Auto Casualty, Disability, Enlyte, Workers' Comp

Enlyte Quarterly Medical Price Index

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As reported by the Bureau of Labor and Statistics (BLS) in February 2024, the consumer price index in the United States increased 3.1% over the preceding 12 months. The medical care index rose 0.5 % in January 2024. The index for hospital services increased 1.6% over the month and the index for physician's services increased 0.6% which would be compared to Enlyte's data in this report.

Enlyte analyzed our medical bill review professional services charge data for trends and is providing our medical price index (MPI) specific to P&C claims. This information is based on our own observations of charges and trends from professional service medical bills. These observances are anchored in 2017 to include data from the period Q1 2017 through the end of Q3 2023 by coverage.

Workers' Compensation Medical Price Index

Medical Price Index at the National Level

Since Q1 2017 physician charges per unit (or per procedure performed) increased by 11% in workers' compensation. For physician charge services during the same time frame, BLS Consumer Price Index (CPI) increased 8%.

chart

Medical Price at the State Level

In workers' compensation claims, the high-volume states of New York, California, Florida and Texas provide noteworthy trends related to charges of medical services.

New York demonstrated a 12% increase in charge per unit spurred on by the increase in fee schedule payments. Florida has seen a 7% increase, California an 8% increase and Texas a 3% increase.

chart

Auto First-Party

Medical Price Index at the National Level

Taking a national view of provider charge data from Q1 2017 through Q3 2023 we observed an **8% increase in physician charges for first-party claims.** When we compare first-party medical charges to the BLS CPI we see a similar charge trend of 8%.

chart

Medical Price Index at the State Level

In first-party claims the large volume states of New York, Michigan, New Jersey and Florida provide noteworthy changes in charge severity particularly in New York and Michigan where more fee schedules have been adopted.

chart

Between Q1 2017 and Q3 2023, New York demonstrated a 16% increase in charge per unit, while Florida saw a 5% increase, New Jersey an 8% increase and Michigan a 12% increase.

Third-Party Medical Price Index

Medical Price at the National Level

Third-party claims are often “latent” when carriers receive them and may represent charges from more than a year earlier than observed in first-party claims that are more real-time. Third-party claims can also be submitted on non-standardized forms, without appropriate billing codes and often in descriptions rather than actual invoices. Data capture practices and charge submissions can be important drivers of charge observations in the third-party claim.

Since Q1 2017 physician charge per unit has increased in the third-party claim data by 20%. Comparing the time frame of Q1 2017 through Q3 2023 to the BLS contains two separate metrics for comparison. The Physician CPI data increased 7% and Medical Services CPI has risen 17%

We believe the Medical Services CPI more closely aligns with the Enlyte third-party MPI.

chart

Medical Price Index at the State Level

Between Q1 2017 and Q3 2023, **Georgia demonstrated a 30% increase in charge per unit**, while Florida has seen a 10% increase, California a 15% increase and **Texas a 16% increase.**

chart



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