Workers' Comp

Workers’ Compensation Medical Price Index: Q2 2018

September 11, 2018
2 MIN READ
Author profile image

Ed Olsen

Director, Claims Performance Consulting, CPCU

The National CPI for All Services reported by the Bureau of Labor Statistics as of August 2018 is 125.31 when adjusted to Q1 2006, which reflects a 0.9 percent increase since Q4 2017. For the same period of time, Q4 2017 to Q1 2018, the National Workers’ Compensation MPI decreased 2.6 percent and as of August 2018 sits at 112.44. Since Q1 2006, the MPI has increased 12.4 percent while the National CPI for All Services increased 25.31 percent.

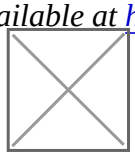
> The National Workers’ Compensation MPI decreased 2.6 percent and as of August 2018 sits at 112.44

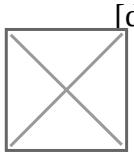
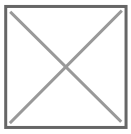
- Charges associated with physical medicine services experienced a 2.7 percent decrease since Q1 2018 relative to Q4 2017. This decrease brings the total unit cost change for physical medicine since Q1 2006 to 6.6 percent, significantly below the National CPI for All Services reported by the Bureau of Labor Statistics. Please recall that the physical medicine MPI is looking strictly at unit charge while holding utilization constant.
- Major radiology services experienced by the workers’ compensation industry experienced a 2.9 percent decrease in Q1 2018 when compared to its Q4 2017 result. It remains approximately 11.6 percent below the average unit charge seen by the industry in Q1 2006 for major radiology services.
- The unit cost for evaluation and management services decreased 3.4 percent in Q1 2018 when compared to its Q4 2017 result. The net change in the MPI for this category in Q1 2017 has been a 2.34 percent increase. Since Q1 2006, evaluation and management services have seen unit charge increase 42 percent as reflected by the index value 142.05.
- The unit charge for professional services in the emergency room experienced an increase in the medical price index of 3.7 percent between Q1 2018 and Q4 2017. Since Q1 2006, emergency room evaluation and management services have seen unit charge increase 78.6 percent as reflected by the index value of 178.6.

(Source: U.S. Bureau of Labor Statistics, adjusted. Consumer Price Index- All Services- All Urban Consumers,

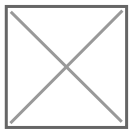
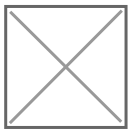
Series CUUR0000SA0. Available at http://data.bls.gov/cgi-bin/surveymost?cu

[dkpdf-remove]

[/dkpdf-remove]

[dkpdf-remove]

[/dkpdf-remove]

[dkpdf-remove]

[/dkpdf-remove]

[dkpdf-remove]

[/dkpdf-remove]

[dkpdf-remove]

[/dkpdf-remove]



©2022 Enlyte Group, LLC.

mitchell | genex | coventry