

Client Advisory Services Executive Summary

Prepared For:

City of Manchester

Prepared By:

Arlene L Fishbein, BS, RN Senior Health Information Consultant, Client Advisory Services

Meeting Date: January 10, 2012

Reporting Periods Reviewed:

Paid from: July 1, 2010 –June 30, 2011

Prior Period: July 1, 2009 –June 30, 2010



Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire Inc. independent licensee of the Blue Cross and Blue Shield Association. © ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

PROPRIETARY AND CONFIDENTIAL

Data Definitions



Reporting Period

- For this analysis we used **claims paid during the current period of July 1, 2010 through June 30, 2011**
- We did a year over year comparison with claims **paid during the prior period of July 1, 2009 through June 30, 2010**

Benchmark

- We used **benchmark** comparison data we have for the Anthem NH Book of Business as well as a Like Group Norm

PMPM

- PMPM cost is the metric we've used throughout this analysis to understand cost trends by individual plan participant (per member) over the duration of the plan period (per month)
 - We define **members** as all participants in the plan including **subscribers, spouses, and dependents.**

Outliers

- High dollar claimants are defined as those members with cumulative claims greater than \$50,000 during the reporting period
 - The **adjusted PMPM cost** is derived by removing high dollar claimants (>\$50,000) from the actual total PMPM for the current and prior periods.

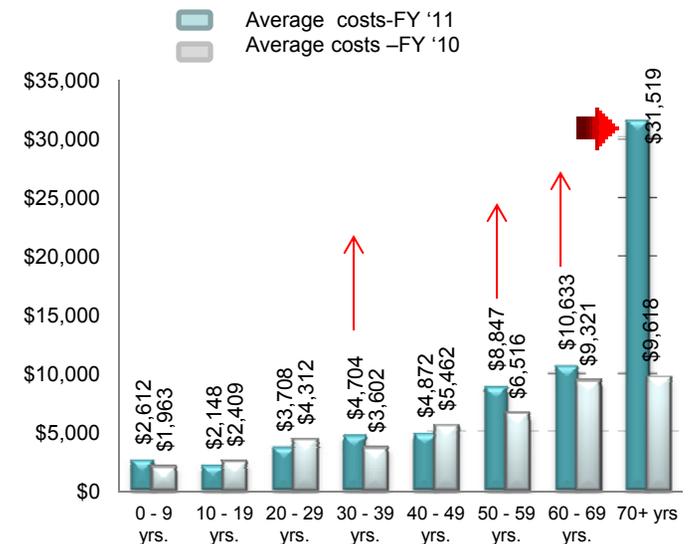
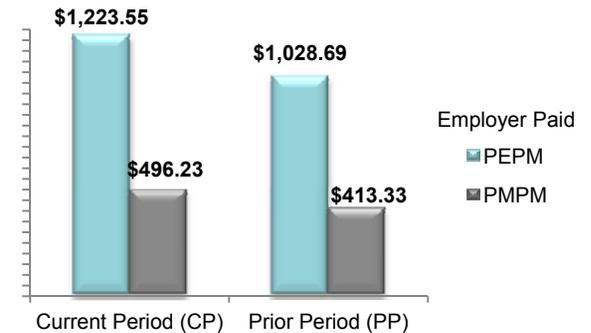
Settings

- Cost and utilization are broken down into the following settings: **inpatient facility, outpatient facility, professional, and pharmacy**

Plan Performance Observations



- Total plan expenditures (medical and pharmacy paid claims):
 - Paid claims = \$19,514,322 > a 16.3% increase from the prior period
 - The total annual cost per employee was \$14,683 for the current period, reflecting a 18.9% increase from the prior period
 - The total annual cost per member was \$5,954 for the current period, a 20% increase from the prior period, and is 14.1% higher than the Anthem NH Norm
- Plan Design:
 - The employer shoulders the majority of the cost burden at 96.8% of the total costs
 - In comparison to other Public Sector groups, Private Sector groups, Educational Facilities, Hospital Groups and the Anthem NH Norm, City of Manchester offers the **most robust** benefits to its population
- Catastrophic claims (>\$50k)
 - 51 claimants accounted for 28.2% of total plan paid; a 61.8% increase in total paid from the previous period with 31 claimants
 - Complexity of illnesses, severity of conditions and intensity of services provided to these members impacted the HDC trend from previous period (↑67.0%)
 - Total PMPM trend (\$496.23) was up 20.1% from the prior period, yet when removing the catastrophic claims from the total PMPM, the adjusted total PMPM was \$356.35 revealing an adjusted +8.1% trend from the prior period
- Spend by relationship:
 - Subscriber PMPM: \$569.04 (↑7.6 from the prior period); Spouse: \$747.99 (↑42.2% from prior period); Child: \$215.54 (↑12.2% from prior period)
 - Subscriber consumes 46.5% of total plan costs; spouse costs account for 38.9%
- Demographics:
 - Membership has decreased 3.1% from prior period
 - Average age is 34.9 years and has remained consistent, a younger population compared to the Anthem NH Norm, as well as compared to a Like Group
 - 48.3% of the membership is over age 40, 28.1% over age 50 and 8.4% over age 60
 - Males outnumber females slightly at 51.6% of the population
 - Greatest concentration of membership is found in the 40-49 age band; yet the highest average cost/claim is found in the 60-69 yr age band
 - Females average claims are higher than males' average claims until age 50



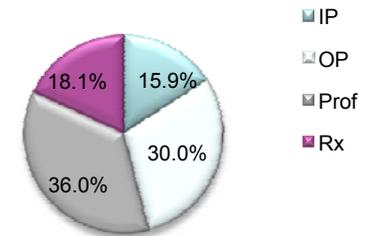
City of Manchester Key Clinical Observations



Settings

- Inpatient PMPM costs have **increased 51.3%** ; utilization **increased 29.4%**
 - Surgical admissions dramatically impacted the inpatient spend
 - Conditions related to orthopedics, infectious diseases, cancer and cardiology drove inpatient costs and utilization
- Outpatient PMPM costs have **increased 15.5%**; utilization **increased 23.2%**
 - Outpatient Surgery, Radiology, Lab/Pathology and Emergency Department services drove the costs & utilization
 - Conditions related to the care of cancer, orthopedics and cardiology were primary drivers
- Professional PMPM costs have **increased 16.4%**; however utilization **increased 5.8%**
 - Office and Outpatient services, and outpatient surgery services were key drivers
- Pharmacy PMPM costs have also **increased 9.2%** ; and utilization **increased 5.8%**
 - Pharmacy dollars accounted for 18.1% of total spend ; and is significantly higher than the Anthem NH Norm
 - Costs and utilization of specialty drugs for the treatment of cancer, multiple sclerosis, rheumatoid arthritis and psoriasis, have greatly impacted the pharmacy spend for the current period

Percent Paid By Setting:



Overall key cost drivers

- Orthopedics: PMPM costs increased 26.3%:
 - Joint Degeneration is the primary driver
- Cancer: PMPM costs increased 60.8%:
 - Breast, Lung and Colon
- Cardiology: PMPM costs increased 14.8%:
 - Hypertension and Ischemic Heart Disease
- Endocrinology: PMPM costs increased 16.8%:
 - Diabetes and Hyperlipidemia
- Gastroenterology PMPM costs increased 11.7%:
 - Inflammation of the Esophagus and Inflammation of the Intestines



Minimize Risks by:

- Avoid Tobacco Products
- Maintain Healthy Diet
- Strive to get to a Healthy Weight
- Exercise (1/2 hour/day)
- Increase Intake of Fruits and Vegetables
- Limit Red Meat Intake
- Moderate Alcohol Consumption
- Stress Management

Plan Expenditures at a Glance



The following statistics reflect information for City of Manchester Paid Claim Metrics :

	07/01/10 - 06/30/11	07/01/09- 06/30/10	Variance Current vs Prior Period	Like Industry Norm (Public Sector #1)	Like Industry Norm (Public Sector #2)	Educational Comparison (#1)	Anthem NH Norm
Claims Total-Employer Paid	\$19,514,322	\$16,784,181	↑16.3%				
Claims Total- Member Paid	\$654,902	\$579,816	↑12.9%				
Total PMPM	\$496.23	\$413.33	↑20.0%	\$484.21	\$368.87	\$509.99	
** Catastrophic Claims Paid	\$5,500,699	\$3,400,438	↑61.8%	\$6,454,973	\$2,538,499	\$6,623,111	
% of Total	28.2%	20.3%	↑7.9%	24.4% (19.2%)	21.9%(24.9%)	25.3% (25.0%)	28.1%
# of members	51	31		60 (52)	24 (24)	55 (55)	
Top 1% of Claimants	22.9%	21.3%	↑0.6%	21.5%	23.1%	23.0%	29.2%
Average Cost Per Paid Claim	\$5,830	\$4,963	↑17.5%	\$5,771	\$4,294	\$5,339	\$4,189
% of Members with No Claims	4.1%	4.9%	↓0.8%	5.7%	7.0%	3.9%	16.3%
Employer/Member Cost Share	96.8%/3.2%	96.7%/3.3%	↑0.1%/↓0.1%	96.1%/3.9%	91.1%/8.9%	96.3%↑3.7%	90.6%/9.4%
Annual Cost per Employee	\$14,683	\$12,344	↑18.9%	\$13,623	\$8,589	\$13,913	Approx
Annual Cost per Member	\$5,954	\$4,960	↑20.0%	\$5,811	\$4,426	\$6,113	\$5,200
Inpatient Costs	15.9%	12.6%	↑3.3%	14.5%	23.1%	15.2%	19.2%
Outpatient Costs	30.0%	31.2%	↓1.2%	33.2%	25.6%	29.5%	35.7%
Professional Costs	36.0%	37.1%	↓1.1%	33.1%	40.3%	36.3%	32.9%
Pharmacy Costs	18.1%	19.1%	↓1.0%	19.2%	10.9%	19.0%	12.3%

★07/01/10 -06/30/11 N=51

\$50,000 - \$74,999: 31
 \$75,000 - \$99,999: 6
 \$100,000-\$149,999: 5
 150K+: 9

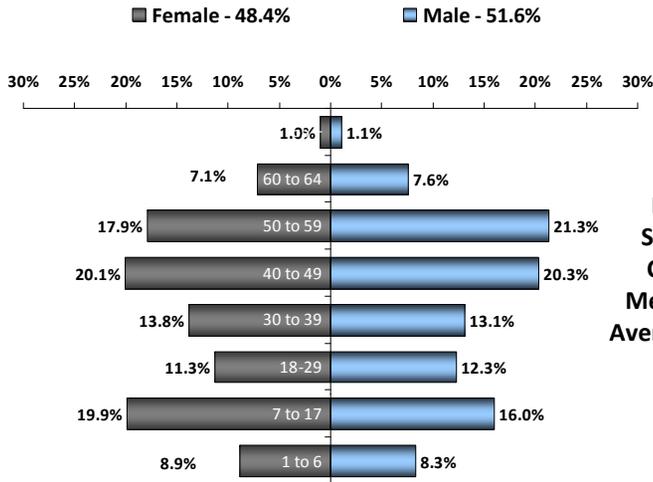
★07/01/09-06/30/10 N=31

\$50,000 - \$74,999: 16
 \$75,000 - \$99,999: 7
 \$100,000-149,999: 2
 \$150K+: 6

A Look At Demographics

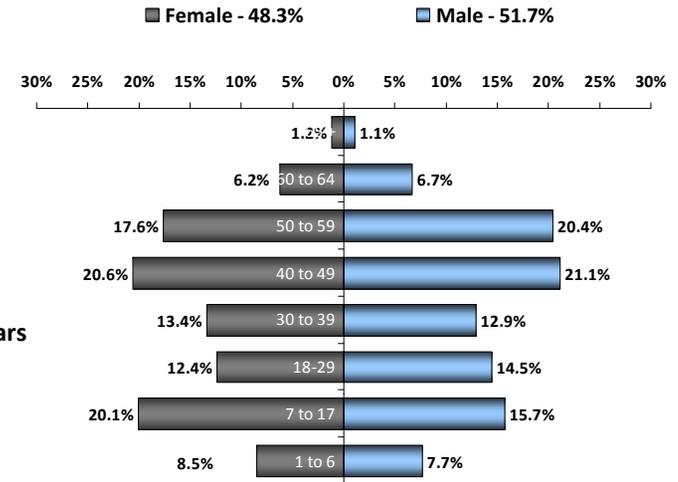


July 1, 2010- June 30, 2011



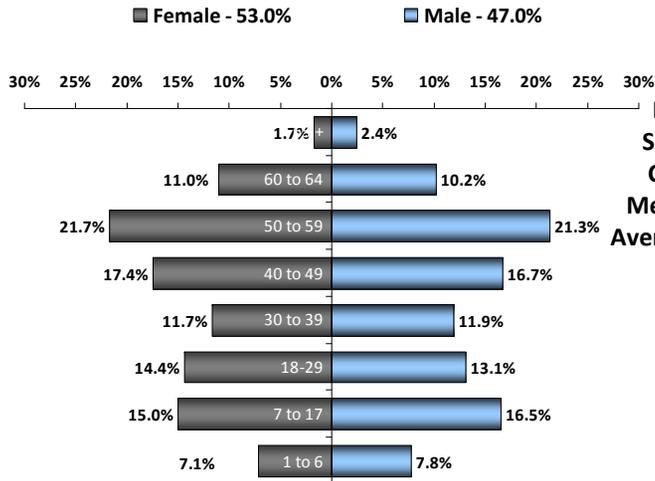
Members: 3,192
Subscribers: 1,306
Contract size: 2.4
Membership: ↓3.1%
Average Age: 34.9 years
48.3% > age 40
28.1% > age 50
8.4% > age 60

July 1, 2009- June 30, 2010



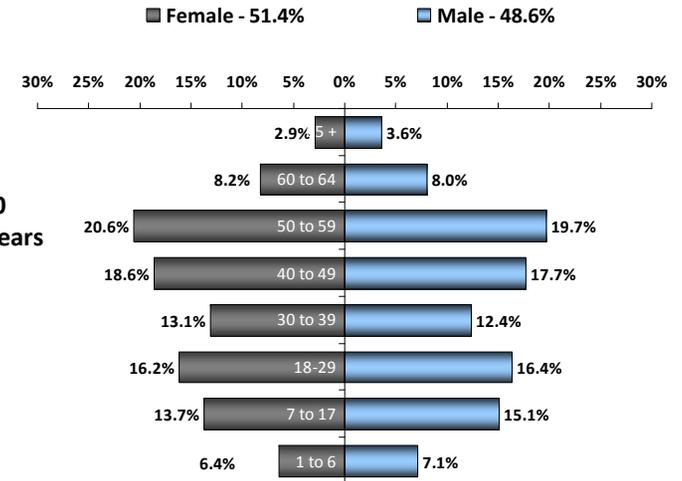
Members: 3,371
Subscribers: 1,362
Contract size: 2.5
Average Age: 34.9 years
47.5% > age 40
26.7% > age 50
7.6% > age 60

Like Group Comparison



Members: 4,465
Subscribers: 1,899
Contract size: 2.4
Membership: ↓1.1%
Average Age: 36.8 years
51.2% > age 40
34.2% > age 50
12.7% > age 60

Anthem NH Norm



Contract size: 2.0
Average Age: 36.6 years
49.8% > age 40
31.7% > age 50
11.4% > age 60

Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire Inc. independent licensee of the Blue Cross and Blue Shield Association. © ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

PROPRIETARY AND CONFIDENTIAL



Average Claims by Age / Gender



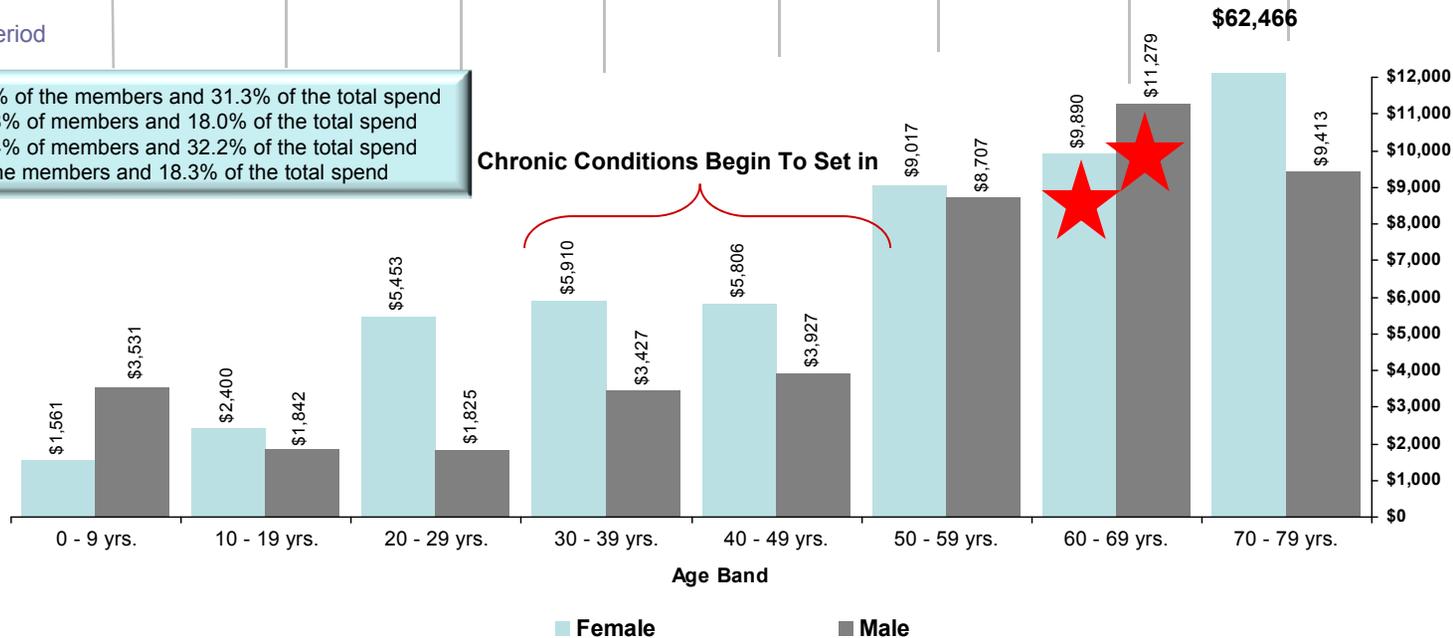
There is a wide variation in costs by age and gender:

- Greatest concentration of membership is in the 40-49 year age band, followed by the 50-59 age band
 - Highest average costs/claim are for 60-69 year olds (70+ considered outliers)
 - Typically females tend to have higher average costs than their male counterparts until age 50, when the gender gap usually closes.
 - Females tend to seek services as their issues emerge
 - Overall, males costs tend to escalate significantly with age – their trend is not a bell curve but rather one with continued higher expenses as the age increases
- General health issues are not being addressed in the 20-29, 30-39–age bands, but once the male is >50 years old, the average costs increase markedly.

	0-9	10-19	20-29	30-39	40-49	50-59	60-69	70+
N	495	595	345	482	726	710	801	12
F	231	326	179	248	365	319	140	5
M	264	269	166	234	361	391	161	7

Current Period

0-39 yrs=52.3% of the members and 31.3% of the total spend
 40-49 yrs=19.8% of members and 18.0% of the total spend
 50-59 yrs=19.4% of members and 32.2% of the total spend
 60+=8.5% of the members and 18.3% of the total spend



Utilization By Setting and Condition



Inpatient costs represent \$3,103,514 (\$2,118,086) total claims paid

Orthopedics: Joint Degeneration (knee, back hip, and neck), Adult Rheumatoid Arthritis, Open Fractures

Infectious Diseases: Septicemia

Malignant Neoplasm: Lung, GU System, Prostate, Pancreas

Cardiology: Heart Disease, Conduction Disorders and Cardiac Infection

Gastroenterology: Inflammation of the Intestines, Bowel Obstruction, Inflammation of the Esophagus

These 5 health conditions represent 60.0% of all Inpatient costs

Inpatient Top 5 Health Conditions	Paid Amount	# of Members	Ave Cost/Member	% of Inpatient Paid
Orthopedics	\$779,649	32	\$24,364	25.1%
Infectious Diseases	\$464,881	4	\$116,220	15.0%
Malignant Neoplasm	\$216,453	13	\$16,650	7.0%
Cardiology	\$212,251	11	\$19,296	6.8%
Gastroenterology	\$189,504	15	\$12,634	6.1%

Outpatient costs represent \$5,847,455 (\$5,229,120) total claims paid

Malignant Neoplasm: Chemo, Radiation Therapy, OP Surgery, Emergency Department, Radiology, Lab/Pathology

Orthopedics and Rheumatology: OP Surgery, Emergency Dept, Radiology

Cardiology: Emergency Dept, Labs, Radiology, OP surgery

Gastroenterology: Endoscopy, Colonoscopy, Emergency Dept, Radiology, OP Surgery

Endocrinology: Lab/Pathology, OP Surgery, Radiology, Emergency Dept

These 5 health conditions represent 54.1% of all Outpatient costs

Outpatient Top 5 Health Conditions	Paid Amount	# of Members	Ave Cost/Member	% of Outpatient Paid
Malignant Neoplasm	\$888,718	87	\$10,215	15.2%
Orthopedics	\$839,821	590	\$1,423	14.4%
Cardiology	\$620,640	419	\$1,481	10.6%
Gastroenterology	\$470,363	247	\$1,904	8.0%
Endocrinology	\$342,098	602	\$568	5.9%

Professional costs represent \$7,025,398 (\$6,230,869) total claims paid

These 5 health conditions represent 48.6% of all Professional costs

Professional Top 5 Health Conditions	Paid Amount	# of Members	Ave Cost/Member	% of Prof. Paid
Orthopedics	\$1,429,199	1,240	\$1,153	20.3%
Preventive and Administrative Services	\$547,396	2,242	\$244	7.8%
Malignant Neoplasm	\$519,786	120	\$4,332	7.4%
Gastroenterology	\$463,817	472	\$983	6.7%
Otolaryngology	\$452,204	1,087	\$416	6.4%



Pharmacy Overview – Key Statistics



- Plan Cost is \$90.25 PMPM, a 9.2% trend over previous period
- Generic Fill Rate (GFR) increased to 70.1%
- Specialty Percent of Plan Cost is 16.7%

WL9 - City of Manchester			
Description	07/10 - 06/11	07/09 - 06/10	% Change
Avg Employees per Month	1,328	1,359	-2.3%
Avg Members per Month	3,274	3,380	-3.1%
Number of Unique Utilizers	2,743	2,799	-2.0%
Pct Mbrs Utilizing Benefit	83.8%	82.8%	1.2%
Total Plan Cost	\$3,546,821	\$3,350,763	5.9%
Total Rxs	37,743	36,815	2.5%
Average Member Age	35.1	34.9	
Plan Cost PMPM	\$90.25	\$82.61	9.2%
Plan Cost per Rx	\$93.97	\$91.02	3.2%
Nbr Rxs PMPM	0.96	0.91	5.8%
Generic Fill Rate	70.1%	66.2%	6.0%
Home Delivery Utilization	15.7%	17.1%	-8.2%
Member Cost Share	9.7%	10.1%	-3.6%
Specialty Percent of Plan Cost	16.7%	14.2%	18.1%
Specialty Plan Cost PMPM	\$15.11	\$11.71	29.1%
Formulary Compliance Rate	92.8%	91.1%	1.8%

DIV: WL9 Report: ANTHEM BCBS NEW HAMPSHIRE WL9 - City of Manchester

Top 10 Indications



- The largest trend is in Multiple Sclerosis, at 48.9%
- The largest negative trend is in Depression, at -9.7%

Represent 60.9%
of your total
Ingredient Cost

Top Indications by Ingredient Cost												
07/10 - 06/11							07/09 - 06/10					% Change
Rank	Indication	Rxs	Patients	Ing Cost	Generic Fill Rate	Ing Cost / PMPM	Rank	Rxs	Patients	Generic Fill Rate	Ing Cost / PMPM	Ing Cost / PMPM
1	HIGH BLOOD CHOLESTEROL	2,641	498	\$405,860	38%	\$10.33	1	2,713	508	36%	\$9.96	3.6%
2	ULCER DISEASE	2,026	414	\$298,517	71%	\$7.60	2	1,824	380	60%	\$7.92	-4.1%
3	DEPRESSION	3,283	513	\$256,102	74%	\$6.52	3	3,360	510	66%	\$7.22	-9.7%
4	DIABETES	1,548	144	\$252,560	40%	\$6.43	4	1,588	147	38%	\$5.95	8.0%
5	ASTHMA	1,502	427	\$250,070	7%	\$6.36	5	1,485	444	6%	\$5.78	10.1%
6	INFLAMMATORY CONDITIONS	116	26	\$215,736	24%	\$5.49	6	121	26	25%	\$5.28	4.0%
7	ATTENTION DISORDERS	895	120	\$186,259	28%	\$4.74	8	920	120	30%	\$4.11	15.3%
8	MULTIPLE SCLEROSIS	21	6	\$186,068	0%	\$4.73	9	26	5	0%	\$3.18	48.9%
9	HIGH BLOOD PRESS/HEART DISEASE	3,588	527	\$184,495	84%	\$4.69	7	3,420	526	80%	\$4.50	4.4%
10	MENTAL/NEURO DISORDERS	345	68	\$122,925	26%	\$3.13	10	332	66	26%	\$2.77	13.1%
Totals:		15,965		\$2,358,592		\$60.02		15,789			\$56.67	5.9%
Difference Between Periods:		176		\$59,930		\$3.34						

1

Top 10 Drugs



- Represent 25.3% of your total Ingredient Cost and comprise 7 indications

Top Drugs by Ingredient Cost												
07/10 - 06/11							07/09 - 06/10				% Change	
Rank	Brand Name	Indication	Rxs	Patients	Ing Cost	Ing Cost / PMPM	Rank	Rxs	Patients	Ing Cost / PMPM	Ing Cost / PMPM	% Change
1	LIPITOR	HIGH BLOOD CHOLESTEROL	990	196	\$222,318	\$5.66	1	1,025	209	\$5.10		10.9%
2	NEXIUM	ULCER DISEASE	479	94	\$149,494	\$3.80	2	439	107	\$3.11		22.2%
3	HUMIRA	INFLAMMATORY CONDITIONS	27	8	\$93,594	\$2.38	3	33	7	\$2.17		10.0%
4	REVLIMID	CANCER	12	1	\$90,914	\$2.31	35	3	1	\$0.54		330.1%
5	COPAXONE	MULTIPLE SCLEROSIS	8	3	\$81,549	\$2.08	6	10	4	\$1.60		29.9%
6	ENBREL	INFLAMMATORY CONDITIONS	19	6	\$78,131	\$1.99	4	19	5	\$2.09		-5.0%
7	ADVAIR DISKUS	ASTHMA	239	71	\$72,033	\$1.83	5	240	84	\$1.71		7.4%
8	LEXAPRO	DEPRESSION	518	94	\$70,863	\$1.80	10	530	97	\$1.52		18.6%
9	CRESTOR	HIGH BLOOD CHOLESTEROL	262	58	\$61,337	\$1.56	11	250	61	\$1.36		15.1%
10	REBIF	MULTIPLE SCLEROSIS	7	2	\$58,217	\$1.48	13	10	2	\$1.23		20.6%
Totals:			2,561		\$978,450	\$24.90		2,559		\$20.42		21.9%
Difference Between Periods:			2		\$150,249	\$4.48						

DIV: WL9 Report: ANTHEM BCBS NEW HAMPSHIRE WL9 - City of Manchester

Top Specialty Indications



- Represent 15.2% of your total Ingredient Cost

Top Specialty Indications by Ingredient Cost											
07/10 - 06/11						07/09 - 06/10					% Change
Overall Rank	Indication	Rxs	Patients	Ing Cost	Ing Cost / PMPM	Overall Rank	Rxs	Patients	Ing Cost	Ing Cost / PMPM	Ing Cost / PMPM
6	INFLAMMATORY CONDITIONS	59	16	\$195,970	\$4.99	6	65	13	\$197,869	\$4.88	2.2%
8	MULTIPLE SCLEROSIS	21	6	\$186,068	\$4.73	9	26	5	\$129,011	\$3.18	48.9%
12	CANCER	146	28	\$98,900	\$2.52	28	131	30	\$36,240	\$0.89	181.7%
29	TRANSPLANT	49	9	\$30,819	\$0.78	25	65	12	\$40,550	\$1.00	-21.6%
30	PULMONARY HYPERTENSION	4	1	\$23,552	\$0.60	27	7	1	\$38,014	\$0.94	-36.1%
13	SKIN CONDITIONS	4	1	\$20,595	\$0.52	18					
5	ASTHMA	12	1	\$15,313	\$0.39	5	9	1	\$10,705	\$0.26	47.6%
44	NAUSEA/VOMITING	116	79	\$7,873	\$0.20	43	117	71	\$6,341	\$0.16	28.1%
15	CONTRACEPTIVES	8	8	\$6,506	\$0.17	11	7	7	\$3,457	\$0.09	94.2%
42	BONE CONDITIONS	14	7	\$3,819	\$0.10	33	18	6	\$4,720	\$0.12	-16.5%
Totals:		433		\$589,416	\$15.00		445		\$466,906	\$11.51	30.3%
Difference Between Periods:		-12		\$122,510	\$3.49						

DIV: WL9 Report: ANTHEM BCBS NEW HAMPSHIRE WL9 - City of Manchester

Top Specialty Drugs



- Represent 13.6% of your total Ingredient Cost

Top Specialty Drugs by Ingredient Cost													
07/10 - 06/11								07/09 - 06/10					% Change
Overall Rank	Brand Name	Indication	Rxs	Patients	Ing Cost	Ing Cost / Rx	Ing Cost / PMPM	Overall Rank	Rxs	Patients	Ing Cost / Rx	Ing Cost / PMPM	Ing Cost / PMPM
3	HUMIRA	INFLAMMATORY CONDITIONS	27	8	\$93,594	\$3,466	\$2.38	3	33	7	\$2,661	\$2.17	10.0%
4	REVLIMID	CANCER	12	1	\$90,914	\$7,576	\$2.31	35	3	1	\$7,272	\$0.54	330.1%
5	COPAXONE	MULTIPLE SCLEROSIS	8	3	\$81,549	\$10,194	\$2.08	6	10	4	\$6,479	\$1.60	29.9%
6	ENBREL	INFLAMMATORY CONDITIONS	19	6	\$78,131	\$4,112	\$1.99	4	19	5	\$4,468	\$2.09	-5.0%
10	REBIF	MULTIPLE SCLEROSIS	7	2	\$58,217	\$8,317	\$1.48	13	10	2	\$4,981	\$1.23	20.6%
14	AVONEX	MULTIPLE SCLEROSIS	6	2	\$46,302	\$7,717	\$1.18	59	6	1	\$2,402	\$0.36	231.5%
33	TRACLEER	PULMONARY HYPERTENSION	4	1	\$23,552	\$5,888	\$0.60	18	7	1	\$5,431	\$0.94	-36.1%
42	STELARA	SKIN CONDITIONS	4	1	\$20,595	\$5,149	\$0.52						
48	PROGRAF	TRANSPLANT	13	4	\$17,702	\$1,362	\$0.45	33	17	5	\$1,355	\$0.57	-20.7%
55	SIMPONI	INFLAMMATORY CONDITIONS	9	1	\$16,451	\$1,828	\$0.42	42	12	1	\$1,690	\$0.50	-16.3%
Totals:			109		\$527,008		\$13.41		117			\$9.98	34.3%
Difference Between Periods:			-8		\$122,155		\$3.43						

DIV: WL9 Report: ANTHEM BCBS NEW HAMPSHIRE WL9 - City of Manchester

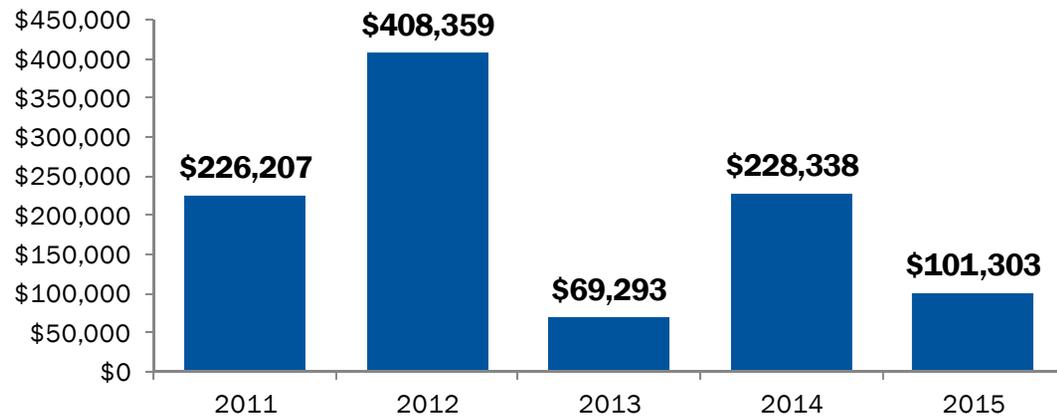
Upcoming Patent Expirations



1% increase in generic utilization results in approximately 1 - 2% reduction in total drug spend

Top Drugs Scheduled to Lose Patent Protection through 2015					
Drug Name	Indication	Scheduled Release	Ing Cost Rank	Ing Cost PMPM	Ing Cost / Rx
LIPITOR	HIGH BLOOD CHOLESTEROL	2011	1	\$5.66	\$224.56
NEXIUM	ULCER DISEASE	2014	2	\$3.80	\$312.10
LEXAPRO	DEPRESSION	2012	8	\$1.80	\$136.80
SINGULAIR	ASTHMA	2012	11	\$1.39	\$169.86
ABILIFY	MENTAL/NEURO DISORDERS	2015	13	\$1.21	\$687.30
DIOVAN	HIGH BLOOD PRESS/HEART DISEASE	2012	20	\$0.85	\$157.70
CYMBALTA	DEPRESSION	2013	21	\$0.84	\$203.04
ACTOS	DIABETES	2012	22	\$0.82	\$468.95
SEROQUEL	MENTAL/NEURO DISORDERS	2012	24	\$0.79	\$381.33
PLAVIX	BLOOD MODIFYING	2012	25	\$0.78	\$274.65

Based on your current utilization, \$1,033,501 in brand drugs are losing patent protection by 2015



Expiration dates based on current status and may change due to litigation, patent challenges, etc.

DIV: WL9 Report: ANTHEM BCBS NEW HAMPSHIRE WL9 - City of Manchester



Top Six Major Practice Categories by Claims Paid

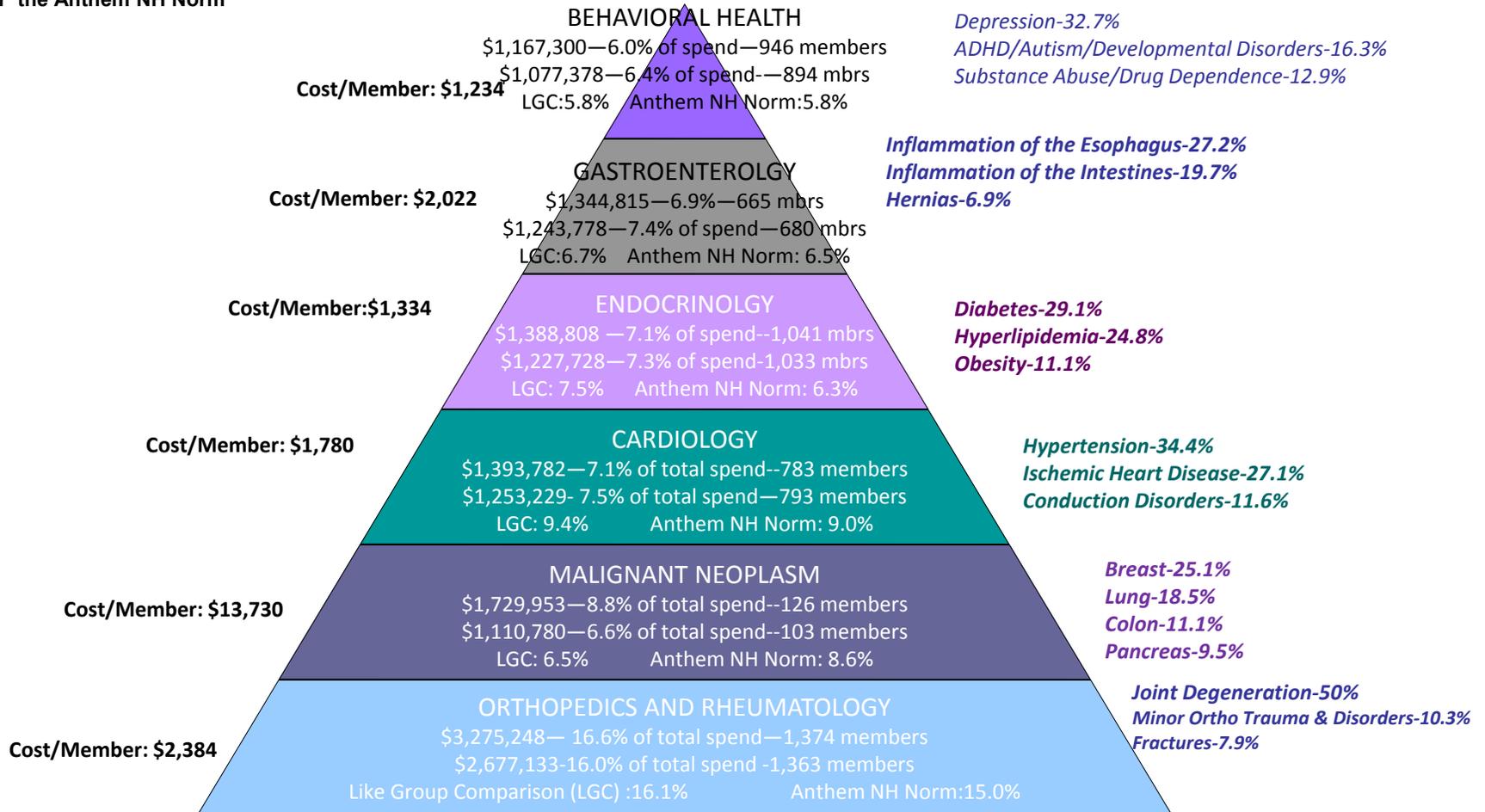


The Top Six Health Conditions account for:

52.5% of total spend in the current period and **51.2%** in the prior period

52.0% for the Like Group Comparison

and **51.2%** for the Anthem NH Norm



Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire, Inc. independent licensee of the Blue Cross and Blue Shield Association. © ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

PROPRIETARY AND CONFIDENTIAL

Major Diagnostic Categories: Total PMPM Expenditures

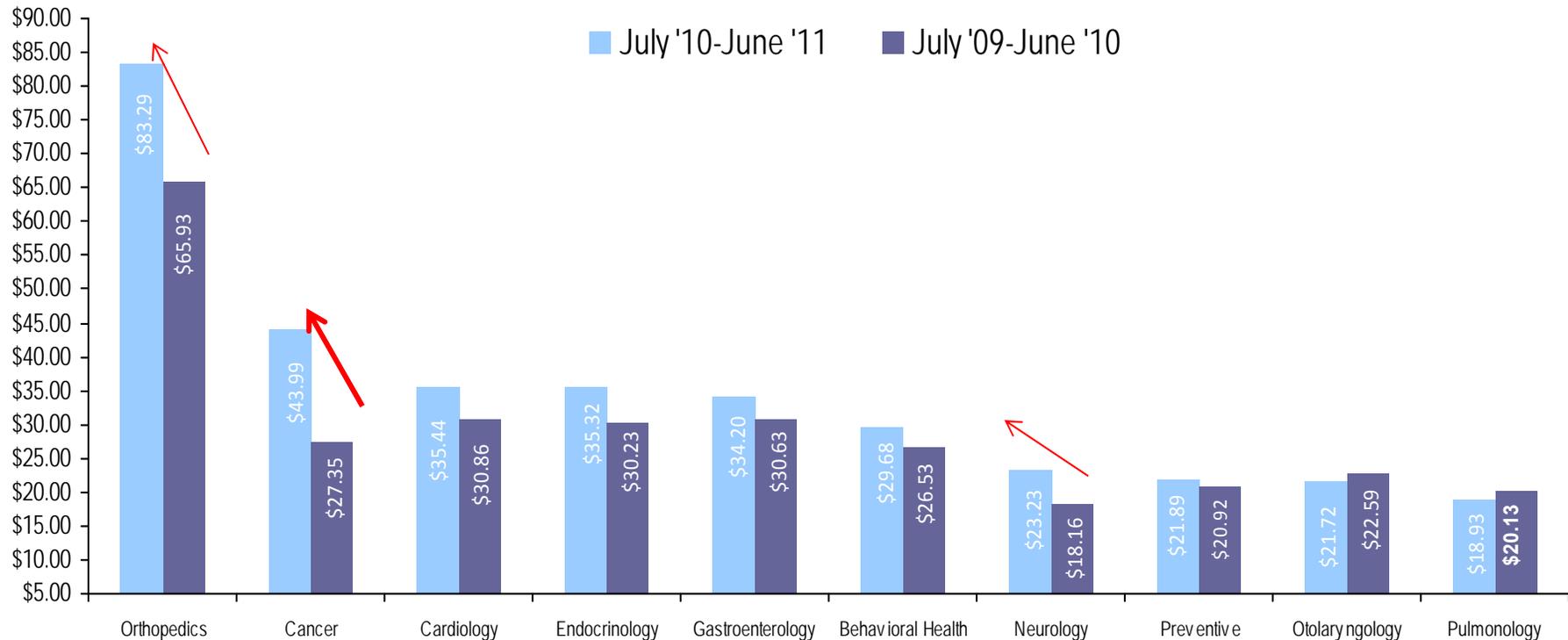


Top MPC's- July '10-June '11

1. Orthopedics and Rheumatology
2. Cancer
3. Cardiology
4. Endocrinology
5. Gastroenterology
6. Behavioral Health
7. Neurology
8. Preventive & Administrative
9. Otolaryngology
10. Pulmonology

Top MPC's -July '09-June '10

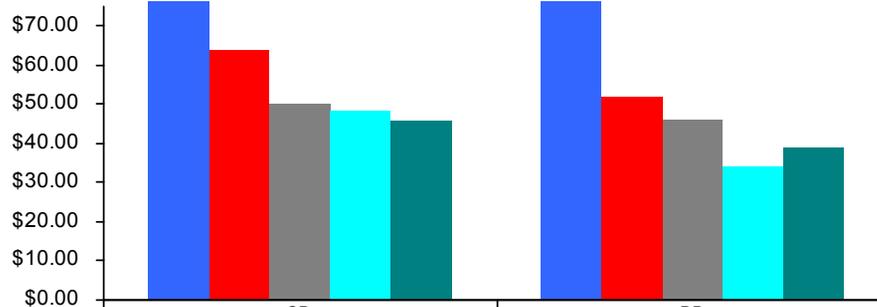
1. Orthopedics and Rheumatology
2. Cardiology
3. Gastroenterology
4. Endocrinology
5. Cancer
6. Behavioral Health
7. Hematology
8. Otolaryngology
9. Preventive and Administrative
10. Pulmonology



Top MPC's by Claims Paid: PMPM and Relationship



Subscriber Top 5 PMPM's



	CP	PP
Orthopedics	\$113.33	\$88.81
Cardiology	\$63.79	\$52.06
Endocrinology	\$50.34	\$46.00
Malignant Neoplasm	\$48.53	\$34.06
Gastroenterology	\$45.55	\$39.25

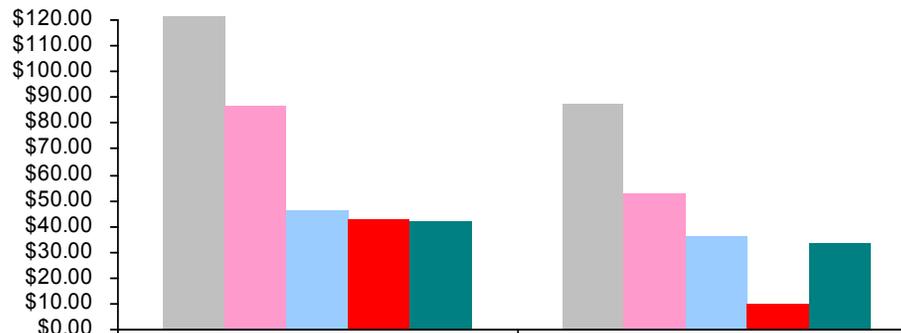
To focus wellness strategies, concentrate on common threads:

- Orthopedics
- Malignant Neoplasm
- Endocrinology

Children - Top 3 MPC's

MPC	Current Period	Prior Period
Behavioral Health	\$26.22	\$19.80
Otolaryngology	\$21.20	\$27.38
Orthopedics	\$20.51	\$22.89

Spouse Top 5 PMPM's



	CP	PP
Orthopedics	\$121.0	\$87.16
Malignant Neoplasm	\$86.73	\$52.37
Endocrinology	\$45.96	\$35.98
Infectious Diseases	\$42.63	\$9.63
Behavioral Health	\$41.56	\$33.62

PMPM: Subscriber = \$569.04 / \$528.72 (↑17.6%)

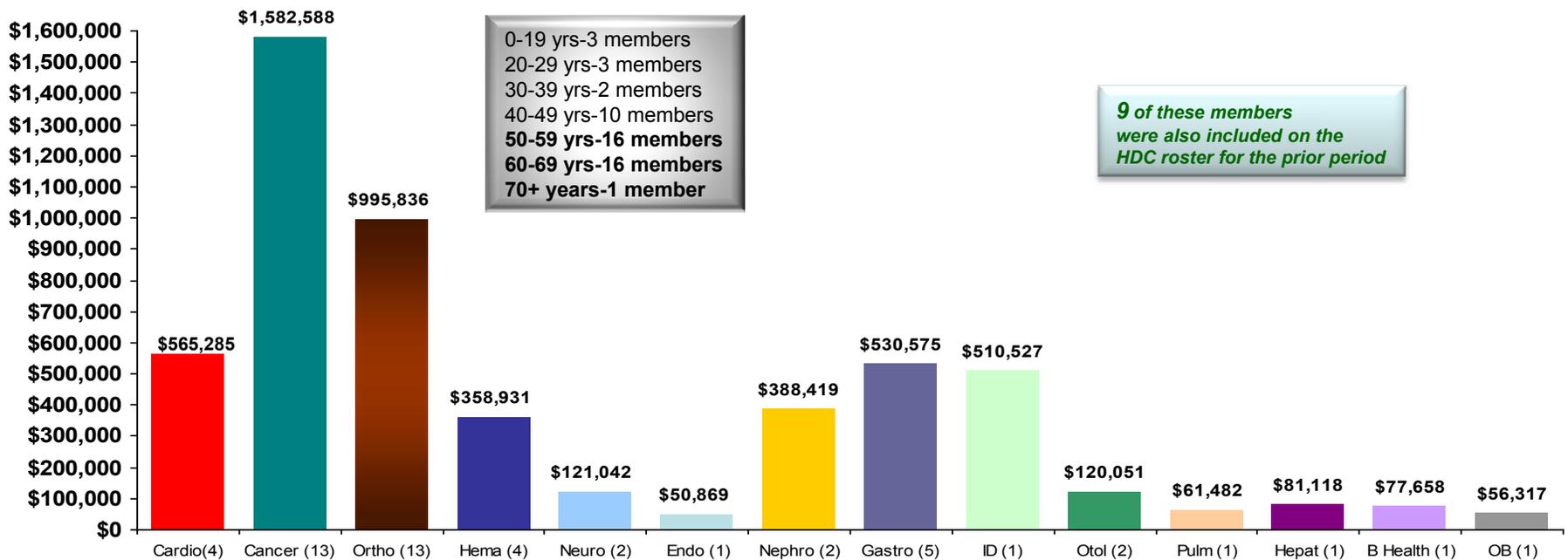
PMPM: Spouse = \$747.99 / \$525.92 (↑42.2%)

PMPM: Child = \$215.54 / \$192.16 (↑12.2%)

High Cost Claimants by Major Health Conditions



- City of Manchester had **51** claimants with claims paid in excess of **\$50,000** from **June '10 thru July '11**
 - There were **31** claimants with claims paid in excess of \$50,000 from June '09 thru July '10
- This represents a total paid amount of **\$5,500,699** or **28.2%** of total spend in the current period compared to **\$3,400,438** or **20.3%** in the prior period
- Malignant Neoplasm represents 28.8% of total high dollar claimant spend, and 25.5% of the members
 - Orthopedics represents 18.1% of the high dollar spend and 25.5% of the members
 - Cardiology accounts for 10.3% of the high dollar spend and 7.8% of the members
- Total Spend by Relationship: Subscriber 51.0% (26 members) Spouse 39.2% (20 members) Children 9.8% (5 members)
- As of June,30, 2011 43 members were active, 9 have termed



Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire Inc. independent licensee of the Blue Cross and Blue Shield Association. © ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

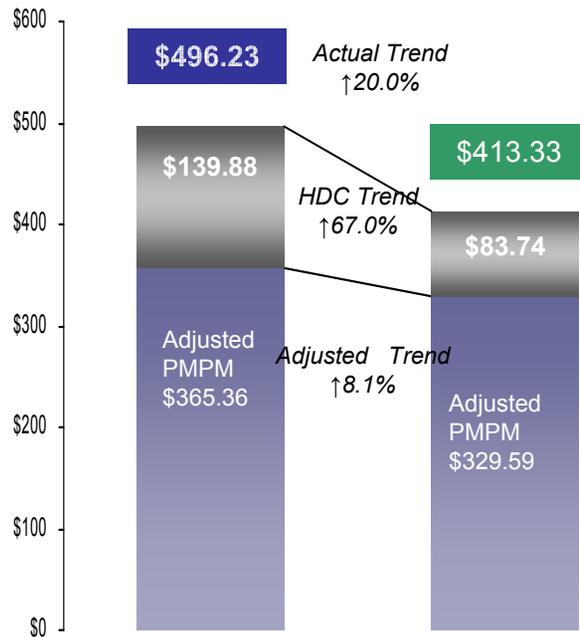
PROPRIETARY AND CONFIDENTIAL

Plan Claims PMPM Adjusted for HDC > \$50,000

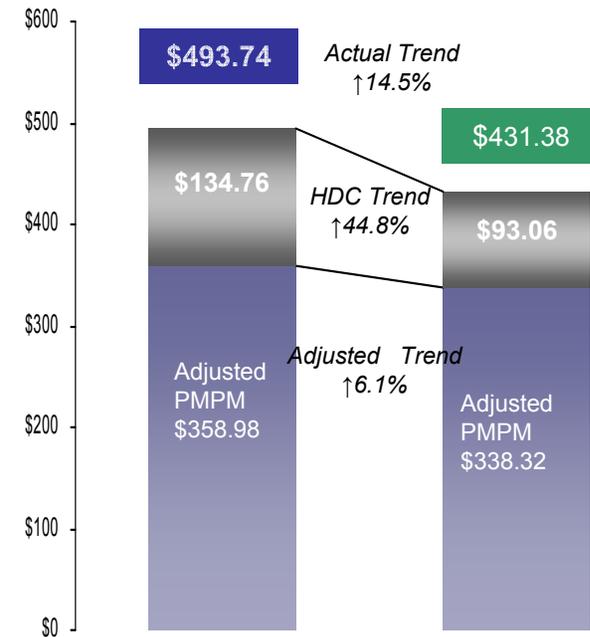


- Adjusting the PMPM to remove claims >\$50,000, would yield an *adjusted paid trend of +8.1%*, whereas with the all claims included, the *actual trend is up 20.0% from July '10 to June '11*
- An increase in the complexity of conditions and the intensity of services provided for those members on the HDC roster affected the trend in the current period
- The actual number of high cost claimants increased dramatically (from 31 members to 51 members in the current reporting period)

Paid claims from July 2010 to June 2011
compared to
Paid claims from July 2009 to June 2010



Incurred claims from July 2010 to June 2011 (paid thru August 2011) compared to
Incurred claims from July 2009 to June 2010 (paid thru August 2010)

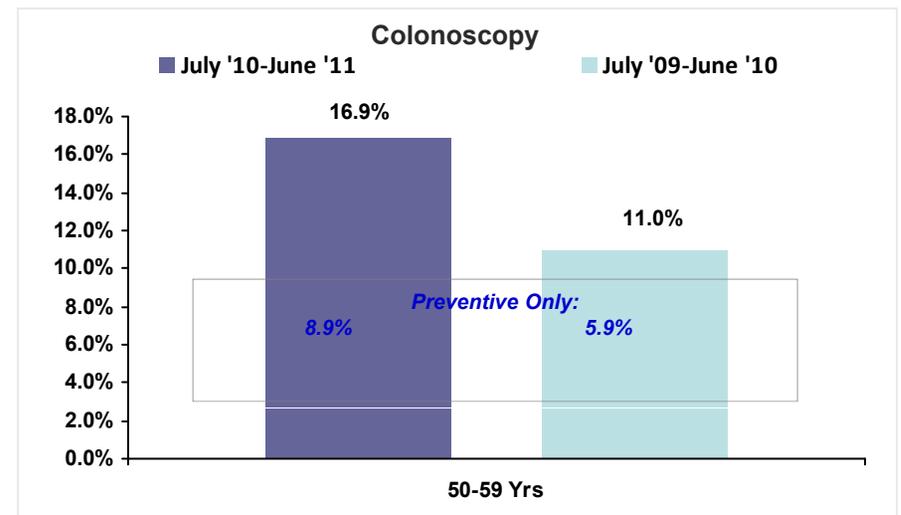
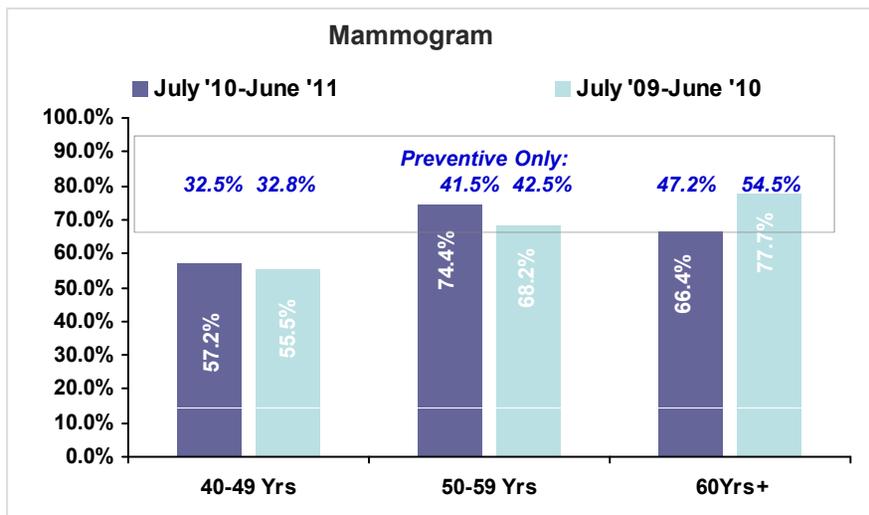


Preventive Screenings



Indicator	July '10-June '11	July '09-June '10
General Preventive Screening (30+ yrs)	592 members- 25.2% of eligible members	685 members -27.4% of eligible members
Preventive Well Women (18+ yrs)	754 members- 68.5% of eligible members	749 members- 64.4% of eligible members
Preventive Well Man (30+ yrs)	615 members- 49.4% of eligible members	625 members- 46.8% of eligible members
Routine Adult Preventive Immunizations	764 members	612 members
Routine Well Child Preventive Immunizations	543 members	584 members

- Screening compliance rates are mixed
 - Colorectal screening is low;(goal is 20%) Breast cancer screenings are below the goal of 50% (**when reviewed for preventive screenings only**)
 - Routine preventive visits are low, however women are much more compliant generally compared to men
- Overall, opportunity exists to heavily promote the importance of all preventive screenings and immunizations



360° Disease Management Activity Summary



This graph demonstrates disease prevalence rates for July 1, 2010 through June 2011, compared to the prior period as well as to the Anthem prevalence rates. For City of Manchester, the prevalence rates are above the Anthem prevalence norms for Asthma and Chronic Obstructive Pulmonary Disease

During the most current report period, **503 (399)** members were under management, and as of June 30, 2011, **436 (372)** remained under management

- The total prevalence rate of **13.1%** is considerably higher than the 12.2% total Anthem reference population prevalence rate

As of 06-30-11, total under management by ConditionCare Program:

- Asthma: **202 (154)**
- CAD: **57 (51)**
- Heart Failure: **7 (7)**
- COPD: **54 (41)**
- Diabetes: **116 (119)**

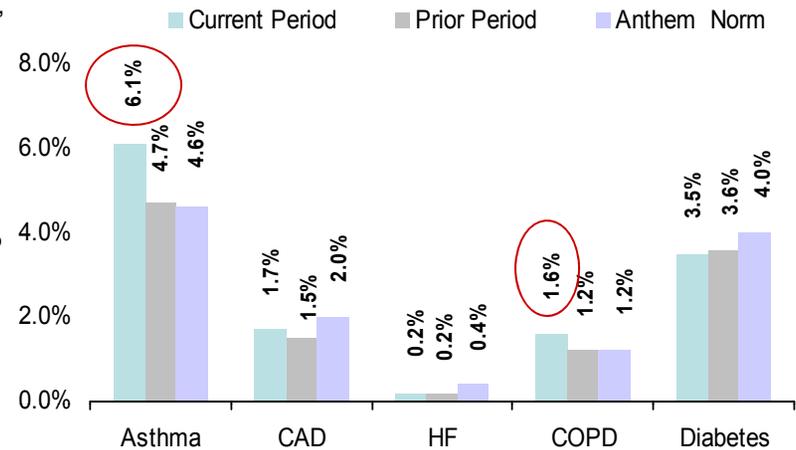
Case Activity

- A total of 492 alerts were generated to members regarding actions needed to be taken.
 - Of these, 95.3% were for overdue testing*
- A total of 435 outbound phone calls were placed to members. Of the total call activity, 68.8% were related to the need for clinical intervention; 31.3% for purposes of enrollment
 - 40% of call referrals were for consultations with a Pharmacist, 20% were for Dieticians, and 40% for Exercise Physiologists*

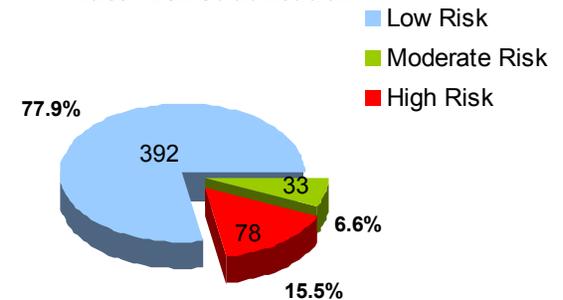
Case Risk Stratification:

- Low Risk identified members represent 77.9%, which is lower than the Anthem Reference of 84% - However, the High risk prevalence 15.5% (78 members) is higher than the Anthem Reference of 10.0%

ConditionCare Programs - Prevalence



Case Risk Stratification



Anthem Reference Population:
 High Risk = 10.0%
 Moderate Risk = 6.0%
 Low Risk = 84.0%

Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire, Inc. independent licensee of the Blue Cross and Blue Shield Association. © ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

PROPRIETARY AND CONFIDENTIAL

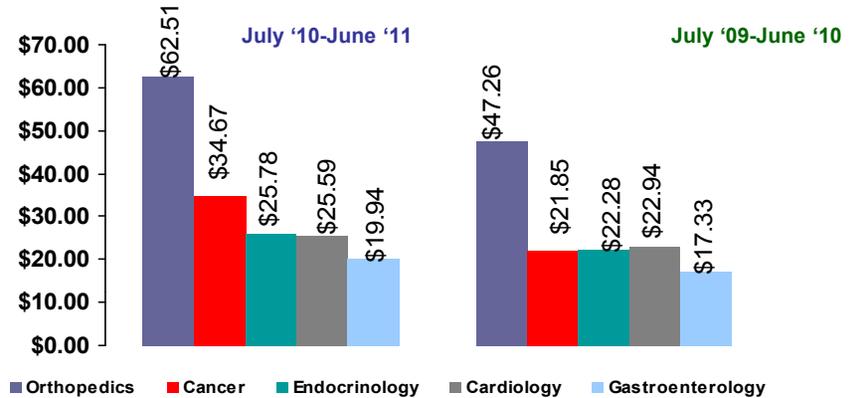
Top Five *Potentially* Lifestyle Related Conditions by PMPM



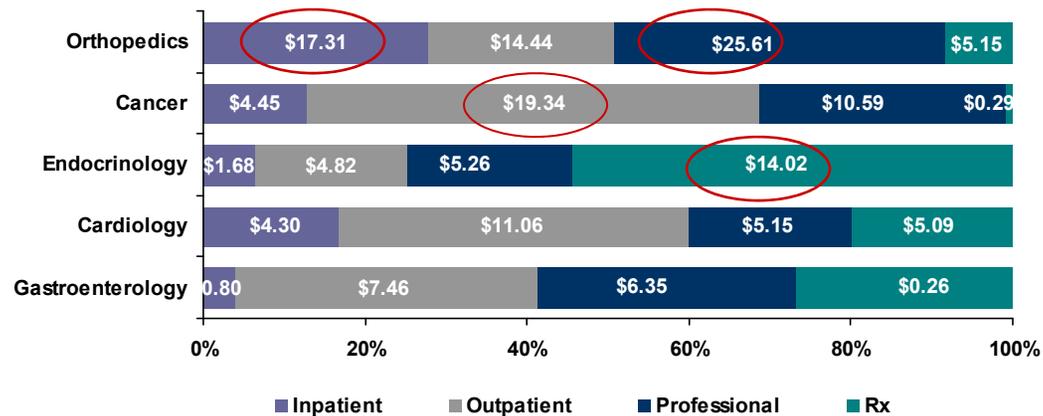
Potentially Lifestyle Related Paid Claims = Potential for Impact by Lifestyle Related Changes

- *Potentially Lifestyle* related claims account for **52.2% vs 49.6%** of overall claims for a 2 year period
- The subscriber is the key driver for all potentially Lifestyle related paid claim activity for the current period ->**51.6%** The spouse accounts for 41.5%
- Orthopedics represents **24.1% (23.3%)** of *potentially Lifestyle related claims*, **subscriber** drove 60% of claims
- Cancer represents **13.4% (10.8%)** of *potentially Lifestyle related claims*, **subscriber** drove 55.5% of claims
- Endocrinology represents **10.0% (11.0%)** of *potentially Lifestyle related claims*, **subscriber** drove 61.0% of claims
- Cardiology represents **9.9% (11.3%)** of *potentially Lifestyle related claims*, **subscriber** drove 72.6% of claims
- Gastroenterology represents **7.7% (8.6%)** of *potentially Lifestyle related claims*, **subscriber** drove 56.3% of claims

Top Five MPC by PMPM



Potentially Lifestyle Related Paid Claims By MPC and PMPM



Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire Inc. independent licensee of the Blue Cross and Blue Shield Association. © ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

PROPRIETARY AND CONFIDENTIAL

Considerations for City of Manchester



Explore strategies to promote member responsibility and accountability for their own personal health and wellness

- City of Manchester offers one of the most robust benefit packages to its employees with member cost share at 3.2% for the current time frame
- Approximately 25% of all Emergency Room visits in the current period could potentially be treated effectively in another setting (i.e. provider office, urgent care center, walk in centers)
- Member Cost Share for Emergency Room visits is well below the Anthem Norm and does not encourage members to seek non-emergency services at more appropriate and cost effective settings
- No financial incentive exists on high option POS plan to encourage members to seek generic or generic equivalents rather than brand name drugs, when appropriate
- Room for improvement on Compass Smart Shopper Program engagement and subsequent claim dollar savings

Promote compliance with preventive care screenings and routine visits to detect issues and conditions early when treatment is less complex and costly, often less invasive, and the outcome is typically better

- Routine preventive visits for City of Manchester's population are below the National norm
- Cancer is the #2 overall driver of costs and utilization for the current period (top driver of costs in the outpatient setting, and noted in the top 3 for all other settings)
- Breast and Colon cancer are significant contributors to the City's cancer costs
- Males average costs increase dramatically after age 50 and their compliance rate for preventive visits are below their female counterparts
- Preventive Services are covered at no out of pocket cost for members and several are eligible for incentive payout under the Compass Smart Shopper Program

Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire Inc. independent licensee of the Blue Cross and Blue Shield Association.
© ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

PROPRIETARY AND CONFIDENTIAL

Considerations for City of Manchester



Advertise the availability of the Employee Assistance Program (EAP) to promote mental health and well being

- Behavioral Health is the #6 Major Practice Category for the City of Manchester
- Depression accounts for 33% of the Behavioral Health spend and affects 345 members

Continue with health & wellness initiatives targeted towards daily exercise, maintaining a healthy weight, good nutrition and smoking cessation

- 52% of total claims spend potentially related to lifestyle choices (Orthopedic, Cancer , Endocrinology & Cardiology top cost drivers)
- Higher than average prevalence of Asthma and Chronic Obstructive Pulmonary Disease in the City of Manchester's population
- Joint degeneration claims account for 50% of the total orthopedic spend-age and a sedentary lifestyle are the culprits
- Obesity is a leading cost driver and is the #1 risk factor for Diabetes
- Chronic health conditions and progressive health issues are notable in this population-all impacted to some degree by lifestyle choices

Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire Inc. independent licensee of the Blue Cross and Blue Shield Association.
© ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

PROPRIETARY AND CONFIDENTIAL



Appendix

Utilization By Setting



Inpatient	Outpatient	Professional
Total Plan Paid: \$3,103,514 (\$2,118,086) PMPM: \$78.92 (\$52.16) Cost/Admit: \$13,917 (\$11,899) Total Admits: 223 (178) Admits/1000: 68.0 (52.6)	Total Plan Paid: \$5,847,455 (\$5,229,120) PMPM: \$148.70 (\$128.77) Cost/Visit: \$499 (\$532) Total Visits: 11,724 (9,830) Visits/1000: 3,577.6 (2,904.9)	Total Plan Paid: \$7,025,398 (\$6,230,869) PMPM: \$178.65 (\$153.44) Cost/Service: \$109(\$99) Total Services: 64,378 (62,856) Services/1000: 19,664.9 (18,574.9)
#1 Surgery: 65 (48) admits +35.4% ▪ Cost/admit: \$29,733 (\$18,495) +60.8% ▪ PMPM: \$49.14 (\$21.86) +124.8% ▪ ALOS: 4.2(3.6)+16.0% \$1,932,619 (\$887,776) +117.7%	#1 Outpatient Surgery: 393 (537) -26.8% ▪ Cost/visit: \$3,042 (\$2,317) +31.3% ▪ PMPM: \$30.40 (\$30.64) -0.8% ▪ Employer Paid: \$1,195,590 (\$1,244,173) -3.9%	#1 Office/OP Visits: 14,886 (15,036) -1.0% ▪ Cost/service: \$129 (\$122) +6.1% ▪ PMPM: \$48.92 (\$45.11) +8.4% ▪ Employer Paid: \$1,923,836 (\$1,831,931) +5.0%
#2 Medical: 80 (69) admits +15.9% ▪ Cost/admit: \$10,890 (\$13,557) -19.7% ▪ PMPM: \$22.15 (\$23.04) -3.8% ▪ ALOS: 4.0 (5.3) -23.7% \$871,233 (\$935,427) -6.9%	#2 Radiology: 1,562 (1,447) +7.9% ▪ Cost/visit: \$695 (\$602) +15.3% ▪ PMPM: \$27.59 (\$21.46) +28.6% ▪ Employer Paid: \$1,084,825 (\$871,247) +24.5%	#2 Outpatient Surgery: 2,964 (2,389) +24.1% ▪ Cost/service: \$374 (\$296) +26.3% ▪ PMPM: \$28.16 (\$17.40) +61.9% ▪ Employer Paid: \$1,107,221 (\$706,374) +56.7%
#3 Maternity: 63 (49) admits +28.6% ▪ Cost/admit: \$3,536 (\$4,952) -28.6% ▪ PMPM: \$5.67 (\$5.98) -5.2% ▪ ALOS: 2.2 (2.9) -23.9% \$222,779 (\$242,630) -8.2%	#3 Lab/Pathology: 5,344 (4,384) +21.9% ▪ Cost/visit: \$178 (\$186) -4.5% ▪ PMPM: \$24.17 (\$20.11) +20.2% ▪ Employer Paid: \$950,374 (\$816,432) +16.4%	#3 Other: 8,611 (8,386) +2.7% ▪ Cost/service: \$90 (\$77) +16.7% ▪ PMPM: \$19.69 (\$15.92) +23.7% ▪ Employer Paid: \$774,363(\$646,373) +19.8%
#4 Behavioral Health: 13(7) admits +85.7% ▪ Cost/admit: \$4,270 (\$5,253) -18.7% ▪ PMPM: \$1.41(\$0.91) +55.9% ▪ ALOS:4.6(4.1) +11.4% \$55,509 (\$36,774) +50.9%	#4 Emergency Dept: 732 (733) -0.1% ▪ Cost/visit: \$1,281 (\$1,134) +13.0% ▪ PMPM: \$23.85(\$20.47) +16.6% ▪ Employer Paid: \$938,049 (\$831,024) +12.9%	#4 Radiology: 5,159 (4,946) +4.3% ▪ Cost/service: \$117 (\$117) n/c ▪ PMPM: \$15.34 (\$14.28) +7.5% ▪ Employer Paid: \$603,313 (\$579,686) +4.1%

- Overall, Inpatient PMPM costs *increased* 51.3%, average cost per admit *increased* 17.0%, and admissions/1000 *increased* 29.4%
 - Surgical admissions realized the greatest PMPM increase; Behavioral Health admits increased dramatically from the prior period
- Overall, Outpatient PMPM costs *increased* 15.5%, cost per visit *decreased* 6.2% and visits *increased* 19.3% and visits/1000 *increased* 23.2%
- Overall, Professional PMPM costs *increased* 16.4%, cost per service *increased* 10.1%, and services/1000 *increased* 5.8%

Emergency Department- Cost and Utilization Details



	Current Period	Prior Period	Variation	Like Group Comparison
Total Dollars	\$938,049	\$831,024	+12.9%	\$961,452 (+5.6%)
% of Outpatient Spend	16.0%	15.9%	Anthem NH Norm =13.6%	10.9%
PMPM	\$23.85	\$20.47	+16.6%	\$17.60 (+6.8%)
Cost/Visit	\$1,281	\$1,134	+13.0%	\$958
Visits/1000	223.4	216.6	+3.1%	220.6
Visits	732	733	-0.1%	1,004 (-5.2%)

Top Diagnoses

- Hypertension-\$62,385
- Mood Disorder-\$54,322
- Conduction Disorders-\$45,869
- Kidney Stones-\$40,364
- Open Wounds-\$38,991
- Inflammation of the Esophagus-\$38,376
- Asthma-\$37,442
- Drug Dependence-\$27,964
- Ischemic Heart Disease- \$20,273
- Appendicitis-\$18,804

Average Cost / Visit in ER: **\$1,281** vs Average Cost / Visit in MD Office: **\$129**

32.4% of visits were made on Saturday & Sunday

67.6% of visits were made Monday → Friday

59 ED visits resulted in an inpatient admission (8.1%)

Top Providers

Elliot Hospital	\$367,457	(274 visits)
Catholic Medical Center	\$335,806	(182 visits)
Concord Hospital	\$61,716	(48 visits)
Southern NH Medical Center	\$31,734	(22 visits)
Parkland Medical Center	\$26,703	(19 visits)

Potentially Avoidable ER Visits

Minor Orthopedic Trauma	\$21,890	72 visits
GI Signs and Symptoms	\$10,837	17 visits
Chronic Sinusitis	\$10,364	9 visits
Migraine Headache	\$13,487	28 visits
Tonsillitis, Adenoiditis or Pharyngitis	\$15,483	57 visits
Routine Exam	\$9,455	5 visits
TOTAL	\$81,516	188 visits

Potential Options to ER visits

Call to Provider.....Call to 24/7 Nurseline.....Walk-in Centers....
Urgent Care Centers

Top Providers



Inpatient

Rank	Provider Name	Paid Amount
1	ELLIOT HOSPITAL	\$740,926.78
2	CATHOLIC MEDICAL CENTER	\$521,630.11
3	MORTON PLANT HOSPITA	\$426,181.51
4	THE CHILDRENS HOSPITAL CORP	\$311,017.87
5	CONCORD HOSPITAL	\$298,949.64
6	BRN CORPORATION DBA	\$155,512.82
7	MARY HITCHCOCK MEMORIAL HOSPITAL	\$146,463.07
8	LAHEY CLINIC HOSPITAL INC	\$69,226.32
9	BRIGHAM AND WOMENS HOSPITAL INC	\$58,326.05
10	BLAKE MEDICAL CENTER	\$37,891.00

Outpatient

Rank	Provider Name	Paid Amount
1	ELLIOT HOSPITAL	\$2,127,121.90
2	CATHOLIC MEDICAL CENTER	\$1,555,740.33
3	MARY HITCHCOCK MEMORIAL HOSPITAL	\$493,712.32
4	MANCHESTER KIDNEY CENTER	\$245,900.09
5	CONCORD HOSPITAL	\$221,868.96
6	ST JOSEPH HOSPITAL	\$138,016.95
7	DANA FARBER CANCER INSTITUTE	\$91,553.25
8	PARKLAND MEDICAL CENTER	\$84,153.96
9	LAHEY CLINIC HOSPITAL INC	\$74,503.41
10	SOUTHERN NH MEDICAL CENTER	\$74,237.50

Professional

Rank	Provider Name	Paid Amount
1	BEDFORD AMBULATORY SURG CTR	\$124,156.90
2	DANNY M SIMS	\$99,598.70
3	MEREDITH J SELLECK	\$94,027.84
4	PETER H CROW	\$89,975.30
5	DELPHI MANAGEMENT GROUP	\$86,850.00
6	NEW ENGLAND LIFE CARE INC	\$80,520.21
7	LAWRENCE B WOLBARSH	\$63,365.30
8	HITCHCOCK CLINIC	\$58,202.07
9	ELLIOT ONE DAY SURGERY CENTER	\$57,522.81
10	G ERIC GESLIEN	\$52,328.33

Pharmacy

Rank	Provider Name	Paid Amount
1	EXPRESS SCRIPTS	\$918,876.17
2	CURASCRIPT SP SPECIALTY PHARMACY	\$532,179.51
3	BROOKS PHARMACY	\$521,353.37
4	CVS PHARMACY	\$430,031.59
5	RITE AID PHARMACY	\$230,020.66
6	ALEXANDERS SHOP N SAVE PHY	\$223,086.98
7	RX AMERICA	\$86,660.48
8	WALGREEN DRUG STORE	\$70,723.53
9	WALGREENS DRUG STORE	\$66,517.13
10	KENS PHARMACY	\$54,469.80

Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire Inc. independent licensee of the Blue Cross and Blue Shield Association. © ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

PROPRIETARY AND CONFIDENTIAL

Client Advisory Services Executive Summary

Clinical Fast Facts



Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of New Hampshire Inc. independent licensee of the Blue Cross and Blue Shield Association. © ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association. **PROPRIETARY AND CONFIDENTIAL**



Orthopedics : Clinical Fast Facts



- **Musculoskeletal disorders cost the US nearly \$850 billion yearly-including direct treatment costs as well as indirect costs, including lost wages**
- 15 million adults or 7% of the US population report difficulty in performing routine activities of daily living due to a musculoskeletal condition. Nearly ½ are between the ages of 45 and 64
- More than one in four Americans have a musculoskeletal impairment
- **More than 30% of Americans require medical care due to a musculoskeletal disease**
- One in two adults reported a chronic musculoskeletal condition in 2005, twice the rate of reported chronic circulatory or respiratory conditions
- **Persons aged 45-64 account for an increasingly greater portion of total musculoskeletal disease treatment cost and lost wages, a trend that is expected to continue for the next several decades**
- Currently employed workers in the US miss nearly 444 million days of work due to musculoskeletal injuries
- In 2006, musculoskeletal symptoms were the #2 reason for physician visits.
There were more than 132 million physician visits for musculoskeletal symptoms in 2006
- Back or knee injuries are the most prevalent musculoskeletal impairments
Approximately 21 million visits were made to providers' offices in 2006, including more than 8 million visits for low back problems
Back pain was the cause of 313.5 million bed days and 186.7 million lost work days in 2004
- Knee Problems: approximately 12 million visits were made to providers' offices due to knee problems in 2006
- Shoulder problems- Almost 7.5 million visits were made to providers' offices due to shoulder problems in 2006
- Arthritis accounted for more than 44 million ambulatory care visits and 1 million hospitalizations in 2004
- **One in two women and one in four men will have an osteoporosis-related fracture in his or her lifetime.**
Hip fractures are associated with chronic pain, reduced mobility, increasing dependence, with a 20% mortality rate in the first 12 months

The Burden of Musculoskeletal Diseases in the United States: Rosemont, IL.: American Academy of Orthopaedic Surgeons; 2008

www.boneandjointburden.org

Cancer- Clinical Fast Facts



Cancer is the second leading cause of death in the United States, exceeded only by heart disease. In the US, cancer accounts for almost 1 in every 4 deaths.

About 571,590 Americans are expected to die of cancer in 2011- 1,500 people a day

The National Institute of Health estimates overall costs of cancer in 2010 at \$263.8 billion

\$102.8 billion for direct medical costs (total of all health expenditures)

\$20.9 billion for indirect morbidity costs (costs of lost productivity due to illness)

\$140.1 billion for indirect mortality costs (costs of lost productivity due to premature death)

Though men are more likely to be diagnosed with prostate cancer than any other type of cancer and women more likely to be diagnosed with breast cancer, neither is the leading cause of cancer death. For both men and women, the leading cancer killer is lung and bronchial cancer. There is no routine screening considered effective for detecting lung cancer.

[Cancer Statistics 2011](#), released in May, is the most recent update on the state of cancer in the United States.

The report estimated that this year:

* 1,596,670 people will be diagnosed with cancer in 2011

* The disease, almost half of which will be lung, colon, prostate and breast cancers, will kill almost 1,500 a day.

* The most common cancer diagnoses in men will be prostate, lung and colon, with prostate accounting for one-fourth of new cases.

* The most common cancer diagnoses in women will be breast, lung and colon, with breast accounting for about 27% of new cases.

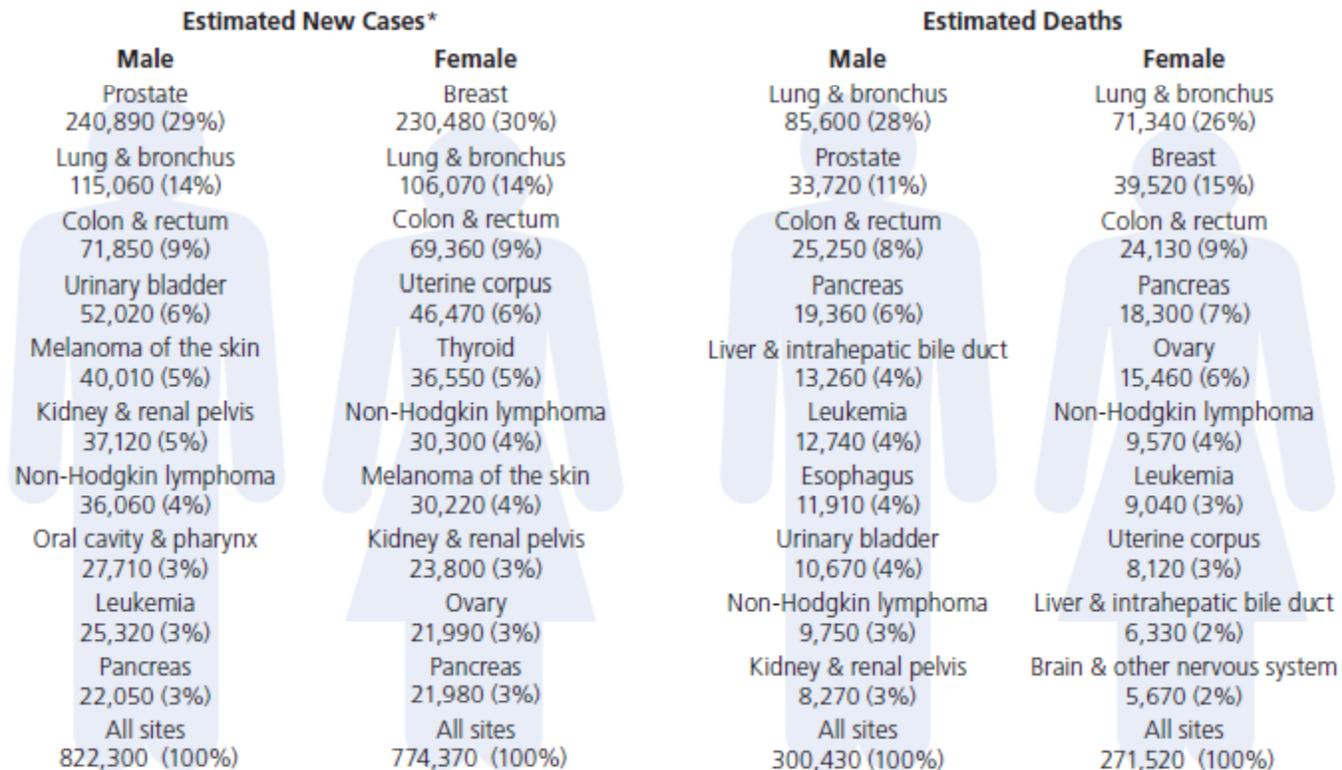
* About 78% of all cancers will be diagnosed in persons aged 55 years or older

* About one-third of the expected cancer deaths in 2011 will be linked to behavior-related factors such as obesity, physical inactivity and poor nutrition, and thus could be prevented.

*There will also be more than 1 million skin cancers diagnosed, many of which are caused by indoor tanning and overexposure to the sun.

<http://www.cancer.org>

Leading Sites of New Cancer Cases and Deaths – 2011 Estimates



*Excludes basal and squamous cell skin cancers and in situ carcinoma except urinary bladder.

©2011, American Cancer Society, Inc., Surveillance Research

Heart Disease- Clinical Fast Facts



- **Heart disease** is the leading cause of death for both men and women. Half of the deaths due to heart disease in 2006 were in women.
- In 2006, a total of 631,636 people in the United States died of heart disease. Of the deaths that year, 26%—or more than one in every four—were caused by heart disease.
- In the United States, someone has a heart attack every 34 seconds. Each minute, someone in the United States dies from a heart disease-related event.
- Heart disease is the leading cause of death for people of most racial/ethnic groups in the United States, including African Americans, American Indians or Alaska Natives, Hispanics, and whites. For Asian Americans, heart disease is second only to cancer.
- **In 2010, heart disease cost the United States \$316.4 billion. This total includes the cost of health care services, medications, and lost productivity.**

- Having high blood pressure puts you at risk for heart disease and stroke, the first and third leading causes of death in the United States.
- High blood pressure was a primary or contributing cause of death for 326,000 Americans in 2006.
- High blood pressure usually has no warning signs or symptoms, so many people don't realize they have it.
- About one out of three U.S. adults—31.3%—has high blood pressure.
 - Roughly, 30% of cases of hypertension can be attributed to obesity, and in men under 45 years of age, that figure may be as high as 60%
- About one in four American adults has prehypertension—blood pressure measurements that are higher than normal, but not yet in the high blood pressure range. Having prehypertension raises your risk for high blood pressure.
- **In 2010, high blood pressure will cost the United States \$76.6 billion in health care services, medications, and missed days of work.**

- Nine out of 10 heart disease patients have at least one risk factor. Several medical conditions and lifestyle choices can put people at a higher risk for heart disease, including:
 - High cholesterol
 - High blood pressure
 - Diabetes
 - Cigarette smoking
 - Overweight and obesity
 - Poor diet
 - Physical inactivity
 - Alcohol use

www.cdc.gov/dhdsp/data_statistics/fact_sheets/docs/fs_heart_disease.pdf
www.cdc.gov/dhdsp/data_statistics/fact_sheets/fs_bloodpressure.htm

Diabetes : Clinical Fast Facts



Diabetes is the 7th leading cause of death in the United States

- 25.8 million children and adults in the US, or 8.3% of the population have diabetes
 - 18.8 million have been diagnosed; 7.0 million are undiagnosed
 - 79 million people are considered pre-diabetics (age 20 or older)
- Age 20 years or older: 25.6 million, or 11.3% of all people in this age group have diabetes as of 2010
 - 1.9 million people aged 20 years or older were newly diagnosed with diabetes in 2010, in the United States
 - About 215,000 people younger than 20 years had either Type 1 or Type 2 diabetes in 2010
- Age 65 years or older: 10.9 million, or 26.9% of all people in this age group have diabetes as of 2010
- Approximately 1/3 of all men and women over age 20 have diabetes , but do not know it!

- Diabetes affects some racial/ethnic groups more than others
 - Non-Hispanic whites: 15.7 million (10.2% of all non-Hispanic whites 20 years old or older have diabetes)
 - Non-Hispanic blacks: 4.9 million (18.7% of non-Hispanic blacks 20 years old or older have diabetes)

- Estimated cost of diabetes in 2007 was **\$174 billion annually**, including \$116 billion in excess medical expenditures (direct medical costs) and \$58 billion in indirect costs (disability, work loss, premature mortality and reduced productivity)
 - Medical expenses for people with diabetes are more than 2x higher compared to non-diabetics
- Type 2 Diabetes accounts for nearly all of the expenditures; obesity is greatest risk factor
- Complications:
 - Heart disease and stroke-risk is 2-4 times higher for people with diabetes
 - Hypertension-75% of adults with diabetes had blood pressure greater than 130/80 or used medication for hypertension
 - Blindness-diabetes is the leading cause of new cases of blindness for adults 20-74 years. Diabetic retinopathy causes 12K-24K new cases of blindness each year
 - Kidney Disease-diabetes is the leading cause of kidney failure
 - In 2008, a total of 202,290 people with ESRD due to diabetes were living on chronic dialysis or with a kidney transplant
 - Nervous System disease-60-70% of diabetics have mild to severe forms of nervous system damage
 - Amputation-more than 60% of non-traumatic limb amputations occur in diabetics
 - Dental disease-more common in people with diabetes
 - Depression is 2x as common in people with diabetes
 - Pregnancy is likely to be high risk and complicated in women with diabetes

Diabetes: Clinical Fast Facts *continued*



- An estimated 1 out of 3 diabetics (**33%**) **have one complication**; 1 out of 10 (**10.3%**) **have two complications**; 1 out of 15 (**6.7%**) **have three complications** and 1 out of 13 (**7.6%**) **have 4 or more complications**
 - *Complications included in this analysis are heart attacks (9.8% of diabetics) stroke (6.6% of diabetics), coronary artery disease (9.1% of diabetics), congestive heart failure (7.9% of diabetics), chest pain (9.5% of diabetics), chronic kidney disease (27.8% of diabetics), eye damage (18.9% of diabetics) and foot problems (22.9% of diabetics)*
- The largest components of medical expenditures attributed to diabetes are:
 - Hospital inpatient care (50% of total costs), diabetes medication and supplies (12%), retail prescriptions to treat complications of diabetes (11%), and physician office visits (9%)
 - People with diagnosed diabetes incur average **expenditures of \$11,744 per year**, of which **\$6,649 is attributed to diabetes**
 - People with diagnosed diabetes have, on average, medical expenditures that are **2.3 times higher** than what expenditures would be in the absence of diabetes
- Indirect costs include increased absenteeism (\$2.6 billion) and reduced productivity while at work (\$20.0 billion) for the employed population, reduced productivity for those not in the labor force (\$0.8 billion), unemployment from disease-related disability (\$7.9 billion) and lost productive capacity due to early mortality (\$26.9 billion).

Sources: American Diabetes Association <http://www.diabetes.org>

“The Economic Costs of Diabetes in the US in 2007” The Lewin Group <http://care.diabetesjournals.org/misc/econcosts.pdf>

American Association of Diabetic Educators- Diabetes Fact Sheet

CDC-Dept of Health and Human services-National Diabetes Fact Sheet 2007

<http://www.mcareol.com/factshts/factdiabetes.htm>

<http://diabetes.niddk.nih.gov/dm/pubs/statistics/#fast>

www.cdc.gov/diabetes

www.cdc.gov/diabetes/ncsh

Depression: Clinical Fast Facts



An estimated 1 in 10 US adults report depression

The cost of depression (lost productivity and increased medical expenses) is \$83 billion each year

Depression is a mental illness that can be costly and debilitating to sufferers. Depression can adversely affect the course and outcome of common chronic conditions, such as arthritis, asthma, cardiovascular disease, cancer, diabetes, and obesity. Depression also can result in increased work absenteeism, short-term disability, and decreased productivity.

- Depression is the leading cause of medical disability for people aged 14 to 44 (Stewart, Ricci, Chee, Hahn, & Morganstein, 2003).
- Depressed people lose 5.6 hours of productive work every week when they are depressed (Stewart, 2003).
- Eighty percent of depressed people are impaired in their daily functioning (Pratt & Brody, 2008).
- Fifty percent of the loss of work productivity is due to absenteeism and short-term disability (R. C. Kessler, et al., 1999).
- In any 30 day period, depressed workers have 1.5 to 3.2 more short-term disability days (Druss, Schlesinger, & Allen, 2001).
- People with symptoms of depression are 2.17 times more likely to take sick days (Adler, et al., 2006; Greener & Guest, 2007). And when they are at work their productivity is impaired—less ability to concentrate, lower efficiency, and less ability to organize work. In fact, absenteeism and work performance are directly related to how severe the depression is—the more severe the depression, the worse the outcome.
- Those who took prescribed medication had a 20 percent lower cost of absenteeism
- Depressed people are seven times more likely to be unemployed (Lerner, et al., 2004).

There are several forms of depressive disorders. The most common are major depressive disorder and dysthymic disorder.

- **Major depressive disorder**, also called major depression, is characterized by a combination of symptoms that interfere with a person's ability to work, sleep, study, eat, and enjoy once-pleasurable activities. Major depression is disabling and prevents a person from functioning normally. An episode of major depression may occur only once in a person's lifetime, but more often, it recurs throughout a person's life.
- **Dysthymic disorder**, also called dysthymia, is characterized by long-term (two years or longer) but less severe symptoms that may not disable a person but can prevent one from functioning normally or feeling well. People with dysthymia may also experience one or more episodes of major depression during their lifetimes.
- **Psychotic depression**, which occurs when a severe depressive illness is accompanied by some form of psychosis, such as a break with reality, hallucinations, and delusions.
- **Postpartum depression**, which is diagnosed if a new mother develops a major depressive episode within one month after delivery. It is estimated that 10 to 15 percent of women experience postpartum depression after giving birth.
- **Seasonal affective disorder (SAD)**, which is characterized by the onset of a depressive illness during the winter months, when there is less natural sunlight. The depression generally lifts during spring and summer.
- **Bipolar disorder** is characterized by cycling mood changes—from extreme highs (e.g., mania) to extreme lows (e.g., depression).

www.cdc.gov/features/dsdepression

www.businessweek.com/lifestyle/content/healthday/643772.html

www.nimh.nih.gov/health/publications/depression/complete-index.shtml

Asthma- Clinical Fast Facts (Adults)- Clinical Fast Facts



- Asthma is a reversible obstructive lung disease, caused by increased reaction of the airways to various stimuli. It is a chronic inflammatory condition with acute exacerbations. Asthma can be a life-threatening disease if not properly managed
- In 2008, it was estimated that 23.3 million Americans currently have asthma. Of these, 12.7 million Americans (4.1 million children under 18) had an asthma attack. **(A report released January 2011 reported that the number has increased to 24.6 million Americans or 8.2% of the population)**
- Close to 1.7 million emergency room visits were attributed to asthma in 2006.
- In 2008, asthma accounted for an estimated 14.2 million lost work days in adults.
- The annual direct health care cost of asthma is approximately \$15.6 billion; indirect costs (e.g. lost productivity) add another \$5.1 billion, for a total of \$20.7 billion dollars. Prescription drugs represented the largest single direct cost, at \$5.6 billion.
- Asthma breathing problems usually happen in "episodes" or "attacks," but the inflammation underlying asthma is continuous. An asthma episode is a series of events that result in narrowed airways. These include: swelling of the lining, tightening of the muscle, and increased secretion of mucus in the airway. The narrowed airway is responsible for the difficulty in breathing with the familiar "wheeze."
- Lung function declines faster than average in people with asthma, particularly in people who smoke and in those with excessive mucus production (an indicator of poor treatment control).
- Asthma triggers range from viral infections to allergies, to irritating gases and particles in the air. Each person reacts differently to the factors that may trigger asthma, including:
 - respiratory infections and colds
 - cigarette smoke
 - allergic reactions to such allergens as pollen, mold, animal dander, feather, dust, food, and cockroaches
 - indoor and outdoor air pollutants, including ozone and particle pollution
 - exposure to cold air or sudden temperature change
 - excitement/stress
 - exercise

Sources: Centers for Disease Control and Prevention: National Center for Health Statistics, National Health Interview Survey Raw Data, 2008.

Analysis by the American Lung Association Research and Program Services Division

American Lung Association-February 2010

<http://www.lungusa.org/lung-disease/asthma/resources/facts-and-figures/asthma>

Chronic Obstructive Lung Disease (COPD) –Clinical Fast Facts



- COPD is a lung disease that over time makes it hard to breathe. COPD (short for Chronic Obstructive Pulmonary Disease) includes chronic bronchitis and emphysema.
- Much of the elasticity quality of the airways and air sacs in the lung are gone. The airways collapse and obstruct normal air flow. Airways become inflamed and thickened
- Most importantly, COPD can be prevented and can be treated.
- COPD is the 3rd leading cause of death in the US. It causes serious long-term disability and early death.
- The signs and symptoms of COPD are different for each person, however common signs are cough, sputum production, shortness of breath, wheezing and chest tightness
- Smoking is the major cause of COPD. The poisons in cigarette smoke can weaken the lungs' defense against infections, narrow air passages, cause swelling in air tubes and destroy air sacs. About 80-90% of all COPD is caused by cigarette smoking
 - Pipe, cigar, and other types of tobacco smoke also can cause COPD, especially if the smoke is inhaled
 - Breathing in secondhand smoke, air pollution, and chemical fumes or dust from the environment or workplace also can contribute to COPD
 - A small number of people have a rare form of COPD called alpha-1 (AAT) related emphysema. This form of COPD is caused by an inherited lack of a protective protein in the blood
- At this time there is no cure for COPD; it is a major cause of illness and death- usually lung infections that can be fatal
- More than 12 million people are known to have COPD and up to 24 million may have the disease due to some not even knowing it.
 - Most of the time, COPD is diagnosed in middle-aged or older people
- The number of people dying from COPD is growing. Deaths due to COPD in women are higher than in men
- Treatment for COPD may help prevent complications, prolong life, and improve a person's quality of life
 - Treatment may include medicines such as bronchodilators, steroids, flu shots, and the pneumococcal vaccine to avoid or reduce further complications
- As the symptoms of COPD worsen over time, a person may have more difficulty with walking or exercising

Sources: American Lung Association

<http://www.womenshealthbase.com/copd>, US Centers for Disease Control and Prevention (COPD) (www.cdc.gov/copd)

Emergency Department: CLINICAL FAST FACTS



- Emergency Department visits are increasing:
 - 119.2 million visits to ER's in the US in 2006->227/minute
 - 42.4 million injury related visits
 - 40.5 visits/year/ per 100 persons
 - Injury and poisoning was the most commonly diagnosed condition
 - 11% of visits are related to ambulatory medical care
 - 2.6 hours was the median time spent in the emergency department
 - 13% of visits to an ER resulted in a hospital admission
 - 1.9% of visits to an ER resulted in transfer to a different hospital
 - One out of five Americans visited an ER at least once in 2007
 - 5.1% of Americans with private insurance made two or more visits
 - Adults in fair or poor health are more likely to visit an ER
 - Among the under 65 population, the uninsured were no more likely than the insured to have had at least one ER visit in a 12-month period
- Average expenses for a visit to the Emergency Department were \$1,038 in 2007
 - For people 45-64, the cost was substantially higher on the average->\$1,539
- Emergency Department is the **2nd highest outpatient cost driver**
- 60% of people who visit an ER do not belong there!**
- Alternatives to Emergency Department –Retail Health Clinics, Urgent Care Centers, Walk in Centers
 - Bronchitis-ER cost \$646; Urgent Care-\$97 and Retail Health Clinic-\$52
- Top diagnoses that could be treated in a setting other than an Emergency Department
 - Sinus Pain Otitis media/ear pain Urinary Tract Infections Mild asthma Colds, minor fevers, coughs
 - Sore throats Bumps, cuts and scrapes Sprains and strains Minor headaches Back pain Rashes
 - Minor burns

Sources: National Statistics , Anthem Blue Cross Blue Shield data, Medical Expenditure Panel Survey of 2007

Emergency Department: Decision Tree

	Retail health clinic	Walk-in doctor's office	Urgent care center	Emergency room
Animal bites			0	<ul style="list-style-type: none"> o Any life-threatening or disabling condition o Sudden or unexplained loss of consciousness o Chest pain, numbness in face, arm or leg; difficulty speaking o Severe shortness of breath o High fever with stiff neck, mental confusion or difficulty breathing o Coughing up or vomiting blood o Cut or wound that won't stop bleeding o Major injuries o Possible broken bones
Stitches			0	
X-rays			0	
Back pain			0	
Mild asthma		0	0	
Minor headaches		0	0	
Sprains, strains		0	0	
Nausea, vomiting, diarrhea		0	0	
Bumps, cuts, scrapes	0	0	0	
Burning with urination	0	0	0	
Coughs, sore throat	0	0	0	
Ear or sinus pain	0	0	0	
Eye swelling, irritation, redness or pain	0	0	0	
Minor allergic reactions	0	0	0	
Minor fevers, colds	0	0	0	
Rashes, minor bumps	0	0	0	
Vaccinations	0	0	0	
Who usually provides care?	Physician assistant or nurse practitioner	Family practice doctor	Internal medicine, family practice, pediatric and ER doctors	ER doctors and nurses