

SHBP Medical Cost Trend Review

Medical Economics

Data Paid through Jan 2025
(unless otherwise noted)

Trend analysis is based on paid dollars incurred Jan 24 to Dec 24 with paid thru Jan 25 compared to Jan 23 to Dec 23 with paid thru Jan 23.



SEHBP/SHBP (Composite) Trend Summary

- Overall SHBP/SEHBP composite PMPM Trend is 10.3% for 2024
 - ✓ This is on-par with the National Trend at ~10%
 - ✓ Trend driven by mixture of increase in average cost and utilization
- **Educator** population has the highest increase in Trend at 12.0% driven by higher Inpatient and Outpatient spend
- **State** and **Educator** Inpatient trend increased at the same rate as Outpatient trend

10.3%

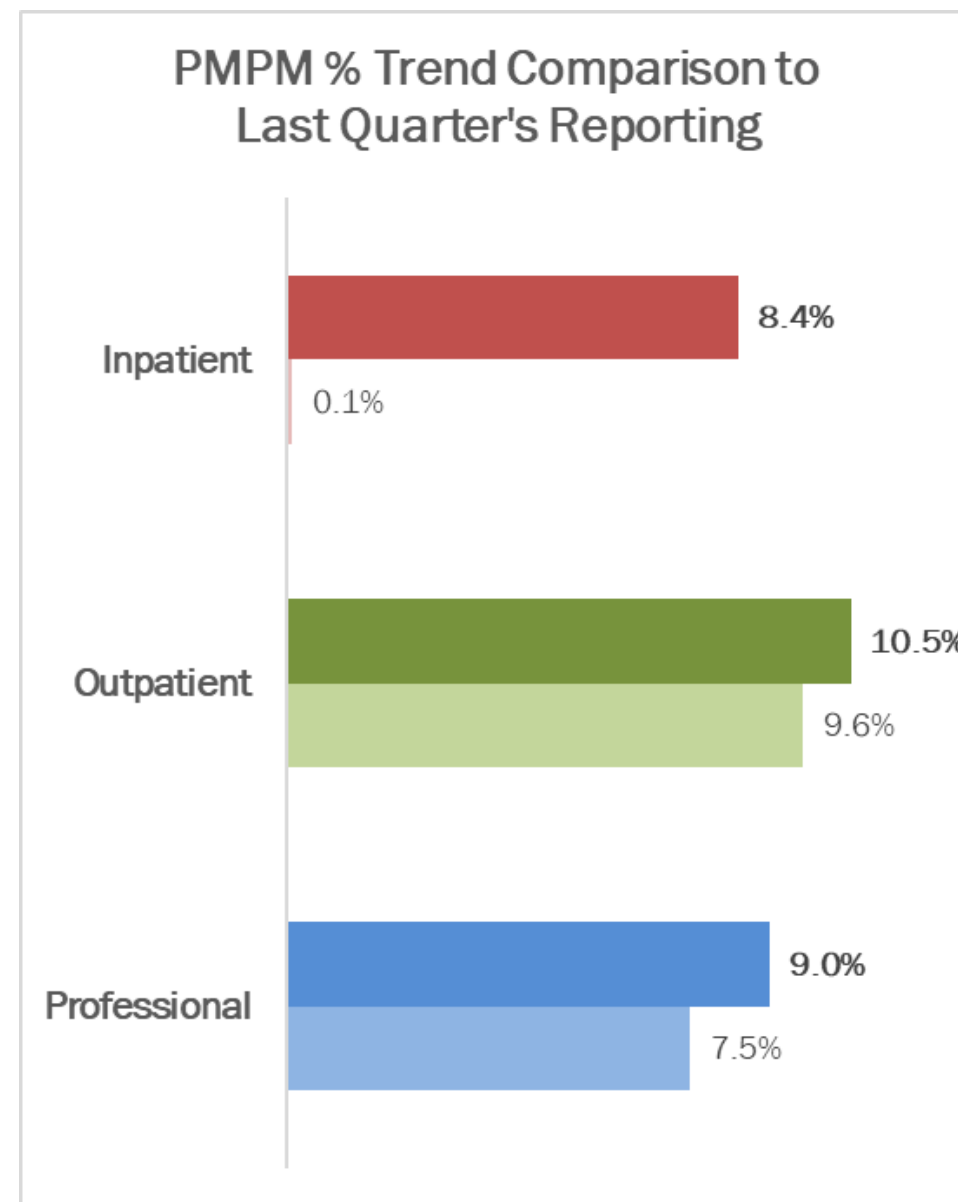
Total Medical Trend

Cost Category	PMPM Trend %			
	Composite	<i>State</i>	<i>Govt</i>	<i>Edu</i>
Total	10.3%	9.7%	9.9%	12.0%
Inpatient	10.6%	10.5%	5.8%	15.3%
Outpatient	12.0%	10.5%	10.9%	15.3%
Professional	8.6%	8.5%	10.6%	8.2%

SHBP Trend Compared To Last Report

			\$PMPM			
	Prior Period	Current Period	PMPM \$Δ	PMPM %Δ	Trend \$	Impact
MME	4,519,623	4,268,588				
Total Medical	\$ 662	\$ 725	\$ 63	9.5%	\$267.6M	
Inpatient	\$ 119	\$ 129	\$ 10	8.4%	\$43M	
Outpatient	\$ 259	\$ 286	\$ 27	10.5%	\$116M	
Professional	\$ 284	\$ 309	\$ 26	9.0%	\$109M	

- ✓ Compared to previous quarter's report, SHBP (State & Govt.) Population PMPM trend increased by 2.5% from 7.0% to 9.5%
- ✓ Inpatient had the highest increase compared to previous report; mainly driven by:
 - Inpatient Medical services (Quademic related DRGs)
 - Inpatient Surgical services (Transplants and Implants)



* Last Report Trend: 2024Jan-Sep vs 2023 Jan-Sep, Paid Through Oct2024 Mirror Runout

Inpatient Trend is driven by

- Medical admissions related to Septicemia and Respiratory diseases.
- Surgical admissions related to Circulatory diseases (ECMO, Implants) and Transplants.

Outpatient Trend is driven by

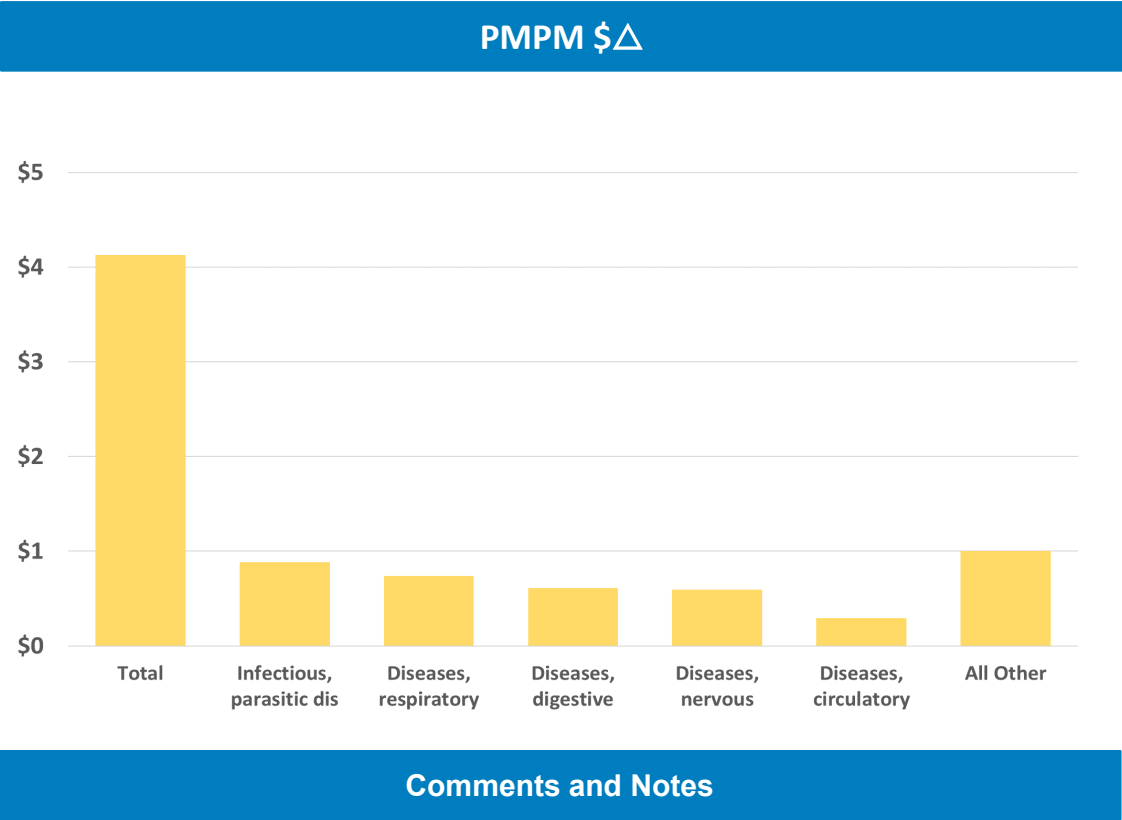
- Outpatient Surgery for gastroenterology (Endos, Bariatric Surg.) and radiosurgery (particle beam/Gamma ray)
- Outpatient Emergency Room visits
- Outpatient Observations (Short Stays of Emergency Department Services).

Professional Trend is driven by

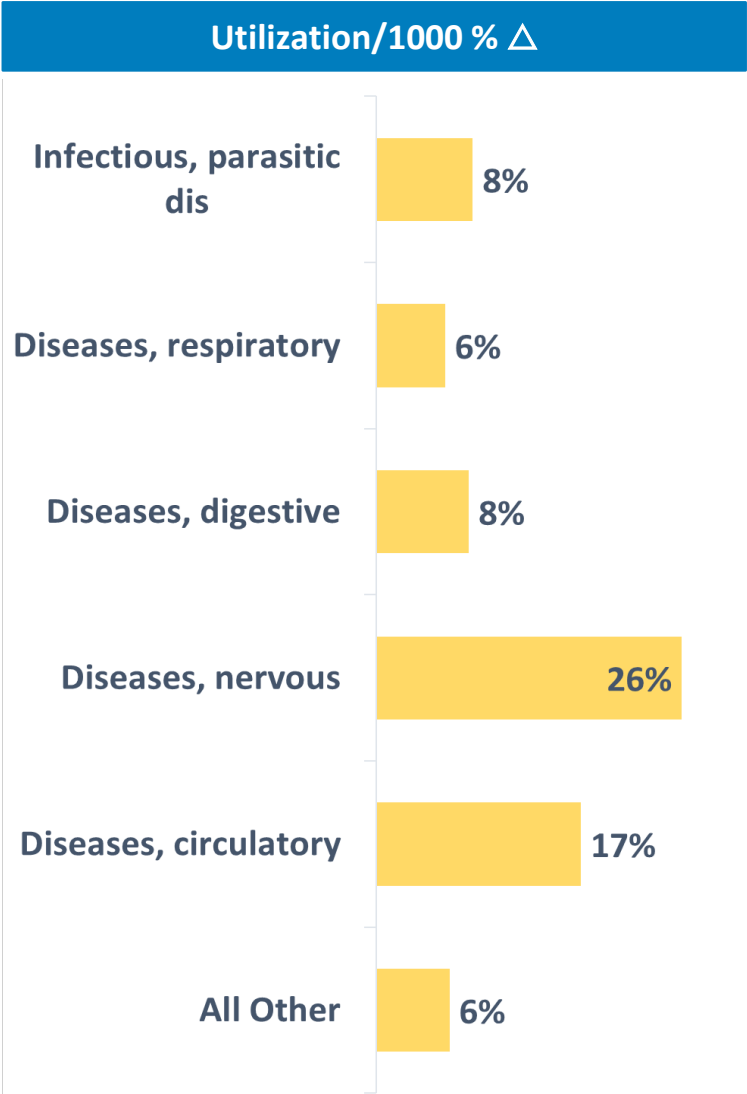
- Evaluation and Management Codes for Specialist and PCP visits
- Injectables infusion drugs for the treatment of rare diseases and various cancers.
- Behavioral Health Applied Behavioral Analysis (ABA – for Autism)

* Last Report Trend: 2024Jan-Sep vs 2023 Jan-Sep, Paid Through Oct2024 Mirror Runout

SHBP (State + Gov) – Inpatient Acute Medical Drivers by MDC



- Total PMPM Impact \$18M. PMPM increased by 14%
- Infectious and parasitic diseases include mostly septicemia which can be caused by a variety of infections, including: Bacterial infections (e.g., pneumonia, urinary tract infections, skin infections) Viral infections (e.g., influenza, COVID-19) Fungal infections
 - Respiratory disease driven by DX J96 Respiratory failure and J45 Asthma.
 - Quademic conditions can exacerbate asthma/respiratory symptoms
 - 52% increase of utilization for Myeloproliferative neoplasms (MPN) (Cancer of the blood) but a favorable trend of 9% on costs.



Prior period: Jan 2023 - Dec 2023
Current period: Jan 2024 - Dec 2024
Source: CTOS Medical Cost Trend_COMM & GP_2025-01 SHBP

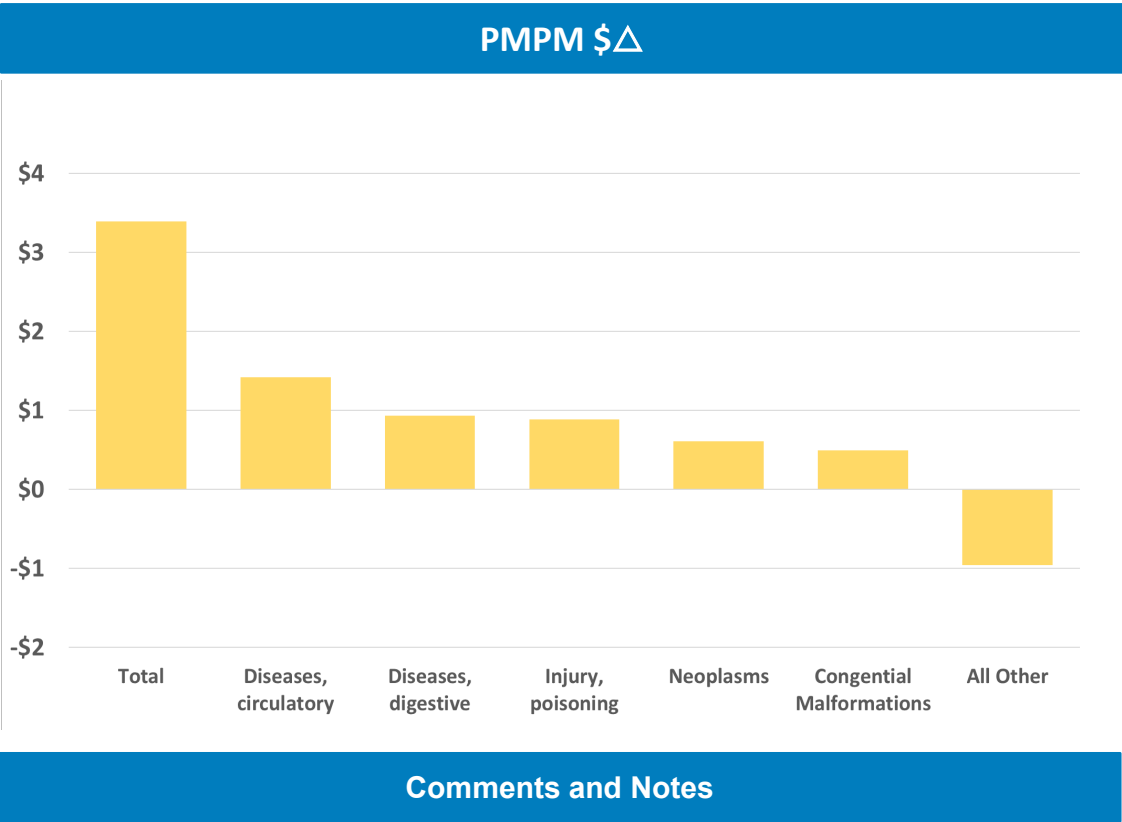
Additional Details

PMPM %Δ Impact:
Infectious, parasitic dis: 19%
Diseases, respiratory: 19%
Diseases, digestive: 16%
Diseases, nervous: 45%
Diseases, circulatory: 14%

PMPM \$ Impact (millions):
Infectious, parasitic dis: \$3.8M
Diseases, respiratory: \$3.2M
Diseases, digestive: \$2.6M
Diseases, nervous: \$2.5M
Diseases, circulatory: \$1.3M

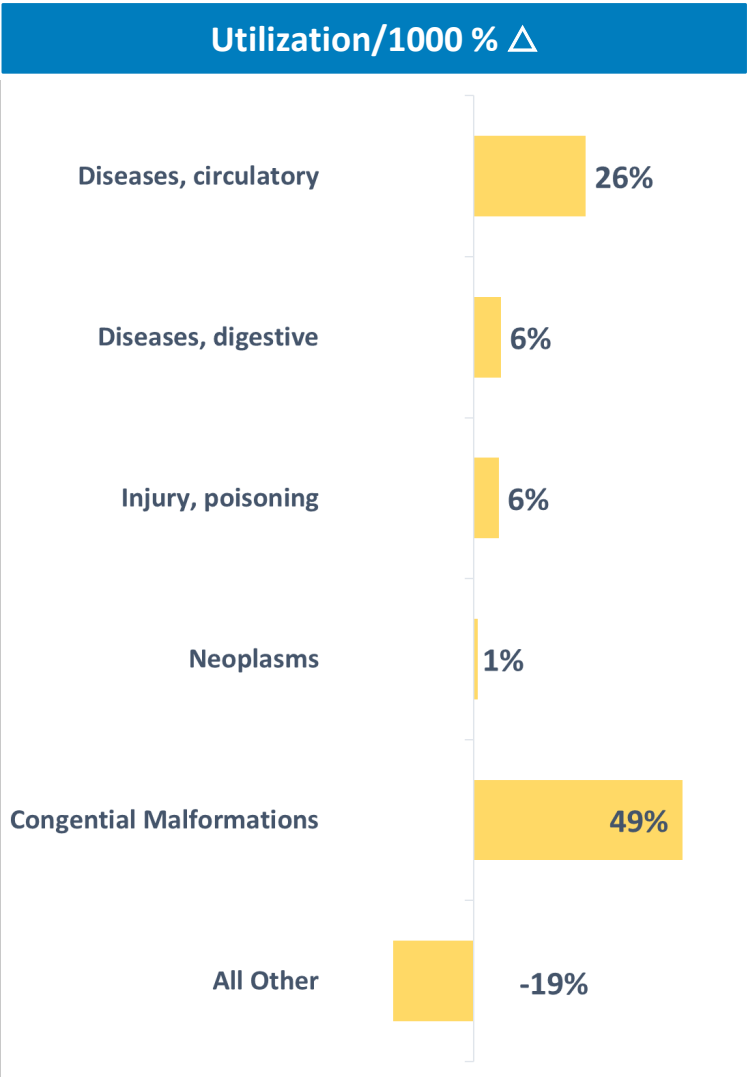
Total Allowed (current period):
Diseases, digestive: \$19.0M
Diseases, nervous: \$8.2M
Diseases, circulatory: \$10.5M
Diseases, respiratory: \$19.9M
Infectious, parasitic dis: \$24.2M

SHBP (State + Gov) – Inpatient Acute Surgical Drivers by MDC



- Total PMPM Impact \$14M. PMPM increased by 8%
- Transplant surgeries were a major driver of trend
 - Total of 20 additional transplants in current period vs prior period
 - Total transplant impact \$7M
 - Liver transplants trend up 188%
 - Bone Marrow up 33%
 - Kidney up 48% (highest volume)
 - Heart up 263%

Circulatory diseases includes ECMO and Implant devices



Prior period: Jan 2023 - Dec 2023
Current period: Jan 2024 - Dec 2024
Source: CTOS Medical Cost Trend_COMM & GP_2025-01 SHBP

Additional Details

PMPM %Δ Impact:
Diseases, circulatory: 36%
Diseases, digestive: 22%
Injury, poisoning: 19%
Neoplasms: 8%
Congenital Malformations: 87%

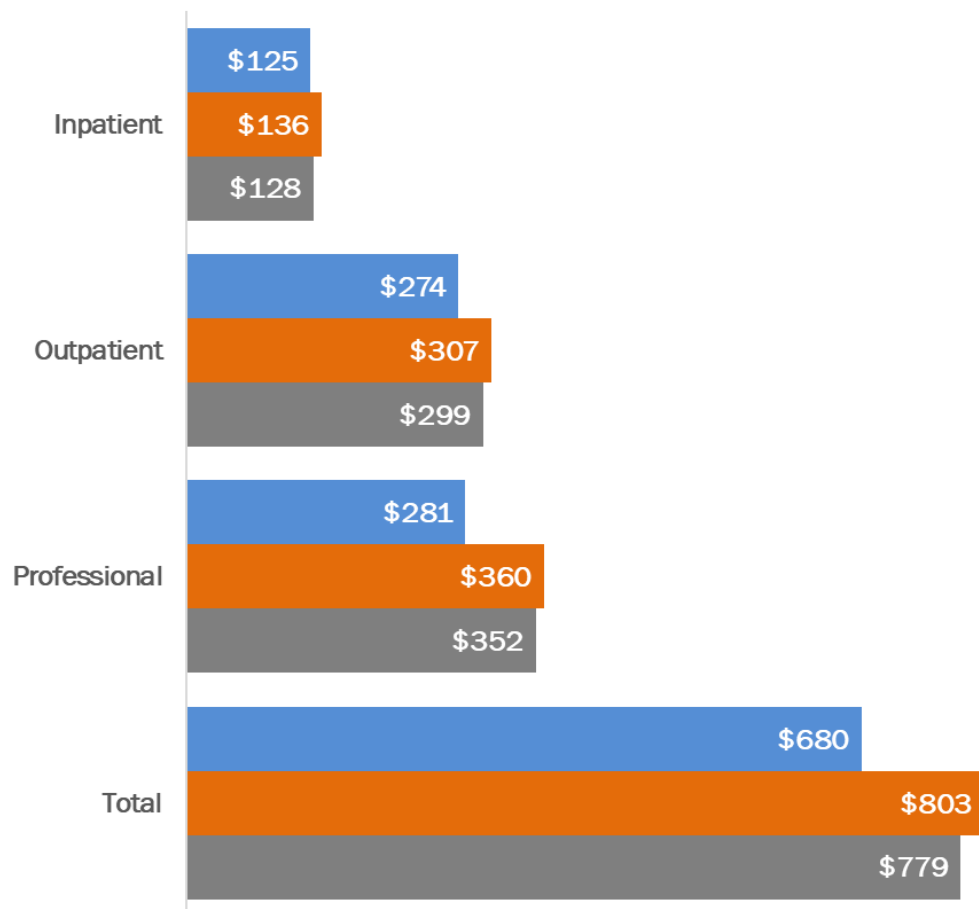
PMPM \$ Impact (millions):
Diseases, circulatory: \$6.1M
Diseases, digestive: \$4.M
Injury, poisoning: \$3.8M
Neoplasms: \$2.6M
Congenital Malformations: \$2.1M

Total Allowed (current period):
Diseases, circulatory: \$22.8M
Diseases, digestive: \$21.9M
Injury, poisoning: \$24.0M
Neoplasms: \$33.6M
Congenital Malformations: \$4.5M

SEHBP/SHBP (Composite) Trend Summary by Population

The **State** population with the highest membership is **13% less costly than EDU** and **15% less costly than the GOVT**

Current Period PMPM Spend for **STATE**,
GOVT, and EDU



Current Period: % of Total Membership vs % of
Total Spend

