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## **DST Health Solutions Launches Updated Version of the Johns Hopkins ACG System for Health Insurance Exchanges**

*Health insurance exchanges can utilize proven Johns Hopkins ACG risk adjustment system to pay health plans based on the medical needs of the consumers they enroll*

**BIRMINGHAM, Ala., October 26, 2011**—[DST Health Solutions](#), LLC, the U.S. distributor of the [Johns Hopkins ACG® Risk Adjustment / Predictive Modeling System](#), has launched an updated version of ACGs (Adjusted Clinical Groups) designed to help state Health Insurance Exchanges (HIEs) accurately set payments for participating health plans. The ACG System, the only method widely used in the public sector designed to work with populations similar to those enrolled in the HIE, will also enhance predictive modeling accuracy, identify high cost members and increase opportunities for early intervention – no other risk adjustment system is more accurate or has a longer track record than ACGs.

A key provision of federal health reform establishes state-level HIEs. Regardless of pre-existing conditions, uninsured persons meeting certain income thresholds will be able to obtain subsidized insurance from these exchanges. When paying their contracting plans, the exchanges must adjust for the differences in the medical needs of their enrollees. Many plans outside the exchange will also be required to participate in the adjustment system as well. Recent Federal guidelines indicate that the industry-standard Johns Hopkins ACGs system may be chosen by states as their risk adjustment methodology of choice.

“As the nation embarks on the biggest reform of our health insurance system in history, we believe health insurance exchanges will need accurate and reliable tools to make sure the coverage needs of consumers are adequately reimbursed,” said Jonathan Weiner, PhD, executive director of the ACG team and a professor with the Bloomberg School’s Department of Health Policy and Management. “We at Johns Hopkins want to support health reform by making sure that our tool can be obtained by HIEs for this purpose.”

First released in 1992, The Johns Hopkins ACG System is an industry standard risk adjustment and predictive modeling software originally developed by faculty at the Johns Hopkins Bloomberg School of Public Health. A team of Johns Hopkins faculty, clinicians and staff is presently dedicated to research, development and maintenance of the ACG System. ACGs are already fully compliant with ICD-10 coding systems and can be used with a broad range of claims and EHR data systems.

The ACG-HIE software uses computer-based algorithms that assess the health of people based on diagnoses and prescribed drug information found in health plan databases. In addition to payment purposes, the ACG System is also widely used to ensure fairness for

provider performance and P4P programs and for predictive modeling to identify high cost members and increase opportunities for early intervention.

“Risk adjustment has always played a critical role in ensuring equitable reimbursement and protection against adverse selection. Most recently predictive modeling has also played a significant role in patient support, care management and managing the costs of care,” said Steve Sabino, President of DST Health Solutions. “Given our history of success in implementing such models for a wide range of organizations, we encourage states to take advantage of the array of benefits offered by ACGs.”

Today, the ACG System is used to help finance and manage the care of more than 80 million people across the US and in over a dozen nations. The system is currently being used by 16 State Medicaid agencies, making ACGs a logical choice for the HIEs of these and other states.

For more information on The Johns Hopkins ACG System and the special HIE version of the software, go to: [www.acg.jhsph.edu](http://www.acg.jhsph.edu).

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As a leading international authority on public health, The Johns Hopkins Bloomberg School of Public Health is dedicated to protecting health and saving lives. Every day, the School works to keep millions safe from illness and injury by pioneering new research, deploying its knowledge and expertise in the field, and educating tomorrow’s scientists and practitioners in the global defense of human life. Founded in 1916 as part of The Johns Hopkins University, the Bloomberg School of Public Health is the world’s oldest and largest independent school of public health, with over 2,000 students from 78 countries. For more information, visit [www.jhsph.edu](http://www.jhsph.edu).

### **About DST Health Solutions**

DST Health Solutions, LLC delivers systems and services that help improve efficiency, reduce operational costs, increase speed to market, and facilitate medical cost management and price containment. Our clients include commercial health plans, consumer-directed plans, government plans (Medicare Advantage, Medicare Part D and Medicaid) and physician practices. DST Health Solutions’ enterprise applications and outsourcing services include claims processing, member and provider management, benefit plan management, new product development, care management and medical management, and decision support/analytics. DST Health Solutions is a wholly owned subsidiary of DST Systems, Inc. For more information about DST Health Solutions, contact 800.272.4799, email [inforequests@dsthealthsolutions.com](mailto:inforequests@dsthealthsolutions.com) or visit [www.dsthealthsolutions.com](http://www.dsthealthsolutions.com).

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