



Top 1% of Health Plan Members Account for Largest Percent of Cost

According to an analysis recently released by IMS Health, a healthcare analytics firm, the top 1% of health plan members represent the single largest percent of overall plan costs. The report, *Healthcare Spending Among Privately Insured Individuals Under Age 65*, found that 1% of health plan members spend nearly \$100,000 per member annually compared with an average of \$3,837 for the overall plan population. Of the 1%, 77% have at least one chronic condition, and 16% have at least one cancer. In addition, the top 20% of members with the most needs account for more than 80% of spending. The report also found that inpatient spending is highest among those with chronic conditions, and pharmacy spending represents 21% of overall spending.

The data supports the premise that employers need to adopt aggressive health, wellness and chronic care management systems to help control and better manage plan costs. For assistance with developing such a plan, contact your Conner Strong & Buckelew representative.



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