

## VERSCEND TECHNOLOGIES HONORS 20 YEARS OF DXCG INTELLIGENCE

Leading Data-Driven Healthcare Analytics Company Celebrates DxCG Intelligence, the Gold Standard in Risk Adjustment and Predictive Modeling

WALTHAM, MASS. – December 8, 2016 – Verscend Technologies, Inc. (Verscend), a leader in data-driven healthcare solutions, is celebrating the 20<sup>th</sup> anniversary of DxCG Intelligence (DxCG), one of the earliest and most accurate risk adjustment and predictive modeling solutions in the healthcare industry. Owned by Verscend, DxCG was foundational to the development of the Centers for Medicare and Medicaid Services' (CMS) hierarchical condition categories (HCCs). Notably, DxCG, the industry standard, is the most complete set of risk adjustment and predictive models used by health plans, providers, employers, brokers, and consultants across the country. More than 140 models are grouped into three primary functional bundles—budgeting and underwriting, medical management, and performance assessment—and are tailored for commercial, Medicare, and Medicaid populations.

DxCG risk-based predictive modeling has transformed the way healthcare is evaluated, delivered, and paid for, leading the way for value-based care initiatives across the United States. DxCG turns healthcare data into risk scores for individual patients and identifies primary drivers of risk. Scores correlate with the cost of the individual's underlying illness burden. Aggregating the scores of patients with key attributes generates group-level predictive results that can help answer questions fundamental to managing clinical and financial risk.

"For the past 20 years, DxCG has been a vital component of the healthcare industry," said Dr. Emad Rizk, CEO of Verscend. "The benefits of DxCG are far-reaching, and include superior predictive power, robust models and applications, and broad utility making it a valuable tool for all constituents of the healthcare economy."

DxCG grew out of the federally funded academic research conducted by its founders, Arlene Ash, Randall Ellis, and Gregory Pope, who developed the hierarchical condition categories that the CMS uses for reimbursement today. The foundational role of accurate risk assessment has been recognized for decades, with risk adjustment and predictive modeling serving as cornerstones of modern value-based healthcare.

The Society of Actuaries (SOA) recently published "<u>Accuracy of Claims-Based Risk Scoring Models</u>," a study of commercial risk adjustment and predictive models. This study includes analysis of DxCG Intelligence models.

Verscend has worked with the SOA to advance the science of risk scoring for the past 20 years, beginning with its 1996 paper, "Comparison of Risk Assessment Methods," and extending to SOA's first full study in 2007 and second full study in 2016. DxCG Intelligence has been evaluated in each of these studies.

Once again, the DxCG models were top performers across the 2016 study, revalidating DxCG as an industry-pioneering risk scoring solution when it comes to longevity, depth of validation, breadth and scope of models, and model utility for population health management.

To learn more about DxCG and its history, click here to read <u>The Evolution of DxCG: The Gold Standard in Risk Adjustment and Predictive Modeling.</u>

## About Verscend Technologies, Inc.

Verscend Technologies (formerly Verisk Health) drives better healthcare outcomes through data analytics. Our payment accuracy, revenue integrity, risk assessment and stratification, and quality improvement solutions help organizations utilize their data so they can efficiently and cost-effectively succeed in the new era of healthcare. Learn more at <a href="https://www.verscend.com">www.verscend.com</a>.

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