Attachment A

Financial
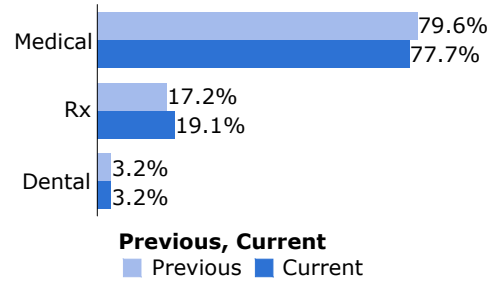
Previous Period: Apr 2021 - Mar 2022 (Incurred)
Current Period: Apr 2022 - Mar 2023 (Incurred)
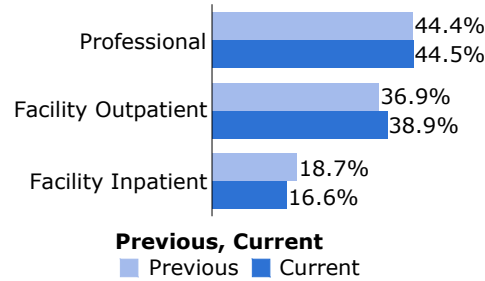
WISCONSIN DEPARTMENT OF EMPLOYEE TRUST FUNDS (etf)

	Previous	Current		Previous	Current	% Change	
Total Net Payment	$1.81 B	$1.86 B	Net Payment PMPM	$632	$650	2.9%	▲

Net Payment by Summary Categories

	Previous	Current
Medical	79.6%	77.7%
Rx	17.2%	19.1%
Dental	3.2%	3.2%

Previous, Current
■ Previous ■ Current

Net Payment by Medical Service Categories

	Previous	Current
Professional	44.4%	44.5%
Facility Outpatient	36.9%	38.9%
Facility Inpatient	18.7%	16.6%

Previous, Current
■ Previous ■ Current

Net Payment by Non-Specialty vs Specialty Drugs

	Previous	Current
Non-Specialty	43.3%	40.6%
Specialty	56.7%	59.4%

Previous, Current
■ Previous ■ Current

Monthly Cost Per Member

- Net Pay PMPM Med
- Net Pay PMPM Rx
- Net Pay PMPM Dental
- Net Pay PMPM
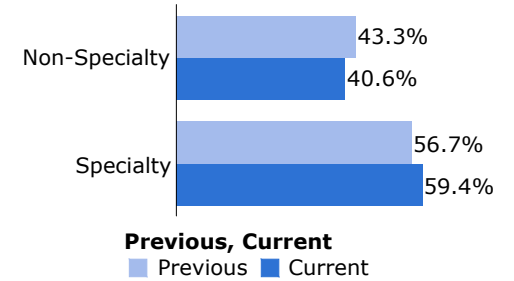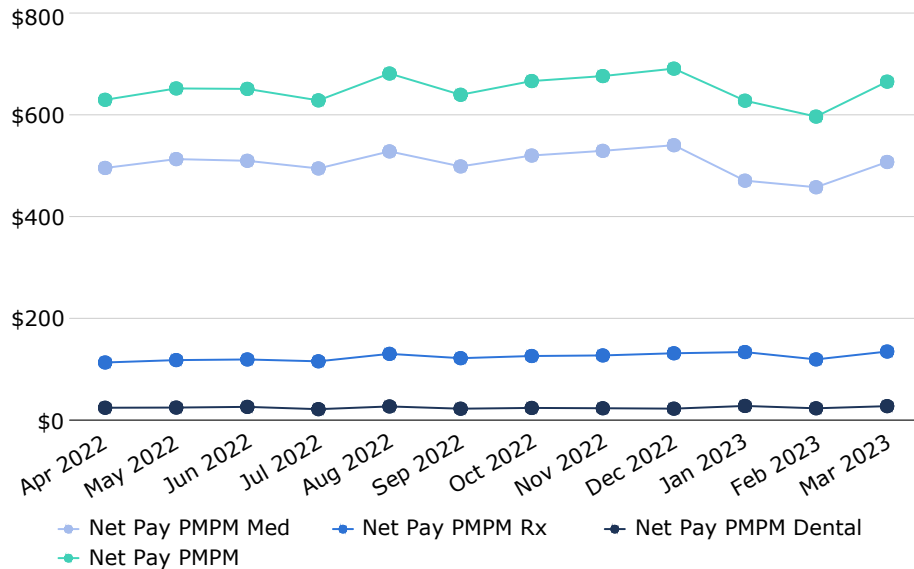
Total Monthly Costs (in Millions)

- Charge Submitted
- Allowed Amount
- Net Payment
- Out of Pocket
- Third Party Amount

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Cost Per Member

	Previous	Current	% Change		Norm	% Difference from Norm	
Allow Amt PMPY Med and Rx	$9,237	$9,602	3.9%	▲	$8,061	19.1%	▲
Allow Amt Per Visit Office Med	$223	$235	5.6%	▲			
Allow Amt Per Adm Acute	$25,452	$24,543	-3.6%	▼	$34,684	-29.2%	▼
Allow Amt Per Visit ER	$2,165	$2,140	-1.1%	▼	$2,430	-11.9%	▼
Allow Amt Per Script Rx	$166	$184	10.7%	▲	$173	6.2%	▲
Visits Per 1000 Office Med	7,648	7,313	-4.4%		6,676	9.5%	
Admits Per 1000 Acute	66	62	-5.9%		49	25.7%	
Visits Per 1000 ER	256	271	5.8%		202	33.7%	
Scripts Per 1000 Rx	11,555	11,944	3.4%				

Cost Drivers

Allowed Amount PMPY increased $365 in the current period.
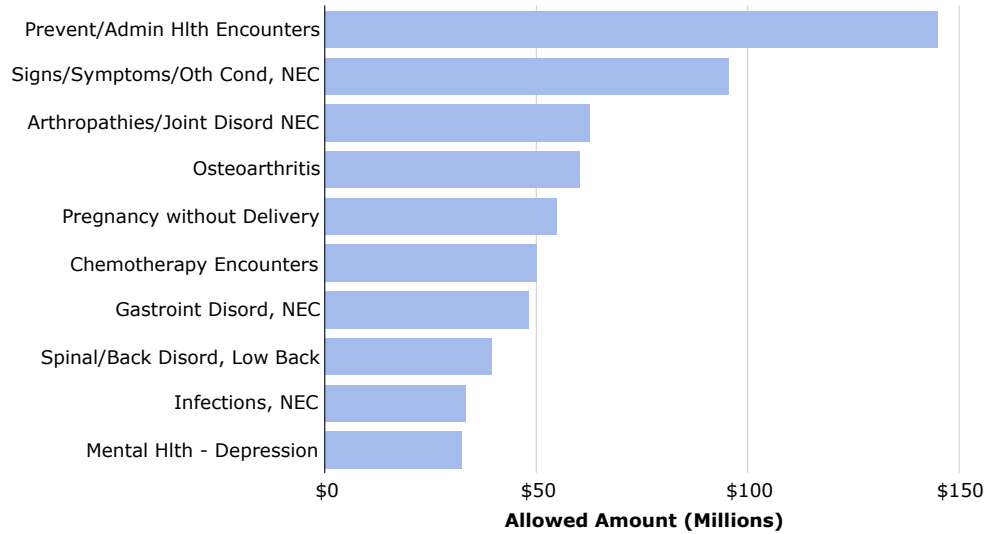The factors driving this change include:

Inpatient Price	-$56
Inpatient Use	- $92
Outpatient Price	$312
Outpatient Use	- $76
Prescription Drug Price	$237
Prescription Drug Use	$40

10 Most Expensive Clinical Conditions

Allowed Amount (Millions)

High Cost Claimants (HCC) Trends

	Allow Amt Med	% of Total	+Patients	**Allow Amt Per Patient Med
Prevent/Admin Hlth Encounters	$144,878,567	8.3%	171,267	$846
Signs/Symptoms/Oth Cond, NEC	$95,500,807	5.5%	75,453	$1,266
Arthropathies/Joint Disord NEC	$62,592,930	3.6%	48,149	$1,300
Osteoarthritis	$60,207,159	3.4%	16,406	$3,670
Pregnancy without Delivery	$54,831,964	3.1%	4,740	$11,568
Chemotherapy Encounters	$49,932,903	2.9%	1,079	$46,277
Gastroint Disord, NEC	$48,070,419	2.8%	24,468	$1,965
Spinal/Back Disord, Low Back	$39,465,835	2.3%	25,539	$1,545
Infections, NEC	$33,289,527	1.9%	38,557	$863
Mental Hlth - Depression	$32,346,329	1.9%	21,595	$1,498
Top 10 Subtotal	**$621,116,441**	**35.6%**	**203,444**	**$3,053**
All Clinical Conditions	**$1,746,107,225**	**100.0%**	**246,261**	**$7,669**

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

Top 10 Conditions for *Consistent HCC

	Allow Amt Med	Patients	**Allow Amt Per Patient Med
Chemotherapy Encounters	$27,144,931	371	$73,167
Renal Function Failure	$20,236,953	403	$50,216
Signs/Symptoms/Oth Cond, NEC	$12,180,435	2,654	$4,589
Condition Rel to Tx - Med/Surg	$9,318,824	514	$18,130
Multiple Sclerosis	$8,856,817	206	$42,994
Infections, NEC	$7,279,313	1,028	$7,081
Gastroint Disord, NEC	$6,310,119	1,011	$6,241
Crohns Disease	$6,150,665	314	$19,588
Respiratory Disord, NEC	$5,300,618	1,182	$4,484
Osteoarthritis	$5,221,734	770	$6,781

HCC: defined as member with allowed amount >= $50K.
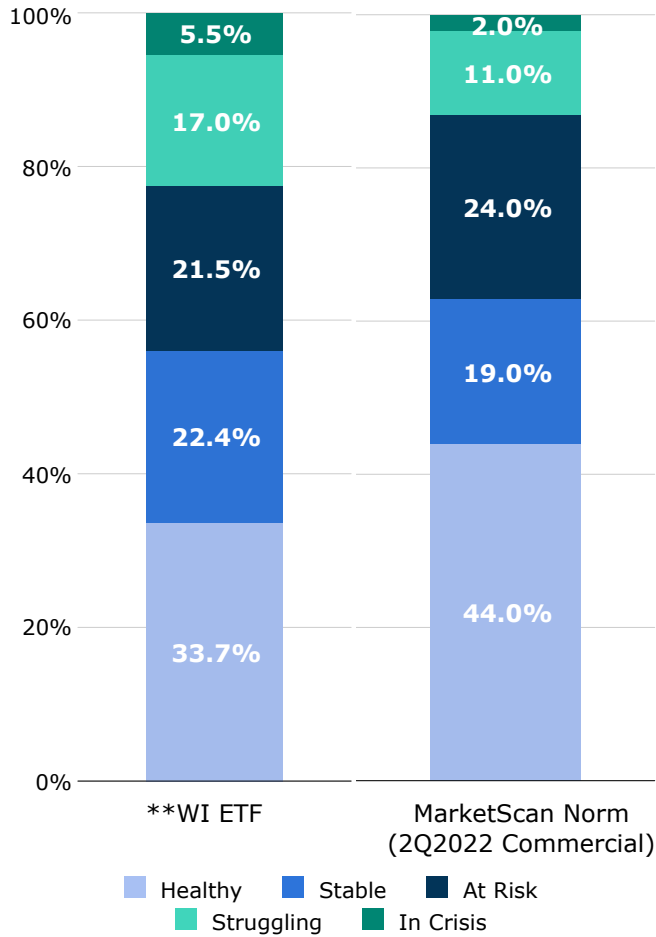*Consistent HCC: in addition, member must meet the HCC requirement for each of the last 2 Incurred Rolling years.
**Only costs associated with this condition in the current period, patients may have multiple conditions.

Clinical

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WISCONSIN DEPARTMENT
OF EMPLOYEE TRUST FUNDS

% of Members by Risk Band

	**WI ETF	MarketScan Norm (2Q2022 Commercial)
In Crisis	5.5%	2.0%
Struggling	17.0%	11.0%
At Risk	21.5%	24.0%
Stable	22.4%	19.0%
Healthy	33.7%	44.0%

Legend: Healthy, Stable, At Risk, Struggling, In Crisis
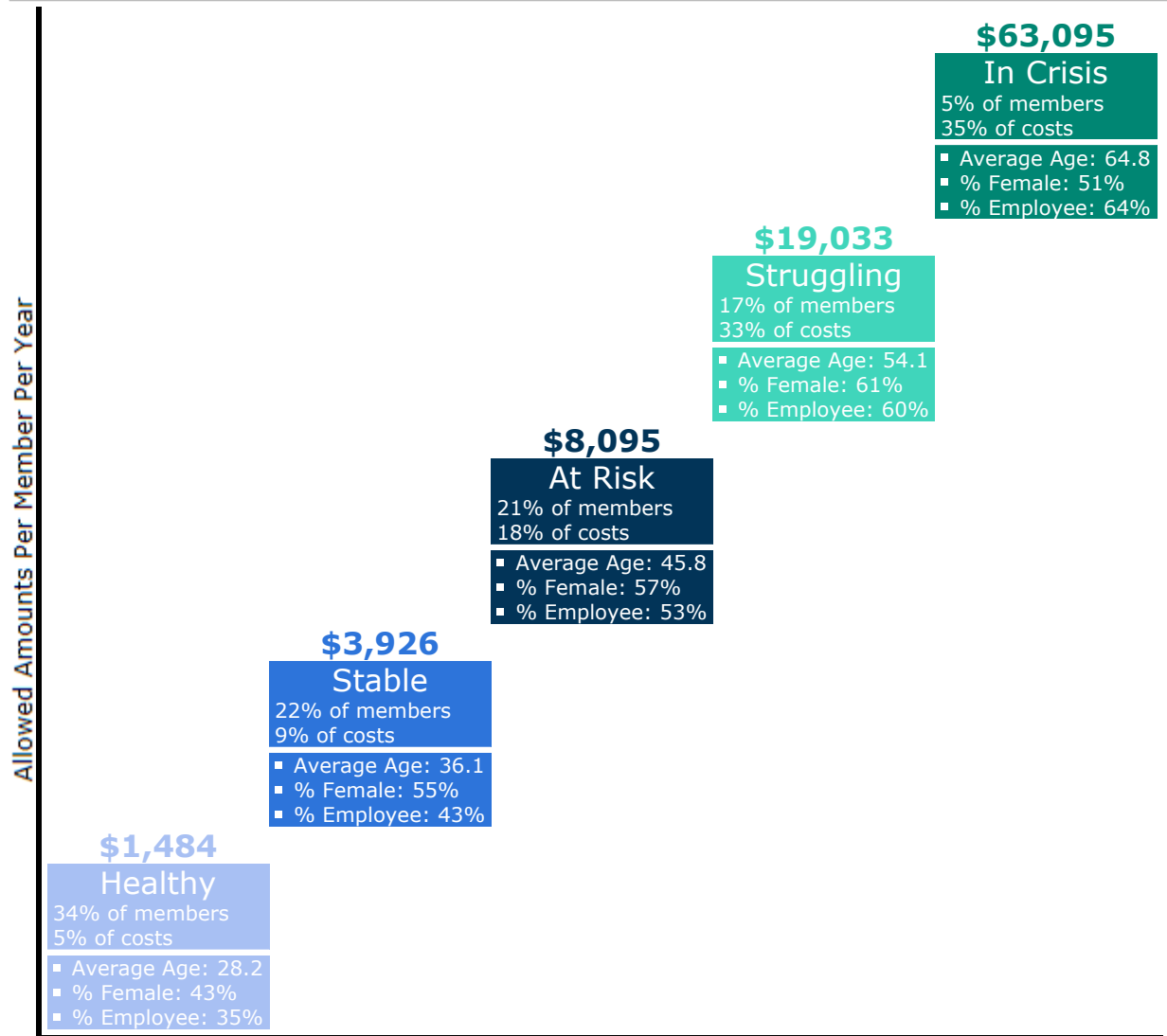
*Demographic and financial metrics are for the current period
**See glossary for details on DCG Methodology

Risk Band Profiles

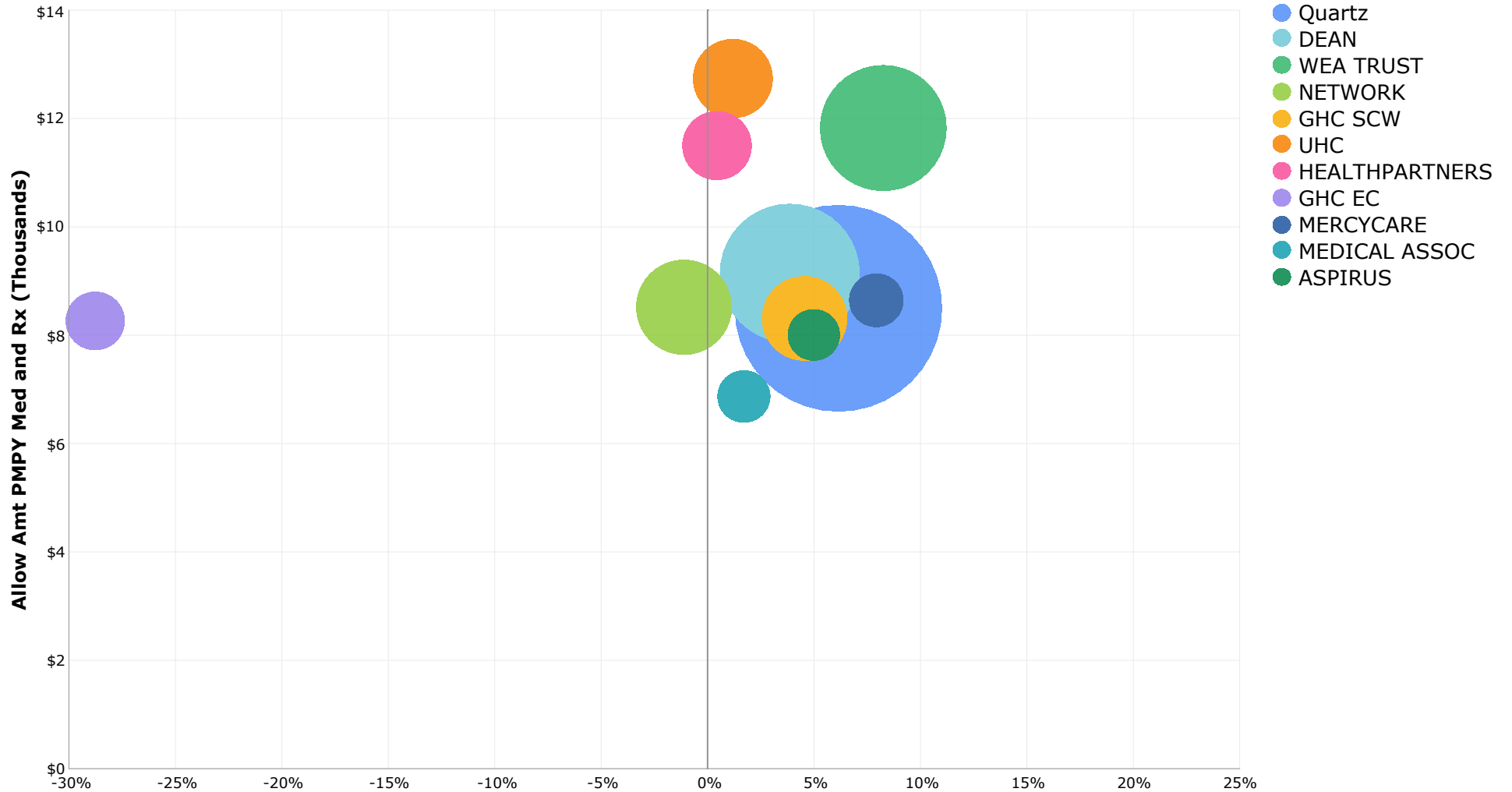Allowed Amounts Per Member Per Year

$63,095
In Crisis
5% of members
35% of costs
- Average Age: 64.8
- % Female: 51%
- % Employee: 64%

$19,033
Struggling
17% of members
33% of costs
- Average Age: 54.1
- % Female: 61%
- % Employee: 60%

$8,095
At Risk
21% of members
18% of costs
- Average Age: 45.8
- % Female: 57%
- % Employee: 53%

$3,926
Stable
22% of members
9% of costs
- Average Age: 36.1
- % Female: 55%
- % Employee: 43%

$1,484
Healthy
34% of members
5% of costs
- Average Age: 28.2
- % Female: 43%
- % Employee: 35%

Risk Bands

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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

	Enrollment			Average Age		
	Previous	Current	% Change	Previous	Current	% Change
Employees	121,521	123,033	1.2%	51.5	51.5	0.0%
Members	262,245	264,651	0.9%	39.9	40.1	0.3%
Family Size Avg	2.2	2.2	-0.3%			

Membership and Net Pay PMPM by Gender

	Previous	Current	% Change
Female	136,540	137,773	0.9%
Male	125,750	126,954	1.0%

Female: $680 (Previous), $697 (Current)
Male: $580 (Previous), $599 (Current)
Total: $632 (Previous), $650 (Current)

Previous, Current
Previous Current
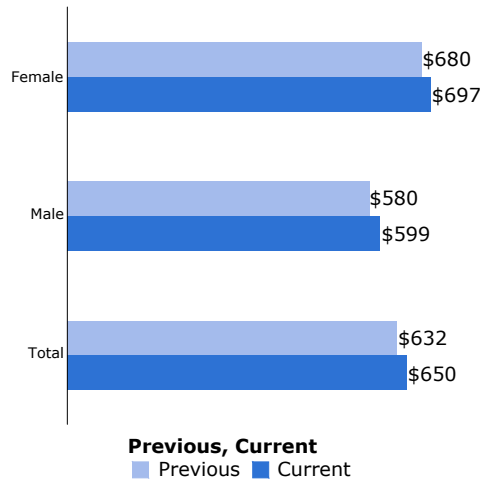
*Membership and Net Pay PMPM by Employee Relationship

	Previous	Current	% Change
Employee/Self	121,340	122,425	0.9%
Spouse	60,404	61,002	1.0%
Child/Other Dependent	80,501	81,224	0.9%

Employee/Self: $701 (Previous), $719 (Current)
Spouse: $803 (Previous), $840 (Current)
Child/Other Dependent: $394 (Previous), $398 (Current)
Total: $632 (Previous), $650 (Current)

Previous, Current
Previous Current
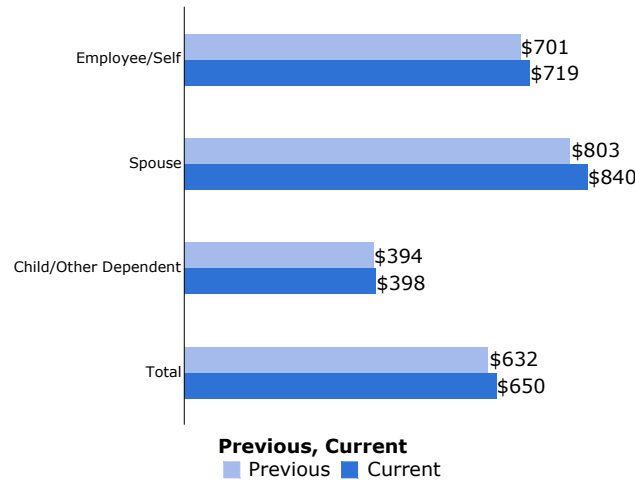
* Membership and Net Pay PMPM by Employee Status

	Previous	Current	% Change
Active	216,693	218,245	0.7%
Early Retiree	13,041	12,588	-3.5%
Medicare Retiree	38,142	39,176	2.7%
Other	1,390	1,163	-16.3%

Active: $639 (Previous), $653 (Current)
Early Retiree: $1,077 (Previous), $1,145 (Current)
Medicare Retiree: $471 (Previous), $501 (Current)
Other: $962 (Previous), $975 (Current)
Total: $632 (Previous), $650 (Current)

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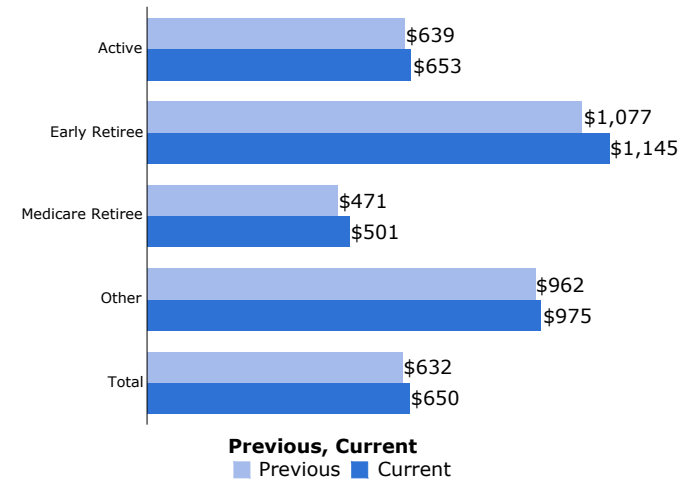
*Membership counts may not be unique since there may be transitions between the listed categories during the reported period

Glossary of Terms

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: Merative 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 Merative MarketScan