

ANNUAL REPORT ON THE PERFORMANCE OF THE MASSACHUSETTS HEALTH CARE SYSTEM

SEPTEMBER 2014

Chart Book

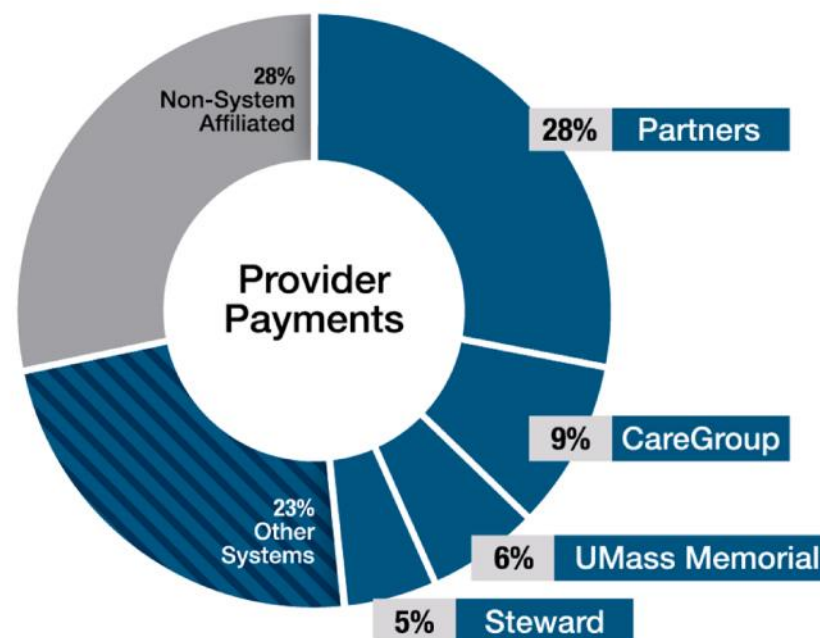
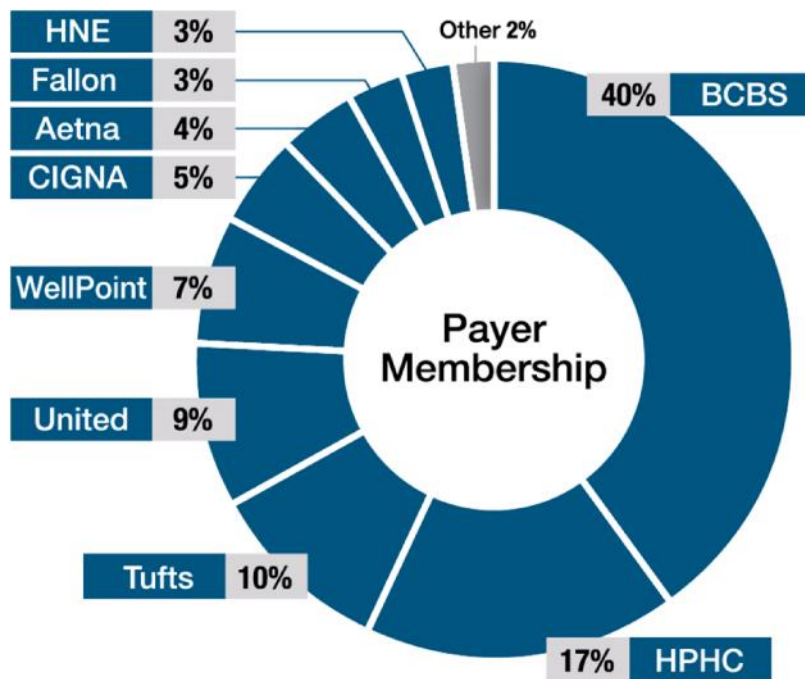


center
for health
information
and analysis



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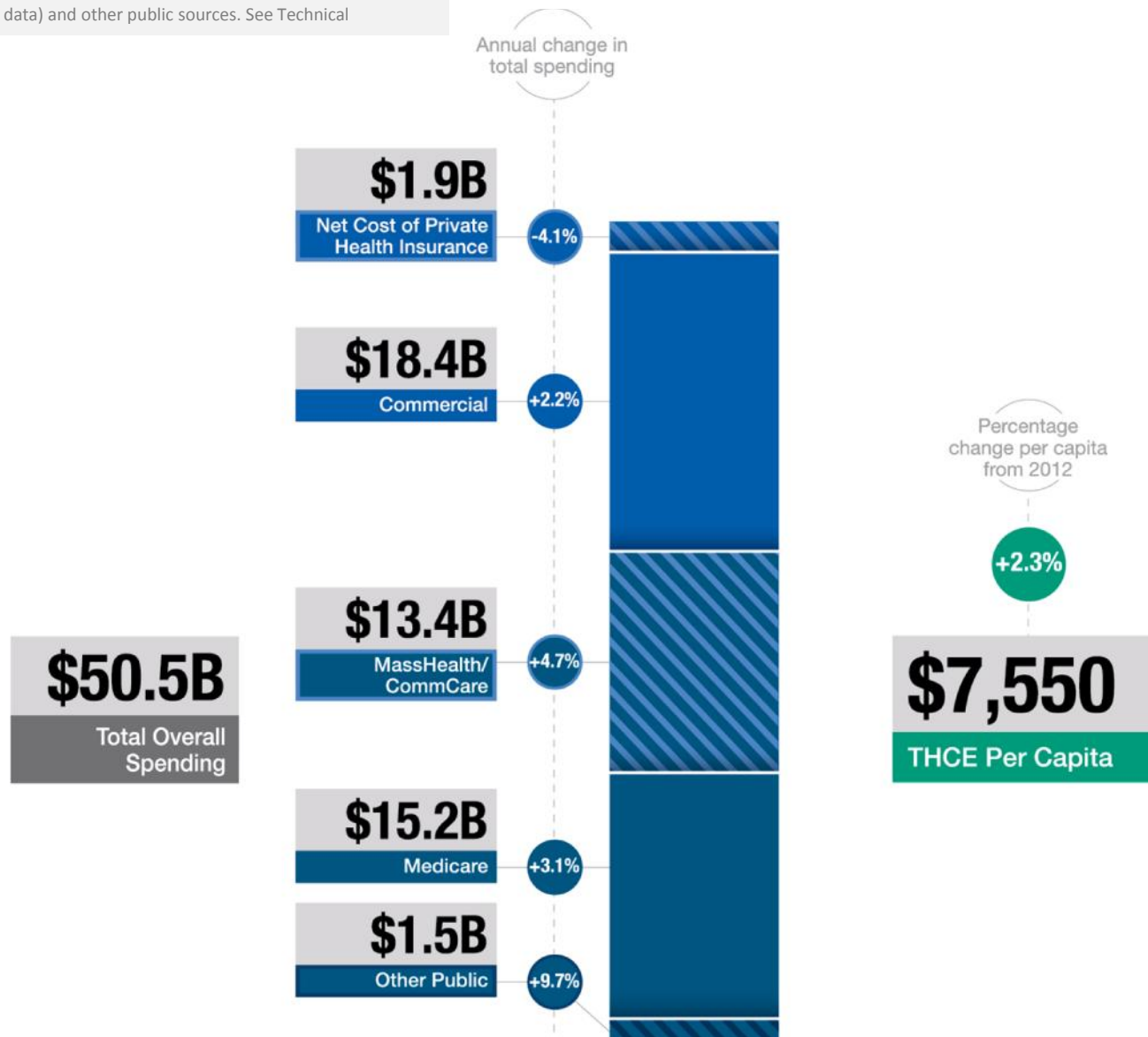
The Massachusetts payer and provider markets are highly concentrated.

Notes: Harvard Pilgrim Health Care (HPHC) includes Health Plans Inc. membership. Some provider consolidation activity has occurred since this data was collected.

Source: CHIA (payer-reported data)

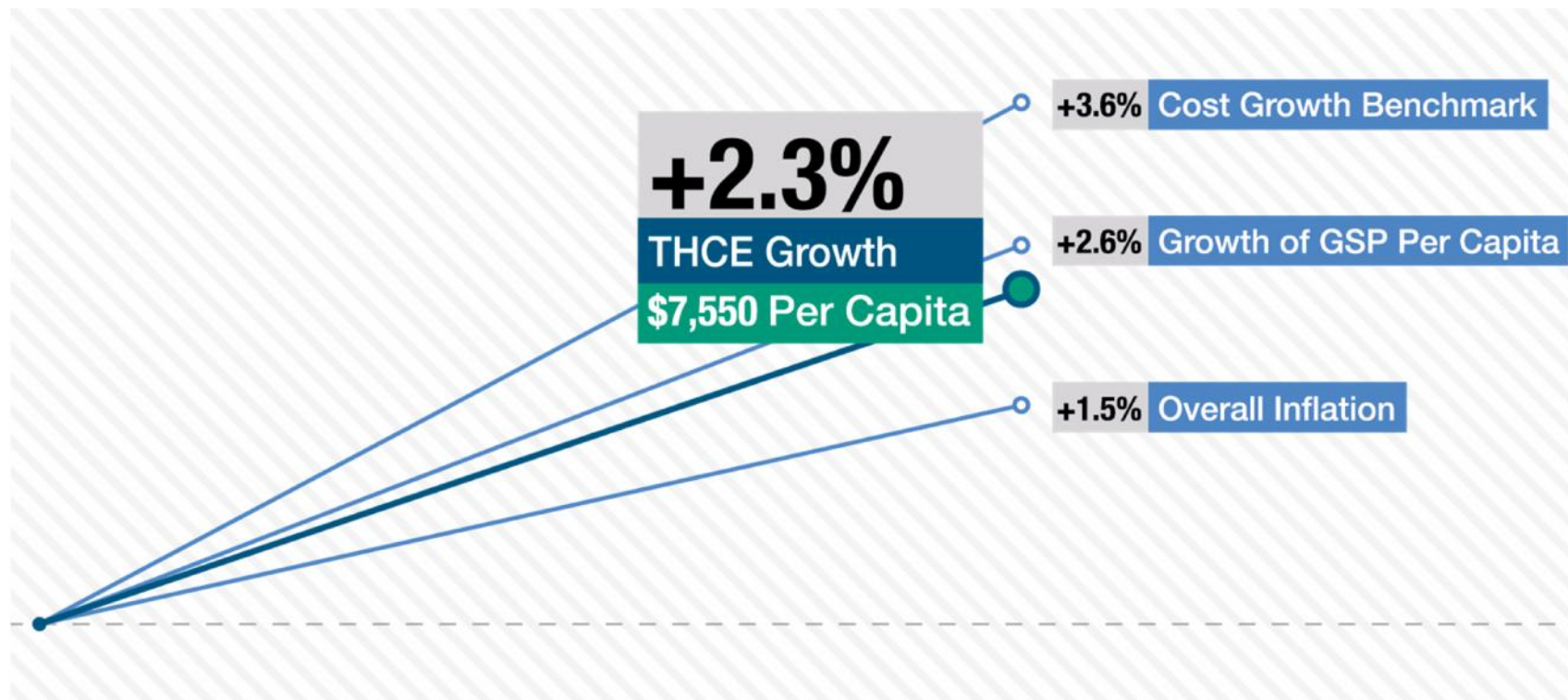
Health care expenditures per Massachusetts resident were \$7,550 – an annual increase of +2.3%.

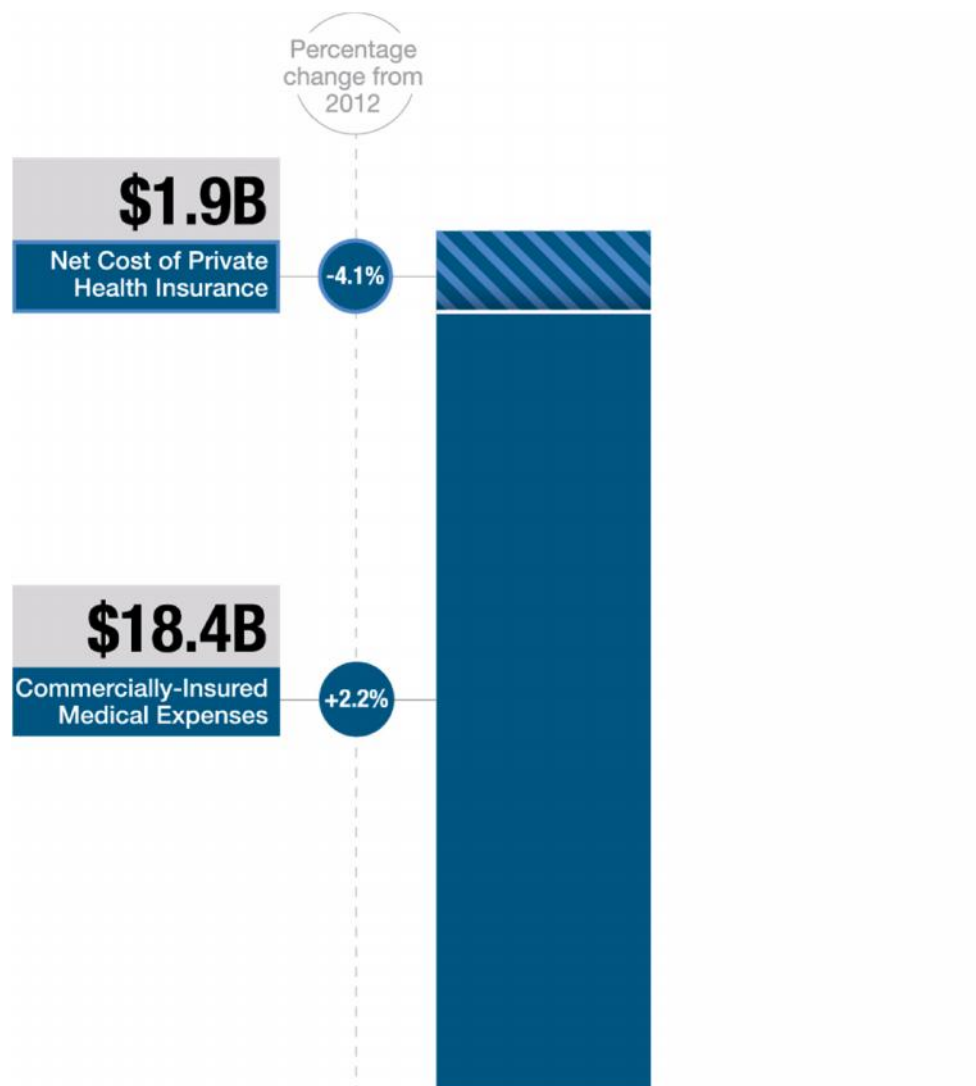
Source: CHIA (payer-reported data) and other public sources. See Technical Appendix.



Total Health Care Expenditures per capita grew by +2.3%, below the health care cost growth benchmark.

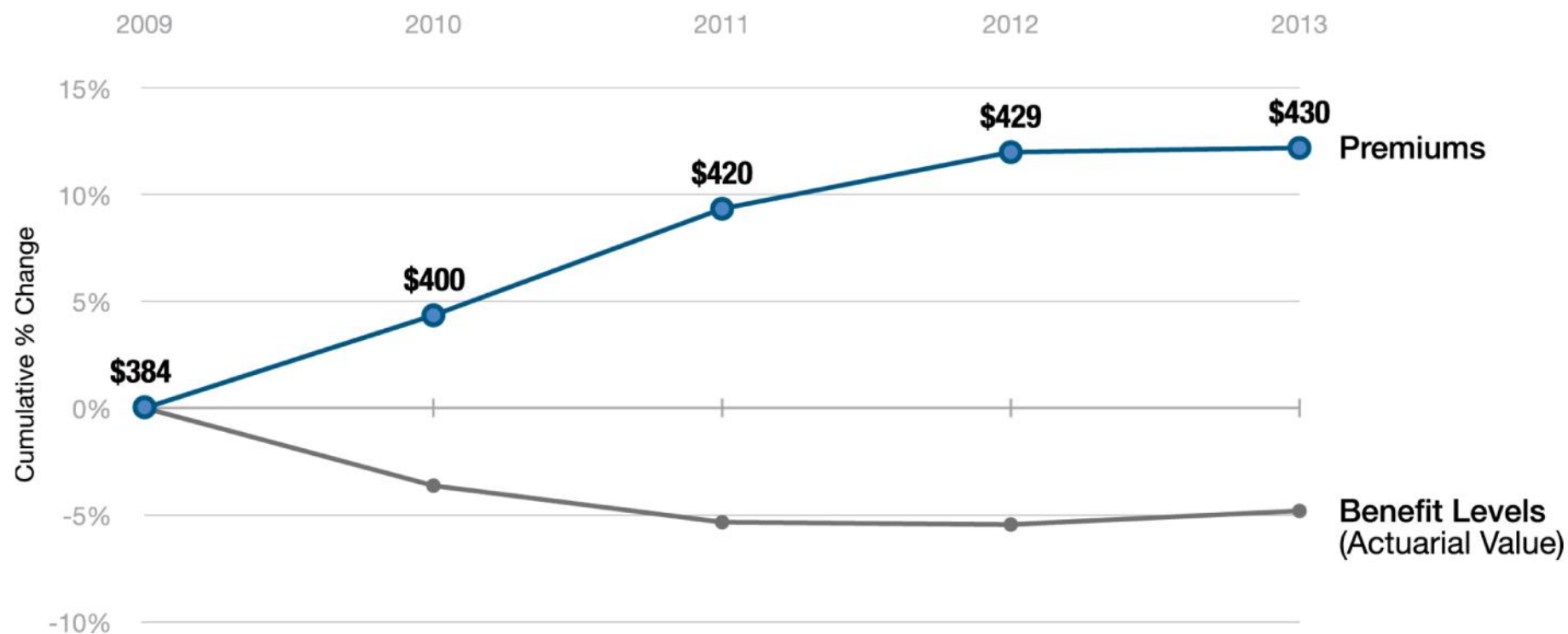
Source: CHIA and other public sources. Inflation data from Bureau of Labor Statistics: Consumer Price Index 12-Month Percent Change. Gross State Product data from U.S. Bureau of Economic Analysis: Widespread But Slower Growth in 2013: Advance 2013 and Revised 1997 – 2012 Statistics by GDP by State.





Commercially insured medical spending grew +2.2% while non-medical expenses fell.

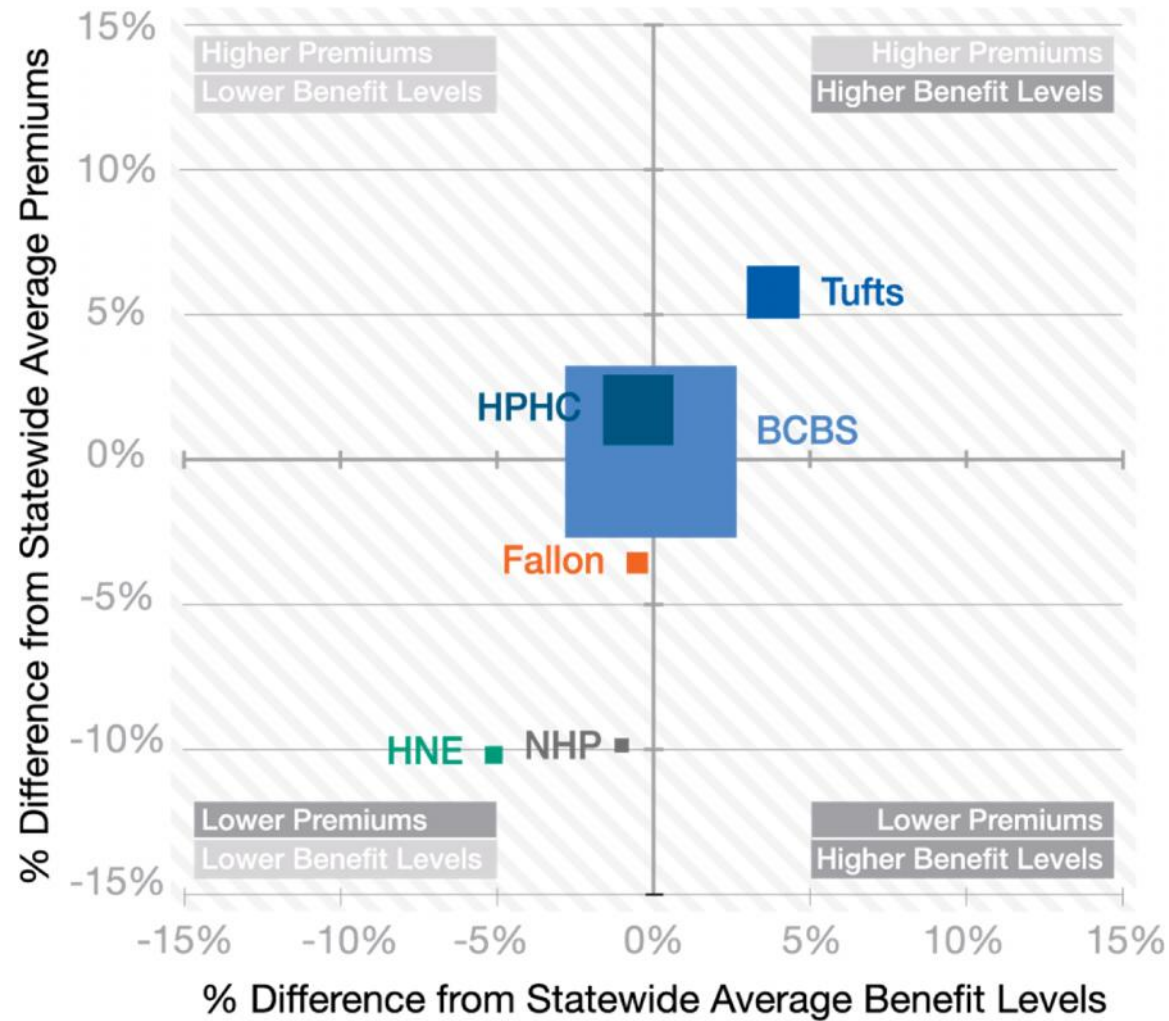
Source: CHIA (payer-reported data) and actuarial estimate of non-data filers



Premiums and benefit levels held steady in 2013.

Notes: Benefit levels measured by average actuarial values (not shown). 2009-10 data does not include CIGNA and WellPoint; this does not materially impact overall market trends.

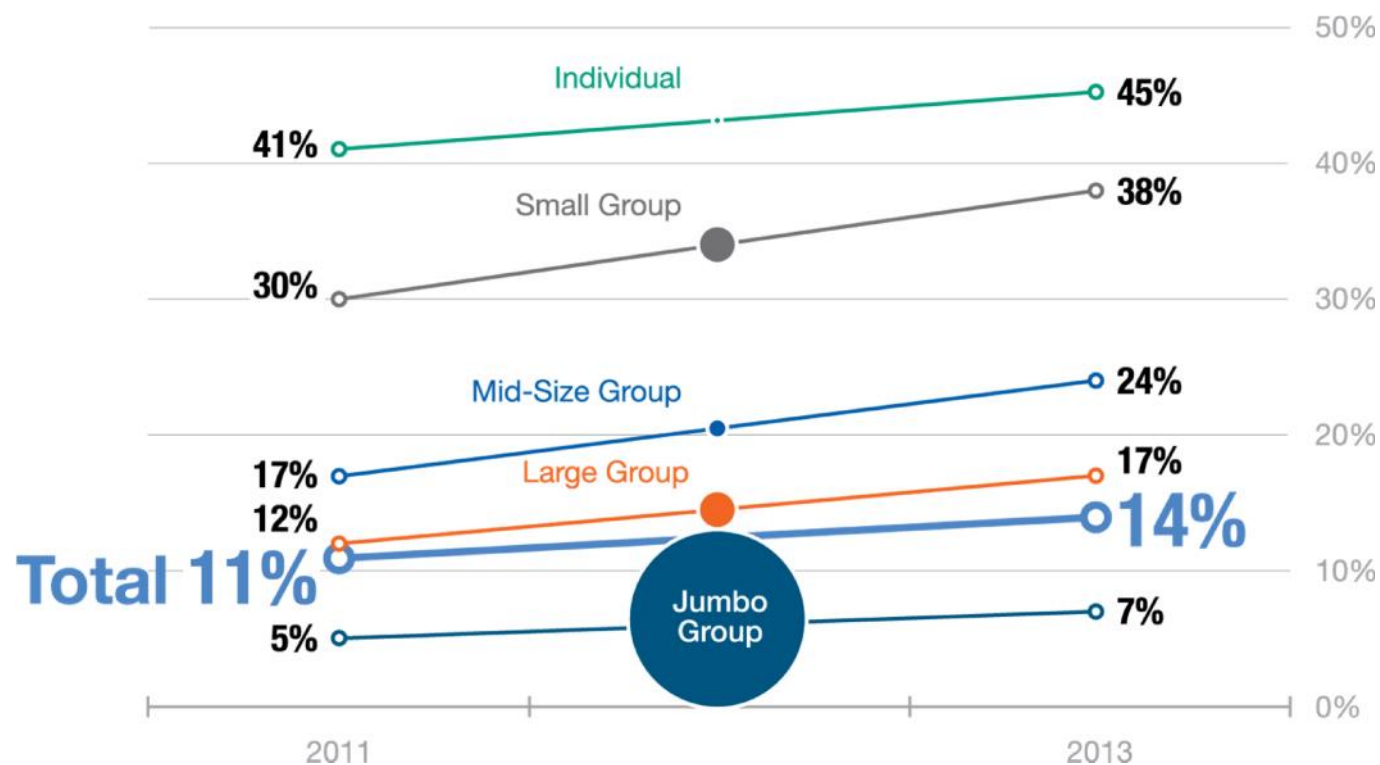
Source: CHIA (payer-reported data)



The larger plans had higher premiums in 2013, but their benefit levels were also higher.

Notes: Benefit levels measured by average actuarial values. WellPoint and CIGNA excluded from the figure due to low fully-insured populations. Square size reflects fully-insured enrollment.

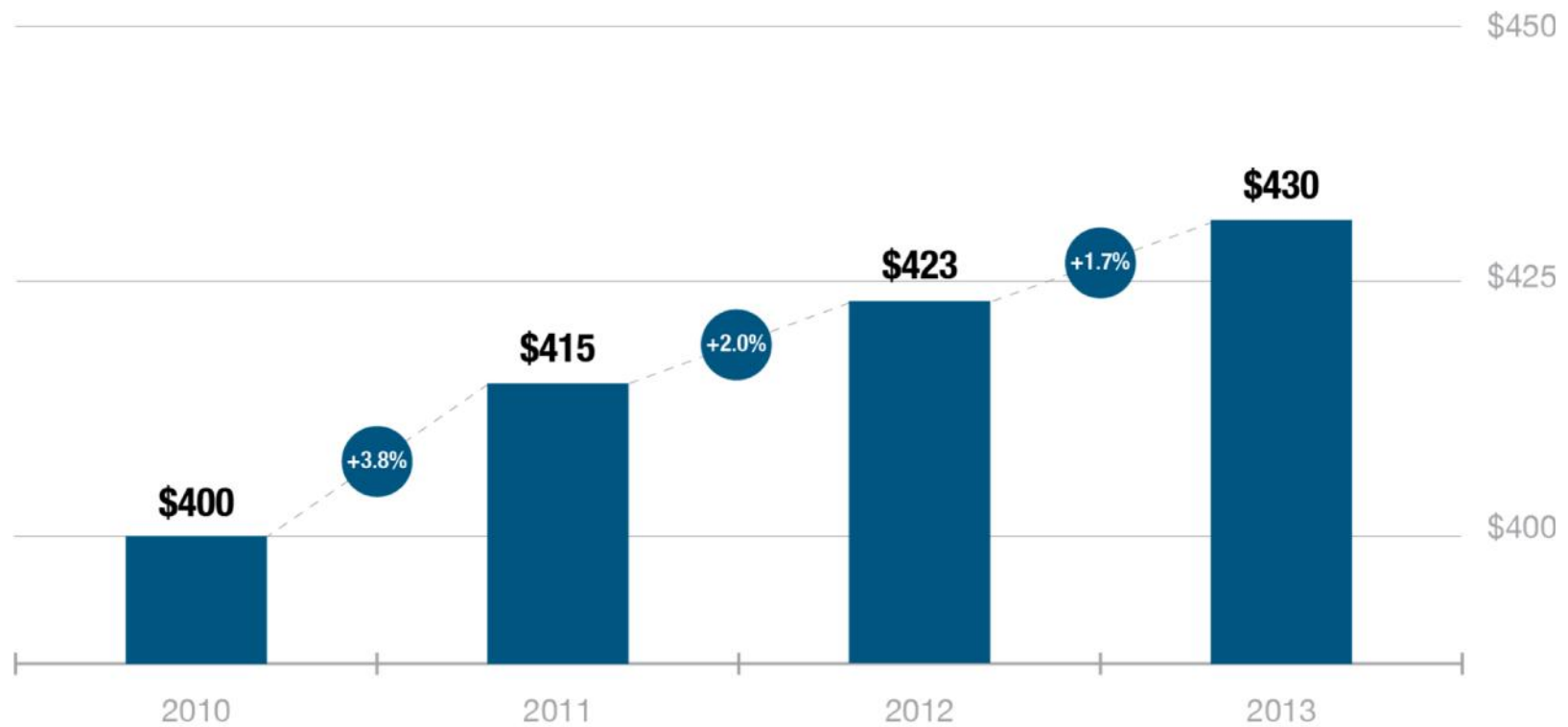
Source: CHIA (payer-reported data)



Enrollment in High-Deductible Health Plans continued to increase in 2013.

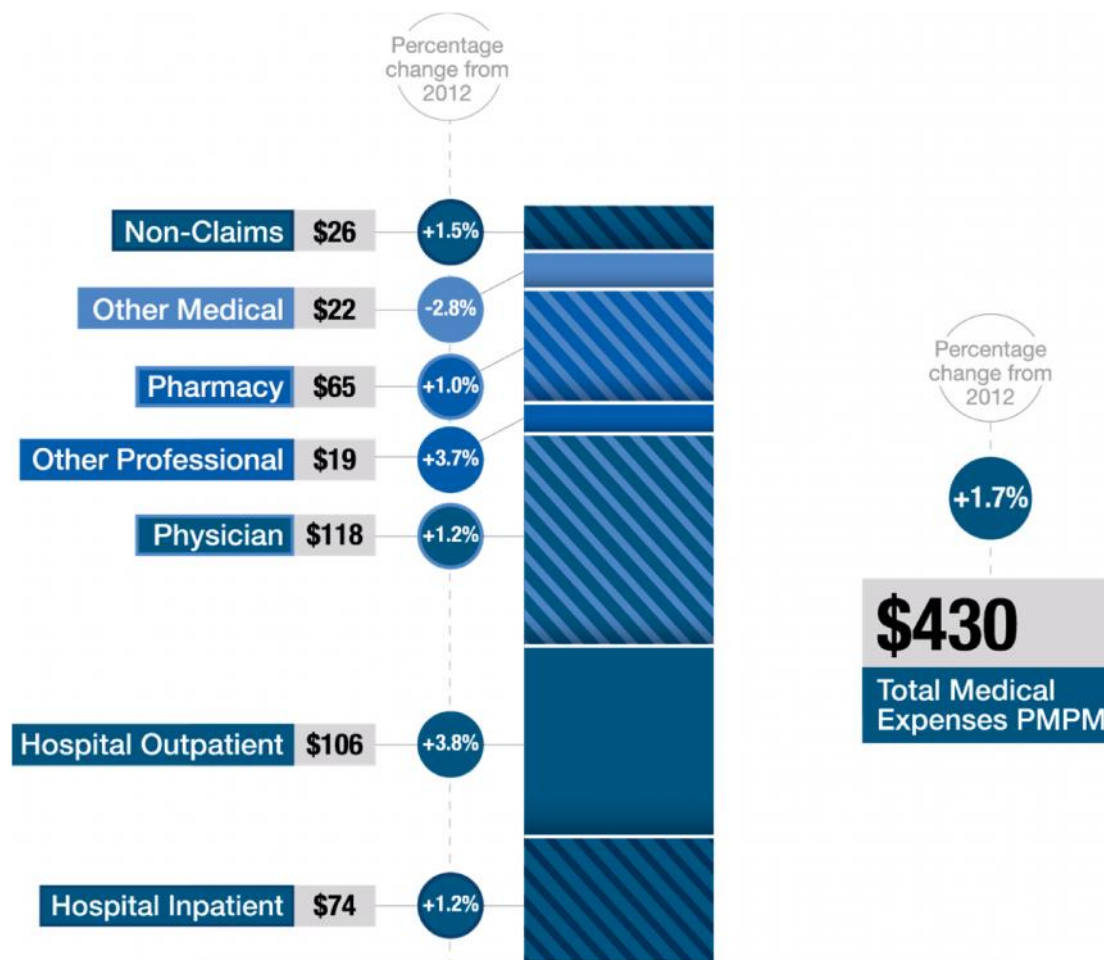
Notes: HDHPs were defined within this report as plans meeting IRS deductible levels. HDHP IRS standard deductible levels were \$1,200 in 2011-12 and \$1,250 in 2013. Figure shows membership of market sectors as of 2013

Source: CHIA (payer-reported data)



Growth in commercial medical spending has slowed in recent years.

Source: CHIA (payer-reported data)



Hospital and Physician payments accounted for most medical spending.

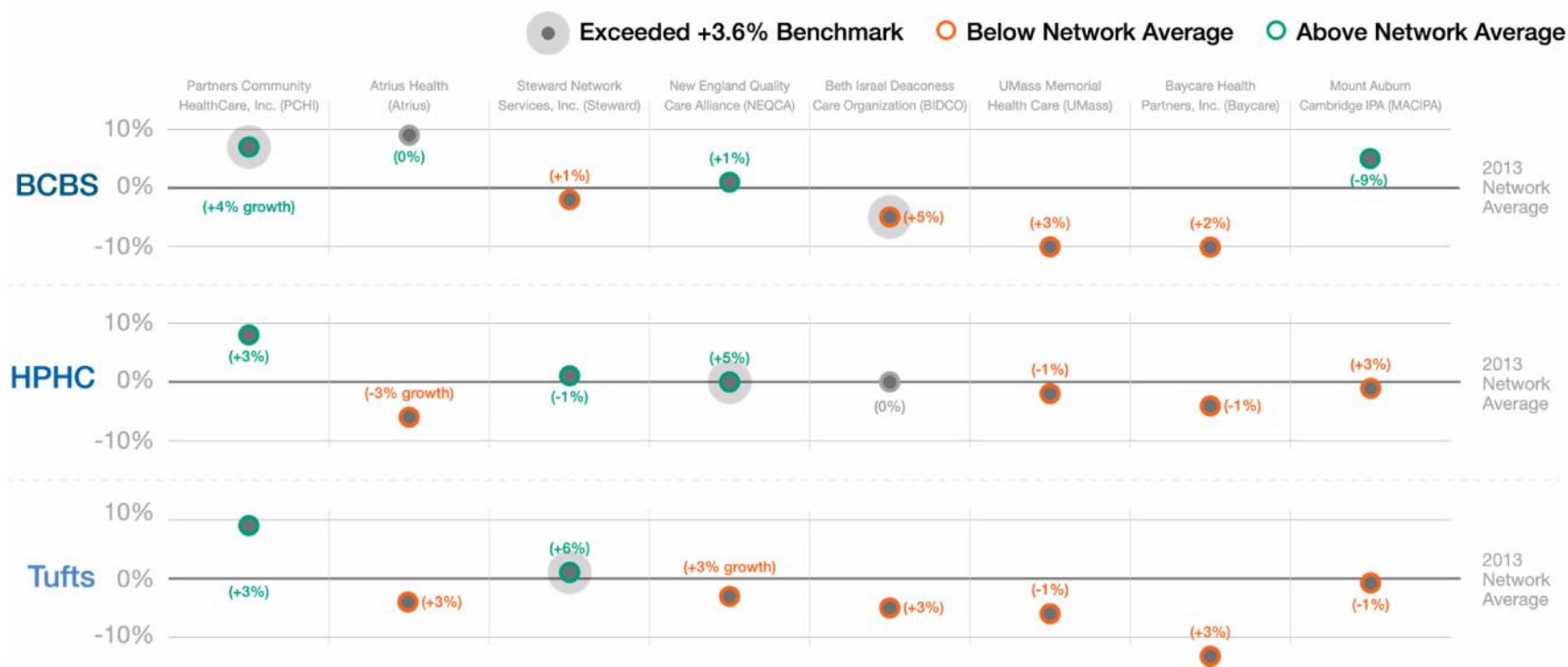
Notes: Other Professional includes payments generated from claims to health care providers for services provided by a licensed practitioner other than a physician. Other Medical includes payments generated from claims to health care providers for medical services not otherwise included in other categories, including skilled nursing and home health services.

Source: CHIA (payer-reported data)

Payer	2013 Health-Status Adjusted TME	% Change in Health-Status Adjusted TME
Aetna	\$413	0.17%
BCBS	\$298	3.65%
Celticare	\$143	0.24%
Cigna	\$231	-1.42%
Fallon	\$332	2.44%
HPHC	\$309	0.92%
HNE	\$246	0.31%
NHP	\$315	-7.90%
Tufts	\$304	2.38%
United	\$313	-19.81%

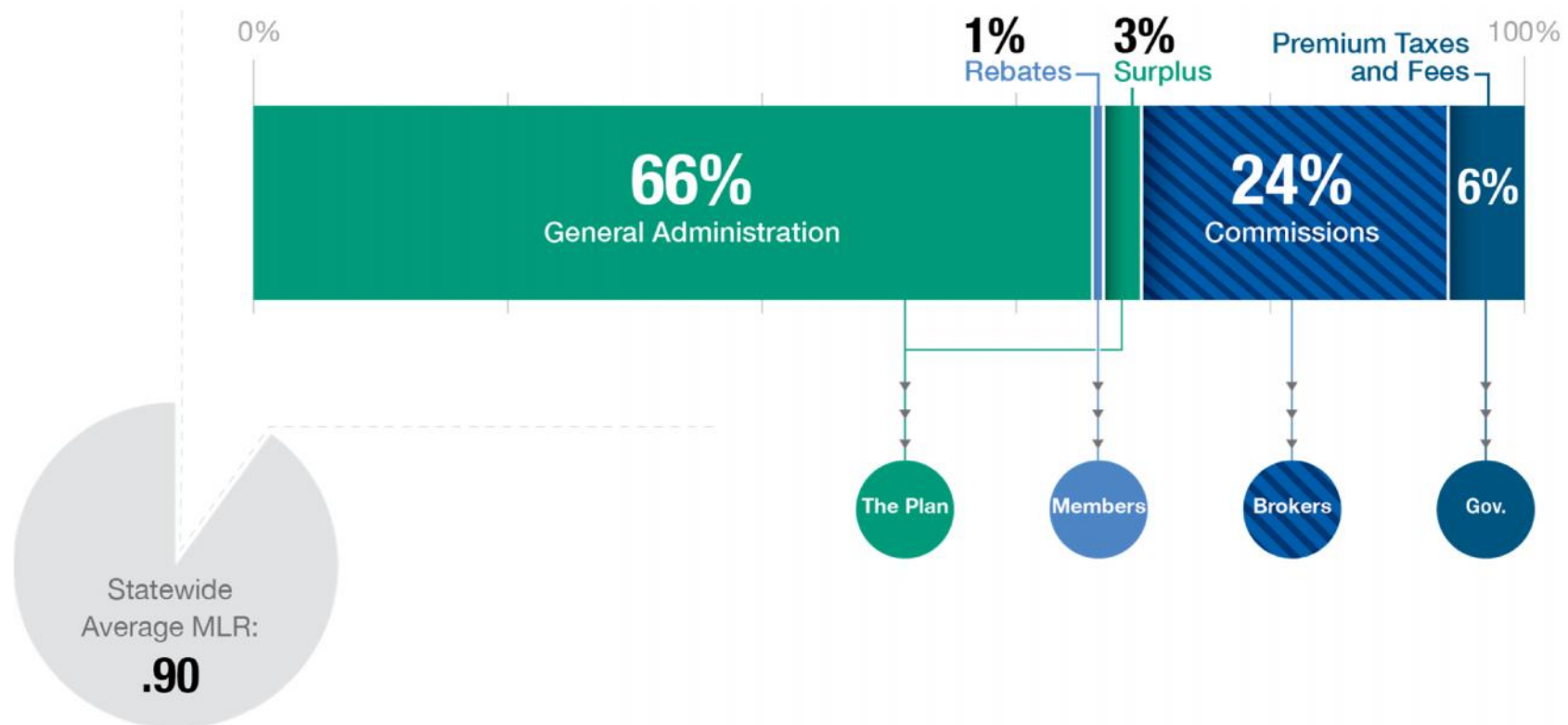
There was significant variation in payer medical expense trends from 2012 to 2013.

Notes: HSA TME is not comparable across payers due to differences in risk adjustment tools. BMC and Network Health did not offer commercial health plans in 2012
Source: CHIA (payer-reported data)



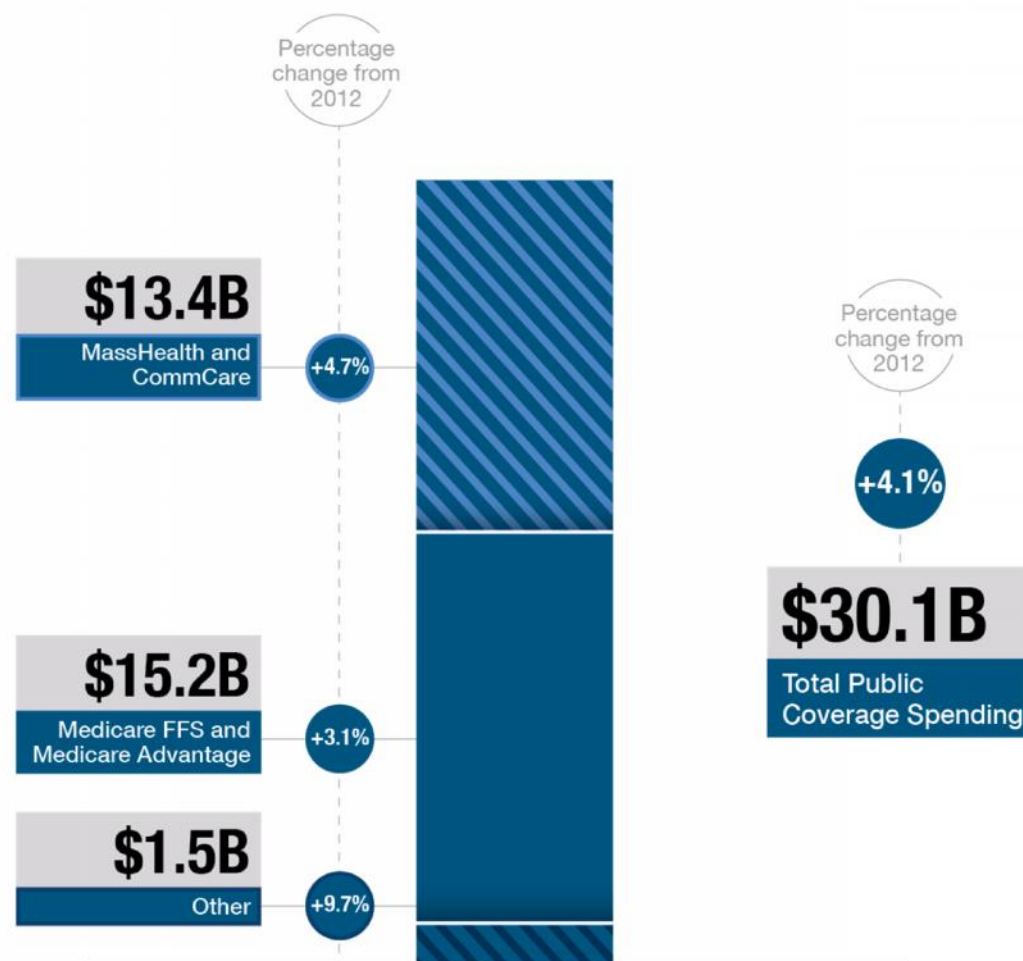
Physician Group medical expense trends varied statewide and across payer networks.

Notes: Includes the largest physician groups in the major payers' networks. TME reflects only patients attributed to a physician group (primarily HMO membership).
Source: CHIA (payer-reported data)



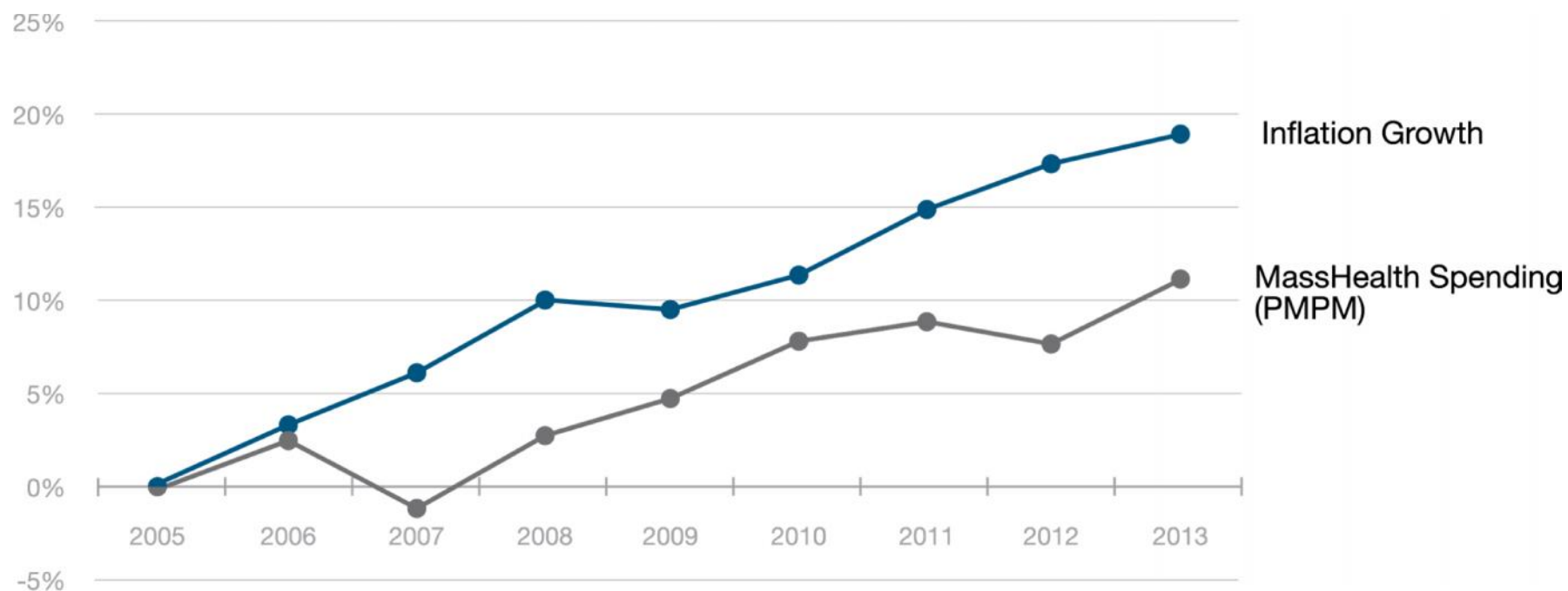
About ten cents of every premium dollar went to non-medical spending, but surpluses were only a fraction of the remainder.

Source: Oliver Wyman analysis of submitted federal CCIIO data for eight payers.



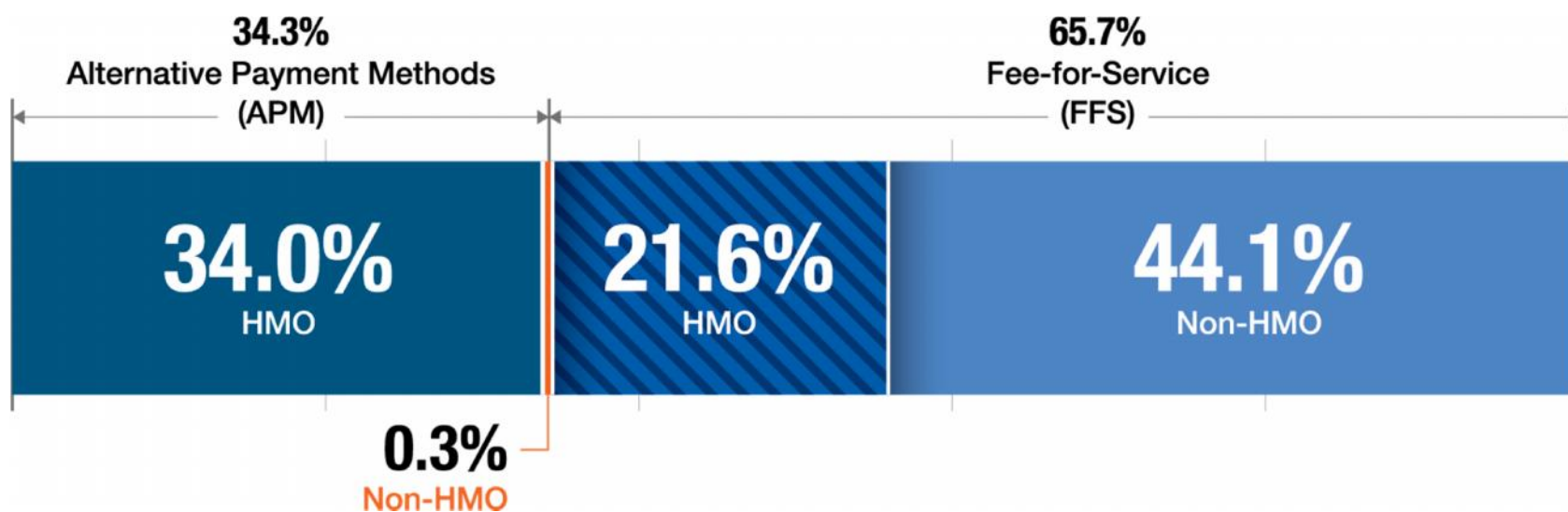
Medicare is the biggest public program, but MassHealth and Commonwealth Care together are nearly as large.

Notes: Other public health care program expenditures include Health Safety Net payments, Medical Security Program expenses and Veteran Affairs expenditures. By statute, Total Health Care Expenditures does not include non-medical expenses for public programs.
Source: CHIA and other public sources. See Technical Appendix.



MassHealth program expenditures have not grown as fast as general consumer prices.

Source: Blue Cross Blue Shield Foundation / Massachusetts Medicaid Policy Institute; Inflation data from Bureau of Labor Statistics: Consumer Price Index (CPI) Data



The proportion of members whose care was paid under APMs declined slightly in 2013.

Source: CHIA (payer-reported data); Catalyst for Payment Reform National Scorecard on Payment Reform, 2013.