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Correspondence Memorandum

Date: January 7, 2022

To: Group Insurance Board

From: Jessica Rossner, Data, Measurement and Compliance Lead
 Oladipo Fadiran, IBM 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 memo provides the Group Insurance Board (Board) with the quarterly data warehouse dashboard and highlights. The previous quarter’s dashboards and highlights can be found in the meeting materials from the November 2021 Board meeting ([GIB | 11.17.21 | 13D](#)).

Dashboard Data

The dashboards include data for health care services provided from September 2020 through August 2021 (current) compared to services provided from September 2019 through August 2020 (previous period). The reported data includes payments through November 2021. There is typically a gap in time between when services are provided and when they are paid. The three-month delay in reporting allows for the billing and payment process to be completed for most of the services rendered.

Notable Dashboard Highlights

Total Net Payment and Cost Trends

- The 12.4% Year over Year (YoY) trend in net payment per member per month (PMPM) is comparable to the 13.6% YoY trend reported in the November 2021 Board meeting dashboards ([GIB | 11.17.21 | 13D](#)).
- This double-digit trend results from a combination of two factors:
 - Cumulative effect of a typical annual trend in cost; and
 - The “previous period” includes the three months with the largest disruption in service due to COVID-19 pandemic (March through May 2020).
- Barring any further marked disruption in services in the near future, the double-digit trend is expected to continue until data from March through May 2020 is no

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy
 Electronically Signed 01/28/2022

Board	Mtg Date	Item #
GIB	2.16.22	12B

longer included in the trend comparisons. [Attachment: Data Warehouse Dashboards – Financial page 1, top, right]

Cost Drivers

- Specialty drugs continue to be a major driver of the overall positive trend for the Group Health Insurance Program (GHIP), currently accounting for 60.3% of all prescription drug costs. This is a slight increase from 58.5% in 2020 reported at the May 2021 Board meeting ([GIB | 5.12.21 | 14A](#)). ETF staff continue to explore options for controlling the cost of specialty drugs while maintaining the quality of care received by the GHIP members and plans to bring options to the Board at the May 2022 Board meeting. [Attachment: Data Warehouse Dashboards – Financial page 1, middle, right]
- Outpatient use continues to be the largest positive contributor to the overall cost trend. This service category suffered the most disruption during the COVID-19 pandemic. Outpatient use has rebounded, contributing \$698 to the overall Allowed Amount PMPY cost increase. [Attachment: Data Warehouse Dashboards – Financial page 2]

Cost by Plan Groups

- All plan groups (except for MercyCare) show a marked positive YoY allowed amount per member per year (PMPY) trend in medical and pharmacy costs. The overall double-digit trend of 10.6% is driven primarily by the three largest plan groups by membership. These three plan groups cover over 75% of all the GHIP members.

Plan Group	Average Membership Count (% of Total)	Allowed Amount PMPY Cost Trends
Dean	45,043 (18.8%)	13.3%
Quartz	79,857 (33.4%)	9.9%
WEA Trust	55,292 (23.1%)	9.2%

- The relatively small membership of group health plans like MercyCare (1,830 members) and Medical Associates (2,974 members) are susceptible to large swings in trends due to outliers.
- These trends are not risk adjusted to account for disparities in the risk pool of each health plan. [Attachment: Data Warehouse Dashboards - Financial page 5]

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

Attachment A

Financial

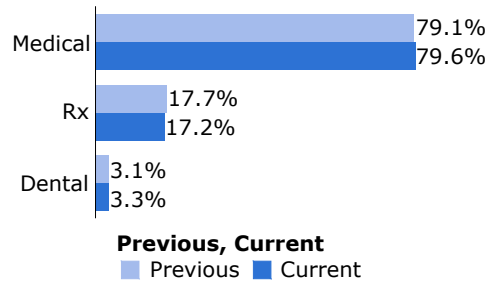
Previous Period: Sep 2019 - Aug 2020 (Incurred)

Current Period: Sep 2020 - Aug 2021 (Incurred)

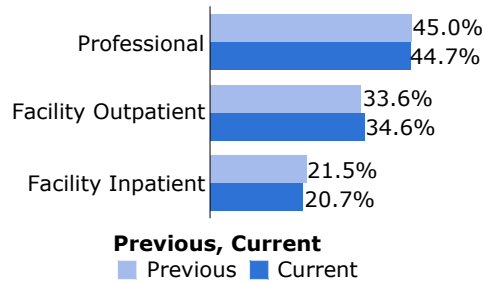


	Previous	Current		Previous	Current	% Change
Total Net Payment	\$1.52 B	\$1.72 B	Net Payment PMPM	\$532	\$598	12.4% ▲

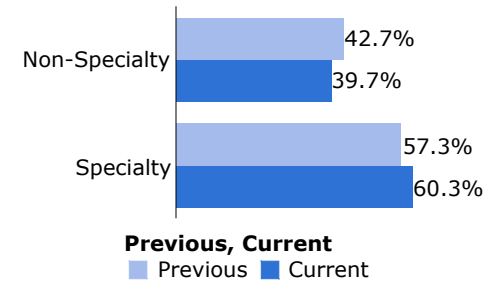
Net Payment by Summary Categories



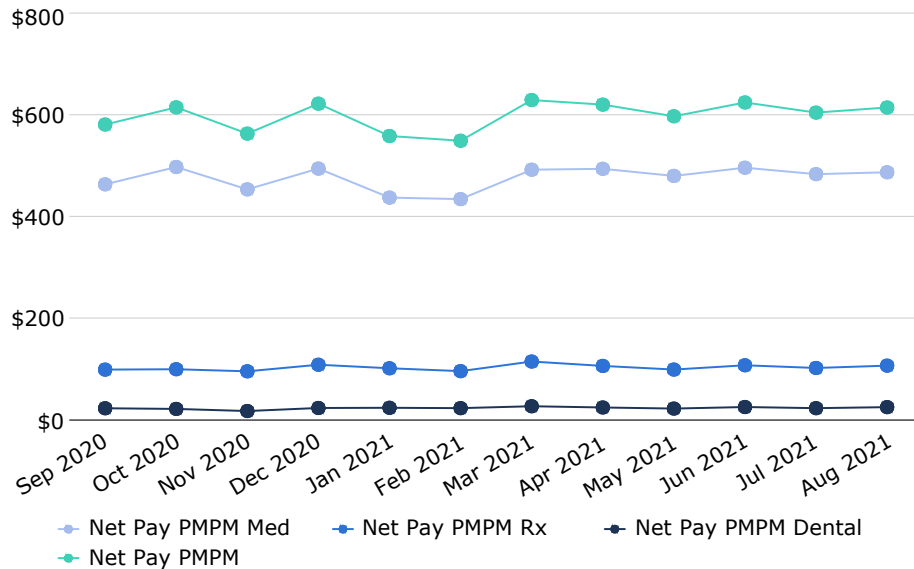
Net Payment by Medical Service Categories



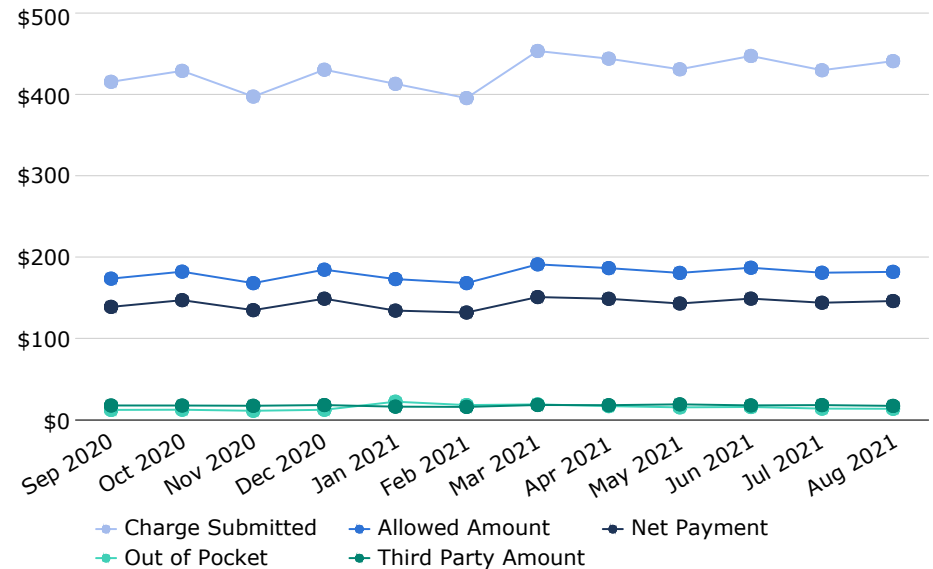
Net Payment by Non-Specialty vs Specialty Drugs



Monthly Cost Per Member



Total Monthly Costs (in Millions)



Financial

Previous Period: Sep 2019 - Aug 2020 (Incurred)

Current Period: Sep 2020 - Aug 2021 (Incurred)

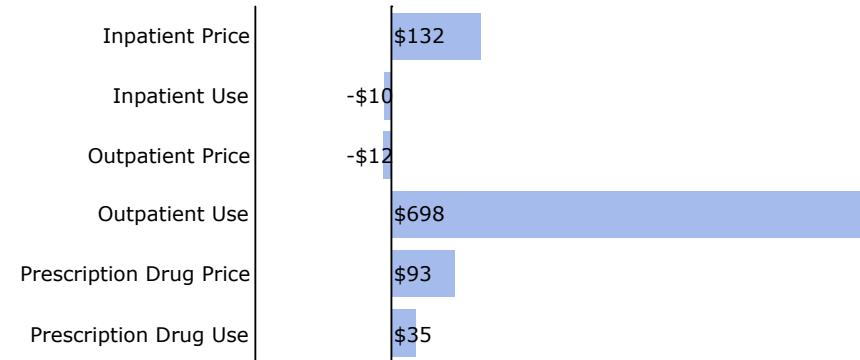


Cost Per Member

	Previous	Current	% Change		Norm	% Difference from Norm
Allow Amt PMPY Med and Rx	\$7,917	\$8,852	11.8% ▲		\$7,236	22.3% ▲
Allow Amt Per Visit Office Med	\$220	\$219	-0.6% ▼			
Allow Amt Per Adm Acute	\$23,294	\$25,158	8.0% ▲		\$32,908	-23.5% ▼
Allow Amt Per Visit ER	\$1,843	\$2,093	13.6% ▲		\$2,225	-6.0% ▼
Allow Amt Per Script Rx	\$147	\$160	8.8% ▲		\$145	10.5% ▲
Visits Per 1000 Office Med	6,522	7,399	13.4%		6,059	22.1%
Admits Per 1000 Acute	66	65	-0.5%		52	25.0%
Visits Per 1000 ER	243	233	-4.1%		208	12.0%
Scripts Per 1000 Rx	11,509	11,379	-1.1%			

Cost Drivers

Allowed Amount PMPY increased \$935 in the current period.
The factors driving this change include:



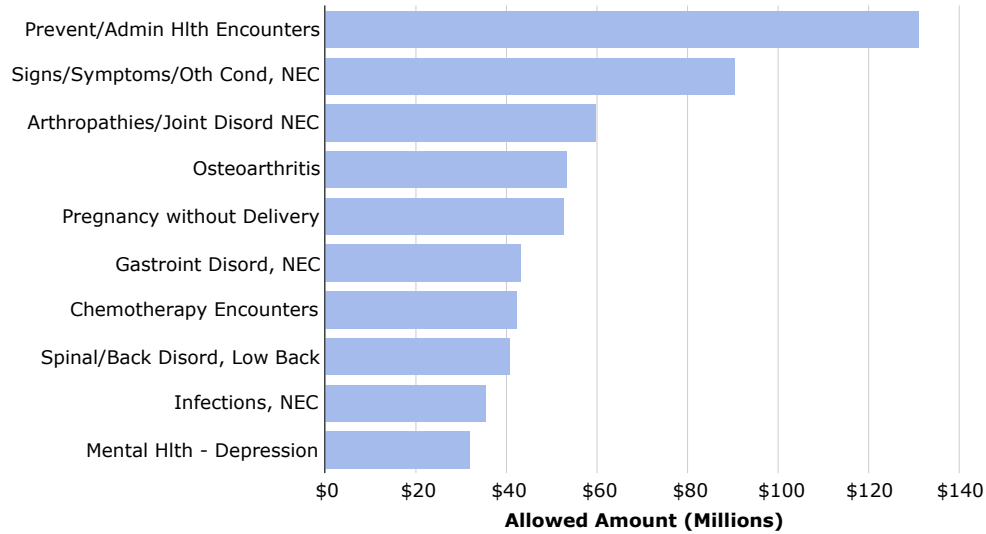
Clinical

Previous Period: Sep 2019 - Aug 2020 (Incurred)

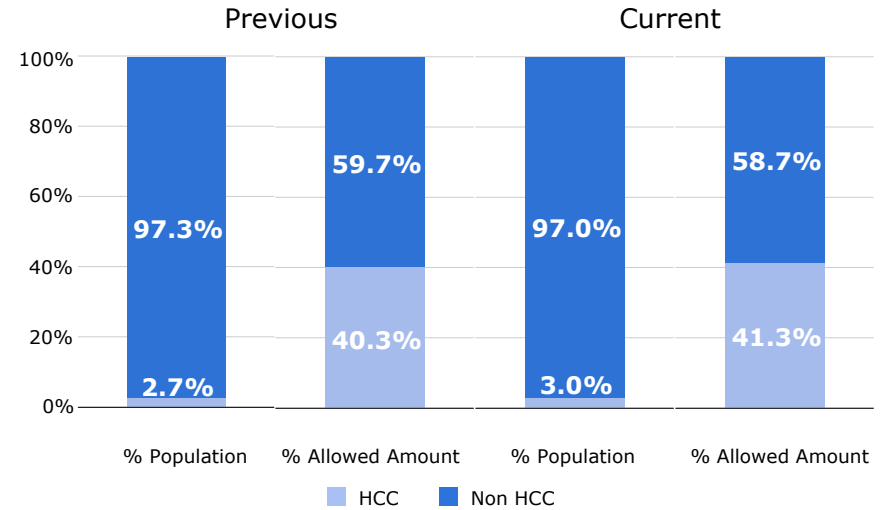
Current Period: Sep 2020 - Aug 2021 (Incurred)



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	\$21,851,607	333	\$65,620
Renal Function Failure	\$14,499,963	368	\$39,402
Signs/Symptoms/Oth Cond, NEC	\$11,777,838	2,353	\$5,005
Multiple Sclerosis	\$7,250,960	202	\$35,896
Condition Rel to Tx - Med/Surg	\$6,826,545	482	\$14,163
Crohns Disease	\$6,826,275	291	\$23,458
Infections, NEC	\$5,148,883	1,030	\$4,999
Cancer - Leukemia	\$5,028,694	176	\$28,572
Gastroint Disord, NEC	\$4,862,509	925	\$5,257
Neurological Disorders, NEC	\$4,741,809	667	\$7,109

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	\$131,066,475	7.9%	180,189	\$727
Signs/Symptoms/Oth Cond, NEC	\$90,423,960	5.5%	74,763	\$1,209
Arthropathies/Joint Disord NEC	\$59,625,946	3.6%	45,744	\$1,303
Osteoarthritis	\$53,229,592	3.2%	15,307	\$3,477
Pregnancy without Delivery	\$52,689,534	3.2%	4,682	\$11,254
Gastroint Disord, NEC	\$43,164,725	2.6%	23,184	\$1,862
Chemotherapy Encounters	\$42,200,556	2.5%	1,041	\$40,538
Spinal/Back Disord, Low Back	\$40,717,357	2.5%	25,451	\$1,600
Infections, NEC	\$35,332,501	2.1%	50,074	\$706
Mental Hlth - Depression	\$31,858,151	1.9%	20,499	\$1,554
Top 10 Subtotal	\$580,308,798	35.0%	208,792	\$2,779
All Clinical Conditions	\$1,657,901,839	100.0%	243,746	\$7,270

+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.

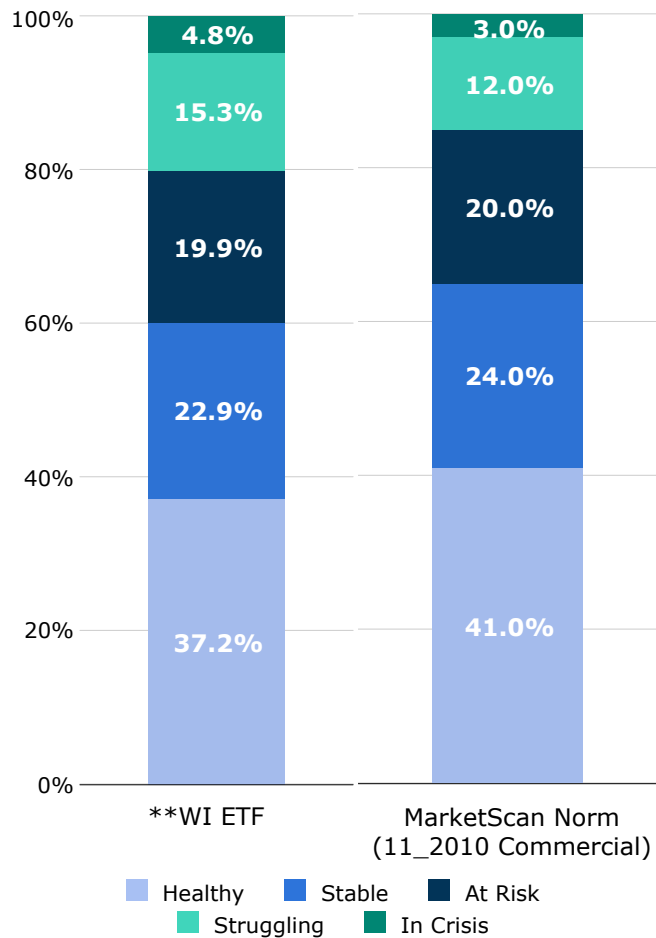
Clinical

*Current Period: Sep 2020 - Aug 2021 (Incurred)

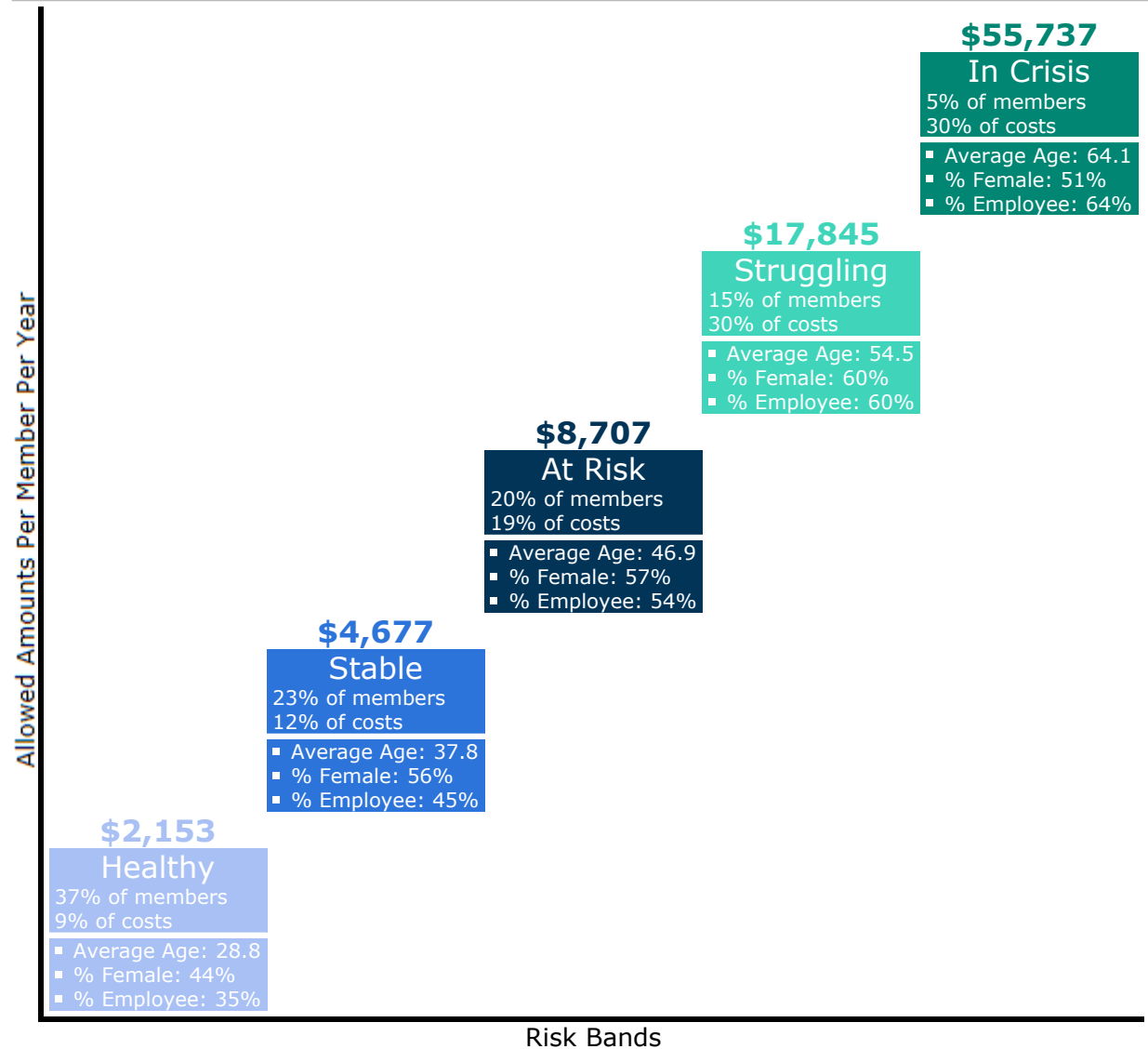
**DCG Period: Jan 2020 - Dec 2020



% of Members by Risk Band



Risk Band Profiles



*Demographic and financial metrics are for the current period

**See glossary for details on DCG Methodology

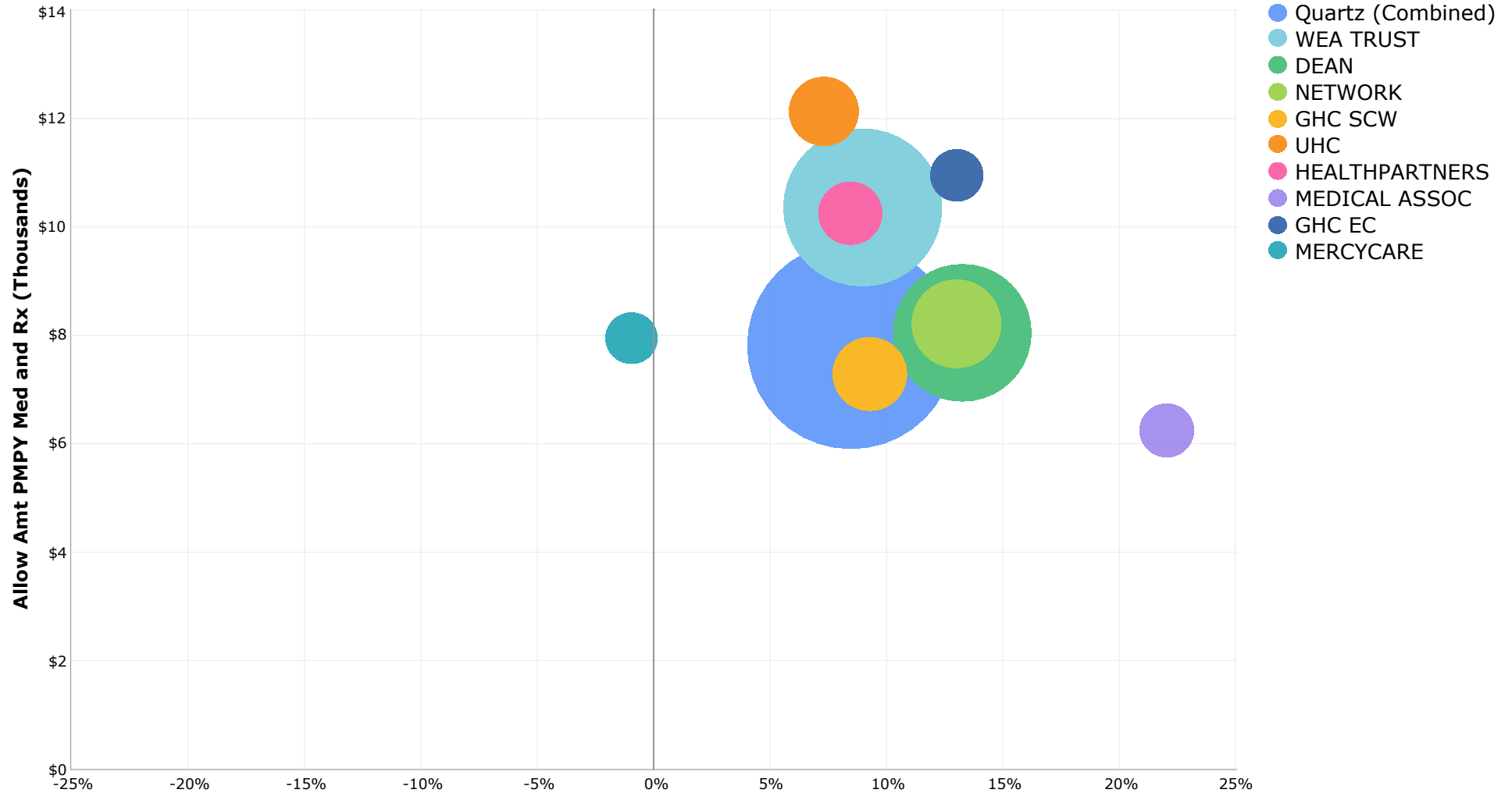
Financial

Previous Period: Sep 2019 - Aug 2020 (Incurred)

Current Period: Sep 2020 - Aug 2021 (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: Sep 2019 - Aug 2020 (Incurred)

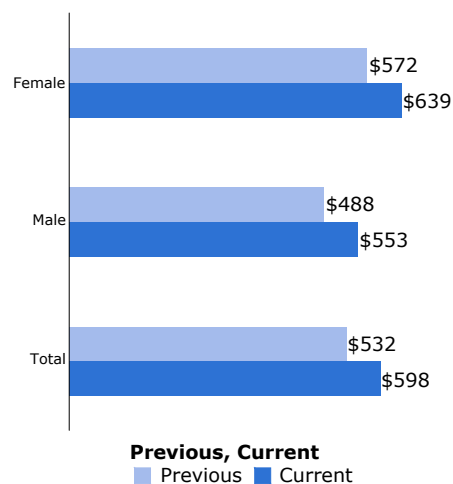
Current Period: Sep 2020 - Aug 2021 (Incurred)



	Enrollment			Average Age		
	Previous	Current	% Change	Previous	Current	% Change
Employees	118,502	118,926	0.4%	51.1	51.3	0.3%
Members	257,419	257,986	0.2%	39.6	39.8	0.5%
Family Size Avg	2.2	2.2	-0.1%			

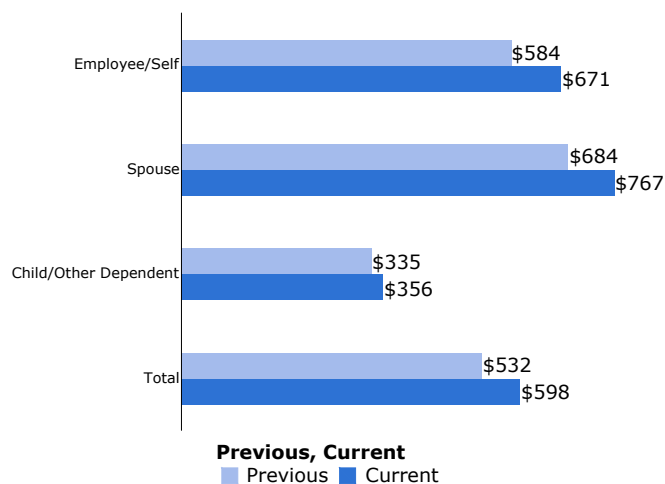
Membership and Net Pay PMPM by Gender

	Previous	Current	% Change
Female	133,813	134,235	0.3%
Male	123,699	123,808	0.1%



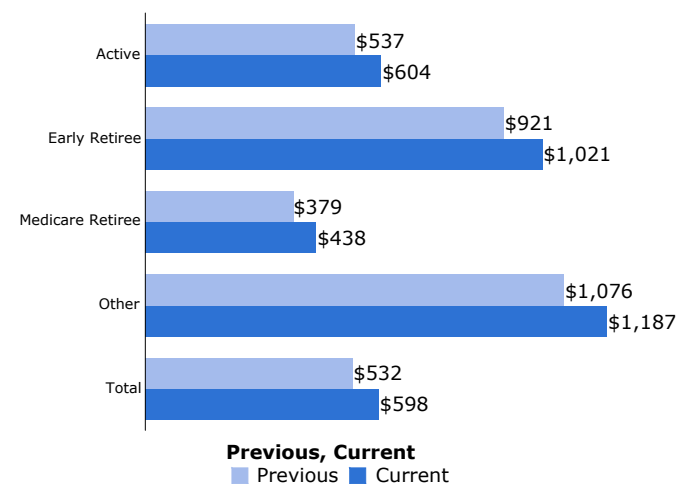
*Membership and Net Pay PMPM by Employee Relationship

	Previous	Current	% Change
Employee/Self	118,268	118,391	0.1%
Spouse	59,534	59,807	0.5%
Child/Other Dependent	79,617	79,788	0.2%



* Membership and Net Pay PMPM by Employee Status

	Previous	Current	% Change
Active	212,886	212,432	-0.2%
Early Retiree	12,958	12,893	-0.5%
Medicare Retiree	36,641	37,560	2.5%
Other	1,445	1,376	-4.8%



*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