



## **SDI IHN Rating System Description & Methodology**

### **Description**

The *SDI IHN Rating System* rates local and regional, non-specialty integrated healthcare networks (IHNs) on their performance level and degree of integration. The rating system is a means for identifying the SDI Top 100 IHNs based on critical success factors.

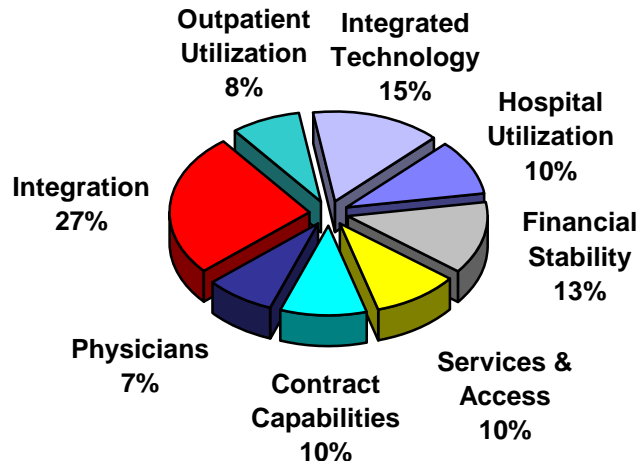
SDI has been tracking the development of the IHN market since April 1994 and surveys the universe of IHNs annually using a standard methodology for collecting the data and rating IHNs nationally.

### **Sources**

The *SDI IHN Rating System* uses data generated from the *SDI Integrated Healthcare Network Profiling Solution*, the *SDI Hospital Market Profiling Solution*, the *SDI Medical Group Practices Profiling Solution*, the *SDI Diagnostic Imaging Centers/Chains Profiling Solution*, the *SDI Freestanding Outpatient Surgery Center/Chain Profiling Solution*, the *SDI Home Health Agency/Chain Profiling Solution*, and the *SDI Healthcare Market Index*.

### **Methodology**

The rating system analyzes each IHN's performance level in the following categories:



The eight categories comprise thirty-three weighted attributes that SDI has determined to be the key indicators for assessing the current and future success of an IHN. Each of the thirty-three weighted attributes is assigned a total available point value. Every IHN receives a performance level evaluation for each attribute. The scores from each of these categories are added together for a total IHN score. The more integrated the system, the greater the point value the IHN receives.

## **SDI IHN Rating System Data Elements**

### **Hospital Utilization**

Adjusted Admissions  
Severity Adjusted Average Length of Stay (ALOS)  
Occupancy Rate

### **Financial Stability**

Operating Margin  
Profit Margin  
Long Term Debt-to-Capitalization Ratio  
Ability to Report Common Financial Results

### **Physician Participation**

Physician Affiliation  
Physician Offerings  
Medical Group Practices/Hospitals Ratio

### **Services & Access**

Inpatient Services  
Breadth of Coverage  
Quality of Service – JCAHO/Medicare Certified Hospitals

### **Outpatient Utilization**

Outpatient Visits  
Outpatient Surgery Ratio

### **Contract Capabilities**

Network-wide Managed Care Contracts  
Capitated Managed Care Contracts  
Capitated Employer Contracts  
Integrated Purchasing Programs

## **Integration**

- Disease Management.
- Consolidated Services
- Case Management
- Central Purchasing
- Continuum of Care
- Formulary
- CEO/Top Executives Can Deploy Capital Resources
- CEO/Top Executives Can Decide Mix of Services
- Single Signature Contracts

## **Integrated Technology**

- Information System
- Common Intranet
- Ability to Access Information from Any Site
- Linked Real Time to Central Medical Records
- Information Systems Integration Levels