.

To calculate the final dollar amounts you find in our database tables, we multiply the Conversion Factor for each percentile by the Relative Value associated with its procedure code.

GEOZIPS

Geozips are groupings of one or more three-digit zip codes (i.e., 902 –) that describe geographic areas defined primarily by charge data similarity; geographic factors and frequency are also taken into consideration. We use more than 350 geozips; our Inpatient Module, however, offers 18 geographic regions with urban and rural subdivisions. State boundaries are normally not crossed. Geozip revisions are made with the first release of each year.

Ingenix is expert at packaging data and information for cost management solutions. MDR modules combine experience, objectivity, and expertise to give you a more complete picture of the current marketplace and help you make the right decisions.

Ingenix collection and scrubbing methods avoid data duplication within the product.

mdr payment modules†

Packaged to suit your needs

MDR is offered as a series of modules configured to meet the various needs of payers and claim types paid.

The **Medical Module** provides Relative and Actual Charge Data (RACD) for approximately 95 percent of all CPT™ codes for surgery, evaluation and management, medicine, radiology, and laboratory procedures.

For geozip* 303 | Percentiles displayed in whole dollars.

Code	Description	25th	30th	40th	50th	60th	70th	75th	80th	85th	90th	95th
45378	COLONOSCOPY FLEX-PROX SPLEN FLEX; DX-SEP PROC	712	719	754	764	783	859	887	907	939	1,008	1,105
71020	RADIOLOGIC EXAMINATION CHST 2 VIEWS FRNTL&LAT;	83	87	94	102	103	106	107	107	107	113	122
85024	BLD CT; HG/PLATELET CT AUTO & AUTO PART WBC	27	29	31	32	33	35	37	38	42	44	47

The **Dental Module** includes nearly all categories of service identified by the American Dental Association and provides RACD dollar amounts for more than 85 percent of CDT-4 codes.

For geozip*: 840 | Percentiles displayed in whole dollars

Code	Description	25th	30th	40th	50th	60th	70th	75th	80th	85th	90th	95th
D0120	PERIODIC ORAL EVAL	23	23	24	25	26	27	27	28	29	30	33
D3110	PULP CAP - DIRECT	33	34	36	37	39	41	41	42	45	47	51
D5211	MAXILLARY PARTIAL DENTURE	536	551	578	624	660	707	722	757	789	818	940

* Geozips = geographic zip code group. † Data for illustrative purposes only.

The **HCPCS Module** features RACD for Level II codes such as durable medical equipment, medical/surgical supplies, injectable drugs, orthotics, prosthetics, vision services, and hearing services.

For geozip* 303 | Percentiles displayed in whole dollars.

Code	Description	25 th	30 th	40 th	50 th	60 th	70 th	75 th	80 th	85 th	90 th	95 th
00102	ANES-PROC INVOLVING PLASTIC REPAIR RV 6.0	904	983	995	1,021	1,032	1,044	1,061	1,082	1,092	1,124	1,243
00830	ANESTHESIA HERNIA REPAIRS IN LOWER RV 4.0	754	819	829	851	860	870	884	902	910	936	1,036
01710	ANES-NRV MUSC TEND FASC&BURS UP RV 3.0	678	737	746	766	774	783	795	812	819	843	932

The **Anesthesia Module** contains RACD for anesthesia services described by CPTtm anesthesia codes, surgical codes, and other CPTtm procedure codes. Time units and physical status modifiers are incorporated.

Assumptions:

Fifteen-minute time units: 6 (90 min.)

Physical status modifier: P1

For geozip* 530 | Percentiles displayed in whole dollars.

Code	Description	25 th	30 th	40 th	50 th	60 th	70 th	75 th	80 th	85 th	90 th	95 th
00102	ANES-PROC INVOLVING PLASTIC REPAIR RV 6.0	904	983	995	1,021	1,032	1,044	1,061	1,082	1,092	1,124	1,243
00830	ANESTHESIA HERNIA REPAIRS IN LOWER RV 4.0	754	819	829	851	860	870	884	902	910	936	1,036
01710	ANES-NRV MUSC TEND FASC&BURS UP RV 3.0	678	737	746	766	774	783	795	812	819	843	932

* Geozips = geographic zip code group. † Data for illustrative purposes only.

The **Allowed Medical Module** compiles allowed reimbursement data by plan type (HMO, PPO, Multi-Payer) for approximately 95 percent of CPT™ code procedures.

For geozip*: 303 | Percentiles displayed in whole dollars

HMO

Code	Descriptions	10 th	15 th	20 th	25 th	30 th	35 th	40 th	45 th	50 th	55 th	60 th	65 th	70 th	75 th	80 th	85 th	90 th	95 th
20610	ARTHROSCEN ASPIR&/INJ; MAJOR JNT BURSA/GANG CYST	46	46	46	46	46	46	46	49	53	53	53	65	72	84	86	94	98	122
45378	COLONOSCOPY FLEX-PROX SPLEN FLEX; DX-SEP PROC	300	300	300	300	305	306	306	320	325	332	353	409	465	480	502	502	502	514
71020	RADIOLOGIC EXAMINATION CHST 2 VIEWS FRNTL&LAT;	33	35	35	36	36	36	36	36	36	36	36	36	36	39	39	45	60	60

PPO

Code	Descriptions	10 th	15 th	20 th	25 th	30 th	35 th	40 th	45 th	50 th	55 th	60 th	65 th	70 th	75 th	80 th	85 th	90 th	95 th
20610	ARTHROSCEN ASPIR&/INJ; MAJOR JNT BURSA/GANG CYST	62	67	68	72	79	79	84	90	93	93	93	93	99	105	108	113	137	146
45378	COLONOSCOPY FLEX-PROX SPLEN FLEX; DX-SEP PROC	371	424	434	444	452	478	497	525	526	540	565	575	638	642	643	643	643	706
71020	RADIOLOGIC EXAMINATION CHST 2 VIEWS FRNTL&LAT;	42	43	44	46	46	46	46	47	47	47	47	47	47	52	57	60	64	79

Aggregate

Code	Descriptions	10 th	15 th	20 th	25 th	30 th	35 th	40 th	45 th	50 th	55 th	60 th	65 th	70 th	75 th	80 th	85 th	90 th	95 th
20610	ARTHROSCEN ASPIR&/INJ; MAJOR JNT BURSA/GANG CYST	53	57	63	67	68	72	74	79	81	85	92	93	94	100	107	108	121	140
45378	COLONOSCOPY FLEX-PROX SPLEN FLEX; DX-SEP PROC	306	341	369	390	418	429	430	444	455	480	499	514	538	565	598	642	643	666
71020	RADIOLOGIC EXAMINATION CHST 2 VIEWS FRNTL&LAT;	36	39	41	43	43	45	45	46	46	46	47	47	47	49	53	57	62	74

* Geozips = geographic zip code group. † Data for illustrative purposes only.

The **Outpatient Facility Module** incorporates data referenced by CPT™ code for services delivered in hospital outpatient facilities. This module enables payers to evaluate outpatient facility claims by either CPT™ codes or ICD-9-CM (v.3) procedure codes.

For geozip* 533 | Percentiles displayed in whole dollars.

Code	Description	25th	30th	40th	50th	60th	70th	75th	80th	85th	90th	95th
45378	COLONOSCOPY FLEX-PROX SPLEN FLEX; DX-SEP PROC	496	496	811	1,135	1,214	1,322	1,509	1,712	1,932	2,344	3,213
71020	RADIOLOGIC EXAMINATION CHST 2 VIEWS FRNTL&LAT;	49	57	105	121	133	148	161	224	226	235	260
85024	BLD CT; HG/PLATELET CT AUTO & AUTO PART WBC	29	31	38	43	56	69	73	77	82	93	109

The **Inpatient Facility Module** creates a dependably derived database that enables payers to evaluate inpatient facility claims by Diagnosis Related Groups (DRG).

Total Charges

Geozip* 700 | Percentiles displayed in whole dollars

DRG	25th	30th	40th	50th	60th	70th	75th	80th	85th	90th	95th
00027	9,261	10,306	12,440	14,899	17,871	21,844	24,456	27,885	32,754	40,146	55,993
00114	12,074	13,397	16,123	19,013	22,354	26,557	29,323	32,739	37,297	44,408	58,874
00124	10,108	11,215	13,498	15,917	18,714	22,232	24,548	27,408	31,224	37,177	49,287

Per Diem Charges

Geozip* 700 | Percentiles displayed in whole dollars

DRG	25th	30th	40th	50th	60th	70th	75th	80th	85th	90th	95th
00027	2,358	2,600	3,097	3,650	4,329	5,214	5,803	6,533	7,500	8,944	11,617
00114	3,533	3,910	4,698	5,630	6,798	8,366	9,416	10,748	12,529	15,155	19,693
00124	2,958	3,273	3,933	4,713	5,691	7,004	7,883	8,998	10,489	12,687	16,487

* Geozips = geographic zip code group. † Data for illustrative purposes only.

The **RBRVS Extension Module** provides percentiles created with commercial data and resource-based relative values (RBRVS), and includes most services not valued by Medicare’s RBRVS. This module supports your design of commercial reimbursement schedules.

Combined percentiles for geozip* 303 | Percentiles displayed in whole dollars.

Code	Description	25 th	30 th	40 th	50 th	60 th	70 th	75 th	80 th	85 th	90 th	95 th
27130	ARTHPLSTY ACETABULAR&PROX FEM PROSTH REPL	1821	1995	2182	2516	2751	3374	3712	3783	4065	4524	5159
33535	COR ART BYPS USING ART GRAFT; 3 COR ART GRAFTS	2552	2796	3059	3526	3857	4730	5203	5303	5699	6341	7232
43239	UGI ENDO; W/BX 1/MX	445	487	533	614	672	824	907	924	993	1105	1260

The **Medicare Physicians’ Fee Schedule Module** provides the RBRVS and conversion factor components of the Medicare Fee Schedule (similar to the tables found in the Federal Register). Three- and five-digit zip code crosswalk groupings to carrier and locality are also provided.

Zip code 84120

Code	Modifier	Description	Work RV	Non Facility Practice RV	Malpractice RV	Total Non Facility RV	GPCI-adjusted Medicare \$
17003		DESTRUC BEN/PREMLIG LES OTH THN SKN TAG;2-14 EA	0.15	0.12	0.01	0.28	9.78
71110		RADIOLOGIC EXAMINATION RIBS BILATERAL; 3 VIEWS	0.27	0.87	0.05	1.19	40.99
71110	26	RADIOLOGIC EXAMINATION RIBS BILATERAL; 3 VIEWS	0.27	0.09	0.01	0.37	13.05
71110	TC	RADIOLOGIC EXAMINATION RIBS BILATERAL; 3 VIEWS	0.00	0.78	0.04	0.82	27.95
80048		BASIC METABOLIC PANEL	0.00	0.00	0.00	0.00	0.00
97110		THERAP PROC 1/> AREAS EA 15 MIN; EXERCISES	0.45	0.28	0.03	0.76	26.56
99213		OFC/OUTPT VISIT E&M EST LOW-MOD SEVERITY 15 MIN	0.67	0.69	0.03	1.39	48.65

* Geozips = geographic zip code group. † Data for illustrative purposes only.

mdr customer interfaces

Multifaceted

MDR®/PC is a Windows®-based lookup program that gives instant access to nearly all the aforementioned database products.

Ingenix Benchmarking Services, our customized analytical services division, stands ready to help you meet your specific business objectives with consulting services that are either complementary to our standard MDR products—helping you realize their full value—or independent of them.

The Ingenix MDR databases receive data contributions nearly every day and are more comprehensive and extensive than ever before. Data are reported for surgery, anesthesia, radiology, pathology and laboratory, medicine, dental, HCPCS, inpatient and outpatient facility, and allowed charges.

We stand behind our database products with comprehensive support services.

PRODUCT SUPPORT

We provide a toll-free number for complimentary assistance with basic coding questions, product-specific questions, and various other data-related inquiries.

TECHNICAL SUPPORT

Our expert IT team stands ready to address your format, installation, and general technical questions via telephone or email.

DISPUTE RESOLUTION

Your license to this module includes access to materials and support that can assist you in resolving disputes: statistical analyses and graphs, methodology training conference calls, and research on data issues and frequencies. To help resolve escalated provider and subscriber appeals, we offer additional fee-based consultancy services.

TELEDATA

Our 24/7 automated telephonic data access system is popular because it's easy to use and gives you access to our most current and detailed data on a procedure code/geozip basis.

CUSTOMER WEBSITE

Access documentation and valuable support materials including Users Guides, record layouts, installation instructions, news/information, and relevant clinical topics. Link directly to Web Fulfillment (below).

WEB FULFILLMENT

Keep your data modules current with fast and convenient downloads. We'll send you email notification of new version releases—simply click our link and follow easy steps to fresh data.

DBQ NEWSLETTER

Our quarterly newsletter presents topical news and practical information.

ingenix

The value of experience

More than twelve hundred payers now look to Ingenix for solutions to their complex business challenges. By integrating its 160 products and services, Ingenix helps its clients increase revenue, manage medical costs, and simplify insurance administration with powerful data, software, consulting, and outsourcing solutions. Consistent capital investment, stability of resources, and continual innovation have made Ingenix one of the largest and fastest growing U.S. health care information companies.

hipaa compliance

For your internal initiatives

Ingenix products can work within your various wide-ranging internal HIPAA compliance programs. Ingenix products are designed such that use of that product will not cause an otherwise HIPAA-compliant program to become non-compliant.

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