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A Road Map to MEPS—A Free Data Destination of the AHRQ

by Steven Siegel



Background—A Collaborative Meeting

The economist Milton Friedman made famous the expression “there is no such thing as a free lunch.” Perhaps, Professor Friedman never crashed a wedding as exemplified in the recent Vince Vaughn/Owen Wilson film “Wedding Crashers,” where not only could a free lunch be had, but free hors d’oeuvres, cocktails and other goodies as well. Although I might tongue-in-cheekly dispute the concept of no free lunch, a recent visit to the Association for Health and Quality Research (AHRQ) has, without a doubt, reassured me that the concept of free data does, indeed, still exist—namely, in the Medical Expenditure Panel Survey commonly referred to as MEPS.

In late May, John Cookson, chair of the Health Section’s Research Team; Ian Duncan, chair of the Health Section’s External Relations Team; Karen Fitzner, a consultant to the Health Section; and I visited with representatives from the AHRQ to discuss areas for potential future collaboration with the SOA. The impetus for our meeting was the attendance of Steve Cohen, head of the Agency’s Center for Financing, Access and Cost Trends, at a seminar hosted by the External Relations team that was held during the 2005 SOA Annual Meeting in New York. Steve and members of his team provided us with a very informative overview of the current activities and future initiatives of the

Agency. For those not familiar with AHRQ, it is a federal agency under the Department of Health and Human Services.

For AHRQ’s benefit, we provided a summary of the key issues that the Health Section is currently tackling including our research projects, organizational outreach efforts and continuing education programs. In the course of the conversation, it became immediately apparent that there are a number of areas where our organizations can partner together to create synergy in the mission of advancing health knowledge and research. As a result, we are planning follow-up discussions to outline future joint efforts.

One outcome of our conversation that we felt would be immediately beneficial for health actuaries was to provide a greater awareness of their MEPS database, available free of charge, as mentioned earlier. The following is a brief primer on the database with much of the information gathered from their excellent Web site at: www.meps.ahrq.gov

A MEPS Primer

What is MEPS?

MEPS is a survey of the civilian population in communities across the United States. As a result of the survey, nationally representative statistics on healthcare expenses, including the type of medical services used, how frequently they are used, the cost of services, and how they are paid for, as well as health conditions and health insurance availability and coverage, are produced. MEPS also collects extensive information on employer-based health insurance plans.

MEPS provides policymakers, healthcare professionals, and others with timely information to use on the determinants of healthcare use, spending and insurance coverage.

What are the Components of the MEPS Database?

MEPS conducts three separate but related surveys: the Household Component (HC), Medical Provider Component (MPC) and Insurance Component (IC).

Household Component

This component consists of interviews from sampled households. It provides information on medical conditions, use of healthcare services, disabilities, private or public health insurance coverage, and demographic and related characteristics. It can link health services and insurance data to other population characteristics such as age, sex, race, employment status and income.

Medical Component

This component consists of interviews of a sample of hospitals, physicians, pharmacies and home health professionals supplying services to those in the household component.

It is used to supplement and replace reported data pertaining to households.

Insurance Component

This component consists of employer interviews. It is composed of two segments: (1) A representative sample of U.S. employers and (2) Employers of those sampled in the household component. Data on plan offerings, enrollments, premiums and employee contributions based on employer characteristics, such as firm size and industry, are produced as part of this component.

How is the Data Made Available?

Data can be obtained from the AHRQ Web site at www.meps.ahrq.gov. The Web site contains public use data files that can be downloaded in both

ASCII and SAS formats. Household component and insurance component tables can also be accessed as .pdf or .html files. There is a collection of tools called MEPSnet that operate on both the household component and insurance component data. In addition, there are MEPS-related reports and copies of various survey instruments.

For How Long Has Data Been Collected and How Often is it Collected?

Data collection for all MEPS components began in 1996. Data collection schedules differ for each of the components.

Concluding Thoughts

The Health Section is committed to reaching out to other organizations that share our mission and to seek out mutually beneficial partnerships. We will be embarking on more such efforts in the near future. In the meantime, I would encourage you to visit the AHRQ Web site and explore all or portions of the MEPS database. I think you'll find a plethora of interesting information there. If you find the database particularly useful for one of your own needs, we would greatly appreciate hearing about it. By the same token, if you have suggestions for making it more useful for actuaries or other health professionals, that would also be of much interest. And if you know of an exceptionally tasty free lunch, just drop me a line. ☺



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Got a Research Idea?

The Health Section Research Team is seeking new research ideas or proposals on a health-related topic for potential funding. The team has a dedicated annual budget to fund research projects that benefit health actuaries. You can submit a proposal or idea at any time through its open request for proposals (see link below).

Proposals are chosen from those submitted for funding based on their relevance to health actuaries and available budget. Examples of prior studies funded include the 2002 Comparison of Risk Adjusters Study (a follow-up of which is currently underway) and the Impact of Medicare Part D on Drug Costs study completed earlier this year. Here's an opportunity for you to advance the profession and potentially uncover new knowledge!!

For more details on how to submit a proposal and the selection process, please see the following link: <http://www.soa.org/ccml/content/areas-of-practice/health/research/request-for-proposals-health-projects/>

If you have any questions, please contact Steven Siegel, SOA research actuary, at ssiegel@soa.org.