



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: February 1, 2021

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 November 2020 Board meeting ([GIB | 11.18.20 | 12C](#)).

Dashboard Data

The dashboards include data for health care services rendered from October 2019 to September 2020 (current period) compared to services rendered from October 2018 to September 2019 (previous period). The reported data includes payments through January 2021. 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 overall Net Payment Per Member Per Month (PMPM) trend at 1.4% is increasing back to pre-COVID 19 levels. This is compared to about 0.3% trend mentioned in November 2020 Board meeting dashboards ([GIB | 11.18.20 | 12C](#)). For context, the total Net Payment PMPM trend over similar rolling year periods prior to the pandemic (October 2017-September 2018 and October 2018-September 2019) was about 7%. The current Net Payment PMPM trend returned to pre-COVID-19 levels. But this current trend shows a cumulative effect, so it is still much lower than previous years because of the marked drop in utilization and costs between March and May of 2020. The next quarterly update will include

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

Eileen K Mallow Electronically Signed 2/4/21

Board	Mtg Date	Item #
GIB	2.17.21	10B

data for services rendered all throughout 2020 and will show the full extent of the impact of the pandemic for costs in 2020 relative to prior years.

[Attachment: Data Warehouse – Financial page 1]

- **Year over Year Overall Cost Trend**

- A slight increase in Year over Year (YoY) costs was driven by an increase in prices but mitigated by a reduction in outpatient and inpatient utilization. The increases for prescription drugs are consistent with the initial stocking up of prescription drugs at the onset of the pandemic. These services and cost patterns are normalizing after the initial marked disruption during the pandemic, and the numbers reflect the cumulative effect over the last rolling year. *[Attachment: Data Warehouse –Financial page 2]*

- **Overall Allowed Amount Cost Trend**

- The three largest participating health plans (Dean, Quartz, WEA Trust) have a combined cost trend close to 0%. This drove the overall minimal increase in cost trend when the relatively smaller plans are also included. Note that the relatively smaller plans are more susceptible to large swings in cost trends due to outlier costs from a few members.

[Attachment: Data Warehouse – Financial page 5]

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

Attachment: Data Warehouse Dashboard

Attachment A

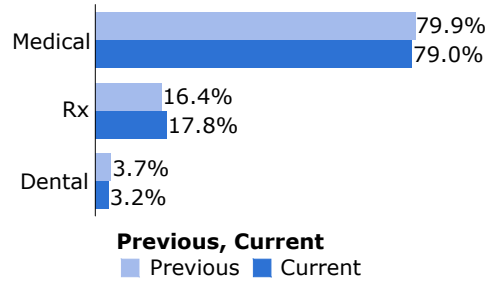
Financial

Previous Period: Oct 2018 - Sep 2019 (Incurred)
 Current Period: Oct 2019 - Sep 2020 (Incurred)

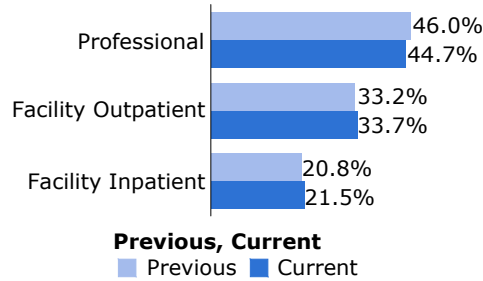


	Previous	Current		Previous	Current	% Change	
Total Net Payment	\$1.50 B	\$1.53 B	Net Payment PMPM	\$528	\$535	1.4%	▲

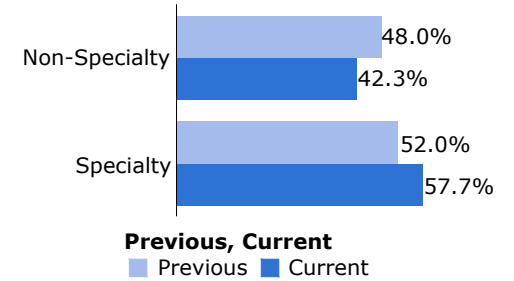
Net Payment by Summary Categories



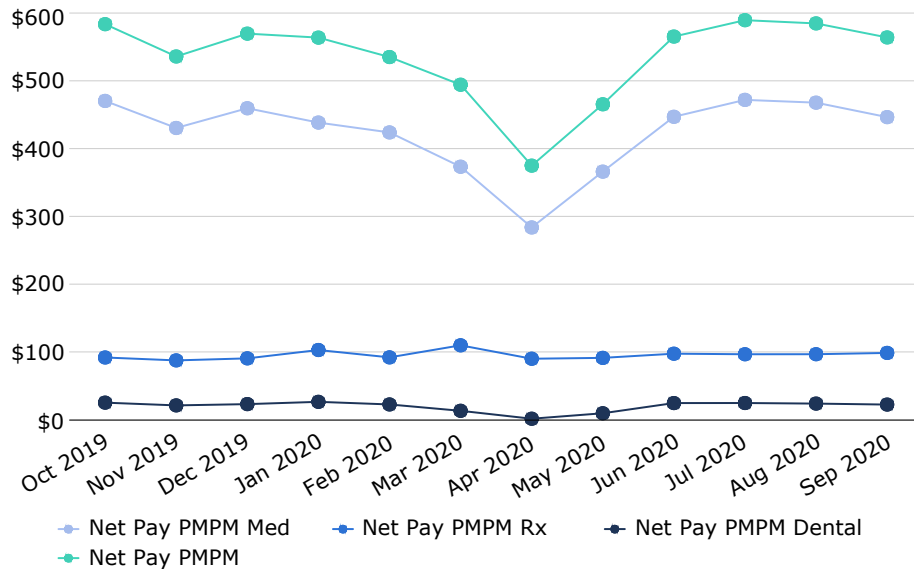
Net Payment by Medical Service Categories



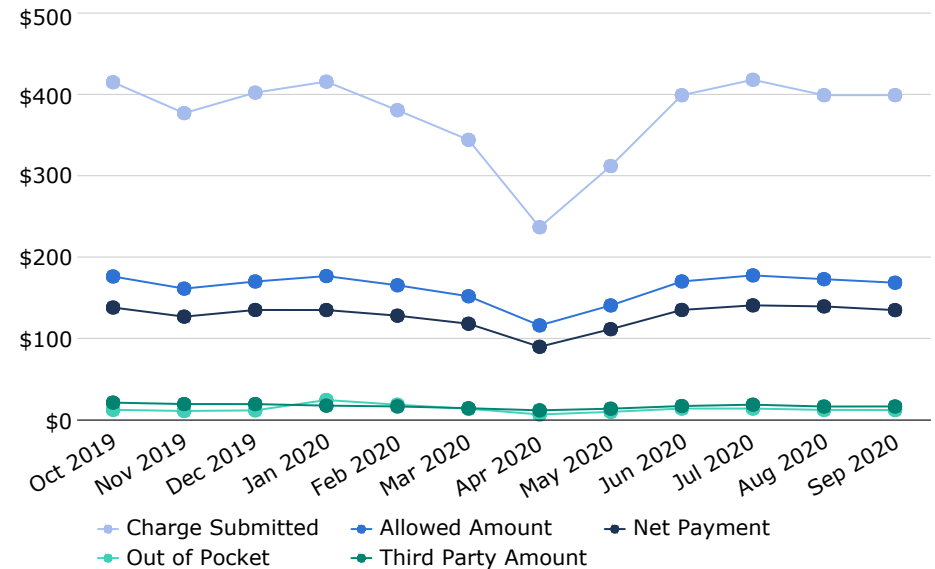
Net Payment by Non-Specialty vs Specialty Drugs



Monthly Cost Per Member



Total Monthly Costs (in Millions)



Financial

Previous Period: Oct 2018 - Sep 2019 (Incurred)

Current Period: Oct 2019 - Sep 2020 (Incurred)

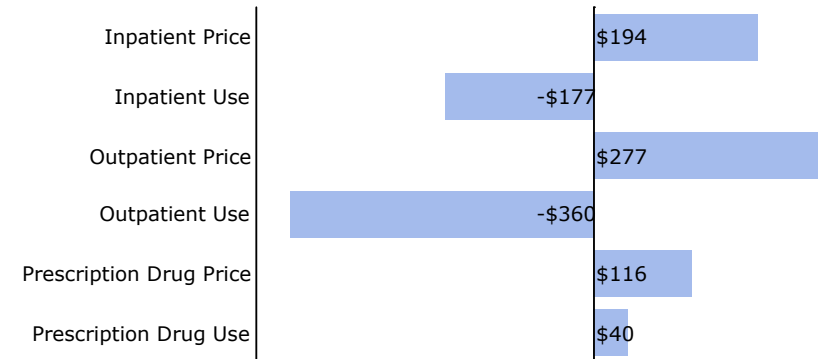


Cost Per Member

	Previous	Current	% Change		Norm	% Difference from Norm
Allow Amt PMPY Med and Rx	\$7,943	\$8,033	1.1%	▲	\$7,245	10.9% ▲
Allow Amt Per Visit Office Med	\$216	\$220	2.0%	▲		
Allow Amt Per Adm Acute	\$21,334	\$23,598	10.6%	▲	\$33,090	-28.7% ▼
Allow Amt Per Visit ER	\$1,714	\$1,870	9.1%	▲	\$2,225	-16.0% ▼
Allow Amt Per Script Rx	\$132	\$149	12.4%	▲	\$145	2.6% ▲
Visits Per 1000 Office Med	7,044	6,525	-7.4%		6,060	7.7%
Admits Per 1000 Acute	72	65	-10.1%		53	23.1%
Visits Per 1000 ER	265	237	-10.8%		208	13.9%
Scripts Per 1000 Rx	11,780	11,521	-2.2%			

Cost Drivers

Allowed Amount PMPY increased \$90 in the current period.
The factors driving this change include:



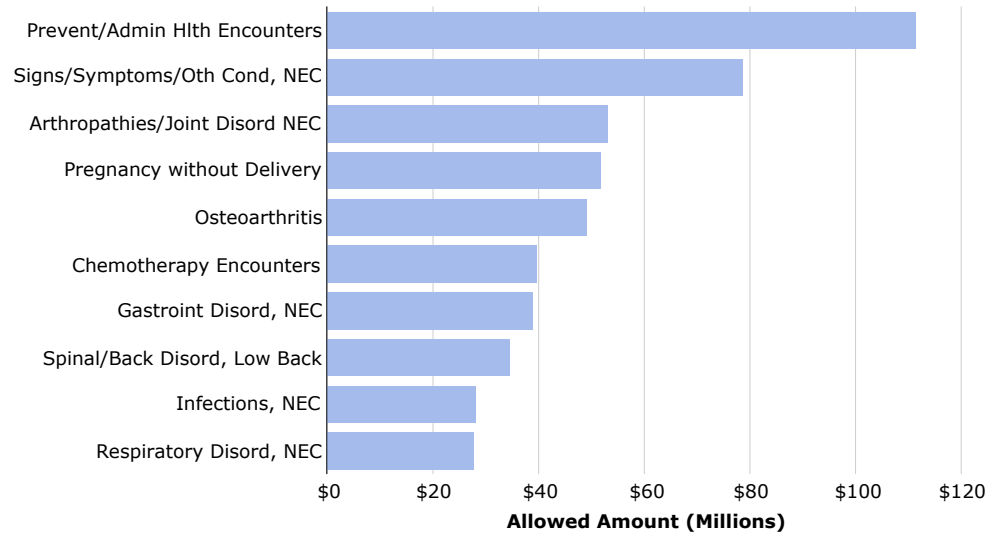
Clinical

Previous Period: Oct 2018 - Sep 2019 (Incurred)

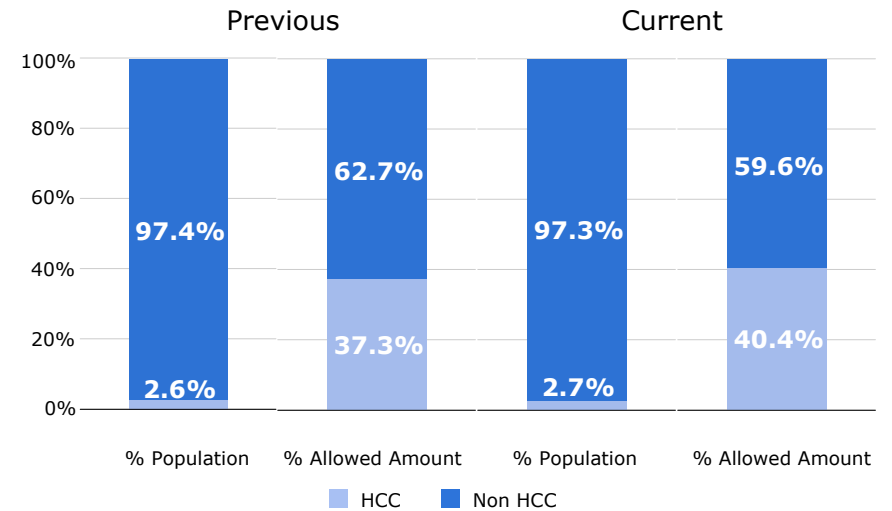
Current Period: Oct 2019 - Sep 2020 (Incurred)



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	\$21,801,349	325	\$67,081
Renal Function Failure	\$14,552,749	341	\$42,677
Signs/Symptoms/Oth Cond, NEC	\$10,157,429	2,067	\$4,914
Condition Rel to Tx - Med/Surg	\$6,523,663	423	\$15,422
Multiple Sclerosis	\$6,207,599	240	\$25,865
Crohns Disease	\$5,675,177	239	\$23,746
Cancer - Nonspecified	\$5,617,771	275	\$20,428
Cancer - Leukemia	\$5,597,477	159	\$35,204
Neurological Disorders, NEC	\$4,786,117	630	\$7,597
Gastroint Disord, NEC	\$4,680,420	829	\$5,646

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.

	Allow Amt Med	% of Total	+Patients	**Allow Amt Per Patient Med
Prevent/Admin Hlth Encounters	\$111,369,315	7.5%	162,554	\$685
Signs/Symptoms/Oth Cond, NEC	\$78,599,973	5.3%	67,164	\$1,170
Arthropathies/Joint Disord NEC	\$53,055,639	3.6%	42,446	\$1,250
Pregnancy without Delivery	\$51,739,259	3.5%	4,551	\$11,369
Osteoarthritis	\$48,981,530	3.3%	13,546	\$3,616
Chemotherapy Encounters	\$39,518,891	2.7%	986	\$40,080
Gastroint Disord, NEC	\$38,793,364	2.6%	21,565	\$1,799
Spinal/Back Disord, Low Back	\$34,457,401	2.3%	23,920	\$1,441
Infections, NEC	\$28,018,794	1.9%	28,069	\$998
Respiratory Disord, NEC	\$27,666,293	1.9%	19,165	\$1,444
Top 10 Subtotal	\$512,200,460	34.5%	193,815	\$2,643
All Clinical Conditions	\$1,484,308,842	100.0%	238,577	\$6,681

+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.

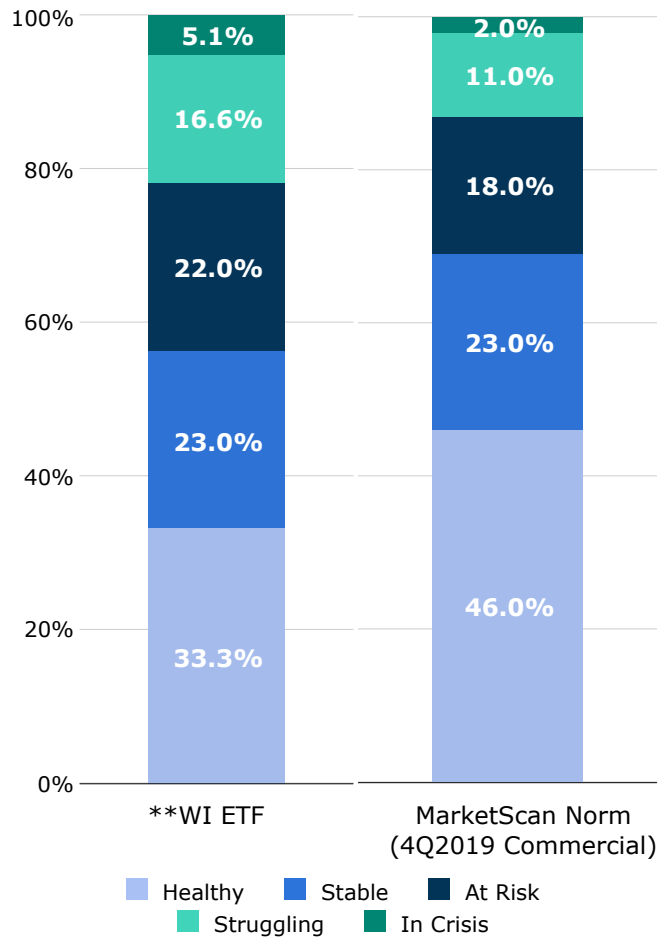
Clinical

*Current Period: Oct 2019 - Sep 2020 (Incurred)

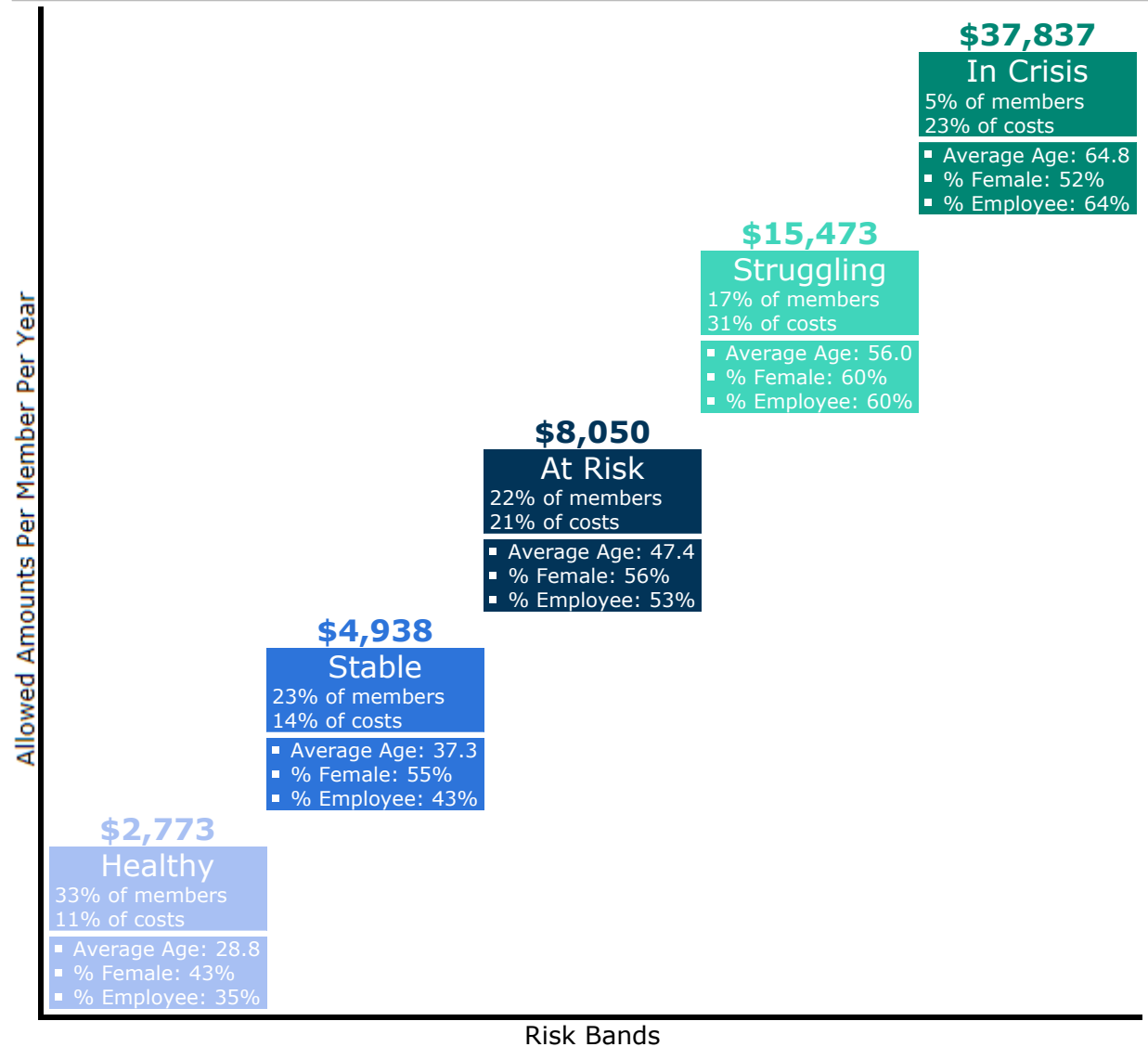
**DCG Period: Jan 2019 - Dec 2019



% of Members by Risk Band



Risk Band Profiles



*Demographic and financial metrics are for the current period

**See glossary for details on DCG Methodology

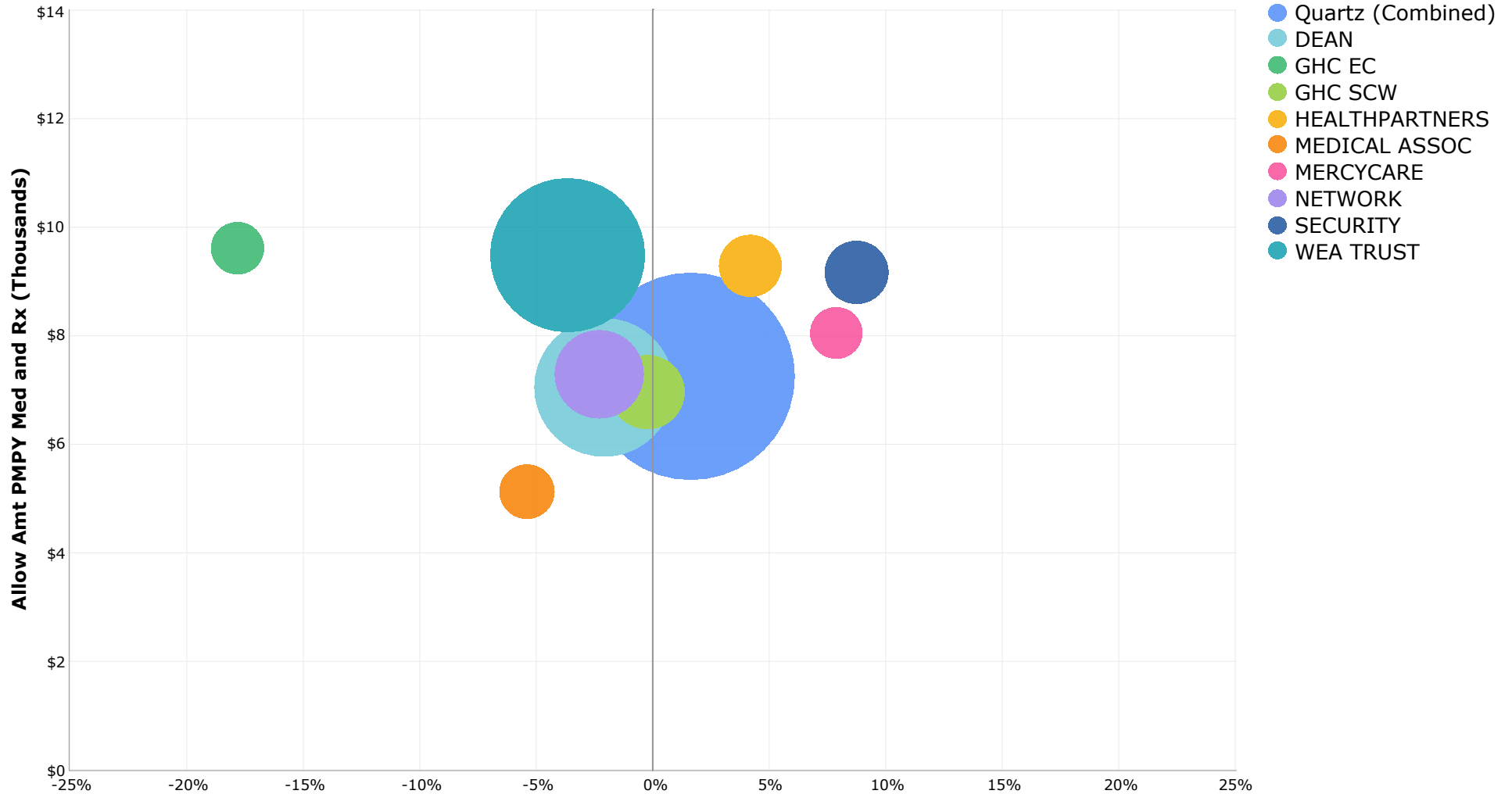
Financial

Previous Period: Oct 2018 - Sep 2019 (Incurred)

Current Period: Oct 2019 - Sep 2020 (Incurred)



Enrollment and Allowed Amount PMPY by Plan Group



Eligibility

Previous Period: Oct 2018 - Sep 2019 (Incurred)

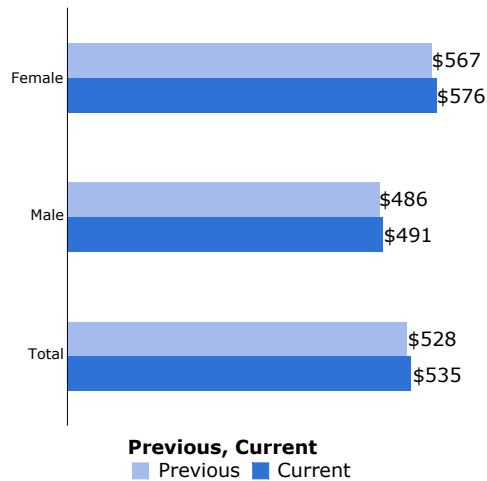
Current Period: Oct 2019 - Sep 2020 (Incurred)



	Enrollment			Average Age		
	Previous	Current	% Change	Previous	Current	% Change
Employees	120,354	119,443	-0.8%	51.2	51.1	0.0%
Members	261,658	258,718	-1.1%	39.5	39.6	0.2%
Family Size Avg	2.2	2.2	-0.5%			

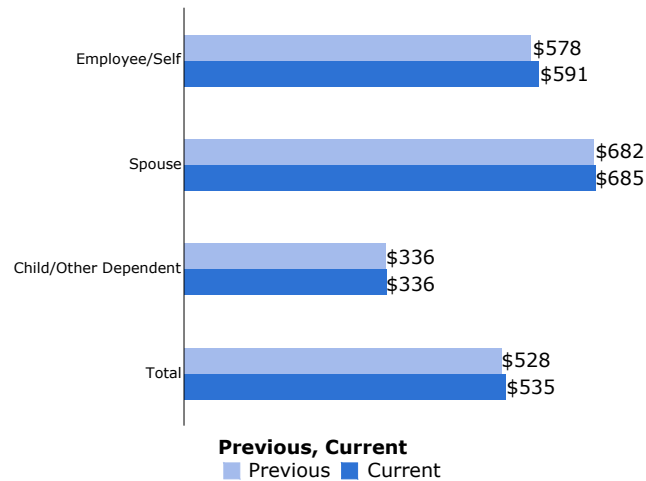
Membership and Net Pay PMPM by Gender

	Previous	Current	% Change
Female	135,749	134,489	-0.9%
Male	125,979	124,311	-1.3%



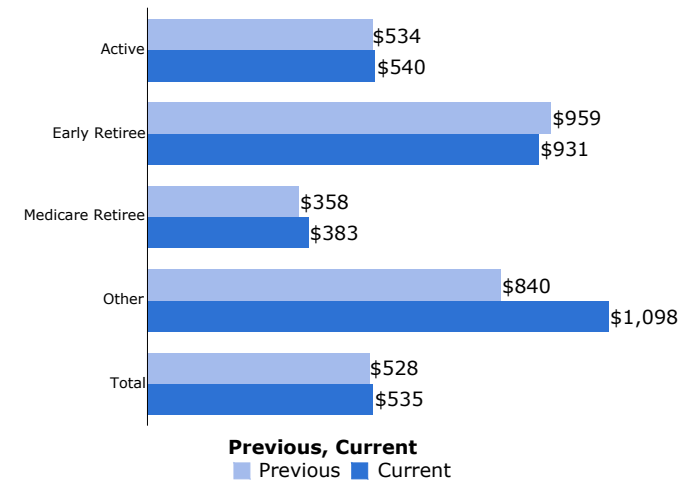
*Membership and Net Pay PMPM by Employee Relationship

	Previous	Current	% Change
Employee/Self	120,090	118,898	-1.0%
Spouse	60,426	59,788	-1.1%
Child/Other Dependent	81,142	80,032	-1.4%



* Membership and Net Pay PMPM by Employee Status

	Previous	Current	% Change
Active	217,345	214,080	-1.5%
Early Retiree	13,008	13,028	0.2%
Medicare Retiree	35,840	36,779	2.6%
Other	1,639	1,407	-14.2%



*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)
 - Net Payment = Allowed Amount - (OOP + 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