

CHIA Standard Statistics: Total Health Care Expenditures



Time Period/Data Year(s): CY2012-CY2016

Governing Legislation: M.G.L. c. 12C, section 16; Regulation 957 CMR 8.00

Description	Total Health Care Expenditures (THCE) is a measure that represents the total amount paid by or on behalf of Massachusetts residents for health care services covered by public and private health insurance. The Center for Health Information and Analysis (CHIA) is statutorily mandated to report annually on THCE and compare its growth against the health care cost growth benchmark set forth by the Health Policy Commission (HPC).
Frequency	Annual – An initial assessment for THCE growth between CYs 2015 and 2016 was released in September of 2017 as well as a final assessment of THCE growth between CYs 2014 and 2015. A final assessment of 2015-2016 THCE growth incorporating up to 16 months of claims run-out and settlements will be released in September of 2018.
Statutory Definition	THCE is defined as “the annual per capita sum of all health care expenditures in the Commonwealth from public and private sources, including: (i) all categories of medical expenses and all non-claims related payments to providers, as included in the health status adjusted total medical expenses (TME) reported by CHIA; (ii) all patient cost-sharing amounts, such as deductibles and copayments; and (iii) the net cost of private health insurance, or as otherwise defined in regulations promulgated by CHIA.”
Data Submitters	Massachusetts commercial health insurance payers, the Centers for Medicare and Medicaid Services (CMS), and MassHealth.
Data Included	<p>Data for the Commercial market includes</p> <ul style="list-style-type: none"> • Commercial full and partial claims reported directly to CHIA by commercial payers • Commercial payers with Massachusetts contracts that are not required to file TME data are estimated by an actuary based on CMS Medical Loss Ratio (MLR) data. <p>Data for Public Coverage includes</p> <ul style="list-style-type: none"> • MassHealth and Commonwealth Care MCO, Medicare Advantage, and Medical Security Program data reported directly to CHIA by commercial payers • MassHealth FFS, PCC, PACE, and SCO data sourced from the MassHealth claims data warehouse • Medicare Parts A, B, and D reported in a data summary from CMS • Health Safety Net (HSN) payments sourced from MassHealth • Veterans Affairs payments sourced from the Veterans Health Administration <p>Data for the Net Cost of Private Health Insurance includes</p> <ul style="list-style-type: none"> • Merged market data sourced from the Massachusetts MLR Reports and Supplemental Health Care Exhibit • Large Group and Self-Insured data sourced from the CMS MLR Reports and Supplemental Health Care Exhibit • Medicaid and Commonwealth Care MCO, and Medicare Advantage sourced from Annual Statutory Financial Statements
Quality Assurance Process	<ul style="list-style-type: none"> • TME data is certified by payers upon submission to CHIA • MassHealth and Medicare data is provided and reviewed by MassHealth and CMS, respectively • Staff project lead reviews all THCE data for quality and accuracy • All publication materials are reviewed by staff analysts, managers, and team director

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Reports	Published each September as part of CHIA's Annual Report on the Performance of the Massachusetts Health Care System . Products include report, databook, and any technical notes.
Data Notes	Out-of-pocket expenditures for services not covered by an individual's health insurance (public or private) are not captured in the THCE calculation due to lack of data sources.
How to Obtain Data	Current and historical THCE reports and databooks are available on CHIA's website .
Related CHIA Measures	Total Medical Expenses ; National Health Expenditure Accounts/State Health Expenditure Accounts (Centers for Medicare and Medicaid Services); Annual Health Care Expenditures Per Capita (Health Care Cost Institute)
Questions?	Questions may be directed to Erin Bonney at erin.bonney@state.ma.us .