Health Plan Management Report

Greater Tompkins Consortium

Incurred between January 1, 2011 and December 31, 2011, paid through March 31, 2012

Agenda

Key Trends and Comparisons

> Costs vs. Comparison

> Costs by Arena

> Plan Cost Distribution

> High Cost Claimants

> Utilization Measures

Consumerism

> Emergency Room Visits
> Office Visits

Health Management

> Health Management Opportunities by Prevalence

> Preventive Services Rate Estimate

Health Management Programs

> Disease Management

> Behavioral Health Care Management

> Utilization Management

Recommendations
Wellness Calendar
Highlights

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Current vs. Comparison

	Prior	Current	% Change
Average Contracts		2,001	
Average Members		4,406	

	Current	Comparison	Current vs Comparison
Plan Cost per Contract per Year	$8,439	$6,482	30% higher
Plan Cost per Member per Month	$319	$250	28% higher
Total Cost per Member per Year	$4,525	$3,402	33% higher
Member Cost per Contract per Year	$267	$640	58% lower
Percent Member Cost Share	3%	9%	less
Members per Contract	2.2	2.2	same
Average Age	40.7	35.4	older

Total Cost (Plan Cost + Member Cost + Other Carrier Liability)

Comparison data is based on a large sample of **Excellus BlueCross BlueShield** clients, representing approximately 648,000 members.

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Plan Costs by Arena

Arena	Prior Plan Costs	Current Plan Costs	% Change	% of Total	Prior PMPM	Current PMPM	% Change PMPM	Comparison PMPM	Current vs Comparison
Inpatient		$2,980,512		18%		$56.37		$62.44	10% lower
Outpatient		$6,805,740		40%		$128.72		$82.14	57% higher
Physician		$6,469,919		38%		$122.37		$95.39	28% higher
Other		$630,582		4%		$11.93		$9.76	22% higher

Top Outpatient Treatment Types

	Percent of Plan Cost	Percent of Visits
Surgery	29%	6%
Radiology	23%	15%
ER	17%	15%
Lab	12%	27%
Therapeutic Injections	9%	1%
Behavioral Health	3%	15%

✓ In the outpatient setting, surgery services were the most costly, representing 29% of costs

✓ Lab accounted for the highest percentage of utilized services in the Outpatient setting, 27%.

Plan Costs Distribution by Members

Generally, 20% of members account for 80% of plan costs

Percent of Members and Plan Costs
by Plan Cost Band
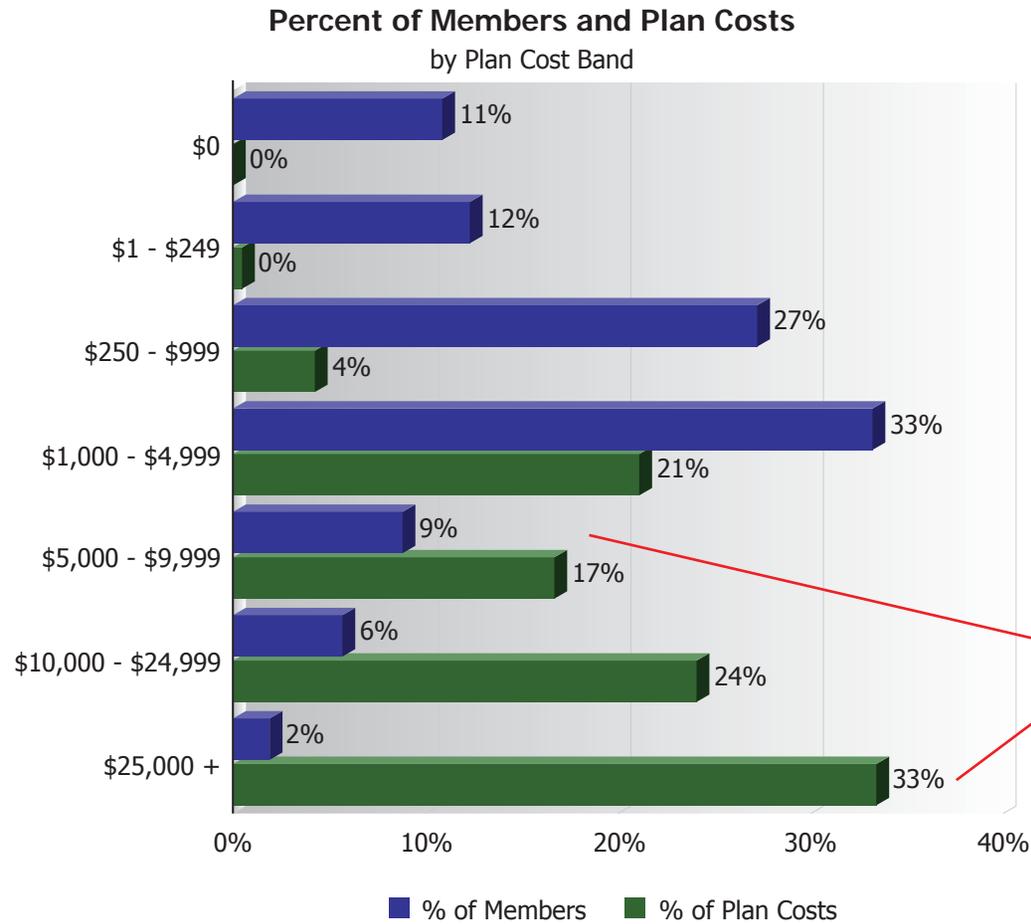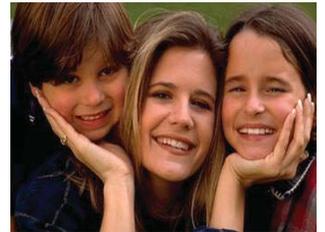
17% of members have accounted for 74% of plan costs

High Claimants

The high claimants accounted for 33% of plan costs and represent 3% of the population.

Top 10 Claimants (>= $25,000)

Claimant	Most Costly Diagnosis	Prior Plan Cost	Current Plan Cost	Current Status	Next 12 Months Forecast > $50K
000010879451	186 Malignant Neoplasm of Male Reproductive Sys	$0	$335,633	Active	YES
000010723595	153 Malignant Neoplasm of Colon	$0	$295,897	Active	YES
000000481807	357 Inflammatory and Toxic Neuropathy	$0	$264,533	Active	YES
000010518051	200 Lymphosarcoma and Reticulosarcoma	$0	$185,712	Termed	NO
000002057629	V5811 Encounter for antineoplastic chemotherapy	$0	$180,324	Active	YES
000001112005	510 Empyema	$0	$177,294	Active	NO
000010553667	507 Pneumonitis Due to Solids and Liquids	$0	$164,560	Termed	NO
000002584368	738 Other Acquired Musculoskeletal Deformity	$0	$131,646	Active	NO
000002019287	038 Septicemia	$0	$129,961	Active	YES
000010895292	584 Acute Renal Failure	$0	$128,963	Active	NO

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Utilization Measures

	Prior	Current	% Change	Comparison	Current vs Comparison
Admissions/1,000/Year		85		68	24% higher
Average Length of Stay		4.6		4.1	13% higher
Physician Office Visits/1,000/Year		3,850		2,859	35% higher
Emergency Room Visits/1,000/Year		231		184	25% higher

	Current	Comparison	Current vs Comparison
Emergency Room Visits/1,000/Year	231	184	25% higher
Emergency Room Visits/1,000/Year: Potentially Avoidable Visits	43	31	41% higher
Emergency Room Visits/1,000/Year: Other Visits	187	154	22% higher
Emergency Room Total Cost per ER Visit	$1,302	$1,159	12% higher
Physician Office Total Cost per Visit	$112	$101	10% higher

Emergent Care

Emergency Room utilization accounted for 81% of Emergent Care costs

Plan Cost as values		2011
OUTPATIENT	Emergency Room	$903,396
	Immediate Care	$242,669
	Emergency Room	$1,146,065
PHYSICIAN	Emergency Room	$161,559
	Emergency Room	$161,559
Medical		$1,307,624

	% of Emergent Care Cost	% of Emergent Care Visits
Cayuga Medical Center	67%	67%
Cortland Memorial	11%	9%
Out of Area	4%	4%

| Admits or Visits as values		2011			
		SPOUSE	DEPENDENT	SUBSCRIBER	Relations
OUTPATIENT	Emergency Room	216	332	468	1,016
	Immediate Care	218	348	427	993
	Emergency Room	434	680	895	2,009

✓ Subscribers utilized the Emergent Care setting more than the other relations

✓ Although Immediate Care (Urgent Care) is utilized frequently, it is important to stress the significance of establishing a relationship with a physician for ongoing care

- The *potentially avoidable visits* seen in the Emergent Care setting are 41% higher than the comparison population

- The average cost visit: office - $112 vs. ER - $1,302

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Most Frequent Emergency Room Diagnoses

Emergency Room Visits

- ■ Potentially Avoidable Visits
- ■ Other Visits

826

190
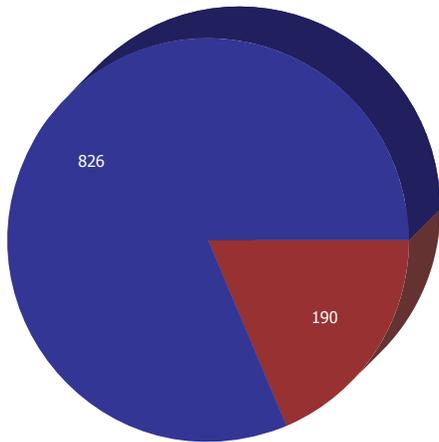
Most Frequent ER Diagnoses: Potentially Avoidable	Prior ER Visits	Current ER Visits	Current % of Total
Upper Respiratory Infections	0	65	6%
Back Pain	0	55	5%
Headache	0	31	3%
Urinary Tract Infections	0	21	2%
Ear Infections	0	11	1%
Allergies	0	7	1%
Total Potentially Avoidable	**0**	**190**	**19%**

Most Frequent ER Diagnosis: Other	Prior ER Visits	Current ER Visits	Current % of Total
Symptoms; signs; and ill-defined conditions	0	102	10%
Diseases of the heart	0	98	10%
Fractures	0	48	5%
Open wounds	0	48	5%
Superficial injury; contusion	0	48	5%
All Other	0	482	47%
Total Other	**0**	**826**	**81%**

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Most Frequent Office Visit Diagnoses

Physician Office Visits/1,000/Year

Chart values: Current = 3,850; Comparison = 2,859

Legend: Current, Comparison
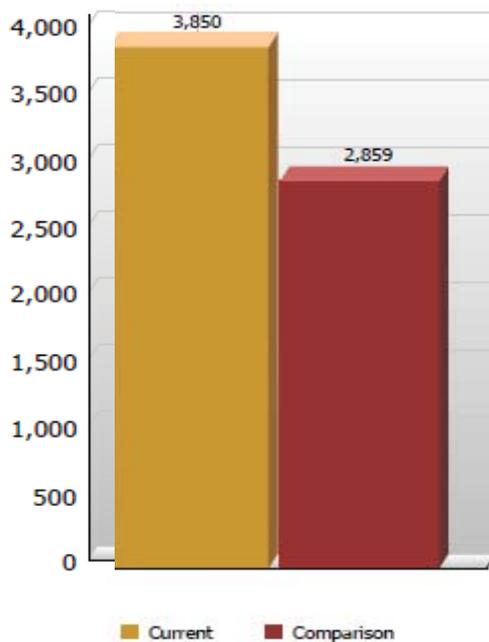
5 Most Frequent Office Visit Diagnoses: Adults	Physician Office Visits	Current % of Total
Respiratory infections	1,009	8%
Diseases of the heart	851	6%
Hypertension	694	5%
Spondylosis; intervertebral disc disorders; other back problems	643	5%
Non-traumatic joint disorders	632	5%
Total	**3,829**	**29%**

| 5 Most Frequent Office Visit Diagnoses: Children	Physician Office Visits	Current % of Total
Respiratory infections	777	21%
Ear conditions	337	9%
Symptoms; signs; and ill-defined conditions	280	8%
Other skin disorders	126	3%
Other upper respiratory disease	114	3%
Total	**1,634**	**45%**

Symptoms; signs; & ill-defined conditions
Abdominal Pain
Symptoms involving Digestive System
Syncope and Collapse
Fatigue
Fever

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Health Management Opportunities by Prevalence

Health Management Opportunities by Prevalence
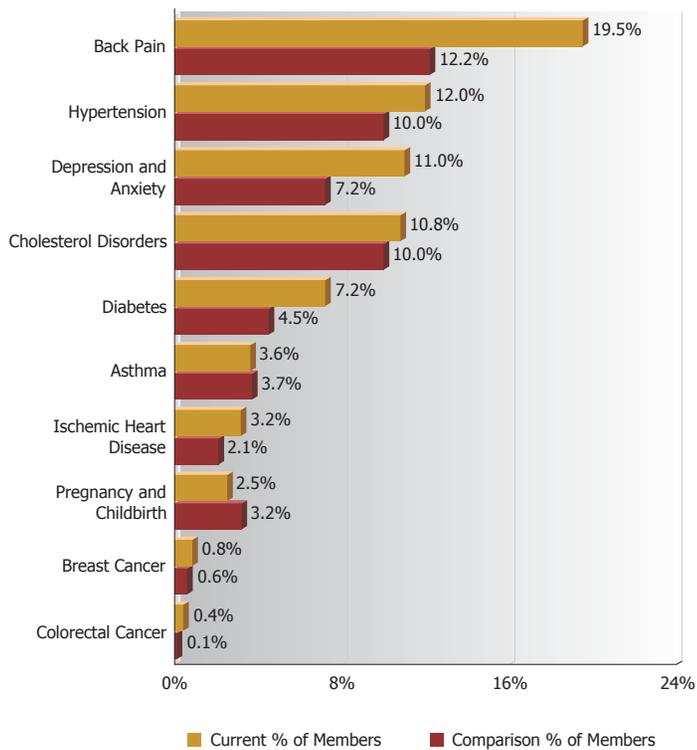
Category	# of Members	Total Cost	Prevalence Current	Prevalence Comparison	Current vs Comparison
Back Pain	900	$1,051,074	19.5%	12.2%	60% higher
Hypertension	552	$142,666	12.0%	10.0%	20% higher
Depression and Anxiety	507	$582,729	11.0%	7.2%	53% higher
Cholesterol Disorders	498	$105,014	10.8%	10.0%	8% higher
Diabetes	332	$248,729	7.2%	4.5%	60% higher
Asthma	167	$48,851	3.6%	3.7%	2% lower
Ischemic Heart Disease	146	$355,816	3.2%	2.1%	51% higher
Pregnancy and Childbirth	116	$644,383	2.5%	3.2%	21% lower
Breast Cancer	39	$305,394	0.8%	0.6%	41% higher
Colorectal Cancer	19	$283,958	0.4%	0.1%	312% higher

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Preventive Services Rate Estimates

Category	Unique Members with Services	Members Eligible During Period	Guideline Years	Percent with Services	Adjusted Percent with Services
Well Care Visits, Ages < 5	161	212	1	76%	76%
Well Care Visits, Ages 5-11	234	378	2	62%	100%
Well Care Visits, Ages 12-17	240	448	2	54%	100%
Well Care Visits, Ages 18-39	301	1,245	5	24%	100%
Well Care Visits, Ages 40-64	665	2,043	3	33%	98%
Cholesterol Testing, Ages 18-64	1,119	3,230	5	35%	100%
Colonoscopy/Sigmoidoscopy, Ages 50-64	253	1,339	10	19%	100%
Mammography, Women Ages 40-64	510	1,110	2	46%	92%
Pap Smear, Women Ages 18-64	461	1,714	3	27%	81%

Notes:

Percent with Services is calculated as Unique Members with Services divided by Members Eligible During Period.

Adjusted Percent with Services changes this rate based on the recommended frequency of the service in years (Guideline Years) – e.g., if the Percent with Services is 40% in one year but the service is only recommended every two years, then the Adjusted Percent with Services will be 80%.

This report can provide a general understanding of employee education needs or benefit design opportunities. Rates are considered estimates because of issues including the following:

Employee Turnover – Rates include all members active at any point during the period, and are affected by those who are active for less than the complete report period (e.g., a new employee who has an appropriately scheduled preventive service just before joining, or one who has the same just after terminating).

Aging and Eligible Populations – Members may age in or out of a category during a report period, particularly for those with smaller age bands (e.g., a child may turn 6 just after the reporting period starts, but is still included in the denominator of the well care <5 rate).

Length of Time between Recommended Services – Most preventive services are not recommended every year, and even with perfect compliance, rates for a given service will be less than 100%. This is considered somewhat by multiplying each rate by the Guideline Interval shown in years. However, variability is still expected (i.e., a major promotion of preventive care may result in higher adult well care in one year, followed by lower rates in the subsequent years because many people won't need another exam for several years).

Limitations of Administrative Data – While useful in evaluating general performance, claims data has many known limitations in evaluating preventive services utilization. For example, some preventive services may never be processed as a claim (e.g., cholesterol screening at a health clinic or worksite wellness fair). Procedure codes may also be vague or used inconsistently by providers.

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Health Management Programs

Greater Tompkins County Municipal Health Insurance Consortium

Activity for period ending December 31, 2011

Disease Management
This reflects activity for the 12 month period ending October 31, 2011

- Disease Management programs help members with chronic conditions to better manage those conditions by increasing their knowledge about their condition, its potential complications, and the importance of medication and treatment plan compliance.

- All identified members with asthma, heart disease, and diabetes (and as of 11/01/2011 CHF and COPD) receive educational mailings, and those may be in need of recommended services receive gap mailings or IVR messages. Those at higher risk receive additional nurse education and support by phone. For particularly complex medical situations, nurses work with members to establish a plan of care.

Chronic Conditions	
Asthma	235
Diabetes	337
Heart Disease	100

- Screening for depression is an integral part of the assessment of members with chronic conditions.

Enhanced Reporting Available in Late 2012.

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Behavioral Health Care Management

- High risk members with Behavioral Health issues are identified for BH Care Management and/or Member Treatment Coordination.

- In the working population, major depression is one of the most prevalent behavioral health problems. Research suggests that the majority of patients with depression improve with treatment.

# of Members Identified for BH Case Management or Member Treatment Coordination
18

# of Members Diagnosed/Treated for Depression
508

Sample Case 1: A member stopped her treatment abruptly and refused follow up care. The care manager learned that the member was paying $50 per visit which she could not afford. Due to worsening condition, member went out on disability. The care manager collaborated with the individual who handled the disability case. She also researched the copay benefit and found out that member actually had a $0 copay. Member resumed necessary care, and she returned to work after recovery.

Sample Case 2: Member with a history of depression had significantly worsening symptoms. The behavioral health care manager collaborated with therapist's office to obtain a crisis appointment. Care manager provided ongoing education on management of her condition, medications, and wellness. The member's depression lifted, and she ran a 9 mile race.

Sample Case 3: Member was admitted to psychiatric unit due to depression and suicidal ideation. She had been increasingly depressed and unable to function effectively at work. The member treatment coordinator assisted the hospital social worker to find a participating outpatient provider in the area. After member's discharge, the coordinator provided support, and assisted the member in seeking out appropriate specialists and using community resources to widen supports.

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Utilization Management

- High cost services are reviewed by a Health Plan UM Coordinator (and in some cases, a Medical Director) to assure that services are necessary and appropriate based on national guidelines.

Treatment Setting	Count
Unmodified	
Inpatient	81
Outpatient	181
Skilled Nursing Facility	0
Modified	
Inpatient	10
Outpatient	37
Skilled Nursing Facility	1
Pended	
Inpatient	0
Outpatient	1
Skilled Nursing Facility	0
Total Cases Reviewed	311

- Of the **131** radiology cases, **8** were modified (**6%**).

- Of the **139** other clinical cases, **40** were modified (**29%**).

Sample Case 1: A member was undergoing a tonsillectomy and approval was requested for hospital admission. This is a procedure which is usually done on an outpatient. UM reviewed the information that physician provided against established medical criteria and approved an inpatient admit.

Sample Case 2: A physician evaluating a member with shoulder pain requested an MRI. UM reviewed the member's clinical history against established medical criteria and denied the request for lack of medical necessity, as the MRI would not make any difference in optimal treatment at that point.

Sample Case 3: A member went to the emergency room with chest pain and approval was requested for hospital admission. UM reviewed the clinical data and denied the hospital admission, but approved an observation stay which was more appropriate given the clinical situation.

This does not include Medical Claims reviews, done retrospectively resulting in additional cost savings

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Recommendations

✓ Initiate a campaign to reduce *unnecessary Emergency Department* visits. Also promote ways to help members *find a primary care physician* and *utilize urgent care centers*.

✓ Provide wellness promotional information to help reduce incidence of *back pain, cholesterol disorders, hypertension, diabetes, depression, and heart disease.* Promote *custom web portal* and other wellness services such as, *Step Up, Blue 365, and Advanced Care Planning*.

✓ Your members have access to the *New York State Quitline*. By increasing participation, there is potential for considerable cost savings. For each smoker who quits, an estimated $2746 in medical costs is saved per quitter per year (excess costs per smoker total $5398 per year when considering lost productivity and workmen's comp). Your Health and Wellness Consultant can work with you to provide messaging to promote the program. Promoting it will increase participation. Providing incentives boosts participation significantly.

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Proposed Wellness Calendar

APRIL	MAY	JUNE
	• Excellus Calendar Monthly Health Observance - High Blood Pressure Ed • Hypertension Campaign • Know Your Numbers Online Interactive Presentation • 5/31 - No World Tobacco Day • New York State Quit Line	• Excellus Calendar Monthly Health Observance - Men's Health Month • Men's Wellness Online Interactive Presentation • Emergency Dept/Urgent Care Center/Find a PCP • Back Pain Campaign
JULY	**AUGUST**	**SEPTEMBER**
• Excellus Calendar Monthly Health Observance - UV Safety Month • Breath Better Online Interactive Presentation • Depression & Anxiety Campaign	• Excellus Calendar Monthly Health Observance - Immunization Awareness • Why Weight Online Interactive Presentation • Be Stressed Less – Online Interactive Presentation	Excellus Calendar Monthly Health Observance - Fruits & Vegetables Month • Step Up Competition • Move More Feel Better Online Interactive Presentation
OCTOBER	**NOVEMBER**	**DECEMBER**
• Excellus Calendar Monthly Health Observance - Breast Cancer Awareness • Women's Wellness Online Interactive Presentation • Blue 365	• Excellus Calendar Monthly Health Observance - Diabetes Month • Diabetes Campaign • Great American Smokeout • New York State Quit Line	• Excellus Calendar Monthly Health Observance - Cold/flu Prevention • Snort Sniffle, Sneeze…No Antibiotics Please Online Interactive Presentation • Emergency Dept/Urgent Care Center/Find a PCP

Highlights

✓ During the first plan year, the **Greater Tompkins County Municipal Health Insurance Consortium** plan costs are trending *higher* than the Excellus comparison population.

- **Plan Cost per Contract Per Year** was **30%** higher at $8,439 while **Member Cost per Contract Per Year** is **58%** lower ($267) than the comparison population.

- Three percent of members have accounted for 33% of plan costs.

  - Three members had claims greater than $200K and are forecasted to have claims greater than $50K over the next 12 months.

✓ **Emergent Care** utilization is trending **25%** higher than the comparison population.   While urgent care center utilization is typically less costly than the ER, member education surrounding the benefits of utilizing the office setting as well as benefit design considerations could help to alleviate future plan cost expenditures in this area.

- The average Cost per **ER visit** was **$1,302** vs. the average Cost per **Office Visit** was **$112**.

✓ The top prevalence categories with health management opportunities were **Back Pain**, **Hypertension**, **Depression/Anxiety**, **Cholesterol disorders** and **Diabetes**.

- Employees (Subscribers) accounted for the majority of services associated with these diagnoses.   Initiatives targeted to employees that focus on these diagnoses would impact the largest population of utilizers.

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