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**UPMC High Value Care for Kids**

*EXAMPLE*

**EXAMPLE**

**Executive Summary:**

EXAMPLE UPMC High Value Care for Kids member expenses increased by $222,836 during the period of March through July 2013 in relation to the baseline data for the same months of 2012. Pharmacy, which is the most costly category, is 8.69% less than it was a year ago. Categories such as outpatient facility, diagnostic lab services, are higher in 2013 than 2012.

**What is cost per member per month?**

* Cost per member per month (PMPM) is a calculation of total expenses to total member months. The PMPM calculation converts raw data into a universal unit of measurement that allows the data to be compared to different subject with different variables. Essentially, the PMPM allows for an apple to apples comparison.

**What components are used in the PMPM calculation?**

* Costs – The total sum of costs for a specified population and timeframe
* Member months – Each month a member maintains membership is counted as 1. Member months are the sum of months our members maintained membership.

**How many EXAMPLE members were participants in the RWJF grant population as of 2013 program midpoint of 2013?**

* GIL maintained 259 unique members from March 1, 2013 – July 31, 2013.
* The 30 members accounted for 1,272 member months.
* 98% of members retained membership through the 5 months.

**How does the program midpoint PMPM compare to the baseline midpoint PMPM?**

* Cost per member per month (PMPM) is up 6.4% compared to the same timeframe last year.
* Program midpoint 2013 has a cost PMPM of $2,226.40, compared to the baseline midpoint of $2,091.99 in 2012.
* The PMPM difference ($93.29) coupled with care coordination costs ($81.89) outlines an increase in costs PMPM by $175.19.
* The increase in expense multiplied by the 1,272 member months gives us the total expense increase of $222,836.

**What were EXAMPLE expenses for each cost categories at program midpoint of 2013?**

The table below states the costs per member per month (PMPM) for each category between March 1, 2013 and July 31, 2013.



**How do the 2013 cost category expenses compare to 2012?**

Comparison 2013 program midpoint to 2012 baseline midpoint:

* Top 3 increases in 2013 cost over the 2012 Baseline:
  + Catastrophic Medical Claims 542%
  + Outpatient Facility - Other 136%
  + Therapy Services 48%
* Top 3 decreases in 2013 cost under the 2012 Baseline:
  + Behavioral Health 97%
  + Inpatient – Rehab 91%
  + Observations 50%

The charts below are a comparison of PMPMs per cost category for the program and baseline midpoints:

UPMC High Value Care for Kids

EXAMPLE



