



2013 Vermont Health Care Expenditure Analysis

Legislative Version

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March 2015


Expenditure Analysis


Purpose of the report

- Provides a consistent model that allows us:
 - to establish a base of health care spending
 - to present an order of magnitude of spending/funding changes
 - to examine spending/funding over time and selected periods
 - to examine relationships of spending and funding for:
 - Vermont residents
 - Vermont providers
 - to compare to National trends

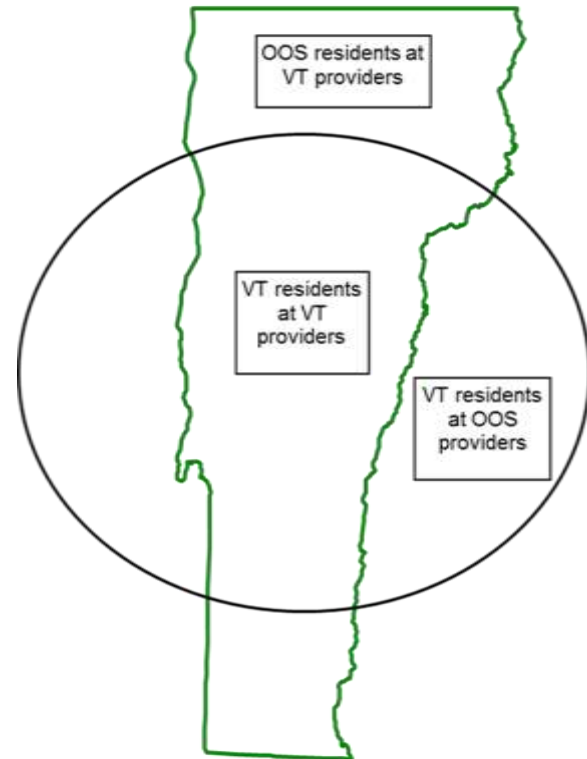
The Expenditure Analysis Defined

The *Vermont Health Care Expenditure Analysis* is required under 18 V.S.A. § 9375a and required two perspectives:

1) the **Resident analysis**,  payers' premium spending on Vermont Residents ;

2) and the **Provider analysis**,  all net revenues received by Vermont Providers for services rendered.

Because some Vermonters obtain health care out/of/state (OOS) and some non-Vermonters come to Vermont for care, both of these analytical constructs are necessary to manage and understand health care spending.



2013 Vermont Health Care Expenditures

PAYERS	RESIDENT (As reported by Payers)	PROVIDER (As reported by Providers)
Out-of-Pocket	\$726,000	\$766,095
Private Insurance	\$1,892,396	\$1,835,703
Medicare	\$1,149,270	\$1,230,488
Medicaid	\$1,378,635	\$1,360,469
Other Government	\$183,261	\$248,003
TOTAL SPENDING	\$5,329,561	\$5,440,758

PROVIDER SERVICES		
Hospitals	\$2,030,774	\$2,456,129
Physician Services	\$712,253	\$526,743
Dental Services	\$221,565	\$260,734
Other Professional Services	\$169,658	\$243,944
Home Health Care	\$102,727	\$119,115
Drugs & Supplies	\$637,560	\$760,713
Vision Products & DME	\$120,205	\$135,123
Nursing Home Care	\$281,674	\$264,202
Other/Unclassified Health Services	\$50,014	\$33,539
Admin/Net Cost of Health Insurance	\$362,615	n.a
Government Health Care Activities	\$640,518	\$640,518
TOTAL SPENDING	\$5,329,561	\$5,440,758

All dollar amounts are reported in thousands - Multiply expenditures by 1,000 to arrive at the full expenditure amount.

Note: n.a. means Not Available

Note: In/Out migration-resident includes out of state care for residents.

Provider includes out of state patients treated.



2013 Vermont Health Care Expenditures - Resident Analysis

All dollar amounts are reported in thousands

	Percent of Total	Total	Out-of-Pocket	Private Insurance	Medicare	Vermont Medicaid	Other Federal	State & Local
Hospitals	38.1%	\$2,030,774	\$174,870	\$919,020	\$563,204	\$275,887	\$97,629	\$164
Community Hospitals	35.9%	\$1,913,390	\$174,870	\$903,564	\$558,924	\$275,887	\$129	\$15
Veterans Hospital	1.9%	\$102,008	\$0	\$4,360	\$0	\$0	\$97,500	\$148
Psychiatric Hosp: State	0.1%	\$2,703	\$0	\$2,703	\$0	\$0	\$0	\$0
Psychiatric Hosp: Private	0.2%	\$12,673	\$0	\$8,393	\$4,280	\$0	\$0	\$0
Physician Services*	13.4%	\$712,253	\$88,704	\$342,150	\$127,072	\$142,912	\$11,289	\$125
Dental Services	4.2%	\$221,565	\$127,004	\$73,693	\$0	\$20,692	\$15	\$161
Other Professional Services	3.2%	\$169,658	\$28,571	\$81,339	\$26,930	\$32,817	\$1	(\$0)
Chiropractor Services	0.2%	\$13,095	\$2,205	\$8,443	\$1,616	\$831	\$0	(\$0)
Physical Therapy Services	0.8%	\$40,739	\$6,861	\$23,149	\$7,357	\$3,372	\$1	\$0
Psychological Services	1.0%	\$53,466	\$9,004	\$21,839	\$3,398	\$19,227	(\$1)	(\$0)
Podiatrist Services	0.1%	\$5,004	\$843	\$2,086	\$1,725	\$351	\$0	(\$0)
Other	1.1%	\$57,353	\$9,659	\$25,822	\$12,835	\$9,036	\$1	\$0
Home Health Care	1.9%	\$102,727	\$11,999	\$2,313	\$61,146	\$23,642	\$2,041	\$1,587
Drugs & Supplies	12.0%	\$637,560	\$135,952	\$229,236	\$200,095	\$75,783	(\$2,776)	(\$731)
Vision Products & DME	2.3%	\$120,205	\$66,452	\$17,724	\$25,865	\$10,163	\$1	(\$0)
Nursing Home Care	5.3%	\$281,674	\$85,533	\$5,437	\$67,154	\$116,921	\$0	\$6,629
Other/Unclassified Health Services	0.9%	\$50,014	\$6,915	\$4,171	\$18,545	\$4,435	\$0	\$15,948
Admin/Net Cost of Health Insurance	6.8%	\$362,615	N/A	\$217,313	\$59,259	\$86,043	\$0	\$0
Government Health Care Activities**	12.0%	\$640,518	n.a.	\$0	n.a.	\$589,340	\$18,363	\$32,815
TOTAL VERMONT EXPENDITURES	100.0%	\$5,329,561	\$726,000	\$1,892,396	\$1,149,270	\$1,378,635	\$126,563	\$56,698
Percent of total expenditures		100.0%	13.6%	35.5%	21.6%	25.9%	2.4%	1.1%

* Hospital-employed physician practices are included in the Physician Services category in the Resident Matrix.

** See Government Health Care Activities in this report for further detail.

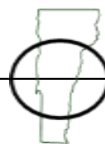
	Payer reported data
	Allocations estimated from VT specific data
	Amounts imputed from National Health Expenditures or other indirect sources
N/A	Not Applicable
n.a.	Not Available



2013 Highlights of VT EA Resident Analysis

- Vermont Resident health care expenditures for 2013 were \$5.3 billion.
 - This is an increase of \$192 million over 2012.
 - An increase of 3.7% over 2012.
 - Private insurance spending increased \$35 million; 1.9% from 2012.
 - Medicare spending increased \$69 million; 6.3%.
 - Medicaid showed the largest dollar increase \$75 million; 5.8%.
 - Out of Pocket changed \$12 million; 1.4%.

Note: 2012 was updated for more accurate data. Updates increased spending \$13.952 million over the amount published last year. See technical notes.



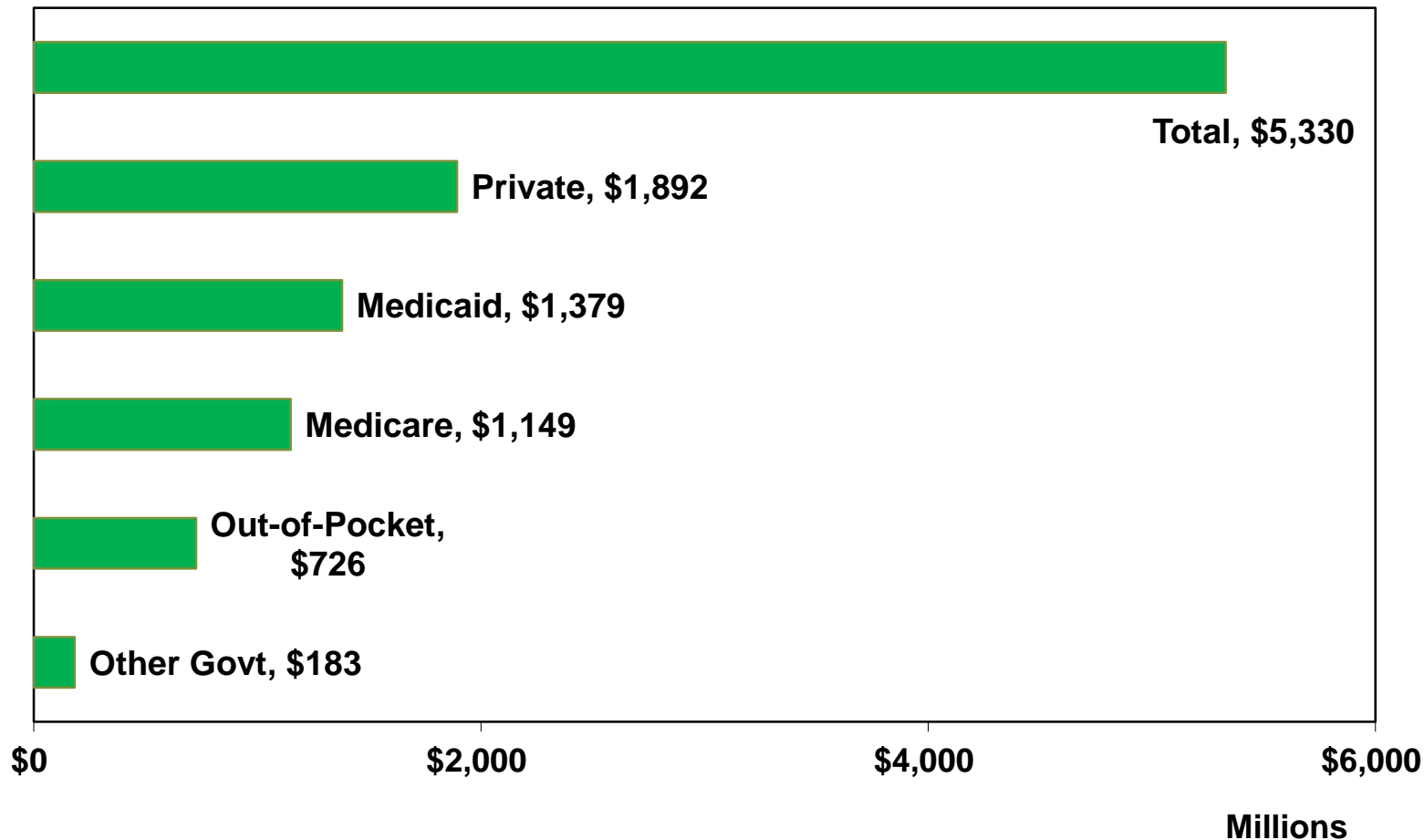
2013 Highlights of VT EA Resident Analysis, cont.

- Compared to the CMS National Health Expenditures (NHE):
 - U.S. \$8,733 per capita vs. VT \$8,505 per capita.
 - U.S. 16.4% of GDP vs. Vermont's 18.1%
 - Vermont's annual average increase for the period 2008-2013 was 4.0%.
 - The U.S. (NHE) annual average for the 2008-2013 period was 3.9%.



Resident Analysis-2013

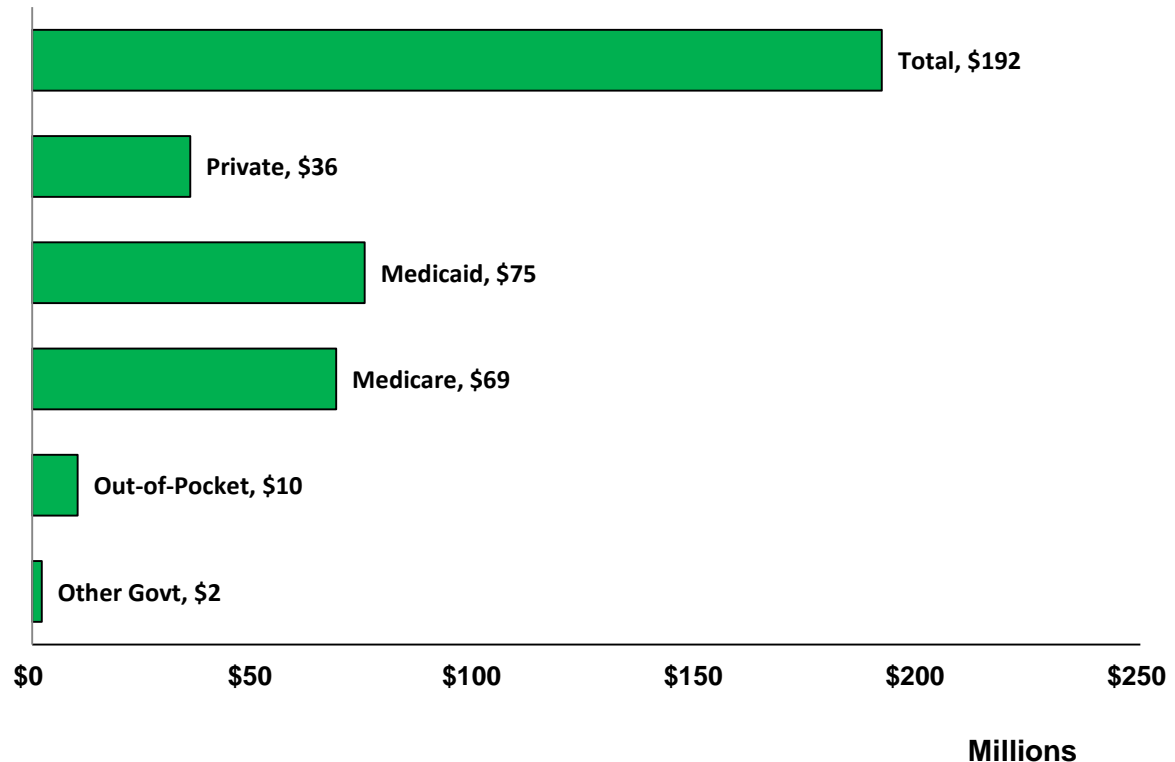
source of funds



What was the increase by source of funds?

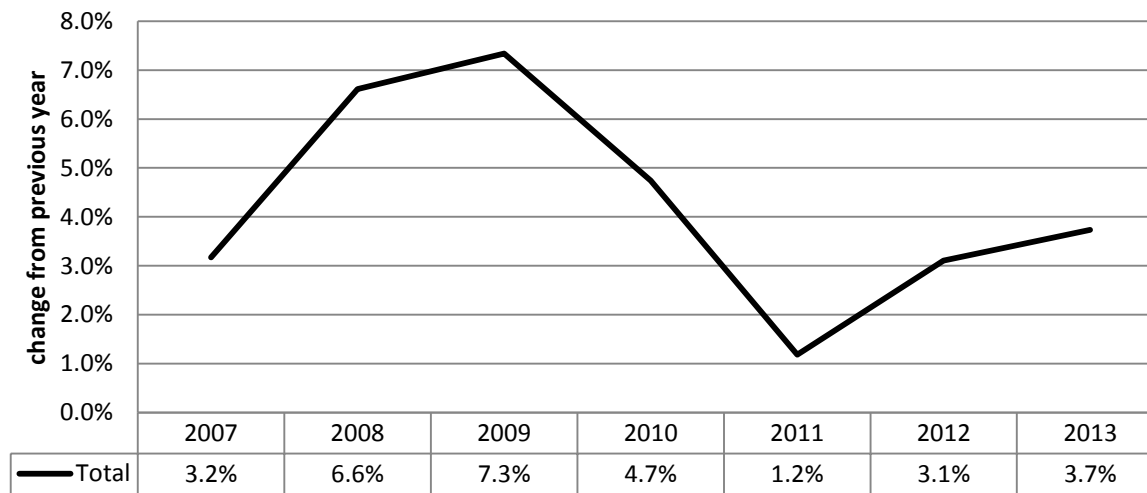
Resident Payer Change from 2012-2013

Expenditures in Private Insurance increased more slowly than public payer spending for the third year in a row.



Annual change in resident spending

Resident Analysis



Note: 2012 was adjusted \$13.952 million over last year's published amount. See technical notes.



2013 Vermont Health Care Expenditures - Resident Payer Spending vs Enrollment

Spending increase is not related to increased population.

Resident Spending				
	Revised 2012	2013	2012-2013 change	% change
Private	\$1,856,726	\$1,892,396	\$35,670	1.9%
Medicaid	\$1,303,621	\$1,378,635	\$75,015	5.8%
Medicare	\$1,080,666	\$1,149,270	\$68,604	6.3%
All Other	\$896,845	\$909,260	\$12,416	1.4%
TOTAL	\$5,137,858	\$5,329,561	\$191,704	3.7%

Population Enrollment				
	2012 count	2013 count	change count	% change
Private	357,885	349,990	-7,895	-2.2%
Medicaid	113,891	127,342	13,451	11.8%
Medicare	108,395	111,954	3,559	3.3%
Uninsured	45,840	37,344	-8,496	-18.5%
TOTAL	626,011	626,630	619	0.1%

Note: All Other - Out of Pocket, Other Government
 All dollar amounts are reported in thousands
 Original 2012 Expenditure Analysis is revised-see Technical notes.



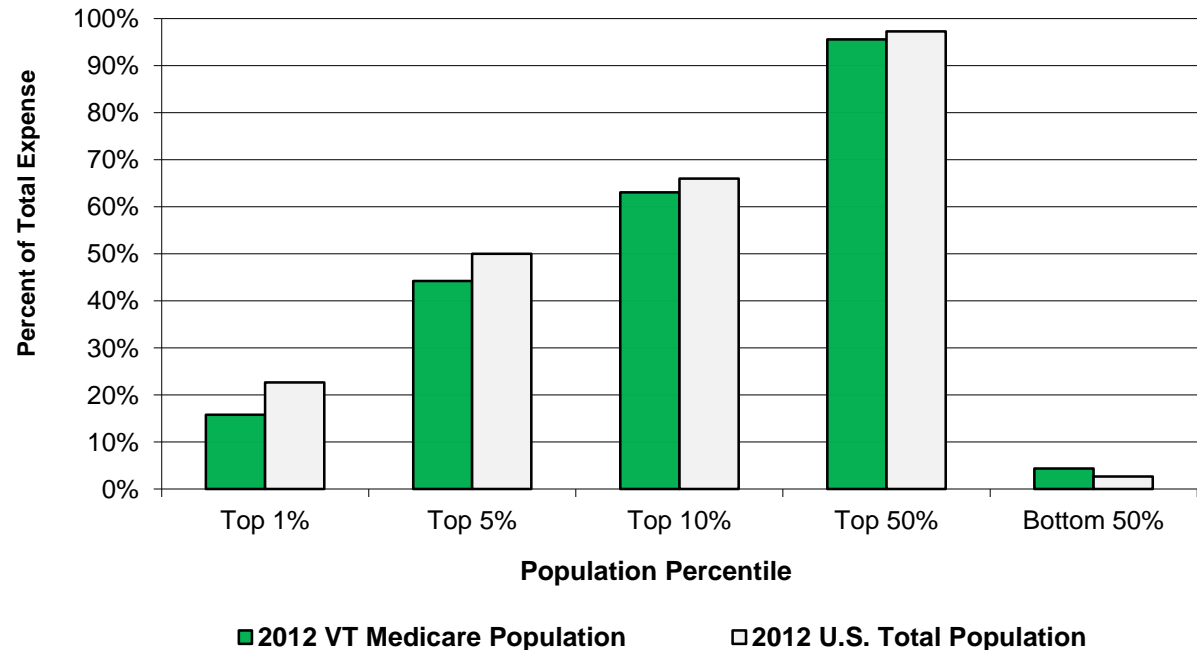
What does the Pareto Analysis show for Medicare?

The Pareto Analysis explains that for a given period, you will find that a small percentage of the population consumes a relatively large proportion of health care spending.

For the VT Medicare population in 2012, 5% of the population consumed 44.2% of the health care resources. This has been fairly constant over time for both Vermont and the U.S.

Source: MEPS Brief #449 (9/14)

**Medicare Spending is Highly Concentrated
Vermont & U.S.**



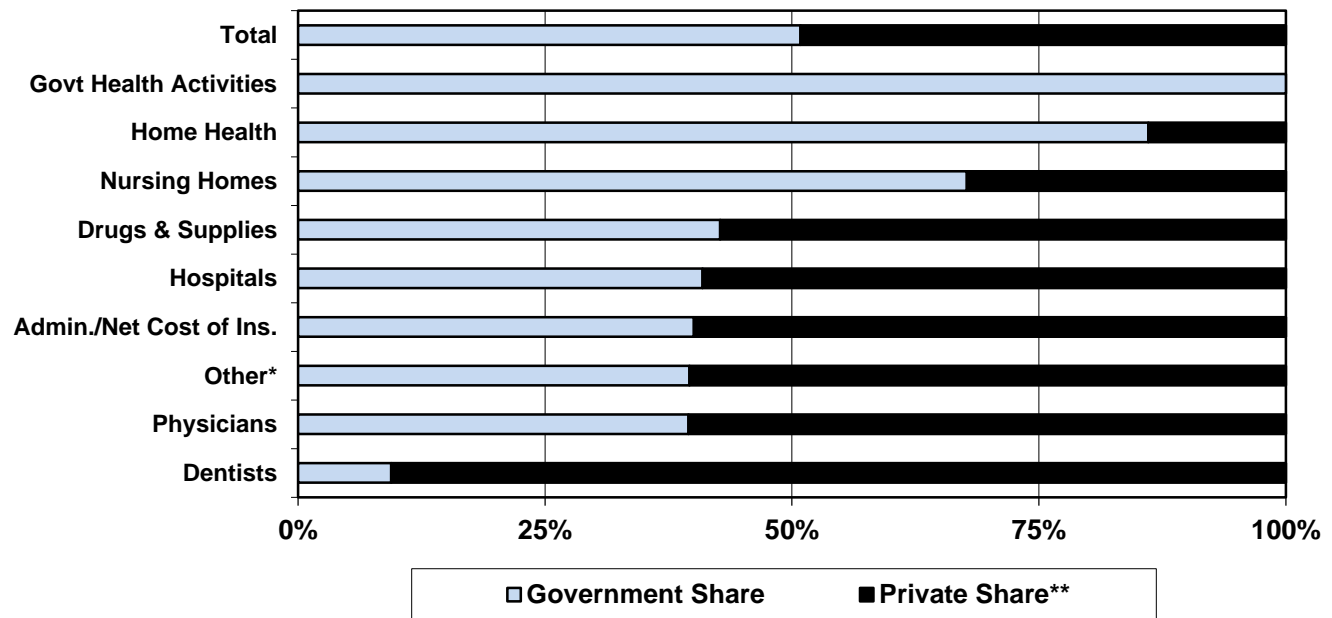
Note: 2013 data is not currently available for this analysis



Resident spending – private vs. public payers

In 2013, health care expenditures were financed 50.9% by government payers and 49.1% by private payers.

Vermont Resident Health Care Expenditures by Type of Funding (2013)



*Other includes services rendered by other professionals, durable medical equip. suppliers, vision providers, and other misc. providers

** Out of pocket expenditures are included as Private payers



2013 Expenditure Analysis Trends and Comparisons

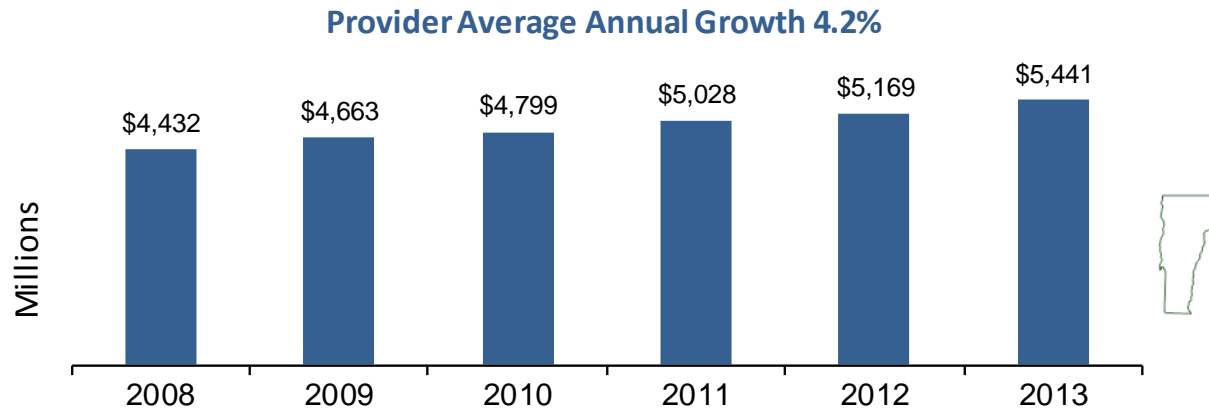
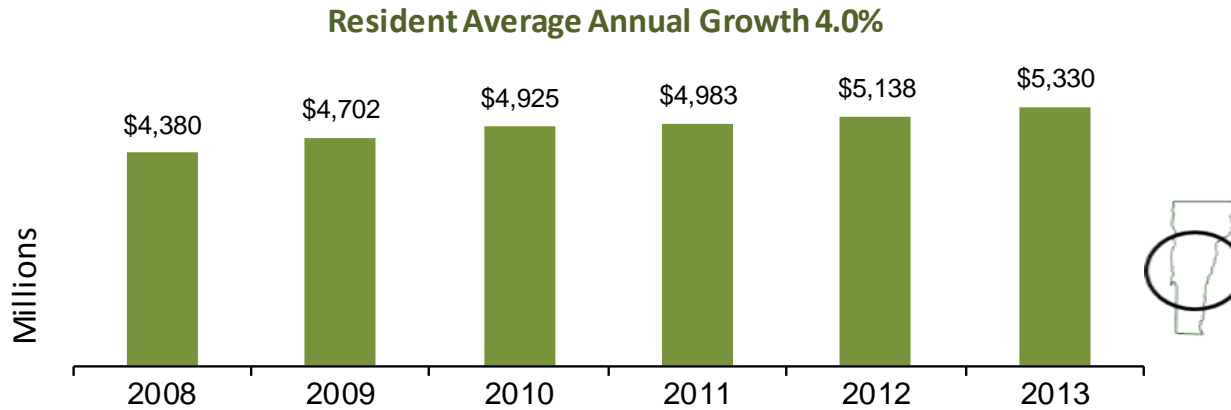
Resident Analysis trends over time

- Comparison of the Resident Analysis to the Provider Analysis
- Comparison to the CMS National Health Expenditures (NHE)



Vermont Health Care Expenditures

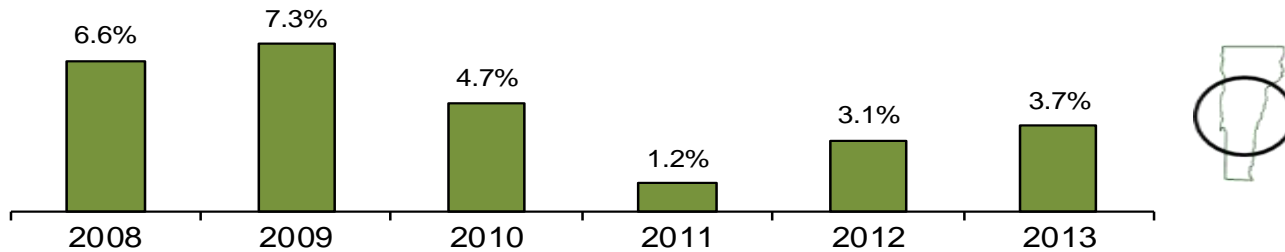
Resident and Provider spending views



Vermont Health Care Expenditures

Resident and Provider spending views

Resident Average Annual Growth 4.0%



Provider Average Annual Growth 4.2%



Note: Use caution in interpreting year-to-year differences in health care spending or between resident and provider analyses.

National Health Expenditures

The National Health Expenditure Accounts (NHEA) are the official estimates of total health care spending in the United States.



Since 1960, the NHEA measures annual U.S. expenditures for health care goods and services, public health activities, government administration, the net cost of health insurance, and investment related to health care. The data are presented by type of service, by source of funding, and by type of sponsor.

The NHEA is prepared by CMS, the Office of the Actuary, and National Health Statistics Group.

State provider and resident data are prepared only every 5 years because the primary source of data is the quinquennial Economic Census. 2009 was the most recent year reported for the state of provider and resident data. It is expected that updated state data through 2014 will be available in fall of 2015.



National Health Expenditures is recorded at three different levels

Personal Health Care <ul style="list-style-type: none">-Hospital-Professional Services<ul style="list-style-type: none">-Physician and clinics-Other professionals-Dental-Other health, residential, and person care-Home Health-Nursing care facilities and continuing care retirement communities-Retail outlet sales of medical products<ul style="list-style-type: none">-Prescription drugs-Other medical products<ul style="list-style-type: none">-Durable medical equipment-Non-durable medical equipment	
Health Consumption Expenditures <p>PHC plus:</p> <ul style="list-style-type: none">-Administration and the net cost of private insurance-Public health activity	
National Health Expenditures <p>HCE plus:</p> <ul style="list-style-type: none">-Investment<ul style="list-style-type: none">-Research-Structures-Equipment	

Source: National Health Statistics Group, Office of the Actuary, Centers for Medicare & Medicaid Services
Vermont expenditures do not include investments in research, structures and equipment as defined in the NHE



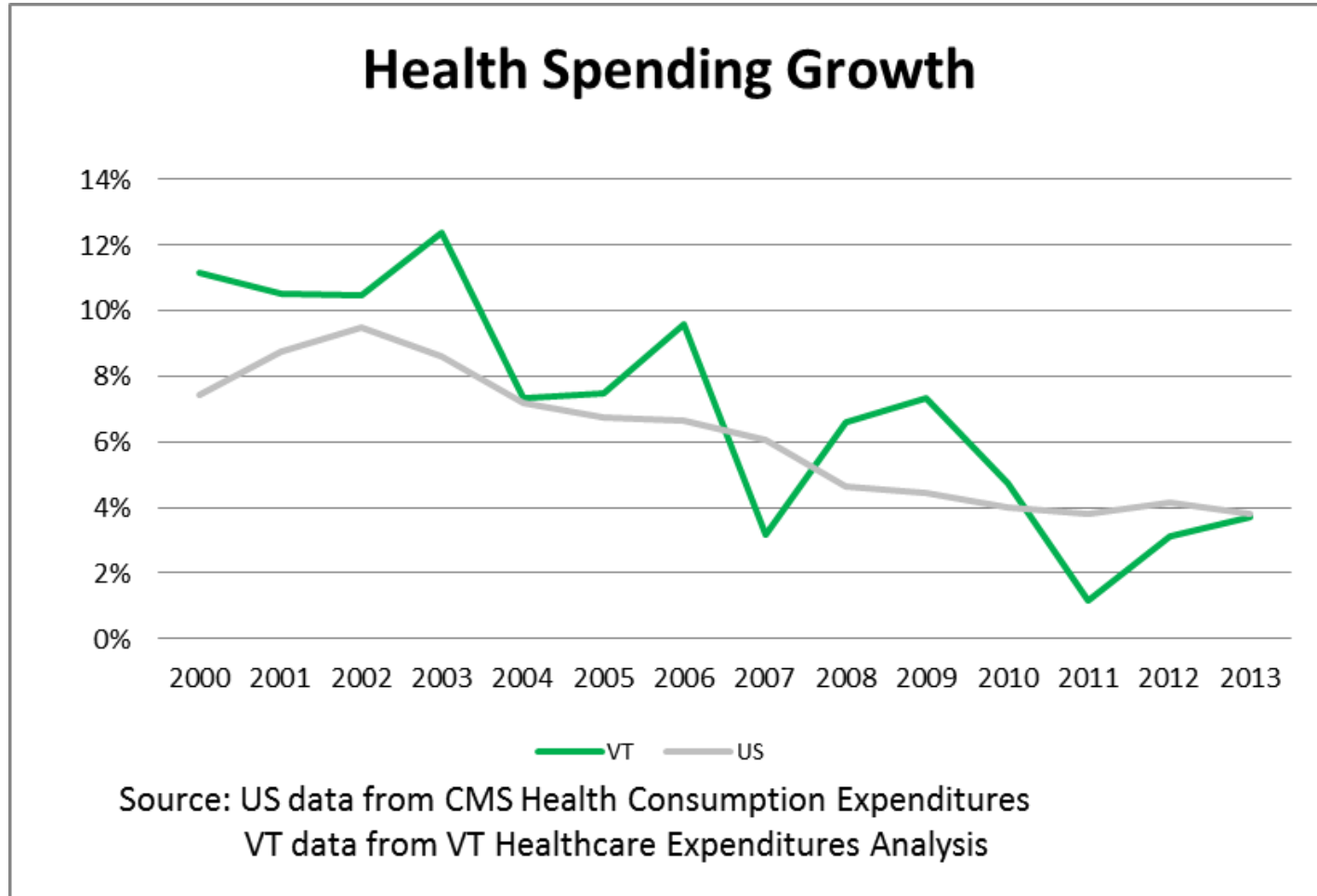
Comparison to NHE - Key Findings

2013	National Health Expenditures		Health Consumption Expenditures		Personal Health Care	
	VT	U.S.	VT	U.S.	VT	U.S.
Total (billions)	n/a	\$2,919	\$5.3	\$2,755	\$4.3	\$2,469
Per Capita	n/a	\$9,255	\$8,505	\$8,733	\$6,904	\$7,826
Per Capita Annual Change (2012-2013)	n/a	2.9%	3.6%	3.1%	2.8%	3.0%
Per Capita Avg Annual Change (2008-2013)	n/a	3.1%	3.9%	3.3%	4.1%	3.3%
Share of Gross State/Domestic Product	n/a	17.4%	18.1%	16.4%	14.7%	14.7%

Note: VT data is from Resident Analysis latest updates
U.S. actual data is from CMS 12/23/2014

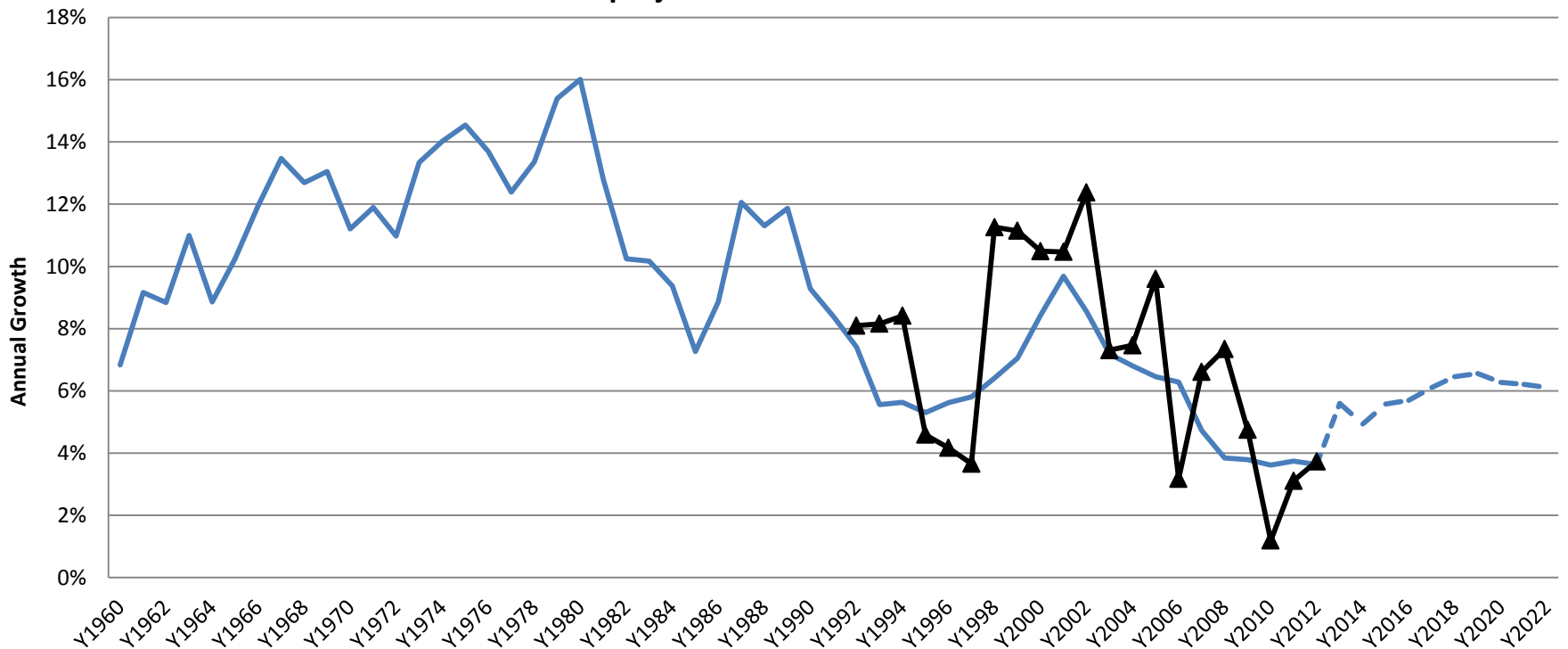


Comparison to NHE – actual spending



Comparison to NHE – longer term trends

Health Care Expenditures
VT actuals 1992 - 2013
NHE actuals 1960 - 2013
NHE projected 2014 - 2022

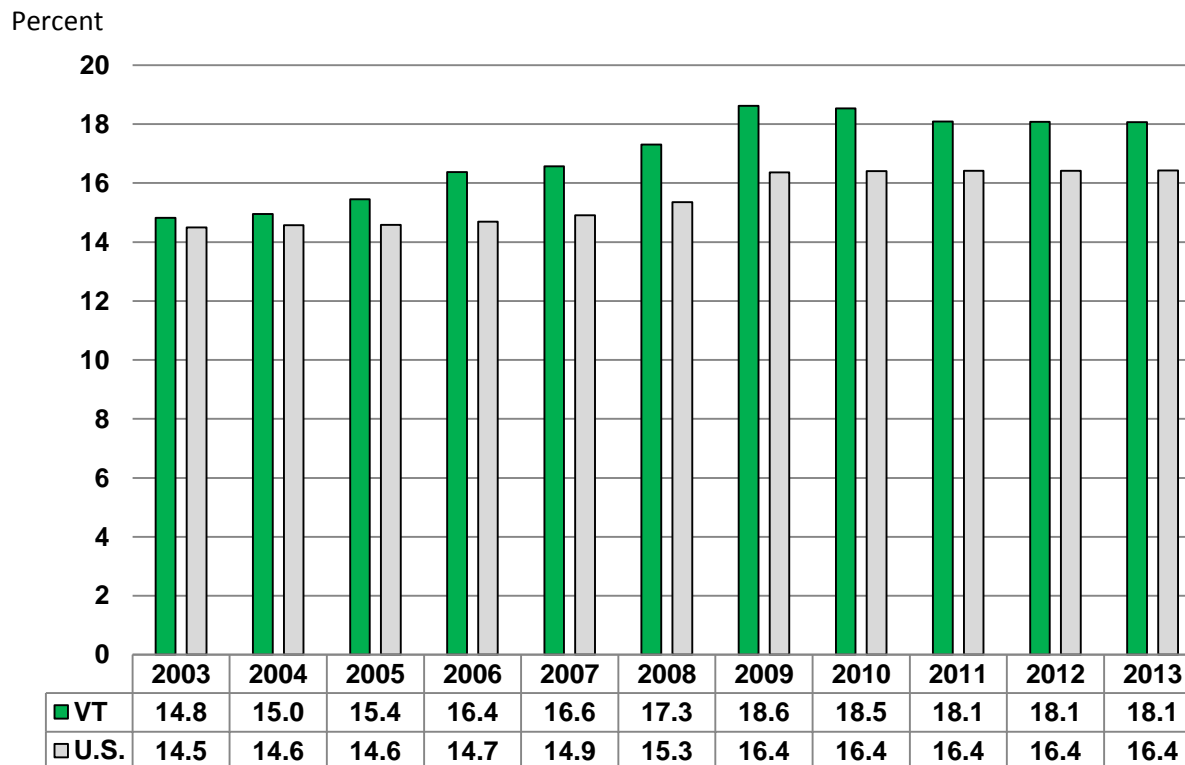


Note: VT data is from Resident Analysis.
 U.S. data is from CMS 12/23/2014



Comparison to NHE - gross state product

Health Care GSP Annual Growth



VT's health care spending as a percentage of GSP/GDP continues to be higher than the U.S. average

Note: Gross State Product (GSP), or gross regional product (GRP), is a measurement of the economic output of a state. It is the sum of all value added by industries within the state and serves as a counterpart to the gross domestic product (GDP).



2013 Vermont Health Care Expenditures - Provider Analysis

All dollar amounts are reported in thousands

	Percent of Total	Total	Out-of-Pocket	Private Insurance	Medicare	Vermont Medicaid	Other Federal	State & Local
Hospitals	45.1%	\$2,456,129	\$208,624	\$1,077,345	\$670,739	\$340,152	\$150,953	\$8,317
Community Hospitals	41.1%	\$2,236,102	\$204,364	\$1,045,206	\$660,247	\$326,286	\$0	\$0
Veterans Hospital	3.0%	\$162,856	\$4,116	\$8,591	\$0	\$0	\$150,000	\$148
Psychiatric Hosp: State	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Psychiatric Hosp: Private	1.1%	\$57,172	\$143	\$23,548	\$10,492	\$13,867	\$952	\$8,169
Physician Services*	9.7%	\$526,743	\$65,601	\$240,933	\$107,122	\$105,050	\$7,950	\$88
Dental Services	4.8%	\$260,734	\$149,456	\$86,721	\$0	\$24,350	\$18	\$190
Other Professional Services	4.5%	\$243,944	\$41,081	\$121,307	\$40,705	\$40,849	\$2	(\$0)
Chiropractor Services	0.7%	\$38,289	\$6,448	\$24,687	\$4,724	\$2,429	\$0	(\$0)
Physical Therapy Services	1.0%	\$54,028	\$9,099	\$30,700	\$9,757	\$4,472	\$1	\$0
Psychological Services	1.0%	\$52,033	\$8,763	\$21,254	\$3,306	\$18,711	(\$1)	(\$0)
Podiatrist Services	0.1%	\$5,207	\$877	\$2,170	\$1,794	\$365	\$0	(\$0)
Other	1.7%	\$94,387	\$15,895	\$42,496	\$21,123	\$14,871	\$2	\$0
Home Health Care	2.2%	\$119,115	\$4,850	\$12,032	\$63,429	\$35,181	\$2,036	\$1,587
Drugs & Supplies	14.0%	\$760,713	\$162,213	\$273,517	\$238,747	\$90,421	(\$3,313)	(\$872)
Vision Products & DME	2.5%	\$135,123	\$74,698	\$19,924	\$29,075	\$11,425	\$1	(\$0)
Nursing Home Care	4.9%	\$264,202	\$44,031	\$2,376	\$80,672	\$123,200	\$6,724	\$7,198
Other/Unclassified Health Services	0.6%	\$33,539	\$15,541	\$1,550	\$0	\$500	\$0	\$15,948
Admin/Net Cost of Health Insurance	N/A	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Government Health Care Activities**	11.8%	\$640,518	\$0	\$0	\$0	\$589,340	\$18,363	\$32,815
TOTAL VERMONT EXPENDITURES	100.0%	\$5,440,758	\$766,095	\$1,835,703	\$1,230,488	\$1,360,469	\$182,733	\$65,269
Percent of total expenditures		100.0%	14.1%	33.7%	22.6%	25.0%	3.4%	1.2%

* Hospital-employed physician practices are included in the Community Hospital category in the Provider Matrix. Physicians amount reported is \$434 million.

** See Government Health Care Activities in this report for further detail.

	Provider reported data
	Allocations estimated from VT specific data
	Amounts imputed from National Health Expenditures or other indirect sources
N/A	Not Applicable
n.a.	Not Available



2013 Highlights of VT EA Provider Analysis

- Vermont Provider health care expenditures for 2013 were \$5.4 billion.
 - This is an increase of \$272 million over 2012.
 - An increase of 5.3% over 2012.
 - Hospitals increased \$167 million or 5.6% over 2012.
 - Government Health Care Activities increased \$60 million or 4.7%
 - Drugs & supplies increased \$47 million or 5.4%.
 - Physicians decreased \$46 million or -2.1%
 - Some increase included in hospital category

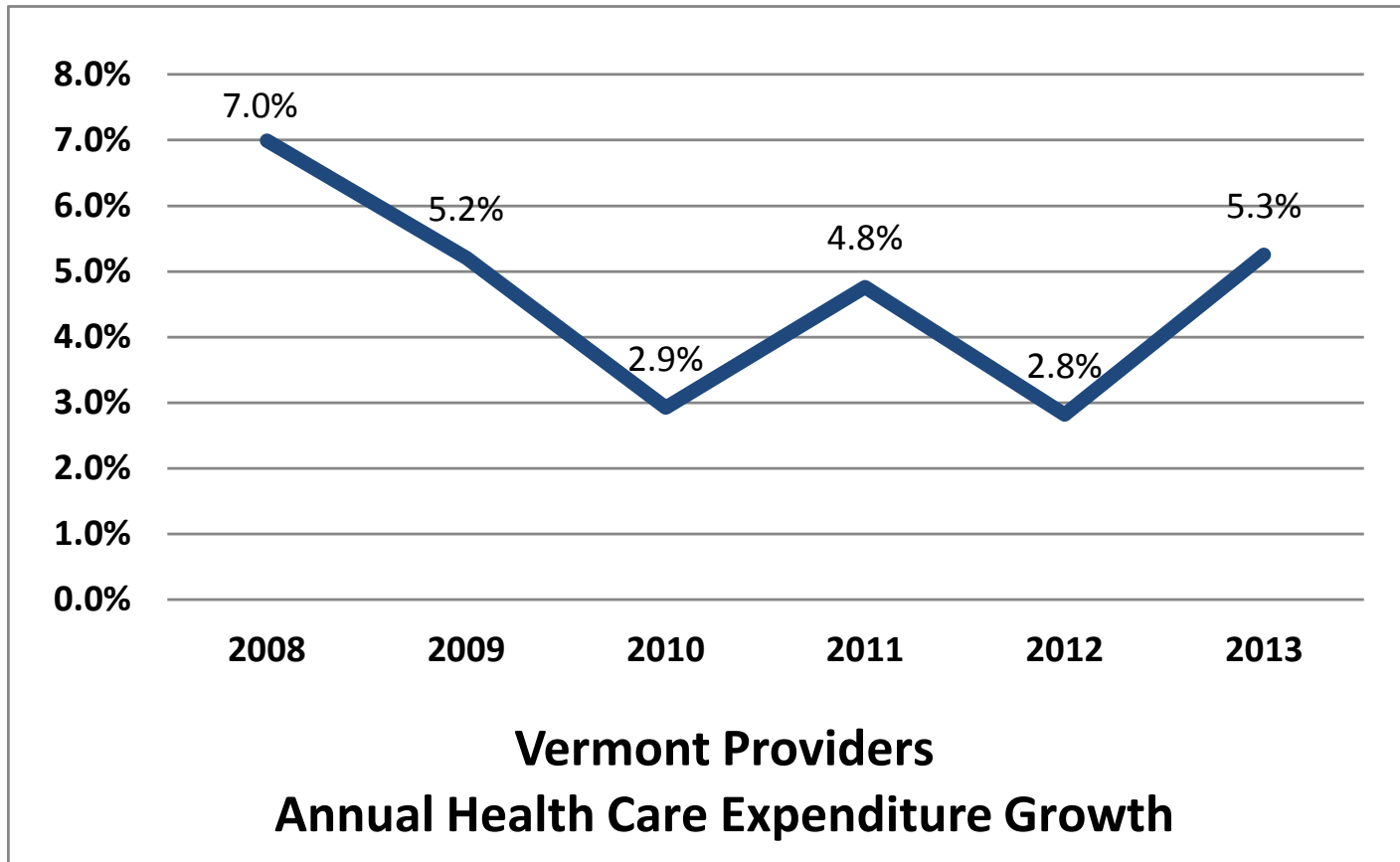


2013 Highlights of VT EA Provider Analysis, cont.

- The migration of physicians to hospitals from private practice continues to grow.
- Vermont providers annual average growth for the period 2008-2013 was 4.2%.
- Vermonters migrate out of state for hospital services more than out of state patients migrate instate



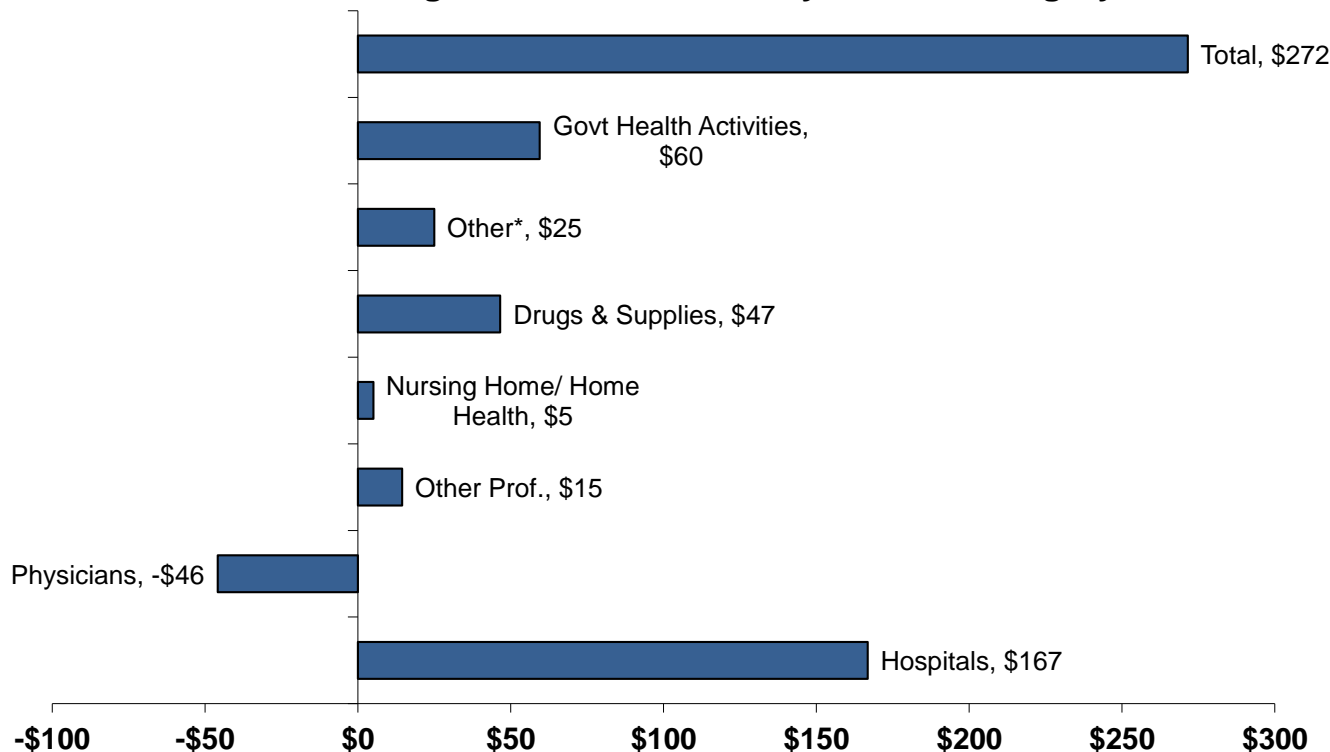
What has been the provider expenditure growth rate in Vermont?



Provider spending, what accounts for the increase?

In 2013, total provider spending was \$5.4 billion; an increase of \$272 million from 2012.

Vermont Health Care Expenditures-Provider Change from 2012 to 2013 by Service Category

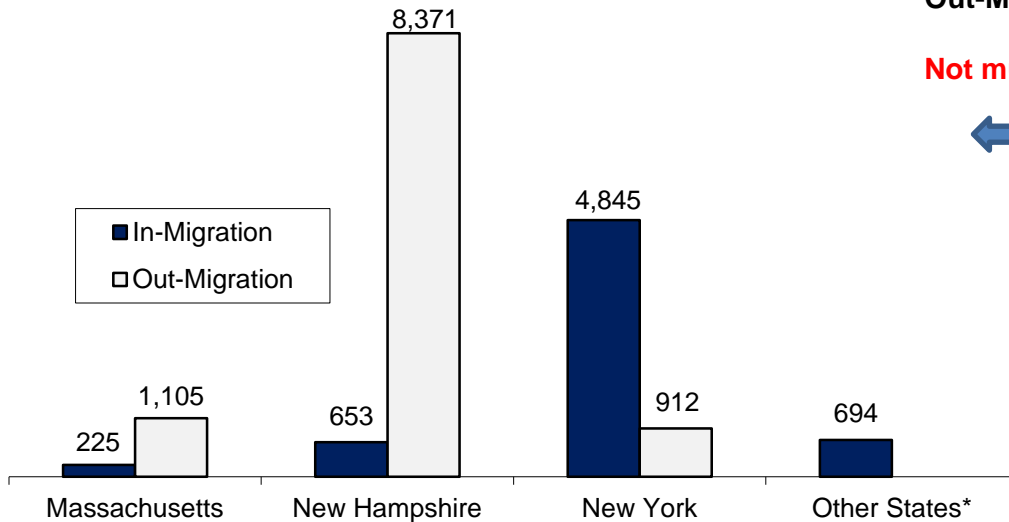


* Other includes services rendered by other unclassified professionals, medical equip. suppliers, vision providers, and other misc. providers



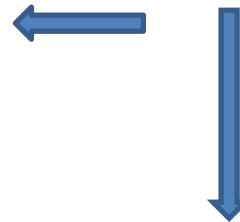
Many Vermonters rely on New Hampshire's Dartmouth Hitchcock Medical Center for care.

2012 Inpatient Discharges



In-Migration of Non-VT Residents to VT Hospitals
Out-Migration of VT Residents to Non-VT Hospitals

Not much change since 2008.

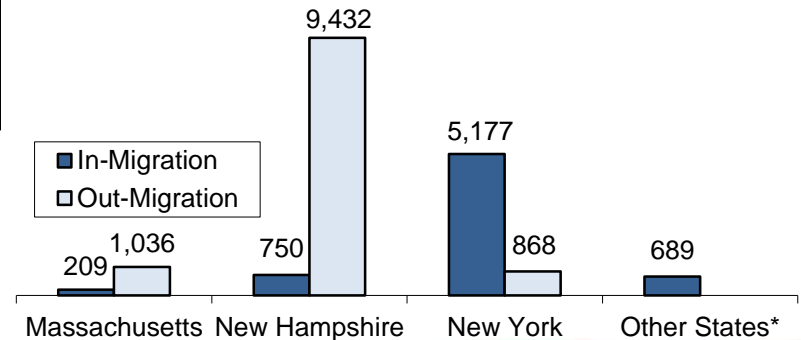


Source: 2012 VT Uniform Hospital Discharge Data Set (NH data not complete, used average of 2009 2010 & 2011)

Notes: All figures exclude discharges from VA hospital.

* VT residents use hospitals in other states, but reporting is currently unavailable.

2008 Inpatient Discharges



Typically Vermonters will pay more for care out of state

2012 Vermont Inpatient Hospital Migration

	Discharges	Total Charges	Average Charges	Average DRG Wt*	Ave. Chgs Care Mix Adj.
Total Vermont Residents in Vermont Hospitals	40,245	\$887,568,223	\$22,054	1.33	\$16,552
Total Out-Migration (Vermont Residents in Out-Of-State Hospitals)	10,388	\$416,391,933	\$40,084	1.81	\$22,155
Total In-Migration (Out-of-State Residents in Vermont Hospitals)	6,417	\$189,529,562	\$29,536	1.65	\$17,922

Source: 2012 Vermont Uniform Hospital Discharge Data Set (NH data not complete, used average of 2009 & 2010 & 2011) Does not include newborns.

* DRG weights indicate the relative costs for treating patients during the prior year. For example, a DRG with a weight of 2.0 means that charges were historically twice the national average whereas a DRG with a weight of 0.5 was half the national average.



Process Next steps/Plans

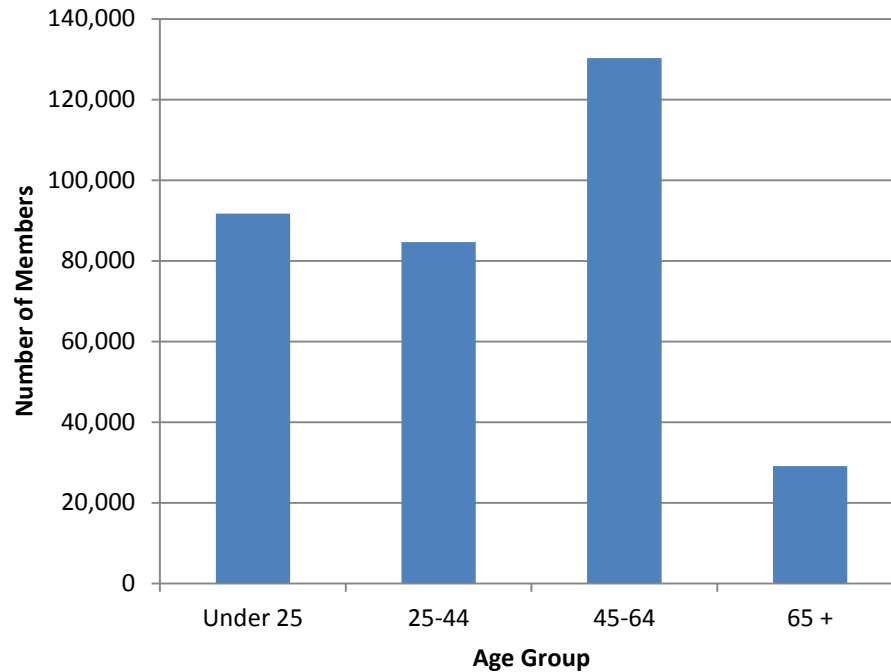
Contract work around VHCURES is being brought into our operations to improve depth and scope of reporting.

We will be able to drill down into the Expenditure Analysis by different dimensions such as age, geography, primary care vs. specialty. The following slides are prepared to show how we can use the 2013 VHCURES data. Work is still underway to study, analyze, and reconcile this information.

See the example that follows.

Use of claims data under development

Ages of Commercially Insured Vermonters in 2013



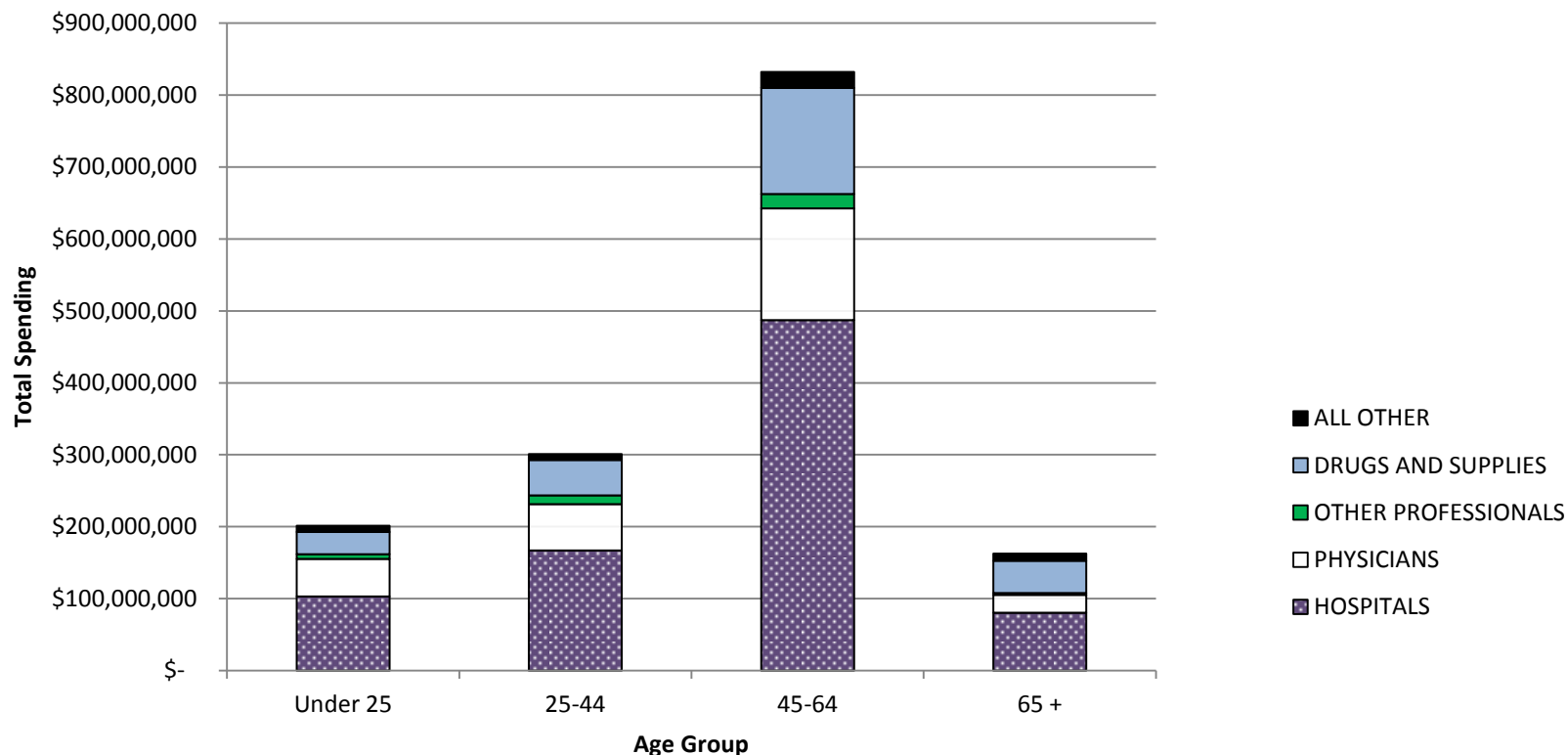
Notes:

- All data from VHCURES, 12/2014 extract.

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Use of claims data under development

Total 2013 Commercial Spending



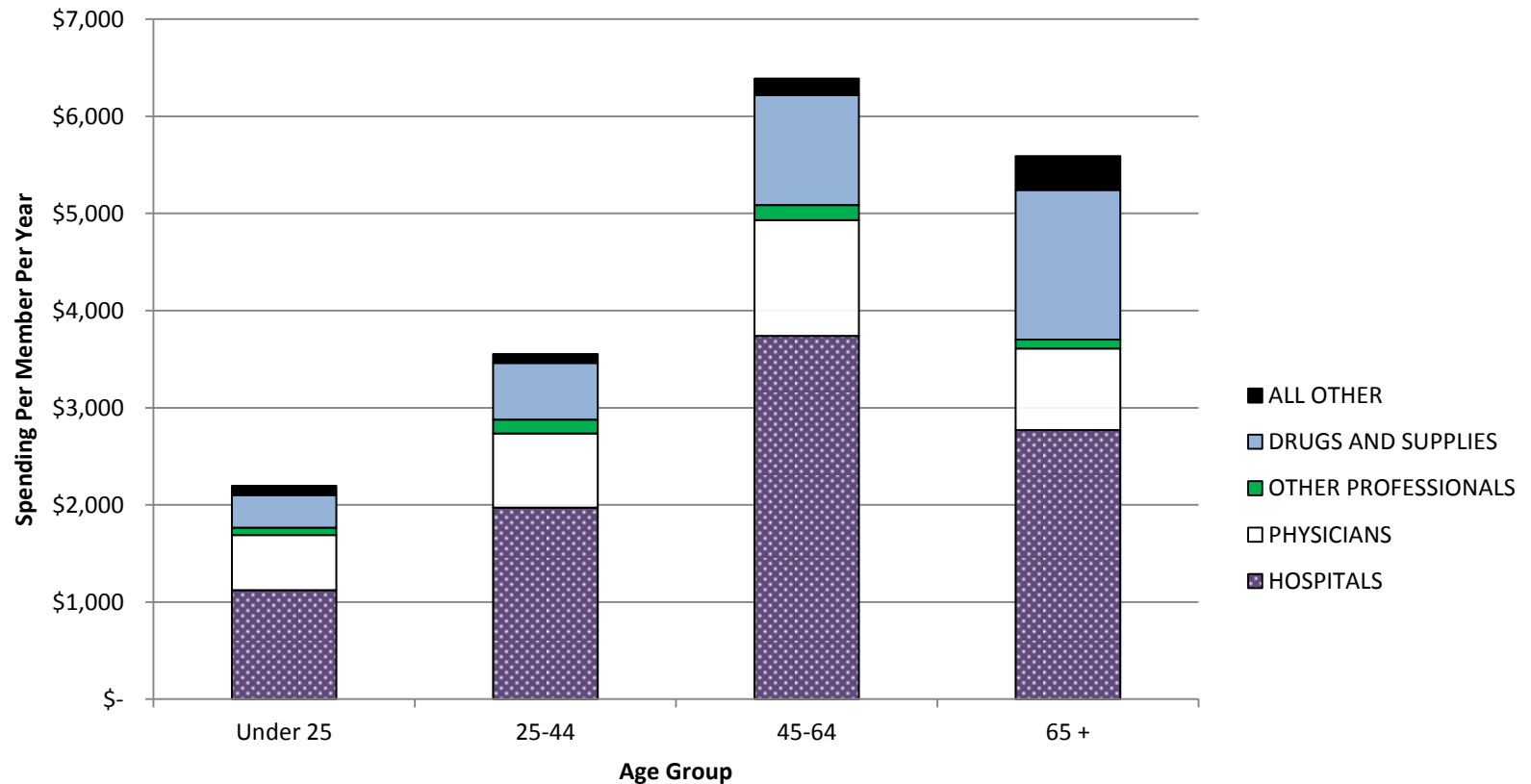
Notes:

- All data from VHCURES, 12/2014 extract. Total commercial spending will be higher.
- Spending is plan paid amounts for all primary and secondary claims.
- Spending on those over age 65 is the amount paid by commercial insurance only.
- Total spending is not weighted for demographics. High spending in the 50-64 year old age groups are partly due to a larger number of people in these age groups.

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Use of claims data under development

2013 PMPY Commercial Spending



Notes:

- All data from VHCURES, 12/2014 extract.
- Spending is plan paid amounts for all primary and secondary claims.
- Spending on those over age 65 is the amount paid by commercial insurance only.
- Membership count is for 12-month equivalent enrollment in major medical plans (total number of member months/12). This does not include prescription drug or behavior health only plans.

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Appendix

Supplemental schedules

2013 Resident Analysis – Private insurance detail

2012 Resident Analysis – updated version

2008-2013 Resident Analysis – summary trends

Methodologies

2013 Vermont Health Care Expenditures - Resident Analysis Private Insurance Detail

All dollar amounts are reported in thousands

	Percent of Total	Total Private Insurance	Self-Insured	BCBS VT	TVHP***	MVP	Workers' Comp	Other Private
Hospitals	48.6%	\$919,020	\$319,360	\$293,520	\$89,946	\$55,939	\$23,098	\$137,157
Community Hospitals	47.7%	\$903,564	\$311,789	\$290,546	\$89,091	\$53,643	\$23,098	\$135,397
Veterans Hospital	0.2%	\$4,360	\$3,060	\$724	\$274	\$0	\$0	\$302
Psychiatric Hosp: State	0.1%	\$2,703	\$2,368	\$47	\$8	\$0	\$0	\$280
Psychiatric Hosp: Private	0.4%	\$8,393	\$2,142	\$2,204	\$574	\$2,296	\$0	\$1,177
Physician Services*	18.1%	\$342,150	\$128,832	\$99,775	\$26,310	\$19,349	\$20,778	\$47,106
Dental Services	3.9%	\$73,693	\$41,737	\$1,186	\$171	\$75	\$355	\$30,169
Other Professional Services	4.3%	\$81,339	\$19,399	\$28,852	\$6,632	\$1,481	\$12,526	\$12,448
Chiropractor Services	0.4%	\$8,443	\$2,436	\$3,220	\$672	\$82	\$696	\$1,337
Physical Therapy Services	1.2%	\$23,149	\$3,359	\$5,030	\$1,305	\$492	\$10,863	\$2,100
Psychological Services	1.2%	\$21,839	\$4,750	\$10,216	\$1,977	\$176	\$24	\$4,696
Podiatrist Services	0.1%	\$2,086	\$793	\$656	\$174	\$75	\$88	\$300
Other	1.4%	\$25,822	\$8,061	\$9,730	\$2,505	\$656	\$855	\$4,015
Home Health Care	0.1%	\$2,313	\$271	\$180	\$28	\$161	\$1,580	\$93
Drugs & Supplies	12.1%	\$229,236	\$54,389	\$92,367	\$23,737	\$11,439	\$3,313	\$43,993
Vision Products & DME	0.9%	\$17,724	\$7,655	\$4,724	\$1,400	\$508	\$1,163	\$2,273
Nursing Home Care	0.3%	\$5,437	\$878	\$1,684	\$198	\$217	\$1,580	\$880
Other/Unclassified Health Services	0.2%	\$4,171	\$2,796	\$65	\$17	\$95	\$0	\$1,197
Admin/Net Cost of Health Insurance	11.5%	\$217,313	\$42,999	\$32,527	\$16,559	\$10,157	\$58,292	\$56,779
Government Health Care Activities**	N/A	\$0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL VERMONT EXPENDITURES	100.0%	\$1,892,396	\$618,317	\$554,881	\$164,998	\$99,422	\$122,684	\$332,095
Percent of total expenditures		100.0%	32.7%	29.3%	8.7%	5.3%	6.5%	17.5%

* Hospital-employed physician practices are included in the Physician Services category in the Resident Matrix.

** See Government Health Care Activities in this report for further detail.

***TVHP was as previously reported in Other Private

	Payer reported data
	Allocations estimated from VT specific data
	Amounts imputed from National Health Expenditures or other indirect sources
N/A	Not Applicable
n.a.	Not Available



Revised 2012 Vermont Health Care Expenditures - Resident Analysis

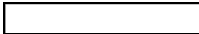


Updated from original published in April 2014

All dollar amounts are reported in thousands

	Percent of Total	Total	Out-of-Pocket	Private Insurance	Medicare	Vermont Medicaid	Other Federal	State & Local
Hospitals	38.2%	\$1,962,740	\$169,682	\$882,043	\$536,617	\$274,920	\$96,012	\$3,465
Community Hospitals	35.9%	\$1,844,441	\$169,682	\$866,658	\$532,699	\$274,920	\$314	\$166
Veterans Hospital	1.9%	\$99,497	\$0	\$3,619	\$0	\$0	\$95,698	\$181
Psychiatric Hosp: State	0.1%	\$3,562	\$0	\$443	\$0	\$0	\$0	\$3,118
Psychiatric Hosp: Private	0.3%	\$15,241	\$0	\$11,323	\$3,918	\$0	\$0	\$0
Physician Services*	13.4%	\$688,645	\$86,715	\$328,317	\$121,995	\$137,219	\$13,944	\$456
Dental Services	4.1%	\$213,150	\$129,023	\$63,055	\$0	\$20,380	\$29	\$663
Other Professional Services	3.2%	\$165,466	\$25,954	\$83,370	\$24,960	\$31,164	\$16	\$2
Chiropractor Services	0.3%	\$15,441	\$2,450	\$10,647	\$1,537	\$808	\$0	\$0
Physical Therapy Services	0.7%	\$36,748	\$5,774	\$21,375	\$6,800	\$2,795	\$4	\$0
Psychological Services	1.0%	\$51,138	\$8,034	\$21,275	\$3,127	\$18,697	\$4	\$2
Podiatrist Services	0.1%	\$4,986	\$770	\$2,160	\$1,666	\$390	\$0	\$0
Other	1.1%	\$57,152	\$8,926	\$27,913	\$11,832	\$8,473	\$8	\$0
Home Health Care	1.9%	\$95,884	\$12,290	\$1,868	\$58,913	\$20,127	\$1,641	\$1,045
Drugs & Supplies	12.4%	\$636,887	\$134,757	\$264,708	\$174,304	\$62,397	\$782	(\$61)
Vision Products & DME	2.2%	\$111,052	\$62,732	\$13,837	\$24,765	\$9,714	\$2	\$2
Nursing Home Care	5.5%	\$285,141	\$89,559	\$4,676	\$65,376	\$115,768	\$1	\$9,761
Other/Unclassified Health Services	0.9%	\$43,912	\$5,032	\$139	\$18,243	\$4,549	\$1	\$15,948
Admin/Net Cost of Health Insurance	6.9%	\$353,983	N/A	\$214,714	\$55,492	\$83,777	\$0	\$0
Government Health Care Activities**	11.3%	\$580,998	n.a.	\$0	n.a.	\$543,606	\$13,808	\$23,585
TOTAL VERMONT EXPENDITURES	100.0%	\$5,137,858	\$715,744	\$1,856,726	\$1,080,666	\$1,303,621	\$126,235	\$54,866
Percent of total expenditures		100.0%	13.9%	36.1%	21.0%	25.4%	2.5%	1.1%

* Hospital-employed physician practices are included in the Physician Services category in the Resident Matrix.

** See Government Health Care Activities in this report for further detail.

	Payer reported data
	Allocations estimated from VT specific data
	Amounts imputed from National Health Expenditures or other indirect sources
N/A	Not Applicable
n.a.	Not Available



2008-2013 Vermont Resident Health Care Expenditures

All dollar amounts are reported in thousands - Multiply expenditures by 1,000 to arrive at the full expenditure amount.

PAYERS	2008	2009	2010	2011	2012	2013	2012-2013 Annual Change	2008-2013 Average Annual Change
Out-of-Pocket	\$595,542	\$693,932	\$701,454	\$715,787	\$715,744	\$726,000	1.4%	4.0%
Private Insurance	\$1,686,526	\$1,765,562	\$1,875,532	\$1,849,761	\$1,856,726	\$1,892,396	1.9%	2.3%
Medicare	\$842,766	\$896,231	\$953,599	\$991,815	\$1,080,666	\$1,149,270	6.3%	6.4%
Medicaid	\$1,060,444	\$1,155,724	\$1,186,524	\$1,210,509	\$1,303,621	\$1,378,635	5.8%	5.4%
Other Government	\$195,086	\$190,379	\$207,693	\$215,196	\$181,101	\$183,261	1.2%	-1.2%
TOTAL RESIDENT EXPENDITURES	\$4,380,364	\$4,701,828	\$4,924,802	\$4,983,068	\$5,137,858	\$5,329,561	3.7%	4.0%
Annual Percent Change	6.6%	7.3%	4.7%	1.2%	3.1%	3.7%		

PROVIDERS	2008	2009	2010	2011	2012	2013	2012-2013 Annual Change	2008-2013 Average Annual Change
Hospitals	\$1,517,122	\$1,733,474	\$1,832,195	\$1,899,578	\$1,962,740	\$2,030,774	3.5%	6.0%
Physician Services	\$642,458	\$634,075	\$660,083	\$662,381	\$688,645	\$712,253	3.4%	2.1%
Dental Services	\$201,372	\$209,458	\$213,659	\$212,744	\$213,150	\$221,565	3.9%	1.9%
Other Professional Services	\$148,609	\$154,786	\$162,968	\$176,146	\$165,466	\$169,658	2.5%	2.7%
Home Health Care	\$102,553	\$97,124	\$95,541	\$93,375	\$95,884	\$102,727	7.1%	0.0%
Drugs & Supplies	\$530,779	\$566,076	\$588,175	\$607,303	\$636,887	\$637,560	0.1%	3.7%
Vision Products & DME	\$90,629	\$91,551	\$98,663	\$106,568	\$111,052	\$120,205	8.2%	5.8%
Nursing Home Care	\$255,318	\$268,927	\$270,909	\$279,569	\$285,141	\$281,674	-1.2%	2.0%
Other/Unclassified Health Services	\$33,971	\$44,001	\$43,759	\$42,533	\$43,912	\$50,014	13.9%	8.0%
Admin/Net Cost of Health Insurance	\$347,516	\$367,042	\$414,746	\$361,245	\$353,983	\$362,615	2.4%	0.9%
Government Health Care Activities	\$510,037	\$535,313	\$544,102	\$541,626	\$580,998	\$640,518	10.2%	4.7%
TOTAL RESIDENT EXPENDITURES	\$4,380,364	\$4,701,828	\$4,924,802	\$4,983,068	\$5,137,858	\$5,329,561	3.7%	4.0%
Annual Percent Change	6.6%	7.3%	4.7%	1.2%	3.1%	3.7%		



Methodologies, technical notes and sources

- **US comparisons: National Health Expenditure Data (NHE), the Centers for Medicare and Medicaid Services'** website at <http://http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical.html>
- **NHE, Health Consumption Expenditures :** <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/tables.pdf>
- **VT GSP** at U.S. Dept. of Commerce, Bureau of Economic Analysis, <http://www.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=1#reqid=70&step=7&isuri=1&7001=1200&7002=1&7003=200&7090=70&7005=-1&7006=50000&7093=levels&7004=naics>
- **VT Dept of Labor** <http://www.vtmi.info/occupation.cfm>
- **US Dept of Labor, Bureau of Labor Statistics** http://stats.bls.gov/oes/current/oes_nat.htm
- Vermont Healthcare Claims Uniform Reporting and Evaluation System (**VHCURES**) <http://gmcboard.vermont.gov/vhcures>
- **Medicare data** are from Dan Gottlieb of The Dartmouth Institute for Health Policy & Clinical Practice (TDI). The 2013 actual Vermont Medicare Report will be prepared by June of 2015. This report includes an estimate of Medicare based upon recent growth trends.
- The **Out of Pocket** (OOP) methodology relies on Vermont data and less on the census and the NHE. Medicare claims expenditures reported to GMCB from TDI include out of pocket costs by Medicare enrollees. VHCURES allows measurement of the insured enrollee's actual out of pocket costs for about 90% of the commercial market. Survey and 2007 census data (latest available) and the NHE is still used to help estimate out of pocket costs for unique provider populations and services.

Methodologies, technical notes and sources

- 2012 Expenditure Analysis was adjusted for more accurate data. Adjustments were made in the amount of \$13.952 million.
 - Private insurance was adjusted in self-insurance and other private
 - Medicaid was adjusted for the Graduate Medical Education payments
 - Medicare was adjusted to reflect better data for Medicare Part D drugs
- Contractor (Truven/Brandeis) reporting is being reviewed and reconciled to the current format of the Expenditure Analysis.
- Enrollment changes could effect allocation of spending categories, ie; drugs
- For additional definitions, schedules, and technical notes (contact GMCB)

The End

Acknowledgements

This report would not have been possible without the support of many individuals in government, private insurance, and health care provider organizations. The Green Mountain Care Board (GMCB) would also like to thank GMCB staff, staff of the Agency of Human Services and all others who provided data and feedback in a timely manner. If you have questions about this report, please contact Michael Davis or Lori Perry at the GMCB (802) 828-2177.

Note: Many reported numbers are based upon federal fiscal year 2013 (Oct.1 through Sept. 30). But some data sources are based upon 2013 calendar year. This issue has been evident since the report was first prepared. There is only a small amount of precision realized in adjusting for that quarterly timing difference and therefore, we have not taken the effort to adjust for these differences.