



STATE OF WISCONSIN
Department of Employee Trust Funds
 Robert J. Conlin
 SECRETARY

Wisconsin Department
 of Employee Trust Funds
 PO Box 7931
 Madison WI 53707-7931
 1-877-533-5020 (toll free)
 Fax 608-267-4549
 etf.wi.gov

Correspondence Memorandum

Date: November 3, 2020

To: Group Insurance Board

From: Jessica Rossner, Data, Measurement and Compliance Lead
 Oladipo Fadiran, IBM Senior Analytics Consultant
 Office of Strategic Health Policy

Subject: Data Warehouse Dashboard

This memo is for informational purposes only. No Board action is required.

Background

This memorandum provides the Group Insurance Board (Board) with the quarterly dashboard and highlights. The previous quarter’s dashboards and highlights can be found in the meeting materials from the August 2020 Board meeting ([GIB | 8.19.20 | 12B](#)).

Dashboard Data

The dashboards include data for health care services rendered from July 2019 to June 2020 (current period) compared to services rendered from July 2018 to June 2019 (pervious period). The reported data includes payments through September 2020. The three months between the latest rendered services reported and the most recent paid period (claim lag) allows for a completion of all transactions associated with the reporting period.

Notable Dashboard Highlights

- **Total Net Payment and Cost Trends**
 - The dashboard shows a marked drop in costs due to the COVID-19 pandemic disruption in services. The biggest reduction in monthly net payments was April 2020, and this is likely due to the pandemic lockdown. The subsequent rebound in June indicates the easing returns to almost regular levels by June 2020. The current Year over Year (YoY) trend in rolling year net payments was only 0.3% at the end of the second quarter in 2020, this is compared to about 7% at the end of the first quarter of the same year. This reflects the initial impact of the disruption to services due to the pandemic. More data from subsequent months will continue to show longer term effects. *[Attachment: Data Warehouse – Financial page 1]*

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy

Eileen K Mallow Electronically Signed 11/10/20

Board	Mtg Date	Item #
GIB	11.18.20	12C

- **Year over Year Overall Cost Trend**
 - A minimal increase in YoY overall cost was driven largely by an increase in prices but is mostly mitigated by reduced utilization due to the pandemic. In particular, there is a marked reduction in inpatient and outpatient use and increases in both prescription drug use and prices. The increases for prescription drugs are consistent with initial stocking up of prescription drugs at the onset of the pandemic. *[Attachment: Data Warehouse –Financial page 2]*
- **Overall Allowed Amount Cost Trend**
 - The overall Allowed Amount cost trend is negative at 0.8%. This is consistent with other results that show the effect of disruption to services caused by the pandemic. The three largest participating plans drove the overall trend, and these either had small negative trends (WEA Trust and Dean) or close to 0% (Quartz). *[Attachment: Data Warehouse – Financial page 5]*
- **Monthly Net Payments**
 - The almost flat trend in monthly net payments was generally consistent across eligibility groups, including gender and relationship types. There is a slight difference across employee status types. The trend is flat for active employees, a decrease for early retirees, and an increase for Medicare retirees. *[Attachment: Data Warehouse – Eligibility page 6, bottom]*

Staff will be at the Board meeting to answer any questions.

Attachment

Financial

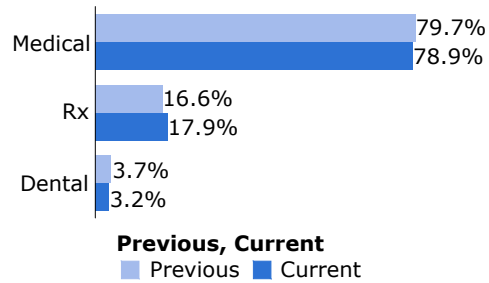
Previous Period: Jul 2018 - Jun 2019 (Incurred)

Current Period: Jul 2019 - Jun 2020 (Incurred)

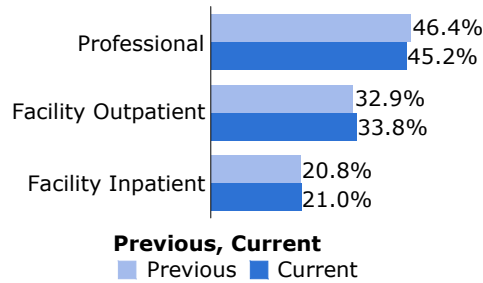


	Previous	Current		Previous	Current	% Change
Total Net Payment	\$1.47 B	\$1.48 B	Net Payment PMPM	\$518	\$520	0.3% ▲

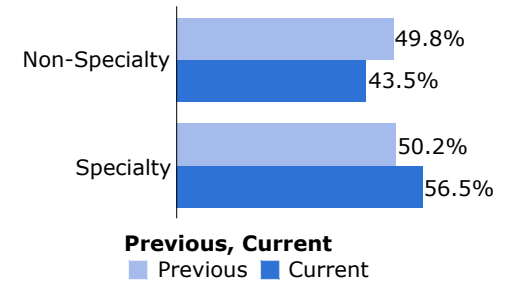
Net Payment by Summary Categories



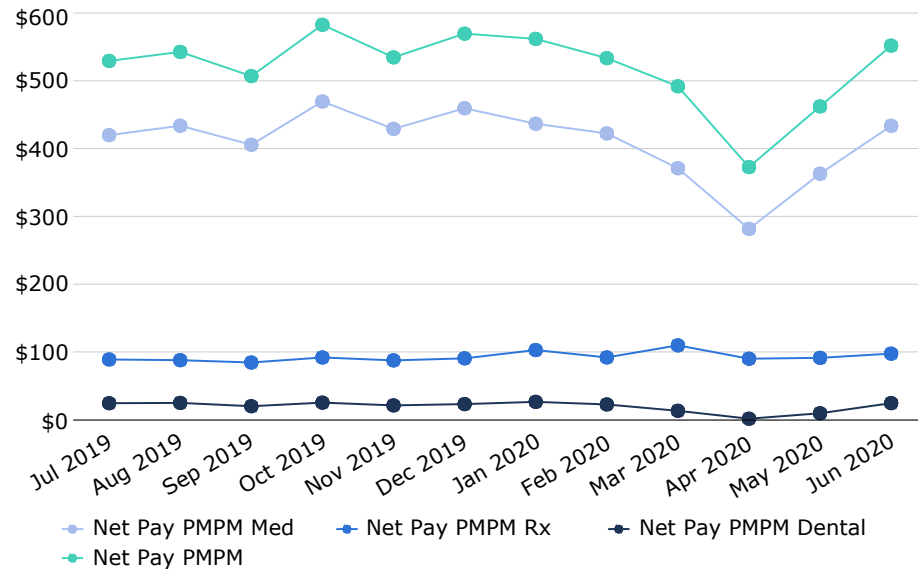
Net Payment by Medical Service Categories



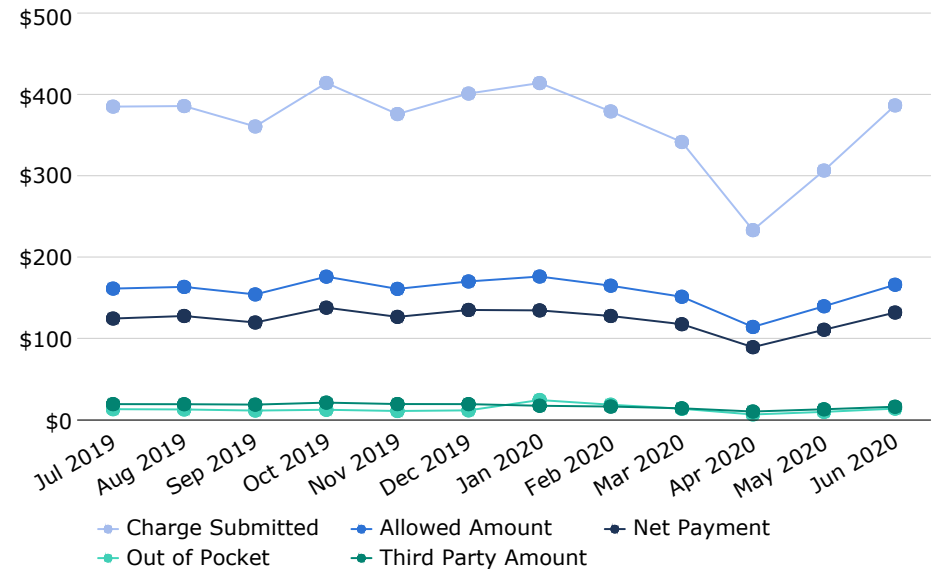
Net Payment by Non-Specialty vs Specialty Drugs



Monthly Cost Per Member



Total Monthly Costs (in Millions)



Financial

Previous Period: Jul 2018 - Jun 2019 (Incurred)

Current Period: Jul 2019 - Jun 2020 (Incurred)

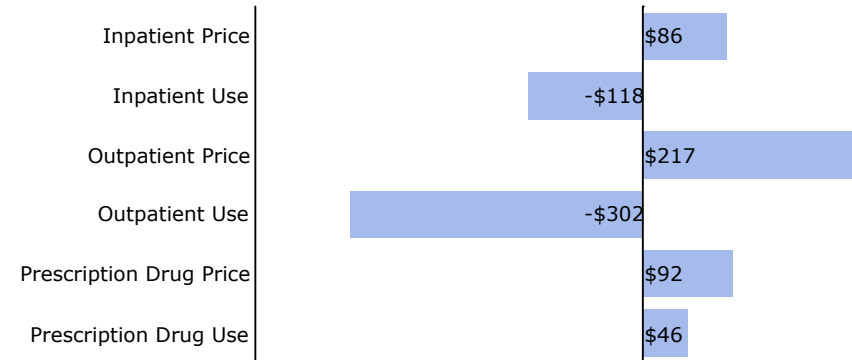


Cost Per Member

	Previous	Current	% Change		Norm	% Difference from Norm
Allow Amt PMPY Med and Rx	\$7,826	\$7,848	0.3% ▲		\$6,885	14.0% ▲
Allow Amt Per Visit Office Med	\$217	\$219	0.5% ▲			
Allow Amt Per Adm Acute	\$21,320	\$22,236	4.3% ▲		\$31,542	-29.5% ▼
Allow Amt Per Visit ER	\$1,703	\$1,800	5.7% ▲		\$2,111	-14.7% ▼
Allow Amt Per Script Rx	\$130	\$144	10.6% ▲		\$134	7.4% ▲
Visits Per 1000 Office Med	6,941	6,529	-5.9%		6,045	8.0%
Admits Per 1000 Acute	71	66	-7.7%		53	23.4%
Visits Per 1000 ER	264	247	-6.2%		209	18.3%
Scripts Per 1000 Rx	11,774	11,608	-1.4%			

Cost Drivers

Allowed Amount PMPY increased \$21 in the current period.
The factors driving this change include:



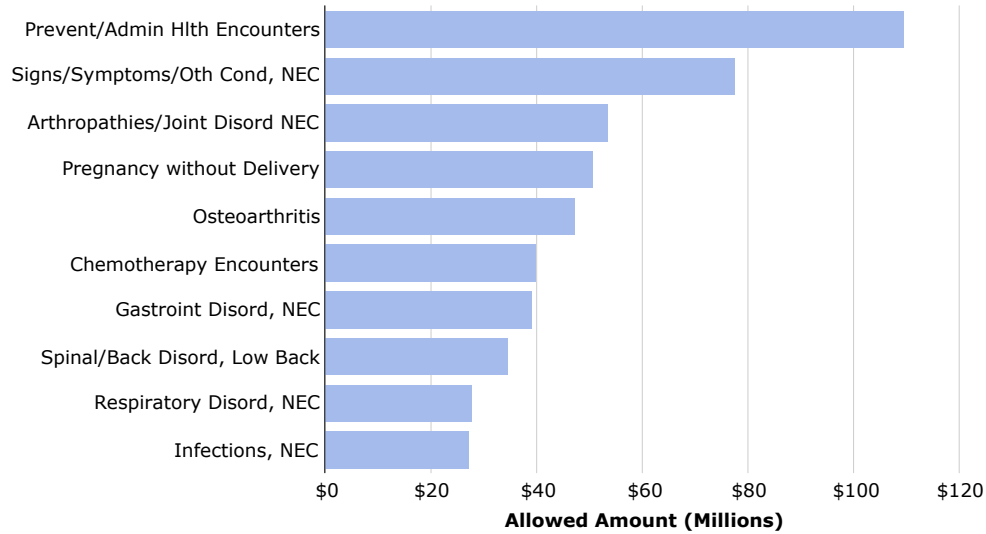
Clinical

Previous Period: Jul 2018 - Jun 2019 (Incurred)

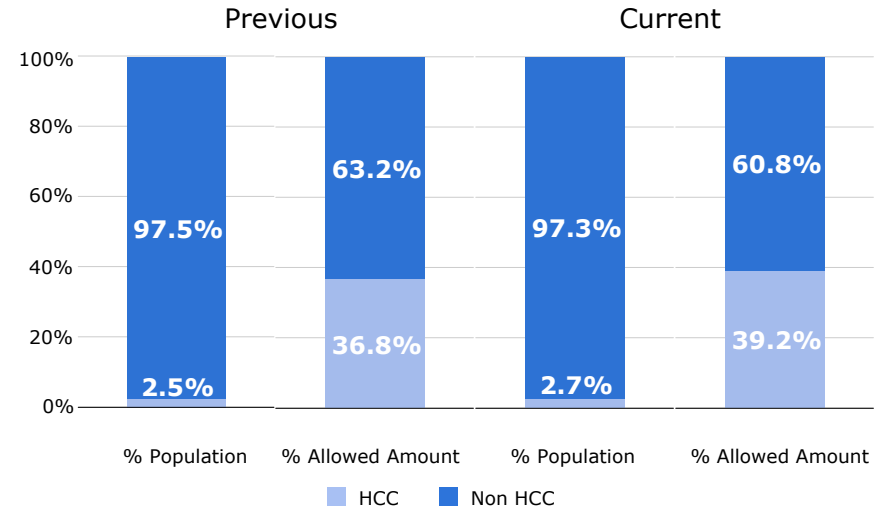
Current Period: Jul 2019 - Jun 2020 (Incurred)



10 Most Expensive Clinical Conditions



High Cost Claimants (HCC) Trends



Top 10 Conditions for *Consistent HCC

Condition	Allow Amt Med	Patients	**Allow Amt Per Patient Med
Chemotherapy Encounters	\$21,998,152	339	\$64,891
Renal Function Failure	\$13,448,818	340	\$39,555
Signs/Symptoms/Oth Cond, NEC	\$9,412,513	1,992	\$4,725
Multiple Sclerosis	\$6,253,714	236	\$26,499
Cancer - Nonspecified	\$5,663,926	274	\$20,671
Condition Rel to Tx - Med/Surg	\$5,575,754	440	\$12,672
Gastroint Disord, NEC	\$4,976,425	824	\$6,039
Crohns Disease	\$4,930,724	222	\$22,210
Neurological Disorders, NEC	\$4,802,313	627	\$7,659
Infections, NEC	\$4,561,905	566	\$8,060

HCC: defined as member with allowed amount >= \$50K.

*Consistent HCC: in addition, member must meet the HCC requirement for each of the last 2 Incurred Rolling years.

Condition	Allow Amt Med	% of Total	+Patients	**Allow Amt Per Patient Med
Prevent/Admin Hlth Encounters	\$109,371,592	7.6%	162,510	\$673
Signs/Symptoms/Oth Cond, NEC	\$77,460,513	5.4%	65,807	\$1,177
Arthropathies/Joint Disord NEC	\$53,373,068	3.7%	43,905	\$1,216
Pregnancy without Delivery	\$50,661,221	3.5%	4,641	\$10,916
Osteoarthritis	\$47,232,105	3.3%	13,833	\$3,414
Chemotherapy Encounters	\$39,836,919	2.8%	982	\$40,567
Gastroint Disord, NEC	\$39,073,005	2.7%	21,937	\$1,781
Spinal/Back Disord, Low Back	\$34,431,475	2.4%	24,345	\$1,414
Respiratory Disord, NEC	\$27,629,818	1.9%	19,449	\$1,421
Infections, NEC	\$27,135,482	1.9%	21,807	\$1,244
Top 10 Subtotal	\$506,205,197	35.0%	193,373	\$2,618
All Clinical Conditions	\$1,446,493,693	100.0%	238,532	\$6,519

+Patient counts may not be unique since some patients have multiple conditions.

**Only costs associated with this condition in the current period, patients may have multiple conditions.

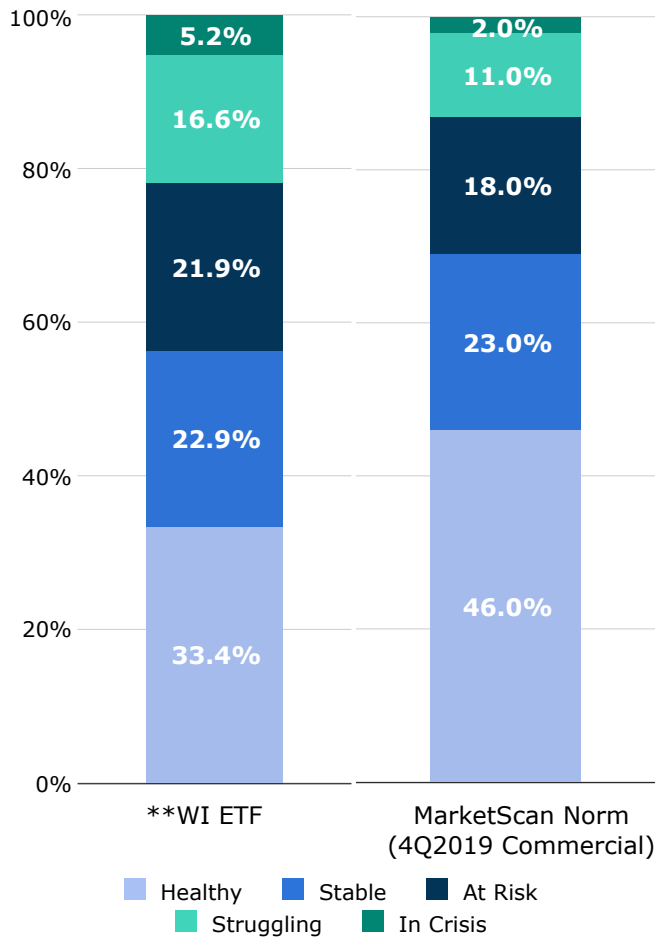
Clinical

*Current Period: Jul 2019 - Jun 2020 (Incurred)

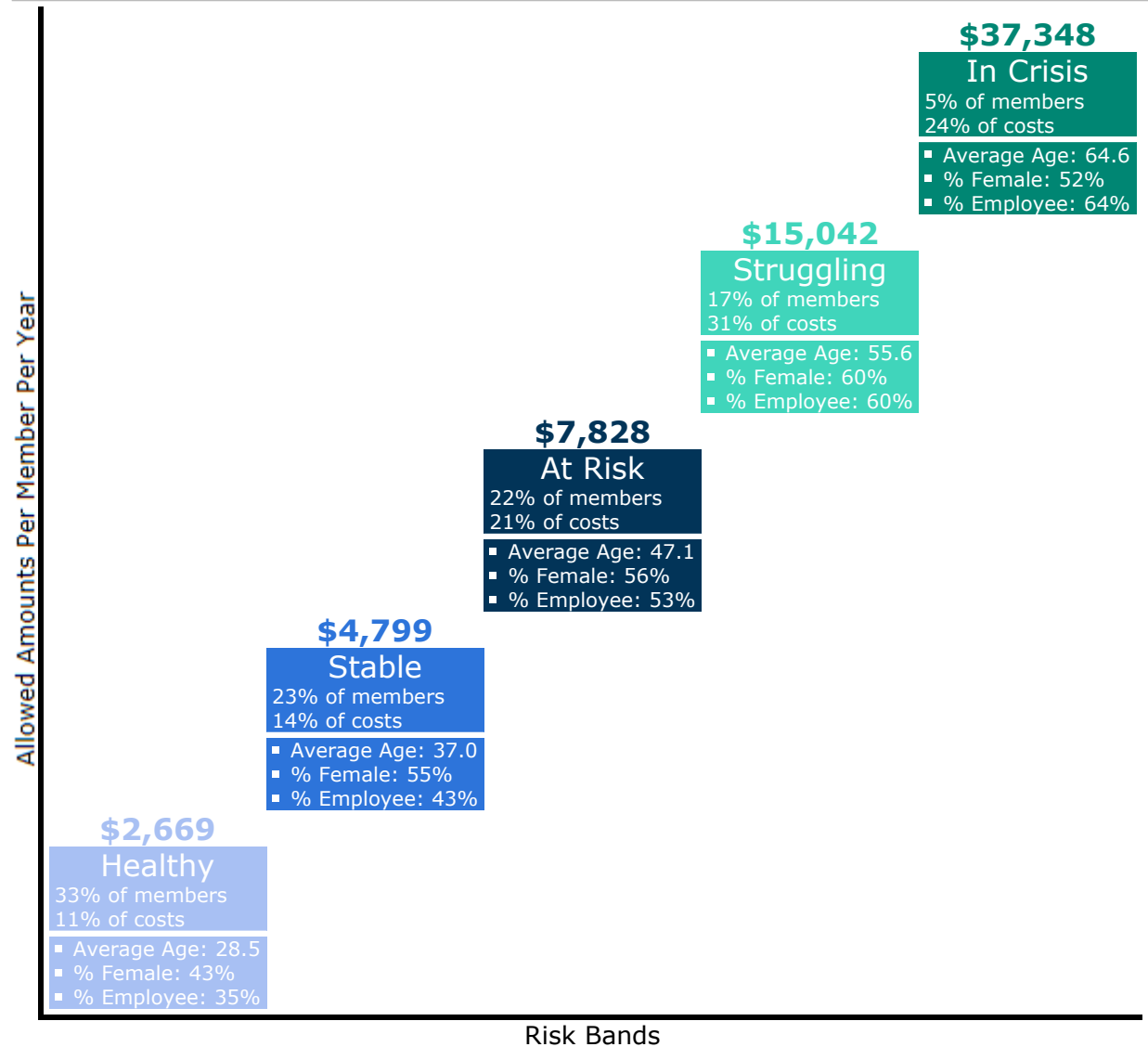
**DCG Period: Jan 2019 - Dec 2019



% of Members by Risk Band



Risk Band Profiles



*Demographic and financial metrics are for the current period

**See glossary for details on DCG Methodology

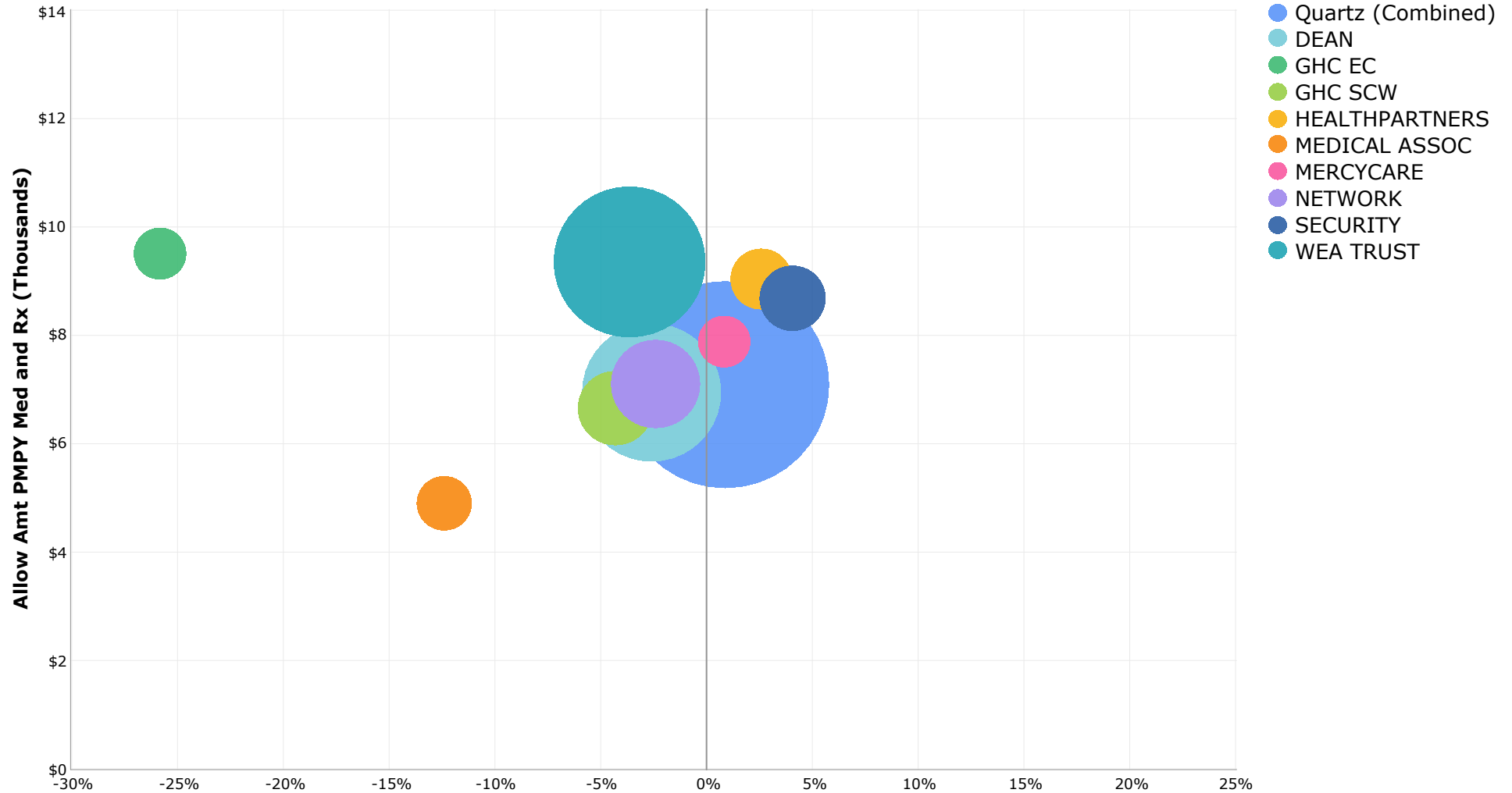
Financial

Previous Period: Jul 2018 - Jun 2019 (Incurred)

Current Period: Jul 2019 - Jun 2020 (Incurred)



Enrollment and Allowed Amount PMPY by Plan Group



Size of the bubbles represent current enrollment in each plan group
X-axis: % Change Allowed Amount PMPY Current vs Previous for each plan group

Eligibility

Previous Period: Jul 2018 - Jun 2019 (Incurred)

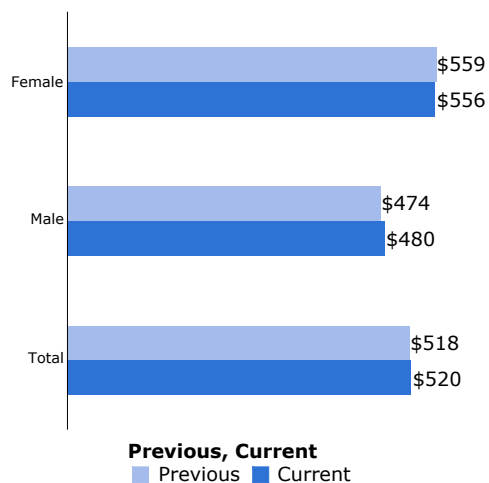
Current Period: Jul 2019 - Jun 2020 (Incurred)



	Enrollment			Average Age		
	Previous	Current	% Change	Previous	Current	% Change
Employees	119,359	119,186	-0.1%	51.1	51.1	0.0%
Members	260,459	258,837	-0.6%	39.4	39.6	0.3%
Family Size Avg	2.2	2.2	-0.6%			

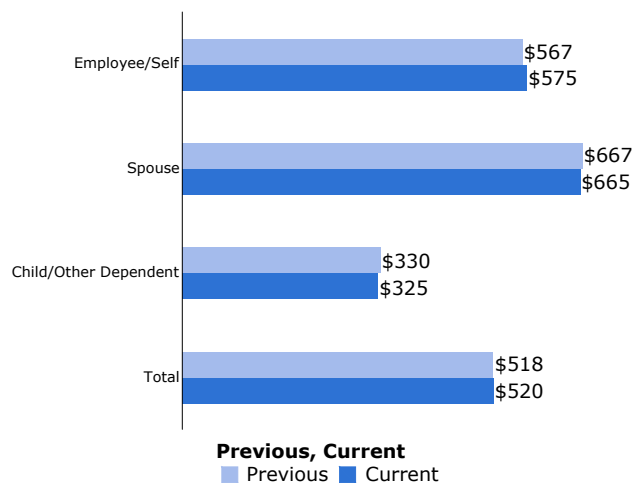
Membership and Net Pay PMPM by Gender

	Previous	Current	% Change
Female	135,053	134,481	-0.4%
Male	125,456	124,448	-0.8%



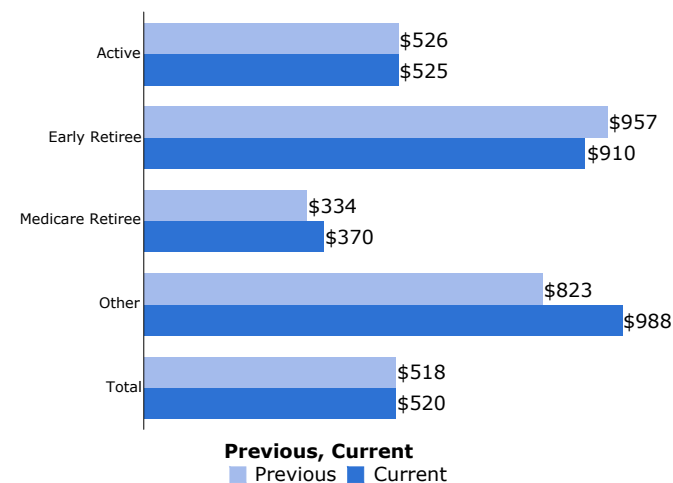
*Membership and Net Pay PMPM by Employee Relationship

	Previous	Current	% Change
Employee/Self	119,066	118,627	-0.4%
Spouse	60,281	59,842	-0.7%
Child/Other Dependent	81,112	80,368	-0.9%



* Membership and Net Pay PMPM by Employee Status

	Previous	Current	% Change
Active	216,458	214,577	-0.9%
Early Retiree	12,781	12,752	-0.2%
Medicare Retiree	35,539	36,291	2.1%
Other	1,674	1,512	-9.7%



*Membership counts may not be unique since there may be transitions between the listed categories during the reported period

Time Periods

- CRY: Current Rolling Year
- DCG Periods
 - Related to Diagnostic Cost Group methodology and risk adjustment
 - Typically aligned with Jan - Dec plan year
- Incurred: the date a service was rendered
- Paid: the date that the claim for a service was paid
- PRY: Previous Rolling Year

Clinical

- Clinical Conditions: IBM description for a clinical condition based on valid ICD principal diagnosis
- IP: inpatient service, related to an admission
- OP: outpatient services
- Rx: prescription drugs

Eligibility

- Employees: subscriber/self
- Family Size: average number of covered members per family
- Member Age: average age of covered employees/members
- Members: subscribers and dependents

Financial

- Allowed Amount: the total amount paid to the provider by all parties - the underlying medical cost that drives spending
- Net Payment: the amount paid by the plan sponsor (WI ETF)
 - $\text{Net Payment} = \text{Allowed Amount} - (\text{OOP} + \text{Third Party Payment})$
- OOP: Out Of Pocket, cost to member
- Rates:
 - PMPM: Per Member Per Month
 - PMPY: Per Member Per Year
- Third Party Payment: e.g. Medicare, Medicaid, and other insurance

Other

- DCG: Diagnostic Cost Group (DCG) classifications are the foundation of a family of risk-adjusted payment and analysis methodologies
- Risk Scores and Categories
 - Are the predicted patient risk based on (i) Diagnosis codes (ICD 9/10) and (ii) Demographics
 - Concurrent / prospective: current and predicted risk scores
 - NonRescaled: DCG model population reference / average = 100
 - Rescaled: WI ETF population reference / average = 100
 - Risk Bands: groupings of risk scores based on IBM MarketScan