

# Utah Health Status Update:

## Healthcare Cost in Utah: Brief Summary of the 2014 Utah All Payer Claims Data

Special Edition 1  
(January 2016)

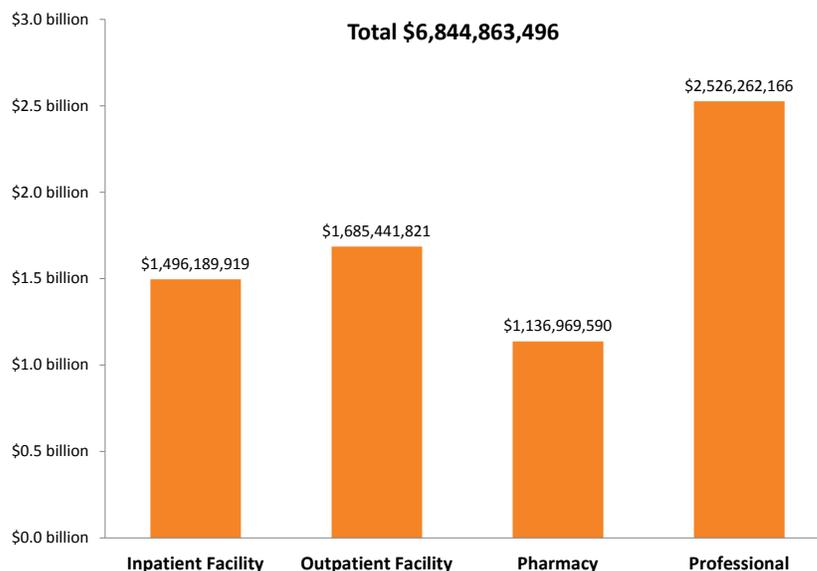
The Utah Legislature granted authority to the Utah Department of Health (UDOH) and the Utah Health Data Committee to collect data from healthcare payers with an enrollment of 2,500 or more covered lives and create the Utah All Payer Claims Database (APCD). Utah's APCD collects medical, pharmacy, and dental claims data from both private and government payers, including Medicaid and some Medicare Advantage and federal employee health plans. There are a total of 37 APCD data suppliers, representing roughly 80% of the Utah population.

### KEY FINDINGS

- Utah's APCD collects medical, pharmacy, and dental claims data from both private and government payers.
- Utah APCD's primary objective is to increase cost and quality transparency in our healthcare markets.
- In 2014, the total healthcare payments reported to the APCD for patients under age 65 exceeded \$6.8 billion in Utah.
- Nearly half (47%) of the payments went to inpatient and outpatient facilities.
- Utah insurance carriers and their members paid, on average, about \$3,188 per person for medical and pharmacy claims in 2014.
- Two new 2013–14 limited datasets are now available to authorized users from the APCD. For more information, visit <http://health.utah.gov/hda>.

### Total Paid Amount by Claim Type, Utah, 2014

Figure 1. Total payments by claim type for persons under age 65 in Utah, 2014



APCDs are comprehensive, longitudinal, multi-payer datasets capable of providing unprecedented research and policy opportunities for improving the healthcare delivery system.<sup>1</sup> Utah APCD's primary objective is to increase cost and quality transparency in our healthcare markets.

Based on newly available data, we present the basic summary information as follows:

Table 1 presents information on the four primary types of healthcare claims payments made in 2014 and reported to the APCD for patients under age 65. Total healthcare payments exceeded \$6.8 billion with patient liability making up 15% of total payments. Nearly half of the plans' payments went to inpatient and outpatient facilities. In terms of volume, pharmacy claims accounted for 47% of all claims.

### Per-Person-Per-Year Healthcare Cost, Under Age 65

For the first time, the APCD enabled the UDOH to calculate Per-Person-Per-Year (PPPY) healthcare costs for the state of Utah. Utah insurance carriers and their members paid, on average, about \$3,188 per person for medical and pharmacy claims in 2014. As seen in Figure 2, these expenses were divided by inpatient services (\$697, 22%), outpatient services

### Total Payments and Member Liability

Table 1. Payments of healthcare claims for persons under age 65 in Utah, 2014

Claim Type by Site of Service	Plan Paid Amount	Member Paid Amount	Total Paid Amount	Member Liability as % of Total
Inpatient Facility	\$ 1,394,837,215	\$ 101,352,704	\$ 1,496,189,919	6.8%
Outpatient Facility	\$ 1,397,215,825	\$ 288,225,996	\$ 1,685,441,821	17.1%
Pharmacy	\$ 951,794,966	\$ 185,174,624	\$ 1,136,969,590	16.3%
Professional	\$ 2,073,595,847	\$ 452,666,319	\$ 2,526,262,166	17.9%
All	\$ 5,817,443,853	\$ 1,027,419,643	\$ 6,844,863,496	15.0%

1. Paradis, Rebecca; Barolini, Erin *All Payer Claims Databases: Unlocking the Potential*, A NEHI Issue Brief, November 4, 2014.

(\$785, 25%), professional services (\$1,177, 37%), and pharmaceuticals (\$529, 16%).

### Data Interpretation

The Utah APCD is a relative new data source. This Health Status Update Special Report is the first summary of the 2014 APCD data. When comparing the information in this report to other sources, please keep in mind the following attributes of the APCD data used here: 1) Medicare patients and people who are 65 or older, were not included in this report; 2) Medicaid has a deeper discounted rate of payment to providers than commercial payers; 3) health plans' administrative costs were not included; 4) health plans covering less than 2,500 lives were not included; and 5) uninsured or non-Medicaid federally-funded care (e.g., most Medicare, most federal employee plans, VA care, and TriCare) were not included.

This report was reviewed by the Utah Health Data Committee, Transparency Advisory Group, and a subject matter expert. Other APCD summaries will be released through the Health Status Updates in the future.

### New APCD Data Products are Available

The Office of Health Care Statistics (OHCS) makes extracts from data collected available to authorized users. Two new 2013–14 limited\* datasets are now available from the APCD. One is structured to focus on the patient experience, and the other allows a more in-depth look at overall utilization. Both data sets can be used to answer hundreds of research questions about patient age, gender, geography\*\*, diagnoses, procedures, prescriptions, patient classification, health status, cost, and providers.\*\*\* For more information, visit <http://health.utah.gov/hda>.

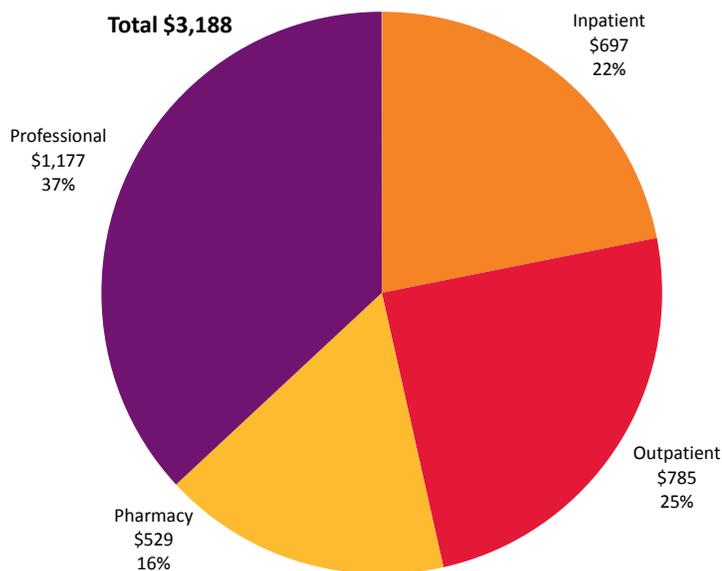
\*Limited data sets contain protected healthcare information that is valuable to researchers yet there is minimal risk of re-identification. For privacy and security reasons, requests for these data products must be approved by the Director of the Office of Health Care Statistics. An APCD Data User Agreement also needs to be signed by anyone or any organization seeking to obtain the data prior to its release.

\*\*Patient's address mapped into the researcher's preferred geographical grouping—Utah Small Health Areas or core-based statistical areas (with metro and micro indicator).

\*\*\*High level information about healthcare facility, practitioner, manufacturer, vendor, or pharmacy, consisting of National Uniform Claim Committee (NUCC) provider taxonomy codes and a unique, anonymous identifier.

## Per-Person-Per-Year Healthcare Cost in Utah, 2014

Figure 2. Percentage distribution of average healthcare expenses per person per year by type for persons under age 65 in Utah, 2014



## Average Dollars per Claim

Table 2. Payments of healthcare claims for persons under age 65 in Utah, 2014

Claim Type by Site of Service	Total Paid Amount	Number of Claims	Average Dollars per Claim
Inpatient Facility	\$ 1,496,189,919	151,100	\$ 9,901.98
Outpatient Facility	\$ 1,685,441,821	1,953,827	\$ 862.64
Pharmacy	\$ 1,136,969,590	13,141,054	\$ 86.52
Professional	\$ 2,526,262,166	13,625,086	\$ 185.41
All	\$ 6,844,863,496	28,871,067	\$ 237.08

### UDOH ANNOUNCEMENT:

UDOH released five new quality measures on Utah's Open Data Portal using data from the All Payer Claims Database (APCD). The quality measures are calculated by Utah Small Area and are based on national Healthcare Effectiveness Data and Information Set (HEDIS) specifications. These measures include: Avoidance of Antibiotic Treatment in Adults with Acute Bronchitis, Breast Cancer Screening, Chlamydia Screening, Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Testing, and Well Child Visits in the First 15 Months of Life (six or more). Please visit <https://opendata.utah.gov/Health/All-Payer-Claims-Database-APCD-Quality-Measures/u8tb-sa6w>

For additional information about this topic, contact Norman Thurston, Utah Department of Health, (801) 538-7052, email: [nthurston@utah.gov](mailto:nthurston@utah.gov); or the Office of Public Health Assessment, Utah Department of Health, (801) 538-9191, email: [chdata@utah.gov](mailto:chdata@utah.gov).