



CENTER FOR IMPROVING
VALUE IN HEALTH CARE

Low Value Care in Colorado

2017-2020

As health care costs continue to climb in Colorado and across the nation, it is essential to understand what is driving the increases and identify sustainable ways to curb prices. In an effort to capture this information, the Center for Improving Value in Health Care (CIVHC) created the [Affordability Dashboard](#), which provides high-level analyses of several key cost drivers and insights into potential ways to improve the affordability of health care in Colorado. CIVHC is releasing issue briefs to accompany several of these reports to further explore the importance, trends, and opportunities of key health care spending areas. In this issue brief, we explore how addressing Low Value Care can lower costs and improve outcomes for Coloradans.

Overview

WHAT IS LOW VALUE CARE?

According to a [study recently published](#) by the Journal of the American Medical Association, an estimated 10% to 20% of health care spending in the United States is considered low value, defined as treatments, diagnostic tests, and screenings where the risk of harm or cost exceeds the likely benefit for patients. Despite decades-long efforts to measure and reduce low value services, they remain prevalent and enduring across the country.

To address this problem, various medical organizations came together under the [Choosing Wisely](#) educational campaign to raise provider and patient awareness about low value care. These medical specialty societies aligned to identify services commonly used in their field known to be potentially harmful or overused. There are now over 550 Choosing Wisely services that are known to be low value care.

CIVHC'S WORK AROUND LOW VALUE CARE

The first step to minimizing low value care is to identify which services are occurring most often and the impact those services are having on patients and health care spending. To better understand where Colorado has opportunities to reduce low value care, CIVHC, administrator of the Colorado All Payer Claims Database (CO APCD), engaged the actuarial firm Milliman to run CO APCD claims through their [MedInsights tool](#) to measure low value care.

CIVHC published the first [Low Value Care in Colorado report](#) in March 2020 and continues to update its Low Value Care analysis on the [Affordability Dashboard](#). The data summarizes 48 low value care services measurable through claims data for over five million Coloradans with private and public health insurance. These findings can help consumers, providers, and payers identify opportunities to reduce low value care. The current interactive report analyzes claims from 2017 to 2020 and accompanies a [data file for download](#), an [infographic](#), and a detailed [methodology](#).

DEFINING LOW VALUE CARE

Milliman low value care results are classified as **necessary**, **likely wasteful**, or **wasteful**:

- **Necessary** means clinically appropriate
- **Likely wasteful** indicates the appropriateness of the services is questionable
- **Wasteful** means the services were very unlikely necessary

CO APCD LOW VALUE CARE ANALYSIS

Results identified in the Affordability Dashboard as “low value care” indicate services that are either likely wasteful or wasteful. Low value care results were produced only for measures with sufficient patient history to distinguish necessary from low value care.

It is important to note that not all services identified in the report should or can be eliminated. In some instances, services may be deemed clinically appropriate by providers based on a variety of patient factors not available through claims.

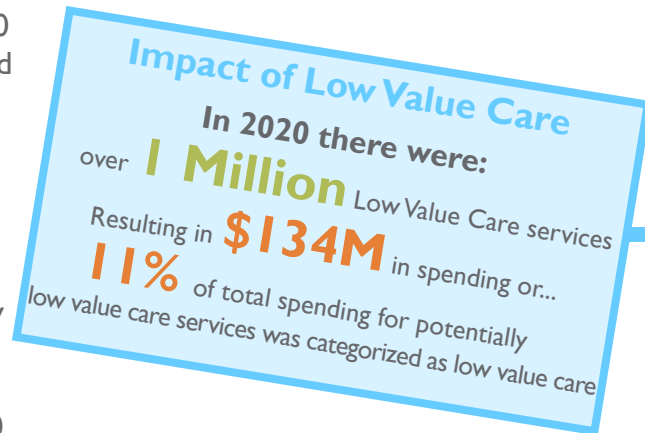
CIVHC’s analysis found that in 2020, Coloradans received over one million unnecessary and potentially harmful low value care services resulting in \$134 million in excess cost for Coloradans and health insurance companies. Compared to 2019, the number of low value care services and total spending decreased, yet the percent spending that was identified as low value care, of the services evaluated, increased by 9%.

The **top 10** services accounted for **77%** of total low value service **spending**.

Peripheral catheters in stage III-V CKD patients	\$27.9 M
Use of two or more antipsychotics	\$24.5 M
Opioids for acute back pain	\$14.2 M
Prostate Cancer Screening (PSA)	\$6.2 M
Imaging tests for eye disease	\$5.9 M
Coronary Angiography	\$5.8 M
Annual Cardiac Screening	\$4.8 M
Revascularization	\$4.7 M
Verbioplasty	\$4.6 M
Preoperative Baseline Laboratory Studies	\$4.2 M

Across all payers, the top 10 services by spend accounted for 77% of the state’s total low value care spending.

Results show that the average cost for a low value care service is \$130. However, the top service by spend, peripheral catheters in late stage kidney disease patients, costs over \$14,000 per incidence and has a high risk of actually harming patients.



To see further breakdowns of the data, view the [infographic](#) or [interactive report](#) online.

Potential Uses of the Data

- ➔ **Providers:** CIVHC can provide provider-specific data identifying your top low value care services and the cost impact.
- ➔ **Policy Makers:** Consider creating an expert panel of key stakeholders to discuss low value care in Colorado and consider potential interventions and achievable performance benchmarks.
- ➔ **Payers:** Evaluate payment models that reward reduction in low value care.
- ➔ **Consumers:** Talk to your doctor about whether recommended treatment options are necessary for care.

To learn more, visit our [Affordability Dashboard](#), or contact us at info@civhc.org.