Auto Casualty, Workers' Comp

Looking Beyond the Numbers of Enlyte's Medical Price Index

June 25, 2024
3 MIN READ
Author profile image

Michele Hibbert

Senior Vice President, Regulatory Compliance Management

Each quarter, Enlyte publishes its medical price index (MPI), which analyzes Enlyte's medical bill review professional services charge data for trends specific to P&C claims. In past reports, Enlyte offered insights from 2017–2023. However, starting with this edition, Enlyte researchers have tightened that window to give a more current view of trends impacting the industry by moving the anchor date forward three years to Q1 2020.

In this quarter's Enlyte Executive Insight, Michele Hibbert, senior vice president of regulatory compliance management, discusses the latest results from Enlyte's medical price index and how it impacts the industry.

What does the Enlyte MPI measure and how do you acquire your information?

Michele Hibbert (MH): The MPI represents the medical bill review data for P&C services charged through Enlyte from Q1 2020 through the end of Q4 2023. The data in the report is representative of the top 200 procedures billed under each coverage for professional services. The measurement analyzes the procedure charge increases over time.

What are some trends you're seeing from this quarter's report?

MH: In this quarter's report, we switched the anchor date from 2017 to 2020 to facilitate a shorter duration of legacy influence and project a more precise view of current trends. The goal is to determine more specifically, where the current movers may be. This has resulted in some significant trend updates among states. Below are some of the highlights.

Workers' Comp

In previous versions of the Enlyte MPI, New York had experienced the most price index increases due to abrupt charging changes in the state. Providers had started to charge up to the rising fee schedule in auto and workers' comp. As with Florida, New York had not updated its fee schedules for several years. However, since we've moved our data start date from 2017 to 2020, we're now seeing Texas and California have the most noticeable changes of 11%. Utilization and inflation are most likely playing a role in the dramatic MPI rise in these states.

Auto First Party

While New York uses the same fee schedule for no-fault auto as it does for workers' comp, no-fault auto changes are adopted a year later. So, with this in mind, our auto first-party MPI numbers are showing a significant increase of 19% from 2020, as opposed to a 3% increase in workers' comp during the same time period.

Are there any unexpected or surprising results from the report?

MH: Auto first party and workers' comp price indexes are starting to "slow" vs. third party auto, which seems to have no end in sight from a charge severity perspective. I'm not sure this is a surprise, but we are not seeing charges grow at the rate they did prior to Q4 2023.

Overall, when we moved the anchor to 2020, we saw more dramatic changes over the last few years than the gradual flow we were experiencing in examining numbers from 2017. However, despite COVID, where we are today is where we thought we'd be back in 2017. Even though utilization went down during COVID, the prices have caught up to what they should be, starting in 2022.

How can payers use this information to maximize their outcomes?

MH: It really depends on the areas of coverage they are referencing and understanding that claims are geographically dependent due to fee schedules and policies. Overall, payers can use this data to validate other medical price index sources such as NCCI, WCRI and their own internal actuarial assumptions. Obviously, the market a payer is servicing would assist in providing additional information in analyzing future outcomes and payments, so specificity would be key.



©2022 Enlyte Group, LLC.

mitchell | genex | coventry