Summary of Connecticut Office of Health Strategy (OHS) Healthcare Benchmark Initiative Spending Data Collection and Analysis

Source	Data Summary	Who is Included in the Data	How the Data are Adjusted	How the Data are Used by OHS
Cost Growth Benchmark Data[1]	• Aggregate (i.e., not claims-level) total medical expense (TME) data collected in broad claims service categories (e.g., hospital inpatient) and non-claims categories (e.g., performance incentive payments) • Insurer administrative costs and profit • Data collected at the payer-level by market (i.e., commercial, Medicare, Medicaid) and at the Advanced Network level by market[2] • Collected Annually	• Commercial fully and self-insured • Student health plans • State employees and retirees • Medicare Advantage • Medicare Fee-for-Service • Medicaid	• **Risk adjustment:** Cost growth benchmark TME data are risk adjusted using OHS-calculated age/sex risk factors[3] • **Truncation**: Truncation is applied to cost growth benchmark TME spending to remove high-cost outliers[4] • **Pharmacy rebates**: Payer cost growth benchmark performance is reported net of pharmacy rebates • **Statistical testing**: OHS develops confidence intervals around each insurer and Advanced Network's cost growth benchmark TME performance[5]	• Calculation of cost growth benchmark performance • Summary assessment of drivers of cost growth • Calculation of primary care spending target performance
All-Payer Claims Database Data	• Medical claims, pharmacy claims, and enrollment data • Does not include non-claims payments, drug rebates from manufacturers, or insurer administration costs and profit • Collected monthly, with Quarterly availability	• Commercial fully insured • State employees and retirees, municipal employees in State Partnership 2.0 plan and some other but not all self-insured employers • Medicaid • Medicare Advantage • Medicare Fee-For-Service[6]	• When analyzing the data, OHS typically excludes non-Connecticut residents, secondary payers, claims lines with negative payment or cost sharing, and denied, reversed, and non-primary claim lines[7] • APCD data are not adjusted and provide longitudinal total spending and utilization.	• Assessment of drivers of cost growth by service category and service, with detailed attention to hospital spending and prescription drug spending

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[1] The Cost Growth Benchmark implementation manual and data specifications can be found on the OHS webpage.

[2] Data availability at the Advanced Network level depends on the data submitter. For example, The Centers for Medicare and Medicaid Services (CMS) is unable to submit Medicare TME at the Advanced Network level. See the implementation manual for more details about levels of reporting by payer.

[3] See Appendix L of the Cost Growth Benchmark implementation manual on OHS webpage for a detailed description of how OHS calculate standard weights for age/sex risk adjustment.

[4] Truncation points for each market can be found in the Cost Growth Benchmark implementation manual on the OHS webpage.

[5] See Appendix K of the Cost Growth Benchmark implementation manual on OHS webpage for a detailed description of how OHS conducts its statistical testing.

[6] As of the date on this document, Medicare Fee-For-Service data in the APCD only includes medical data through 2019 and retail pharmacy data through 2018.

[7] Medicaid payments paid as secondary (especially long-term care costs) for dual-eligible beneficiaries are included and presented as a separate category.