COVID-19 Indirect Impact:
Non-COVID-19 Healthcare Utilization and Costs
2020 Paid Claims

About the Report
This report presents the findings of an analysis conducted by the Health Transformation Alliance (HTA), a cooperative of 58 of America's leading employers with responsibility for more than 4 million lives in the United States and a collective annual health care spend of $27 billion.

The analysis is of the indirect impact of COVID-19 on non-COVID-19-related medical and pharmaceutical utilization and costs from January to October 2020 compared to January to October 2019. The analysis is based on the paid claims data of 1.8 million U.S. employees of the HTA member-owners and their family members during this time period. Paid claims data, bills submitted by healthcare providers and paid by health plans, provides a holistic view of patients' interactions with the healthcare system and accurately reflects the tests, procedures, and services provided and what plans paid for them.

Key Findings
This analysis of paid claims data found that utilization of emergency room visits, hospital admissions, and physician office visits for non-COVID-19-related health issues fell substantially in April 2020 compared to April 2019. This was also true for wellness visits, although the decrease was less dramatic for child and baby wellness visits compared to adult wellness visits. Screenings for cholesterol, breast cancer (mammograms), cervical cancer, and colon cancer also fell substantially. By June 2020, in-person visits and screenings rebounded to pre-COVID levels as stay-at-home restrictions eased and patient confidence in provider and COVID-19 safety protocols rose.

Mostly offsetting the decline in in-person visits was a dramatic increase in telemedicine visits. Between January and May 2020, telemedicine visits increased by a factor of 28x before dropping off slightly in June and remaining level through October. This suggests that telemedicine may remain as a viable option for treating certain non-urgent conditions that don’t necessarily require an in-person visit.

The changes in utilization trends resulted in a 1.8% decrease in medical and pharmaceutical per-month, per-member (PMPM) costs. Of note, medical costs decreased 4.0% while pharmaceutical costs increased 4.5%. Pharmacy costs increased during this period mainly due to an uptick in 90-day fills. PMPM costs have remained above 2019 levels since August 2020 when those restrictions resumed.
Report Data
The data behind the findings of this report are presented in the following actions:

A. Utilization Rates  
B. Telemedicine Usage  
C. Cost Impacts

A. Utilization Rates  
1) Emergency Room Visits and Hospital Admissions

Emergency Room (ER) visit rates and hospital admission rates both fell in April and May 2020 versus 2019, ER visits more dramatically. ER visits and hospital admission rates began to increase in June 2020, although ER visit rates had not returned to 2019 levels as of October 2020.

2) Preventive Visits Adult compared to Children and Babies

Adult preventive, well-child, and well-baby visit rates all fell noticeably in March 2020, although adult visits more dramatically. All three types of preventive visits recovered to above 2019 levels in September and October 2020.
3) Screenings

Cholesterol screening and mammogram rates were lower in March through June 2020 compared to the same period in 2019, but both fell sharply in April before beginning to increase again in May. Both screenings rebounded to above 2019 levels in September and October 2020.

Cervical cancer and colon cancer screening rates were lower in March through June 2020 than at the same point in 2019 and both fell sharply in April. Cervical cancer screening rates increased above 2019 levels in July 2020. Colon cancer screening did not fully rebound until September 2020 paid claims.

B. Telemedicine Usage

In-person office visits decreased precipitously in March and April 2020, rebounded in May and June, plateaued in July and August, and increased in September and October back to pre-pandemic levels. Telemedicine visits increased by a factor of 28x from January to May 2020 before beginning to drop off slightly in June. They remained level between June and October 2020.
C. Cost Impacts

Overall medical and pharmacy claim cost per-member per-month (PMPM) decreased by 1.8% in 2020 over 2019. Of note, medical costs decreased by 4.0% while pharmacy costs increased by 4.5%.

About the Health Transformation Alliance

The Health Transformation Alliance (HTA) is a cooperative of 58 of America’s leading employers that have come together to fix our broken healthcare system. With responsibility for more 4 million lives in the United States and a collective annual health care spend of $27 billion, the member-owner companies of the HTA have combined their resources, knowledge, and experience to transform the way healthcare is delivered. To that end, the HTA has developed value-driven solutions in data and analytics, pharmacy, medical and consumer engagement specifically designed to improve patient care and economic value. To date, the HTA has saved its member companies more than $1 billion.