

# Physical Medicine Management

Magellan's Physical Medicine Management solution is a comprehensive approach to managing chiropractic, physical therapy, occupational therapy, and speech therapy services in a variety of settings. Our rigorous clinical and cost management services can reduce these costs for health plans by up to 30%.<sup>1</sup>

Our approach exceeds standard utilization management. Members may be eligible for individual case management, and our consultative approach with providers builds trust and consistency of care.

- **Post-service, pre-adjudication review process\***—Magellan's pre-adjudication targeted management approach identifies cost, quality and safety-of-care issues for review and immediate outreach.
- **Prior authorization**—Our review of functional deficit and demand information ensures members receive coordination of services and the right care for the proper length of time and frequency.
- **Clinical review**—Specialty-matched clinical experts validate records to ensure medical necessity and compliance with standard and appropriate clinical and billing requirements.
- **Provider profiling**—We monitor and compare provider trends and practice patterns to identify outliers and consult with providers to shape cost-effective and outcome-driven care.

Rooted in clinical excellence with an emphasis on member-centered care, our NCQA and URAC fully accredited program helps improve quality and deliver measurable savings.

## The Magellan difference

- Our **member-focused approach** ensures we consider the person, not just the procedure, and guide the most appropriate and proven treatment to improve mobility and reduce pain.
- **Specialty-matched reviewers** have expertise in a variety of areas such as pediatrics, geriatrics, orthopedics, neurology and sports/physical rehabilitation.
- Our expert-developed guidelines and peer-to-peer engagement have proven to **reduce variation in treatment** and **optimize outcomes**.
- **Peer benchmarking, provider profiling and tiering** serve as continuous improvement tools to shape practice patterns, help decrease variation in care and hone our utilization management approach.

## Demand for physical rehabilitation is growing—Magellan can help you keep pace

Outpatient rehabilitation is estimated to be a \$30 billion industry with a projected annual growth rate of five percent or higher.<sup>2</sup> Physical therapy accounts for an estimated \$26.6 billion of all outpatient rehabilitation spending.<sup>3</sup> Magellan's multifaceted solution can drive costs out of this care, across all populations, with minimal provider disruption.

Please contact Justin Beck at 314-387-4835 or [JCBeck@MagellanHealth.com](mailto:JCBeck@MagellanHealth.com) to discuss how we can help your business.

*\*Available for chiropractic services only.*

# Variation in care leads to opportunity

Chart 1 illustrates variation in rehabilitative care among high-volume providers for a public health plan with 1.6 million lives. The upper right quadrant shows outliers for length of episode and number of visits, which represent an opportunity for quality of care and other management. Reducing episode length and number of visits across outlier providers can generate significant savings.

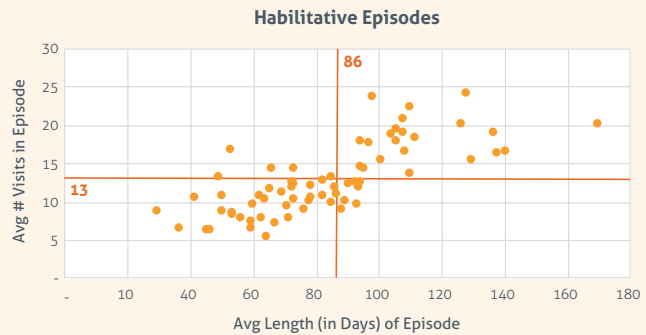
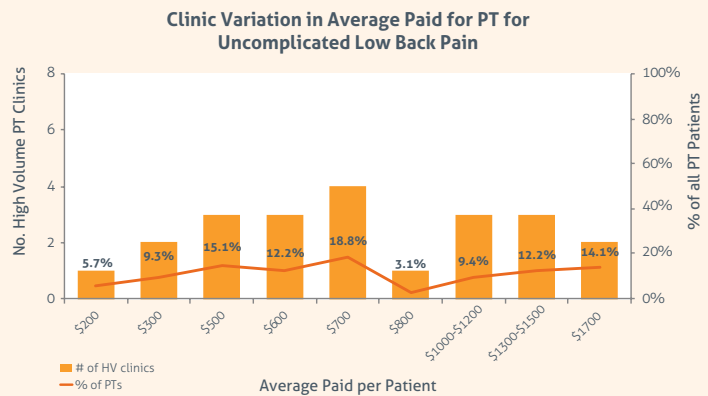


Chart 2 illustrates variation in the average amount paid to high-volume clinics for physical therapy for Medicare patients with uncomplicated low back pain. Approximately 36% of the clinics had an average patient episode cost greater than \$1,000 and 12 visits, 20% higher than the average per-patient spend of \$809. Shaping practice patterns through targeted analytics can reduce variations in the cost and length of treatment and improve patient outcomes.



1. Magellan estimate, 2017.
2. U.S. Physical Therapy, Inc. (2018) Industry overview. Retrieved March 26, 2018 from <http://www.usph.com>.
3. Harris, Williams & Company. Physical therapy market overview. (2014). Retrieved March 26, 2018 from <https://www.harriswilliams.com>.