

# Greater Milwaukee Business Foundation on Health, Inc. GMBFH

## FOR MORE INFORMATION

Contact: Michael or Mary Rode

The Write Source

Office: (262) 646-4242

Mobile: (262) 443-0509

Email: [info@thewritesourcegroup.com](mailto:info@thewritesourcegroup.com)

## Greater Milwaukee Business Foundation on Health study finds medical service utilization levels vary among southeast Wisconsin health systems

Milwaukee – October 29, 2015 – The Greater Milwaukee Business Foundation on Health, Inc. (GMBFH) released the results of a study comparing the average medical service utilization levels of commercially insured patients treated by different groups of southeast Wisconsin primary care physicians at a meeting of providers, insurers, and business and community leaders today. The study found that average risk-adjusted commercial medical service utilization levels for patients treated by the primary care physician groups affiliated with the different local area health systems may vary by as much as 10 percent for both adult and pediatric patients.

The study, conducted by the consulting firm Milliman, examined inpatient, outpatient and physician costs using commercial claims data from the Wisconsin Health Information Organization (WHIO) for the period of April 1, 2012 to March 31, 2014. It examined the average health care utilization levels of patients attributed to primary care physicians aligned with area health systems and those of unaffiliated primary care physicians in four specific areas. The areas examined and highlights included:

- **Estimate of the utilization-related cost differences by health system:** Differences in the average risk-adjusted commercial medical service utilization levels for adult and pediatric patients of primary care physicians affiliated with southeast Wisconsin health systems were examined. The utilization-related cost difference between the lowest and highest average health system utilization levels, for both adult and pediatric patients, was roughly 10 percent.

-more-

- **Measure of the relative morbidity of each health system’s attributed patients:** There was a significant variation among the average morbidity (incidence of disease) of adult patients attributed to each health system. Adult average risk scores varied by 19 percent from the health system with the lowest average to the highest average, with one system nine percent below the market average and one system eight percent above the market average. Pediatric risk scores demonstrated lower levels of variation among systems with a six percent difference between the highest and lowest average risk scores.
- **Assessment of “loyalty” of patients to their primary care physician’s health system for obtaining other medical services:** This analysis measured the percentage of inpatient hospital and outpatient facility costs delivered by each health system to its attributed patients. Adult patients typically used their attributed health system facilities for most of their inpatient and outpatient care, with the average retention ranging from 59 to 74 percent among the health systems. Pediatric patients were less likely to use their attributed health system facilities for inpatient and outpatient care, with the average retention ranging from 30 to 52 percent.
- **Measurement of the differences in average risk-adjusted commercial utilization among patients residing in each of the seven southeast Wisconsin counties:** Average county-specific adult utilization levels varied by approximately 22 percent, with Kenosha County experiencing utilization levels 12 percent above the southeast Wisconsin market average, while Walworth County experienced utilization levels eight percent below the southeast Wisconsin market average. Average pediatric utilization levels varied by approximately 19 percent, with Kenosha County experiencing utilization levels 10 percent above the southeast Wisconsin market average, while Washington County experienced utilization levels eight percent below the southeast Wisconsin market average.

“This is the first study commissioned by the Foundation that specifically examined utilization levels. We have found differences in utilization among the health systems and counties, some rather significant.” said Ron Dix the Foundation's executive director. “While not surprising, given the results of other studies looking at utilization variation around the country, it does raise questions about the causes of such variation,” added Dix.

#### **About the Greater Milwaukee Business Foundation on Health**

The Greater Milwaukee Business Foundation on Health, known for its research on the cost, efficiency and quality of healthcare in southeast Wisconsin, is a private operating foundation created in 2002. The mission of GMBFH is to undertake studies, programs and activities which promote the general health of the persons residing in the greater Milwaukee area and advance their awareness of health and healthcare delivery issues.

-more-

GMBFH is not a grant making foundation. Instead, it works collaboratively with established organizations to improve health and healthcare delivery in the greater Milwaukee area. For more information about the foundation, its board of directors, past and current initiatives and copies of the complete reports, visit the website: [www.gmbfh.org](http://www.gmbfh.org).