How are Health Care Costs Categorized?

Health care costs can be categorized into four major buckets of services: Facility **Inpatient** (hospital), Facility **Outpatient** (no overnight hospital stay), **Professional** (payments to providers), and **Pharmacy**. Using this breakdown, this report helps identify which service categories are driving the most spending for your employee population.

Did You Know?

- Each year, over 40% of all health care spending is typically paid to doctors and other health care professionals statewide, and over 25% of all spending goes towards outpatient facility fees.
- Pharmacy payments represent 28% and inpatient (hospital) payments represent 13% of spending annually.

What Can You Learn?

- What categories of spending are driving the highest costs for your employees.
- How your costs for different services compare to statewide and other counties/regions.
- How trends in spending for each service category are changing over time.
- Details on spending within each category (i.e. ED, clinic, urgent care, lab, specialty drugs, generic drugs, etc.), and more.

How Can You Use it?

- Use this report to determine the services that contribute to the highest health care costs for you and your employees.
- Understand where cost savings opportunities exist.
- Consider creating benefit designs that incentivize employees to utilize high quality, low cost facilities, and develop education and wellness programs for employees that are targeted towards high cost drivers.