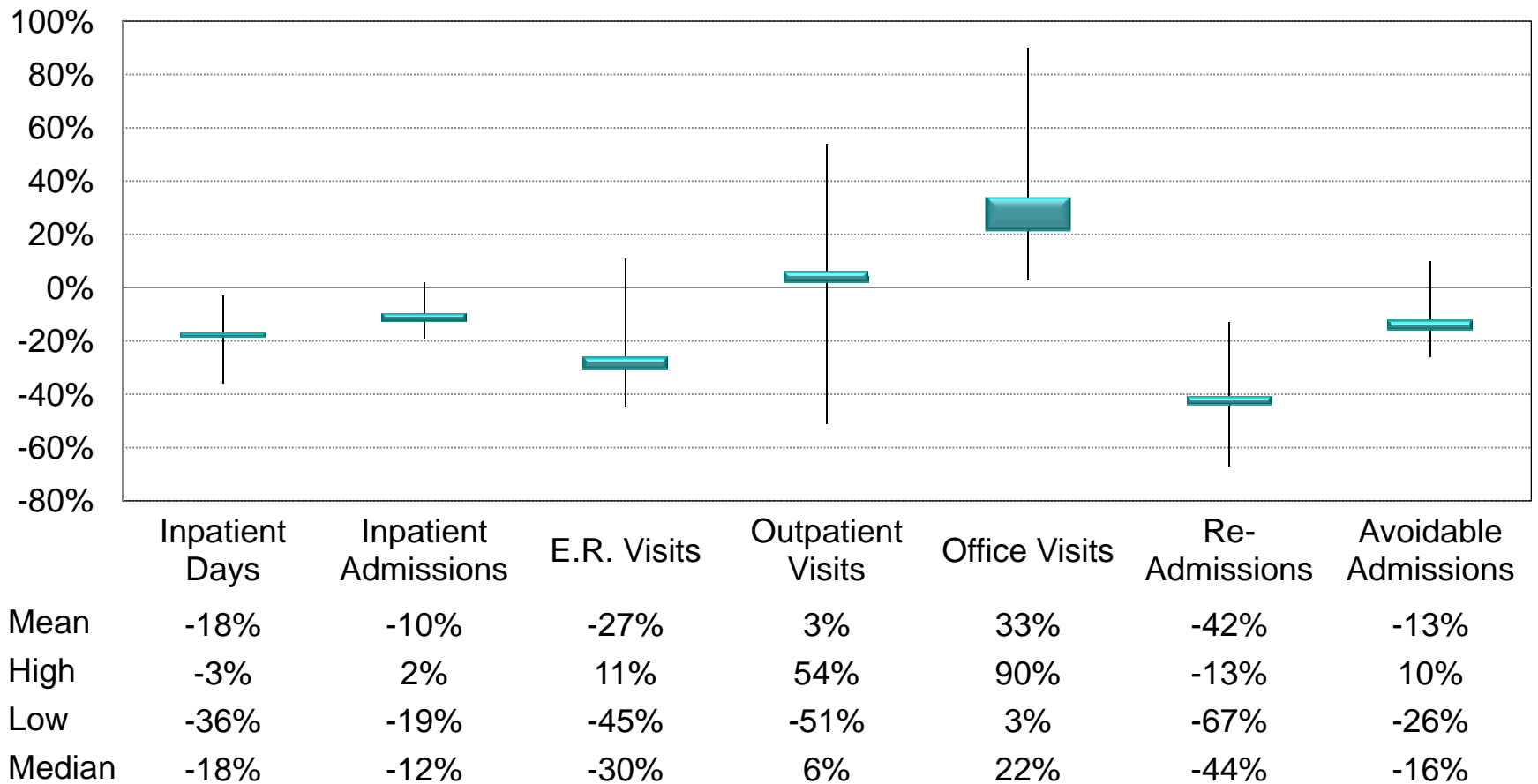


# MA vs. FFS Comparisons Based on MA Plan Data and FFS 5% File



**Eight-Company Results: Percentage Difference in Utilization Rates, MA Rate vs. FFS Rate (per risk score value)**



Source: Authors' calculations, based on the Medicare 5 percent sample files for hospital and physician claims and data from eight regional Medicare Advantage HMO plans in 2005-2006.

# Eight MA HMOs vs. FFS in Same Counties Adjusted for Risk Scores, Simple Averages



Data from 2005 and 2006 (pooled)	All Enrollees	Diabetes Patients	Heart Disease Patients
MA Rate vs. FFS Rate (Per Risk Score Value)			
Inpatient			
Hospital Days	-18%	-21%	-14%
Hospital Admissions	-10%	-13%	-7%
Outpatient			
ER Visits	-27%	-35%	-31%
Outpatient Visits	3%	2%	4%
Office Visits	33%	27%	25%
Re-Admissions, Same Quarter, Same DRG	-42%	-45%	-37%
13 "Potentially Avoidable" Admissions (AHRQ definitions)	-13%	-15%	-8%
Source: AHIP analysis of FFS 5% sample claims files and data from 8 regional MA plans. Revised September 2009.			

# Percentage Difference in Utilization Rates, (Per Risk Score Value) – All Enrollees



Data from 2005 and 2006 (pooled)	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8
MA Rate vs. FFS Rate (Per Risk Score Value)								
Inpatient								
Hospital Days	-3%	-20%	-28%	-17%	-4%	-36%	-17%	-19%
Hospital Admissions	2%	-9%	-19%	-11%	-1%	-16%	-15%	-13%
Outpatient								
ER Visits	-29%	-39%	-10%	-27%	-45%	-30%	-44%	11%
Outpatient Visits	54%	-51%	-51%	17%	-27%	-6%	43%	42%
Office Visits	34%	3%	8%	77%	7%	11%	90%	33%
Same-Quarter Readmissions for same DRG	-67%	-13%	-47%	-63%	-19%	-43%	-36%	-44%
13 "Potentially Avoidable" Admissions (AHRQ definitions)	-23%	-4%	-21%	-8%	10%	-10%	-26%	-22%

# Percentage Difference in Utilization Rates, (Per Risk Score Value) – Diabetes Patients



Data from 2005 and 2006 (pooled)	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8
MA Rate vs. FFS Rate (Per Risk Score Value)								
Inpatient								
Hospital Days	-7%	-21%	-34%	-21%	-3%	-39%	-24%	-14%
Hospital Admissions	-1%	-14%	-25%	-15%	2%	-19%	-22%	-12%
Outpatient								
ER Visits	-32%	-47%	-10%	-27%	-45%	-31%	-50%	5%
Outpatient Visits	83%	-63%	-55%	12%	-16%	-8%	26%	35%
Office Visits	38%	-12%	5%	74%	7%	4%	75%	30%
Same-Quarter Readmissions for same DRG	-63%	-21%	-52%	-68%	-17%	-41%	-48%	-35%
13 "Potentially Avoidable" Admissions (AHRQ definitions)	-25%	-9%	-25%	-12%	6%	-6%	-31%	-17%

# Percentage Difference in Utilization Rates (Per Risk Score Value) – Heart Disease Pts



Data from 2005 and 2006 (pooled)	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8
MA Rate vs. FFS Rate (Per Risk Score Value)								
Inpatient								
Hospital Days	4%	-15%	-26%	-19%	-3%	-31%	-11%	-10%
Hospital Admissions	8%	-6%	-17%	-13%	-1%	-11%	-8%	-8%
Outpatient								
ER Visits	-29%	-36%	-6%	-28%	-47%	-29%	-43%	-5%
Outpatient Visits	90%	-55%	-55%	13%	-24%	-5%	28%	40%
Office Visits	38%	-10%	-1%	67%	1%	0%	78%	22%
Same-Quarter Readmissions for same DRG	-65%	-14%	-46%	-64%	-15%	-36%	-22%	-27%
13 "Potentially Avoidable" Admissions (AHRQ definitions)	-15%	2%	-17%	-9%	4%	-2%	-18%	-17%

# Sample Basics

<b>Sample Characteristics: HMO Enrollees in Eight MA Plans and FFS Enrollees Nationally and in Local Comparison Areas</b>					
<b>Data for 2005 and 2006 (pooled)</b>	<b>Average Age (All Enrollees)</b>	<b>Enrollees with Diabetes (HCCs 15-19)</b>		<b>Enrollees with Heart Diseases (HCCs 79-83, 92, 104, 105)</b>	
		<b>Number of Records</b>	<b>Total HCCs</b>	<b>Number of Records</b>	<b>Total HCCs</b>
<b>National</b>					
<b>FFS Including Medicaid</b>	<b>74.2</b>	<b>639,124</b>	<b>2,344,115</b>	<b>859,916</b>	<b>3,342,530</b>
<b>FFS Medicaid</b>	<b>75.1</b>	<b>105,572</b>	<b>468,752</b>	<b>124,536</b>	<b>588,944</b>
<b>FFS Without Medicaid</b>	<b>74.1</b>	<b>533,552</b>	<b>1,875,363</b>	<b>735,380</b>	<b>2,753,586</b>
<b>Company 1 Area</b>					
<b>MA Plan</b>	<b>74.9</b>	<b>8,031</b>	<b>26,409</b>	<b>8,491</b>	<b>32,322</b>
<b>Local FFS (w/o Medicaid)</b>	<b>73.4</b>	<b>5,916</b>	<b>22,147</b>	<b>8,045</b>	<b>32,300</b>
<b>Company 2 Area</b>					
<b>MA Plan</b>	<b>75.4</b>	<b>17,904</b>	<b>59,404</b>	<b>23,783</b>	<b>83,927</b>
<b>Local FFS (w/o Medicaid)</b>	<b>74.1</b>	<b>5,071</b>	<b>16,911</b>	<b>7,420</b>	<b>26,721</b>
<b>Company 3 Area</b>					
<b>MA Plan</b>	<b>75.1</b>	<b>23,364</b>	<b>76,092</b>	<b>29,499</b>	<b>103,792</b>
<b>Local FFS (w/o Medicaid)</b>	<b>74.7</b>	<b>10,306</b>	<b>40,273</b>	<b>15,544</b>	<b>61,416</b>
<b>Company 4 Area</b>					
<b>MA Plan</b>	<b>75.4</b>	<b>90,195</b>	<b>336,345</b>	<b>126,527</b>	<b>495,751</b>
<b>Local FFS (w/o Medicaid)</b>	<b>75.6</b>	<b>6,099</b>	<b>24,400</b>	<b>9,291</b>	<b>37,401</b>

# Sample Basics (Continued)

<b>Sample Characteristics: HMO Enrollees in Eight MA Plans and FFS Enrollees Nationally and in Local Comparison Areas</b>					
<b>Data for 2005 and 2006 (pooled)</b>	<b>Average Age (All Enrollees)</b>	<b>Enrollees with Diabetes (HCCs 15-19)</b>		<b>Enrollees with Heart Diseases (HCCs 79-83, 92, 104, 105)</b>	
		<b>Number of Records</b>	<b>Total HCCs</b>	<b>Number of Records</b>	<b>Total HCCs</b>
<b>National</b>					
<b>FFS Including Medicaid</b>	<b>74.2</b>	<b>639,124</b>	<b>2,344,115</b>	<b>859,916</b>	<b>3,342,530</b>
<b>FFS Medicaid</b>	<b>75.1</b>	<b>105,572</b>	<b>468,752</b>	<b>124,536</b>	<b>588,944</b>
<b>FFS Without Medicaid</b>	<b>74.1</b>	<b>533,552</b>	<b>1,875,363</b>	<b>735,380</b>	<b>2,753,586</b>
<b>Company 5 Area</b>					
<b>MA Plan</b>	<b>75.8</b>	<b>8,912</b>	<b>26,592</b>	<b>12,694</b>	<b>42,837</b>
<b>Local FFS (w/o Medicaid)</b>	<b>73.9</b>	<b>2,576</b>	<b>8,258</b>	<b>3,644</b>	<b>12,755</b>
<b>Company 6 Area</b>					
<b>MA Plan</b>	<b>75.9</b>	<b>13,196</b>	<b>46,428</b>	<b>17,016</b>	<b>65,499</b>
<b>Local FFS (w/o Medicaid)</b>	<b>74.7</b>	<b>6,523</b>	<b>25,623</b>	<b>9,701</b>	<b>38,865</b>
<b>Company 7 Area</b>					
<b>MA Plan</b>	<b>74.7</b>	<b>13,891</b>	<b>45,952</b>	<b>16,639</b>	<b>62,619</b>
<b>Local FFS (w/o Medicaid)</b>	<b>75.0</b>	<b>2,915</b>	<b>10,955</b>	<b>3,921</b>	<b>15,389</b>
<b>Company 8 Area</b>					
<b>MA Plan</b>	<b>74.4</b>	<b>24,951</b>	<b>77,249</b>	<b>30,649</b>	<b>104,265</b>
<b>Local FFS (w/o Medicaid)</b>	<b>75.2</b>	<b>1,353</b>	<b>4,812</b>	<b>1,738</b>	<b>6,818</b>

# Severe Diagnosis Rates and Risk Scores



**Average Rates of Illness Diagnoses (HCC Groups) and Overall Risk Scores – Medicare FFS and Seven Medicare Advantage HMO Plans**

<b>Average HCC Markers per Beneficiary Record, 2005 and 2006 (pooled)</b>	<b>All HCCs</b>	<b>Cancers (HCCs 7-10)</b>	<b>Diabetes (HCCs 15-19)</b>	<b>Heart Disease (HCCs 79-83,92,104-105)</b>	<b>Kidney and Renal Disease (HCCs 130-132)</b>	<b>Average Overall Computed Risk Score *</b>
<b>National</b>						
FFS Including Medicaid	1.74	0.16	0.34	0.58	0.06	1.13
FFS Medicaid	2.78	0.14	0.59	0.87	0.11	1.61
FFS Without Medicaid	1.62	0.16	0.31	0.54	0.05	1.08
<b>Company 1 Area</b>						
MA Plan	1.47	0.10	0.36	0.46	0.06	1.03
Local FFS (w/o Medicaid)	1.64	0.14	0.31	0.54	0.06	1.09
<b>Company 2 Area</b>						
MA Plan	1.36	0.13	0.28	0.40	0.05	0.99
Local FFS (w/o Medicaid)	1.41	0.16	0.25	0.46	0.05	1.00
<b>Company 3 Area</b>						
MA Plan	1.61	0.15	0.37	0.54	0.06	1.11
Local FFS (w/o Medicaid)	1.77	0.19	0.32	0.59	0.06	1.16

# Severe Diagnosis Rates and Risk Scores (continued)



<b>Average Rates of Illness Diagnoses (HCC Groups) and Overall Risk Scores – Medicare FFS and Seven Medicare Advantage HMO Plans</b>						
<b>Average HCC Markers per Beneficiary Record, 2005 and 2006 (pooled)</b>	<b>All HCCs</b>	<b>Cancers (HCCs 7-10)</b>	<b>Diabetes (HCCs 15-19)</b>	<b>Heart Disease (HCCs 79-83,92,104-105)</b>	<b>Kidney and Renal Disease (HCCs 130-132)</b>	<b>Average Overall Computed Risk Score *</b>
<b>Company 4 Area</b>						
MA Plan	2.08	0.19	0.39	0.72	0.08	1.29
Local FFS (w/o Medicaid)	1.97	0.17	0.36	0.70	0.07	1.25
<b>Company 5 Area</b>						
MA Plan	1.35	0.14	0.23	0.44	0.06	1.00
Local FFS (w/o Medicaid)	1.30	0.14	0.23	0.41	0.05	0.96
<b>Company 6 Area</b>						
MA Plan	1.62	0.20	0.33	0.50	0.07	1.12
Local FFS (w/o Medicaid)	1.76	0.19	0.32	0.58	0.06	1.16
<b>Company 7 Area</b>						
MA Plan	1.74	0.19	0.36	0.55	0.07	1.13
Local FFS (w/o Medicaid)	1.79	0.17	0.36	0.59	0.06	1.16
<b>Company 8 Area</b>						
MA Plan	1.62	0.18	0.36	0.56	0.06	1.08
Local FFS (w/o Medicaid)	1.82	0.17	0.35	0.59	0.06	1.18

# Percentage Difference in Co-morbidity Rates, Diabetes Patients, MA vs. FFS



Data from 2005 and 2006 (pooled)	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8
<b>Patients with Diabetes (HCC 15, 16, 17, 18 or 19), MA vs. FFS</b>								
<b>All HCCs</b>	<b>-12%</b>	<b>-1%</b>	<b>-17%</b>	<b>-7%</b>	<b>-7%</b>	<b>-10%</b>	<b>-12%</b>	<b>-13%</b>
<b>Heart Disease (HCCs 79-83, 92, 104-105)</b>	<b>-22%</b>	<b>-16%</b>	<b>-23%</b>	<b>-10%</b>	<b>-4%</b>	<b>-18%</b>	<b>-19%</b>	<b>-13%</b>
<b>Stroke (HCC 96)</b>	<b>-21%</b>	<b>-1%</b>	<b>-46%</b>	<b>-19%</b>	<b>3%</b>	<b>-17%</b>	<b>-26%</b>	<b>-13%</b>
<b>Pneumonia (HCCs 111,112)</b>	<b>-37%</b>	<b>-24%</b>	<b>-58%</b>	<b>-13%</b>	<b>-18%</b>	<b>-6%</b>	<b>-48%</b>	<b>-40%</b>
<b>Kidney and Renal Disease (HCCs 130-132)</b>	<b>-7%</b>	<b>-10%</b>	<b>-19%</b>	<b>6%</b>	<b>0%</b>	<b>3%</b>	<b>-10%</b>	<b>-5%</b>

# Percentage Difference in Co-morbidity Rates, Heart Disease Patients, MA vs. FFS



Data from 2005 and 2006 (pooled)	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8
<b>Patients with Heart Disease (HCCs 79, 80, 81, 82, 83, 92, 104, or 105), MA vs. FFS</b>								
<b>All HCCs</b>	<b>-5%</b>	<b>-2%</b>	<b>-11%</b>	<b>-3%</b>	<b>-4%</b>	<b>-4%</b>	<b>-4%</b>	<b>-13%</b>
<b>Diabetes (HCCs 15-19)</b>	<b>12%</b>	<b>9%</b>	<b>-1%</b>	<b>-3%</b>	<b>-9%</b>	<b>-4%</b>	<b>-9%</b>	<b>-8%</b>
<b>Stroke (HCC 96)</b>	<b>-9%</b>	<b>7%</b>	<b>-40%</b>	<b>-17%</b>	<b>-6%</b>	<b>-8%</b>	<b>-9%</b>	<b>-5%</b>
<b>Pneumonia (HCCs 111,112)</b>	<b>-38%</b>	<b>-15%</b>	<b>-47%</b>	<b>1%</b>	<b>-3%</b>	<b>8%</b>	<b>-21%</b>	<b>-34%</b>
<b>Kidney and Renal Disease (HCCs 130-132)</b>	<b>12%</b>	<b>-2%</b>	<b>-6%</b>	<b>11%</b>	<b>9%</b>	<b>11%</b>	<b>3%</b>	<b>-7%</b>