Auto Casualty, Disability, Enlyte, Workers' Comp

Enlyte’s Q2 Medical Price Index Shows Increases In Comp and Auto Injury Services

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3 MIN READ

New report reveals current trends for P&C industry

SAN DIEGO, Calif.—Medical costs nationally have risen 11% in workers’ comp and 5% in auto first-party over the past four years, despite a slowing of growth over the past two years, according to new data released by Enlyte today.

Enlyte’s most recent “Quarterly Medical Price Index (MPI) Report” analyzed the company’s medical bill review professional services charge data for trends specific to P&C claims from Q1 2020 to Q4 2023. This information is based on Enlyte’s observations of charges and trends from professional service medical bills during that span.

The Enlyte Medical Price Index data is representative of the top 200 procedures billed under each coverage for professional services. The report provides national changes per unit index in year-over-year and year-to-date views to better demonstrate real-time changes in shorter increments, said Michele Hibbert, senior vice president of regulatory compliance management.

“In this quarter’s report, we have isolated a review of approximately four years to project a more precise view of current trends, without legacy influence from before 2020,” said Hibbert. “The goal is to determine, more specifically, where the current movers may be. This has resulted in some significant trend updates among states.”

For workers’ comp, these trend changes are most evident in Texas and California, which showed MPI increases of 11%, according to Enlyte data. Factors contributing to those increases include rises in utilization and inflation, Hibbert said.

Enlyte’s data also revealed an interesting trend in New York in comparing auto first party and workers’ comp MPIs. The state uses the same fee schedule for no-fault auto as it does for workers’ comp, however, no-fault auto changes are adopted a year later. So, the fee schedule change delay in first party auto contributed to an increase of 19% MPI from Q1 2020-Q4 2023, as opposed to a 3% increase in workers’ comp during the same time period, Hibbert said.

Nationally, Enlyte compared its MPI report numbers to the Bureau of Labor Statistics (BLS) Consumer Price Index (CPI) for the same time period. Enlyte’s data shows a +4% difference in workers’ comp medical expenses

(7% CPI) and a -2% difference in auto first party injuries (4% CPI) during this time. Year-over-year changes show slowing of price increases in the Enlyte MPI work comp data from 2022 to 2023. The Enlyte MPI demonstrates 5% increases between 2020 to 2021 and 2021 to 2022 in workers' comp, however, the increase from 2022 to 2023 is 2%. Similarly, for first party auto injures, data shows slowing of price increases in the MPI data from after 2021. The MPI demonstrates a 4% increase between 2020 to 2021 and remains the same through Q4 2023.

In a recent interview for Enlyte's quarterly "Executive Insights" feature, Hibbert explains that information from the report should be used as an additional source to validate other MPIs from industry organizations such as the National Council on Compensation Insurance and Workers Compensation Research Institute.

"It really depends on the areas of coverage that payers are referencing and understanding that claims are geographically dependent due to fee schedules and polices," she said. "Specificity is key."

Click here to view Enlyte Quarterly Medical Price Index. For Enlyte's quarterly "Executive Insight" feature with more analysis from Michele Hibbert, click here.

About Enlyte

Headquartered in San Diego, CA, Enlyte (www.enlyte.com) is the parent company of Mitchell, Genex and Coventry, leaders in cost-containment technology, provider and specialty networks, case management services, pharmacy benefit and disability management. The Enlyte businesses align their joint industry expertise and advanced technology solutions in a combined organization of nearly 6,000 associates committed to simplifying and optimizing property, casualty and disability claims processes and services.



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