

Self-funded Analysis Results

7/26/2017

# Overview

Several data users raised the question about how best to do an accurate trend analysis using the MHDO commercial claims data post-Gobeille. While both the mix of self-funded ERISA claims data as well as submissions for fully insured claims data varies over time, the Gobeille decision has created a drop in eligible members and claims volume overall. Post-Gobeille the MHDO has maintained approximately 84% of eligible members compare to pre-Gobeille. MHDO asked HSRI to analyze the commercial claims data to determine the impact of the decision (post-Gobeille) and if possible how best to provide users with a pre-Gobeille data set that lined up with the post-Gobeille data set. The Results and Summary of Analysis and Finding are presented below.

# Results

HSRI has identified self-funded ERISA Groups that are no longer reporting data to the MHDO as a result of the Gobeille decision. Based on a detailed analysis of the monthly submission of self-funded data before and after the Gobeille decision, we selected these two months as comparison periods – July 2015 where there was a little over 340,000 self-funded members and July 2016 when there were a little over 100,000 self-funded members. The number of eligible members in continuous groups was calculated by identifying the self-funded members who were eligible in July 2015 and July 2016 – which resulted in approximately 78,800 members. The number of eligible members in non-continuous groups were identified as members who appeared in July of 2015, but not in July of 2016 – over 261,00 members.

MHDO will make available to data users a file of member ids associated with these members in non-continuous groups to exclude or flag in their 2015 data if appropriate for their use of the data.

# Summary of Analysis and Findings

To address the question raised by MHDO data users the following analysis has been done:

* Step 1: assess the ability to identify self-funded Groups and Employers in the APCD.
* Step 2: analyze the impact of the drop in the self-funded plans on the overall APCD.
* Step 3: Assess how many members were part of self-funded plans before and after the Gobeille decision.

**Notes**:

* Commercial plans are defined as members with data submitted by commercial payers, including self-funded.
* Medicaid and Medicare plans are excluded.
* Self-funded plans are defined as members with medical eligibility coverage (ME029\_coverage) as ASO or ASW according to Chapter 243 (definitions below)

**ASO** – self-funded plans that are administered by a third-party administrator, where the employer has not purchased stop-loss, or group excess, insurance coverage

**ASW** – self-funded plans that are administered by a third-party administrator, where the employer has purchased stop-loss, or group excess, insurance coverage

# Self-funded Data in the MHDO Commercial claims data

Table 1 shows the claim counts and average monthly eligible members from 2010-2016[[1]](#footnote-2) for those with self-funded plans as compared to all commercial plans in the MHDO APCD. The table also shows the percentage of self-funded claim counts and eligible members as a percentage of commercial claims data from 2010-2016.

## Table 1. MHDO Claim Counts and Average Monthly Eligible Members by Year

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Year | Self-funded Claim Counts | Overall APCD Claim Counts | Self-funded as % of Overall APCD | Monthly Average of Self-funded Eligible Members | Monthly Average of Overall APCD Eligible Members | Self-funded Eligible Members as % of Overall APCD Eligible Members |
| 2010 | 1,546,088 | 3,962,369 | 39.0% | 362,747 | 1,434,632 | 25.3% |
| 2011 | 1,763,734 | 4,057,249 | 43.5% | 385,350 | 1,462,375 | 26.4% |
| 2012 | 2,028,498 | 4,254,505 | 47.7% | 386,683 | 1,463,018 | 26.4% |
| 2013 | 2,906,136 | 7,951,632 | 36.5% | 395,252 | 1,496,148 | 26.4% |
| 2014 | 2,908,614 | 8,338,647 | 34.9% | 380,543 | 1,505,160 | 25.3% |
| 2015 | 2,959,999 | 8,613,393 | 34.4% | 339,722 | 1,467,334 | 23.2% |
| 2016 | 830,161 | 6,368,751 | 13.0% | 133,005 | 1,014,914 | 13.1% |
| Grand Total | **14,943,230** | **43,546,546** | 34.3% |  |  |  |

Table 2 shows the claims counts and eligible members for self-funded plans by month in 2015 and 2016[[2]](#footnote-3). The table also shows the percentage of claims and members by month in 2016 compared to the same month in 2015.

## Table 2. MHDO APCD Self-funded Claim & Member Counts by Month 2015-2016

| **YEAR** | **Month** | **Self-funded Claim Counts** | **Claims % of Volume of Prior Year/Month** | **Self-funded Eligible Members** | **Members % of Volume of Prior Year/Month** |
| --- | --- | --- | --- | --- | --- |
| **2015** | 1 | 249,542 |  | 342,770 |  |
|  | 2 | 236,526 |  | 341,461 |  |
|  | 3 | 278,993 |  | 342,145 |  |
|  | 4 | 268,787 |  | 342,672 |  |
|  | 5 | 246,450 |  | 341,296 |  |
|  | 6 | 260,774 |  | 342,620 |  |
|  | 7 | 253,234 |  | 340,729 |  |
|  | 8 | 240,001 |  | 341,581 |  |
|  | 9 | 247,295 |  | 342,565 |  |
|  | 10 | 255,916 |  | 333,624 |  |
|  | 11 | 229,996 |  | 329,248 |  |
|  | 12 | 192,485 |  | 335,957 |  |
| **2015 Total** |  | **2,959,999** |  | **4,076,668** |  |
| **2016[[3]](#footnote-4)** | 1 | 90,237 | 36.2% | 263,078 | 76.8% |
|  | 2 | 82,072 | 34.7% | 167,182 | 49.0% |
|  | 3 | 87,622 | 31.4% | 153,001 | 44.7% |
|  | 4 | 79,939 | 29.7% | 107,387 | 31.3% |
|  | 5 | 80,546 | 32.7% | 113,969 | 33.4% |
|  | 6 | 74,752 | 28.7% | 119,290 | 34.8% |
|  | 7 | 63,404 | 25.0% | 100,553 | 29.5% |
|  | 8 | 69,230 | 28.8% | 101,146 | 29.6% |
|  | 9 | 59,423 | 24.0% | 102,522 | 29.9% |
|  | 10 | 58,841 | 23.0% | 132,146 | 39.6% |
|  | 11 | 53,419 | 23.2% | 117,064 | 35.6% |
|  | 12 | 30,676 | 15.9% | 118,723 | 35.3% |
| **2016 Total** |  | **830,161** | **28.0%** | **1,596,061** | **39.2%** |

Table 3 shows the claims counts and eligible members for all commercial payer plans by month in 2015 and 2016[[4]](#footnote-5). The table also shows the percentage of claims and members by month in 2016 compared to the same month in 2015.

## Table 3. MHDO Commercial Claim & Member Counts by Month 2015-2016

|   | **Month** | **Commercial Claim Counts** | **Claims % of Volume of Prior Year/Month** | **Commercial Eligible Members** | **Members % of Volume of Prior Year/Month** |
| --- | --- | --- | --- | --- | --- |
| **2015** | 1 | 687,675 |  | 878,792 |  |
|  | 2 | 645,459 |  | 881,382 |  |
|  | 3 | 776,335 |  | 894,098 |  |
|  | 4 | 765,710 |  | 896,048 |  |
|  | 5 | 712,557 |  | 893,573 |  |
|  | 6 | 747,580 |  | 897,206 |  |
|  | 7 | 723,186 |  | 891,485 |  |
|  | 8 | 696,190 |  | 891,547 |  |
|  | 9 | 732,338 |  | 896,978 |  |
|  | 10 | 776,478 |  | 887,219 |  |
|  | 11 | 702,266 |  | 884,445 |  |
|  | 12 | 647,619 |  | 889,889 |  |
| **2015 Total** |  | **8,613,393** |  | **10,682,662** |  |
| **2016** | 1 | 569,405 | 82.8% | 845,923 | 96.3% |
|  | 2 | 549,238 | 85.1% | 751,723 | 85.3% |
|  | 3 | 601,092 | 77.4% | 738,966 | 82.6% |
|  | 4 | 557,892 | 72.9% | 696,193 | 77.7% |
|  | 5 | 602,531 | 84.6% | 699,795 | 78.3% |
|  | 6 | 600,950 | 80.4% | 707,279 | 78.8% |
|  | 7 | 521,334 | 72.1% | 750,287 | 84.2% |
|  | 8 | 566,666 | 81.4% | 744,625 | 83.5% |
|  | 9 | 530,033 | 72.4% | 758,760 | 84.6% |
|  | 10 | 561,747 | 72.3% | 788,519 | 88.9% |
|  | 11 | 468,115 | 66.7% | 745,092 | 84.2% |
|  | 12 | 239,748 | 37.0% | 746,821 | 83.9% |
| **2016 Total** |  | **6,368,751** | **73.9%** | **8,973,983** | **84.0%** |

1. 2016 excludes runout claims. [↑](#footnote-ref-2)
2. 2016 excludes runout claims. [↑](#footnote-ref-3)
3. 2016 excludes runout claims. [↑](#footnote-ref-4)
4. 2016 excludes runout claims. [↑](#footnote-ref-5)