



Correspondence Memorandum

Date: April 26, 2022

To: Group Insurance Board

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 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 February 2022 Board meeting materials ([GIB | 2.16.22 | 12B](#)).

Dashboard Data

The dashboards include data for health care services provided from January 2021 through December 2021 (current) compared to services provided from January 2020 through December 2020 (previous period). The reported data includes payments through March 2022. 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

This update provides a full year picture for the previous (2020) and current (2021) incurred periods.

Total Net Payment and Cost Trends

- The higher-than-typical 12.9% Year over Year (YoY) annual trend in net payment per member per month (PMPM) results from the lower-than-usual incurred costs in the previous year. This was due to disruption in medical services because of the COVID-19 pandemic. There was a marked drop in services and related costs from March to May 2020, resulting in an overall drop in cost for 2020, which resulted in a very low 2019 to 2020 plan year cost trend of 2.0% ([GIB | 5.12.21 | 14A](#)). Services and costs started to rebound by the second quarter in 2020 and had fully recovered to pre-pandemic levels by 2021. The current double-digit trend results from the comparison of normalized utilization and costs in 2021 to

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy
 Electronically Signed 05/05/2022

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overall depressed measures in 2020. Assuming that there is no marked disruption in utilization and cost in the near future, the dashboards are expected to continue to reflect double-digit trends for another six months, until the three months of service disruption in 2020 roll out of the “previous” period used in the comparison. [Attachment: Data Warehouse Dashboards – Financial page 1, top, right]

- Compared to the medical and pharmacy categories, the relative drop in utilization and costs for dental services was deepest from about 3.7% historically to 3.0% in 2020 ([GIB | 5.12.21 | 14A](#)). Dental services were particularly affected by the COVID-19 pandemic because they were deemed delayable in many instances. Utilization of these services has started to rebound (currently 3.2% of relative costs) and ETF and Delta Dental continue to monitor the trends to ensure that members are keeping up with recommended dental care. [Attachment: Data Warehouse Dashboards – Financial page 1, middle, left]

Cost Drivers

- Specialty drugs continue to be a major driver of the overall positive trend for the Group Health Insurance Program (GHIP). The relative cost of specialty drugs continues to increase rapidly, currently accounting for 61.5% of all prescription drug costs compared to 38.5% for non-specialty drugs; these ratios were 58.5% and 41.5% respectively at the end of the 2020. ETF will present the Board with an approach for controlling the cost of specialty drugs at the May 2022 Board meeting [Ref. GIB | 5.18.22 | 5C]. [Attachment: Data Warehouse Dashboards – Financial page 1, middle, right]
- Like dental services, outpatient medical services were also disproportionately affected during the service disruption in 2020. Many services in this category were considered non-emergent and could be postponed. The pent-up demand for many of these services being met in 2021 is the reason why outpatient utilization is the largest contributor to the allowed amount YoY cost trends, accounting for \$983 of the \$1,028 in YoY increase. Many preventive care services like colonoscopies and mammograms are typically done in an outpatient setting and were affected by the disruption in 2020. ETF is monitoring utilization trends of preventive services to ensure that any gaps in recommended care for members due to the disruption in services in 2020 are being closed in 2021 and beyond. [Attachment: Data Warehouse Dashboards – Financial page 2, right]

Top Clinical Conditions

- The list of top clinical conditions by cost remains mostly consistent, with the exception of “Mental Health – Depression,” which has made it into the top ten. This may be an indication of the toll that the COVID-19 pandemic is taking on the mental health of GHIP members, or it could be the result of increased access to behavioral health services via telehealth. Tele-behavioral health service utilization increased at a quicker rate than other telehealth services in 2021. ETF continues to work with health plans, Well Wisconsin vendor, and GHIP participating employers to educate members on the options and benefits

available to support mental health and wellbeing (e.g., through expanded and better publicized telehealth options). [Attachment: Data Warehouse Dashboards – Clinical page 3, top, left]

Cost by Plan Groups

- All plan groups show increase YoY trends for allowed amount Per Member Per Year (PMPY) medical and pharmacy costs. The overall double-digit trend in costs is driven primarily by the three largest plan groups by membership. These plan groups account for about 75% of the GHIP membership.

Plan Group	Average Membership Count (% of Total)	Allowed Amount PMPY Cost Trends
Dean	44,393 (18.6%)	15.3%
Quartz	79,323 (33.2%)	6.9%
WEA Trust	55,208 (23.1%)	11.3%

- The relatively small membership of group health plans (membership size is indicated by the size of the circles) makes them more 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]

Membership

- There is a minimal overall change in membership -- an increase of 0.6% from 2020 to 2021. The changes in membership by relationship of employee/self, spouse and child/other dependent are all comparable to the average, with increases ranging between 0.5%-0.7%.
- The YoY trend in net payment PMPM is lowest for the child/other dependent group at 10.6% and highest for the employee/self group at 14.7%. The YoY trend for the spouse group is 11.4%. This again reflects the fact that a lot of the services delayed in 2020 and accounting for the positive trend skew towards adults, for example elective procedures and preventive screenings like colonoscopies and mammograms. [Attachment: Data Warehouse Dashboards – Membership page 6]

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

Attachment A

Financial

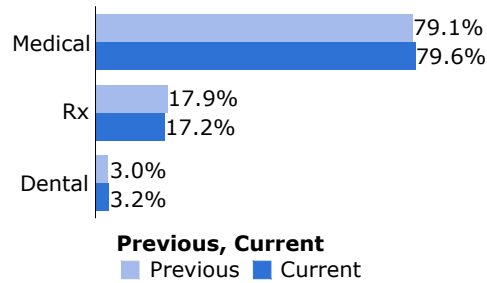
Previous Period: Jan 2020 - Dec 2020 (Incurred)

Current Period: Jan 2021 - Dec 2021 (Incurred)

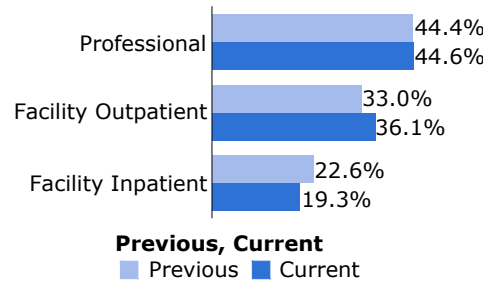


	Previous	Current		Previous	Current	% Change
Total Net Payment	\$1.57 B	\$1.77 B	Net Payment PMPM	\$547	\$617	12.9% ▲

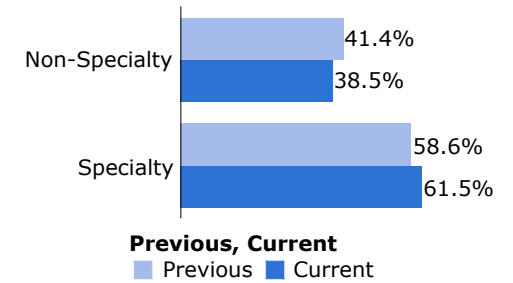
Net Payment by Summary Categories



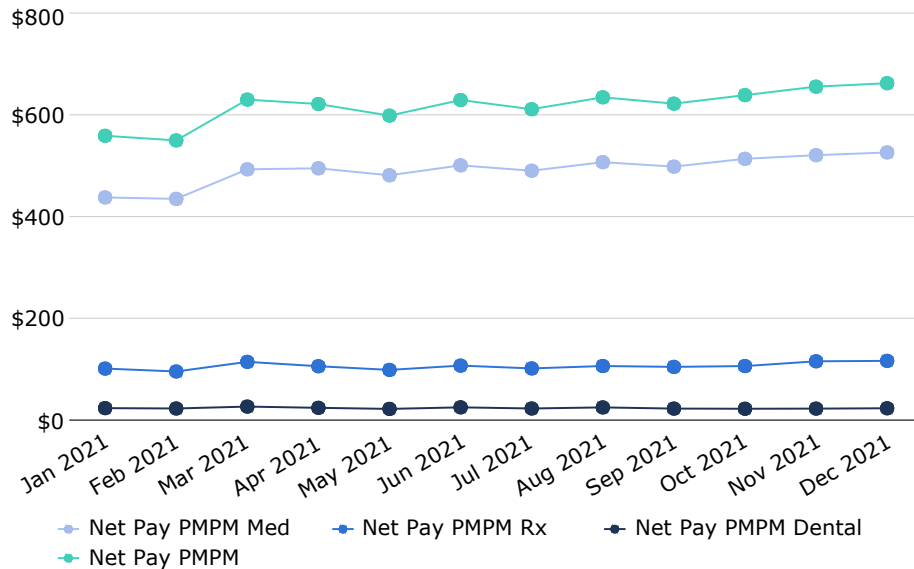
Net Payment by Medical Service Categories



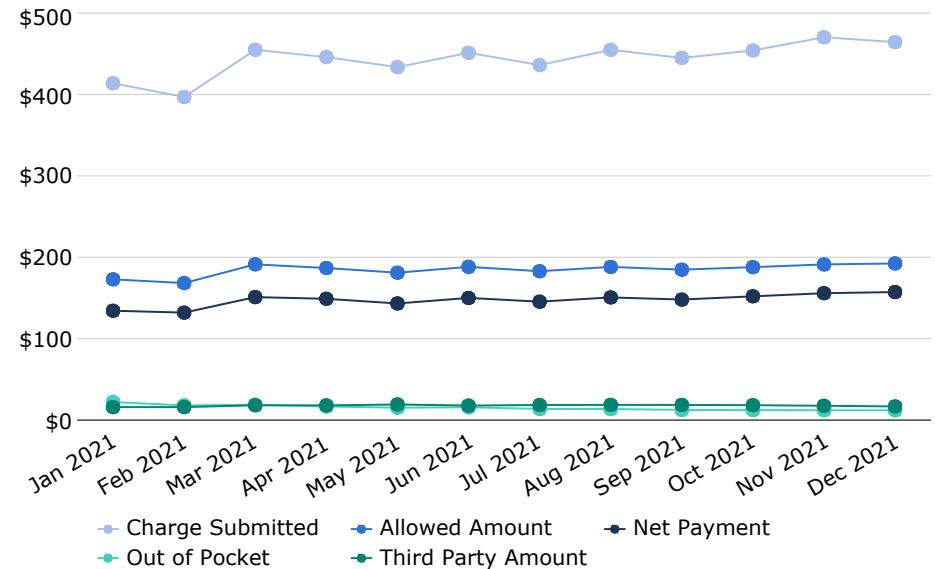
Net Payment by Non-Specialty vs Specialty Drugs



Monthly Cost Per Member



Total Monthly Costs (in Millions)



Financial

Previous Period: Jan 2020 - Dec 2020 (Incurred)

Current Period: Jan 2021 - Dec 2021 (Incurred)

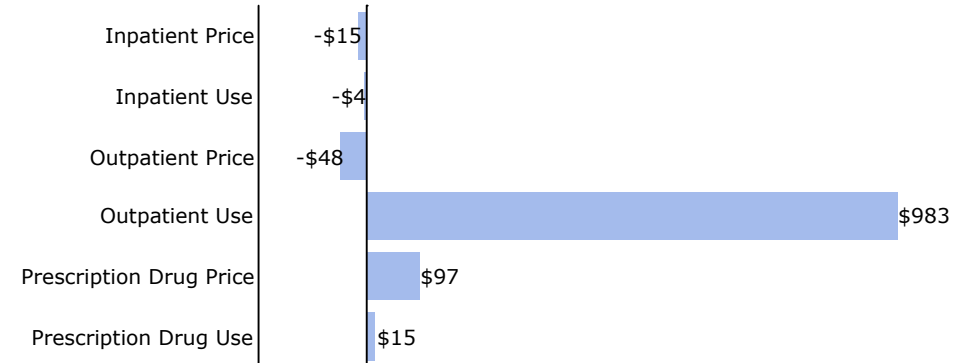


Cost Per Member

	Previous	Current	% Change		Norm	% Difference from Norm	
Allow Amt PMPY Med and Rx	\$8,084	\$9,113	12.7%	▲	\$7,006	30.1%	▲
Allow Amt Per Visit Office Med	\$222	\$219	-1.6%	▼			
Allow Amt Per Adm Acute	\$25,193	\$25,098	-0.4%	▼	\$33,306	-24.6%	▼
Allow Amt Per Visit ER	\$1,962	\$2,122	8.2%	▲	\$2,395	-11.4%	▼
Allow Amt Per Script Rx	\$153	\$163	6.8%	▲	\$167	-2.1%	▼
Visits Per 1000 Office Med	6,484	7,629	17.7%		5,691	34.1%	
Admits Per 1000 Acute	64	65	1.7%		48	36.6%	
Visits Per 1000 ER	225	248	10.1%		179	38.1%	
Scripts Per 1000 Rx	11,489	11,448	-0.4%				

Cost Drivers

Allowed Amount PMPY increased \$1,028 in the current period.
The factors driving this change include:



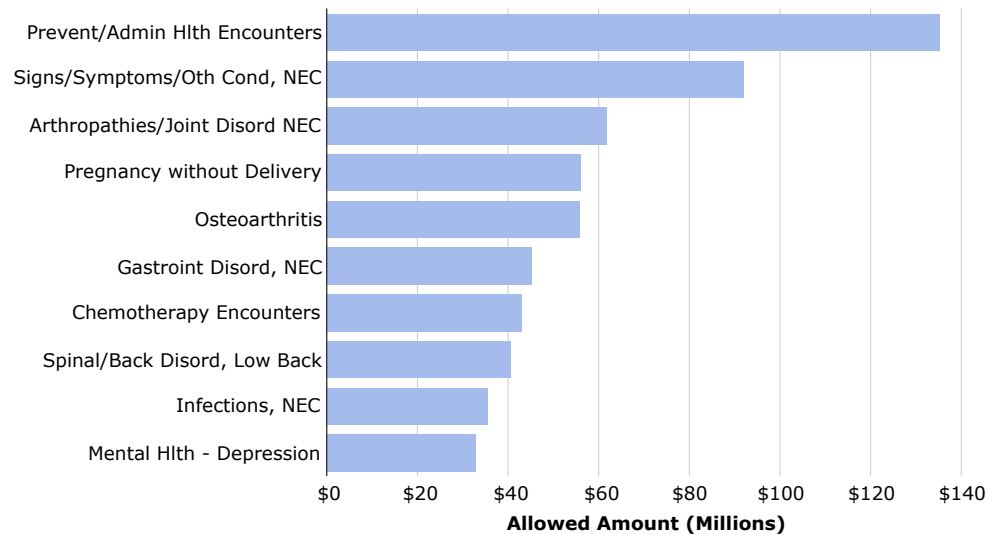
Clinical

Previous Period: Jan 2020 - Dec 2020 (Incurred)

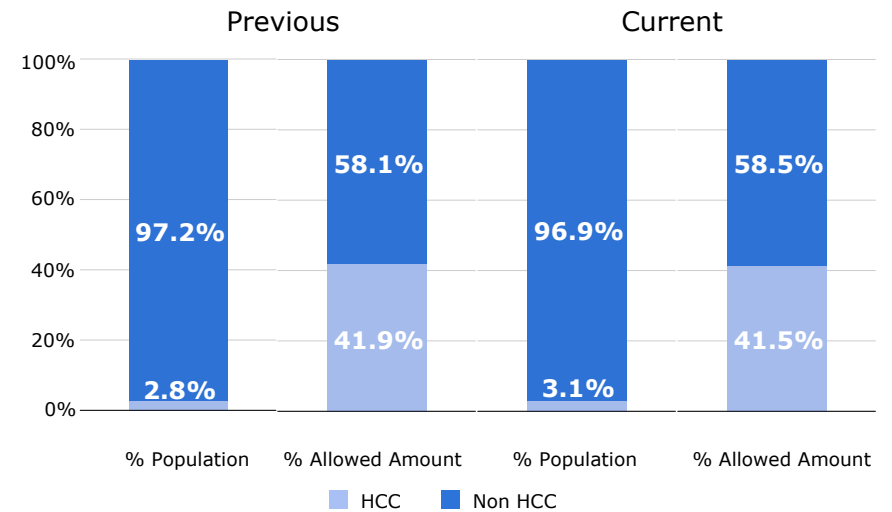
Current Period: Jan 2021 - Dec 2021 (Incurred)



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	\$24,901,098	353	\$70,541
Renal Function Failure	\$15,960,022	371	\$43,019
Signs/Symptoms/Oth Cond, NEC	\$12,427,883	2,433	\$5,108
Multiple Sclerosis	\$8,608,608	205	\$41,993
Condition Rel to Tx - Med/Surg	\$7,752,467	504	\$15,382
Crohns Disease	\$7,189,441	301	\$23,885
Gastroint Disord, NEC	\$5,635,465	972	\$5,798
Neurological Disorders, NEC	\$5,500,588	708	\$7,769
Respiratory Disord, NEC	\$5,247,434	1,114	\$4,710
Infections, NEC	\$4,948,642	1,127	\$4,391

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	\$135,149,878	7.9%	181,090	\$746
Signs/Symptoms/Oth Cond, NEC	\$91,918,028	5.4%	75,937	\$1,210
Arthropathies/Joint Disord NEC	\$61,688,768	3.6%	47,303	\$1,304
Pregnancy without Delivery	\$55,924,763	3.3%	4,719	\$11,851
Osteoarthritis	\$55,708,171	3.3%	15,947	\$3,493
Gastroint Disord, NEC	\$45,236,803	2.7%	24,017	\$1,884
Chemotherapy Encounters	\$43,031,226	2.5%	1,048	\$41,060
Spinal/Back Disord, Low Back	\$40,565,246	2.4%	25,693	\$1,579
Infections, NEC	\$35,479,188	2.1%	56,398	\$629
Mental Hlth - Depression	\$32,868,313	1.9%	21,047	\$1,562
Top 10 Subtotal	\$597,570,383	35.1%	210,551	\$2,838
All Clinical Conditions	\$1,704,892,182	100.0%	245,684	\$7,442

+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.

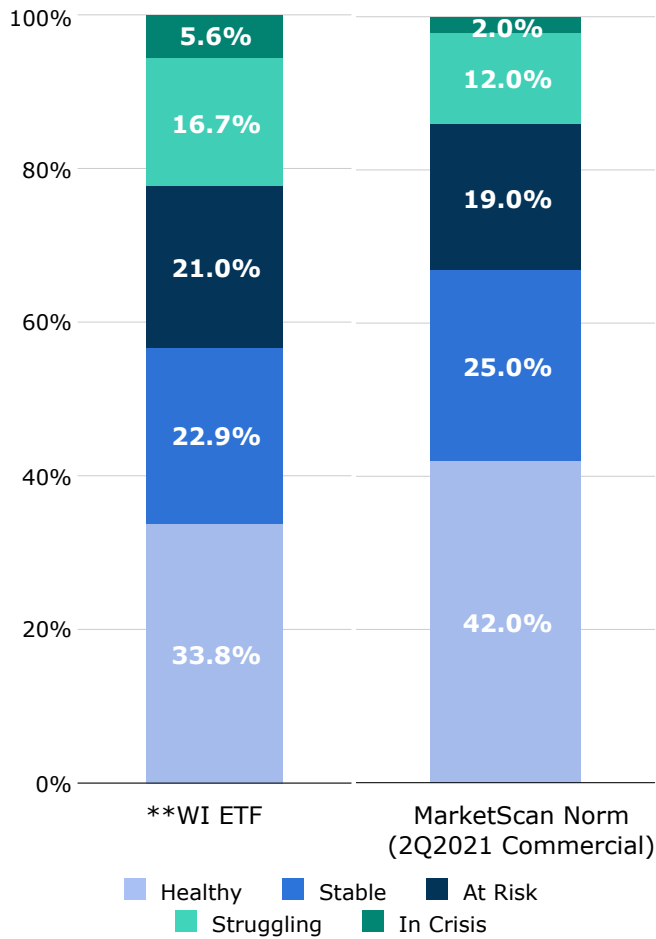
Clinical

*Current Period: Jan 2021 - Dec 2021 (Incurred)

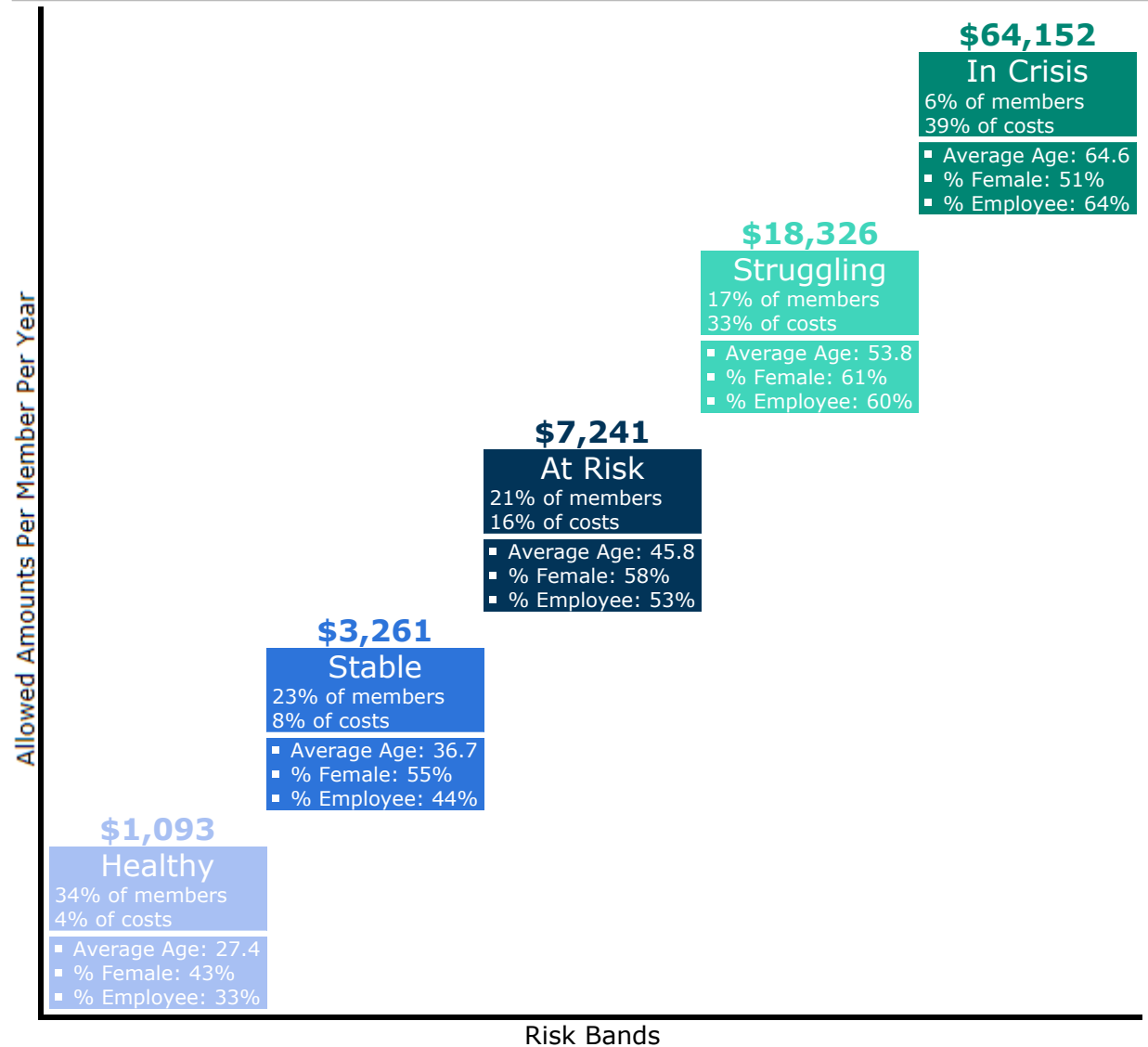
**DCG Period: Jan 2021 - Dec 2021



% of Members by Risk Band



Risk Band Profiles



*Demographic and financial metrics are for the current period

**See glossary for details on DCG Methodology

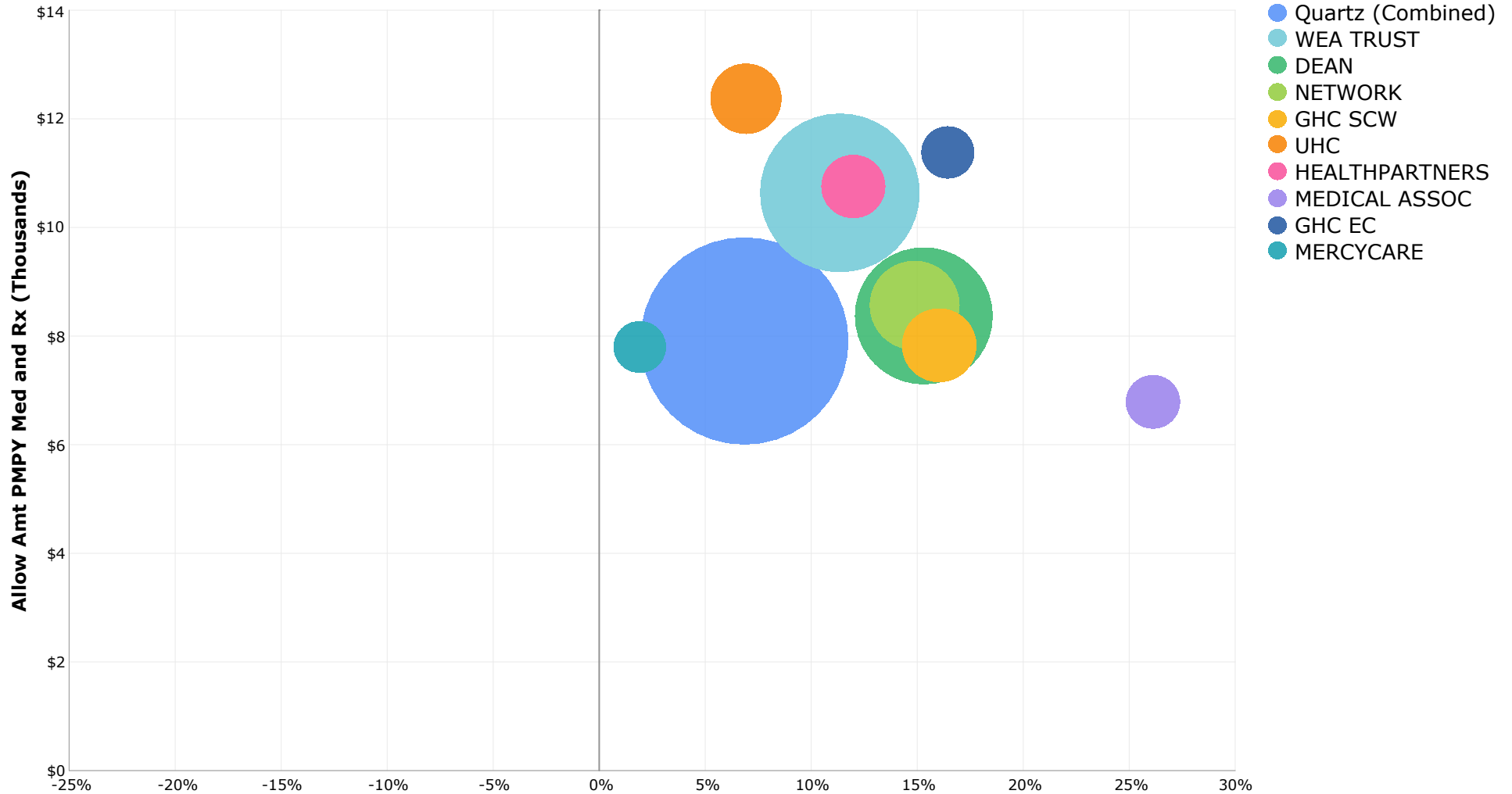
Financial

Previous Period: Jan 2020 - Dec 2020 (Incurred)

Current Period: Jan 2021 - Dec 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: Jan 2020 - Dec 2020 (Incurred)

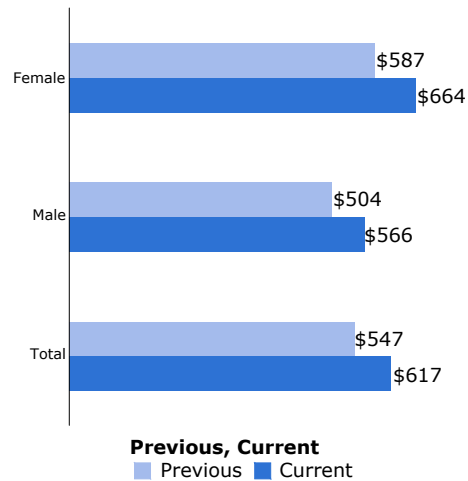
Current Period: Jan 2021 - Dec 2021 (Incurred)



	Enrollment			Average Age		
	Previous	Current	% Change	Previous	Current	% Change
Employees	118,910	119,852	0.8%	51.2	51.4	0.4%
Members	257,082	258,538	0.6%	39.6	39.9	0.6%
Family Size Avg	2.2	2.2	-0.1%			

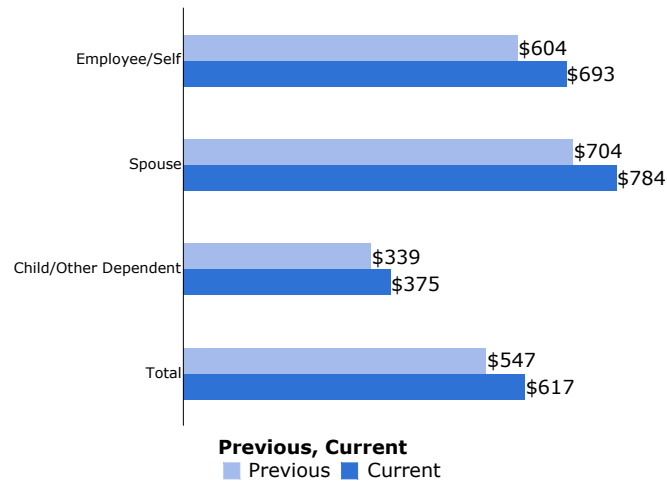
Membership and Net Pay PMPM by Gender

	Previous	Current	% Change
Female	133,707	134,624	0.7%
Male	123,452	123,961	0.4%



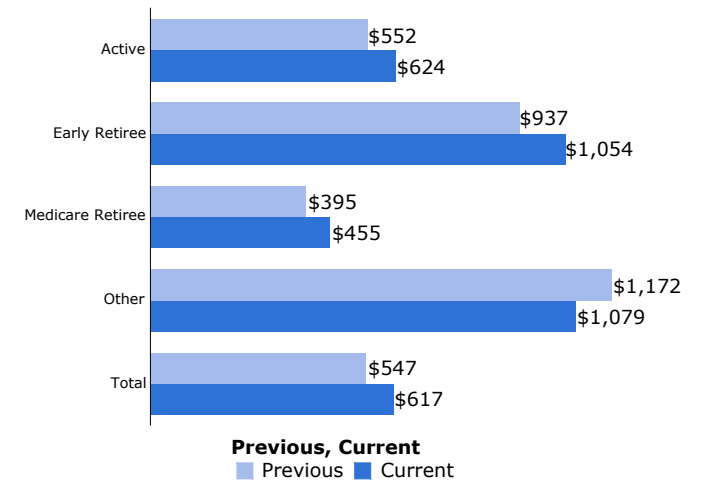
*Membership and Net Pay PMPM by Employee Relationship

	Previous	Current	% Change
Employee/Self	118,851	119,478	0.5%
Spouse	59,300	59,581	0.5%
Child/Other Dependent	78,931	79,479	0.7%



* Membership and Net Pay PMPM by Employee Status

	Previous	Current	% Change
Active	213,069	213,475	0.2%
Early Retiree	12,497	12,522	0.2%
Medicare Retiree	36,604	37,759	3.2%
Other	1,272	1,397	9.8%



*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