

MORE FOR YOUR
HEALTH CARE DOLLAR:

Weeding Out Low-Value Care

Doctors provide important care and life-saving treatments. But like everyone in health care, they can do better. Independent studies show that low-value care – services that have little or no clinical benefit or where the risk of harm from the service outweighs the potential benefit – still occurs.



The Cost of Low Value Care

A 2019 [JAMA study](#) estimated that 25% of all health care expenditures (\$760 billion to \$935 billion) is due to waste in the U.S. health care system. Of this total, the portion due to overtreatment or low-value care was estimated to be \$75.7 billion to \$101.2 billion.

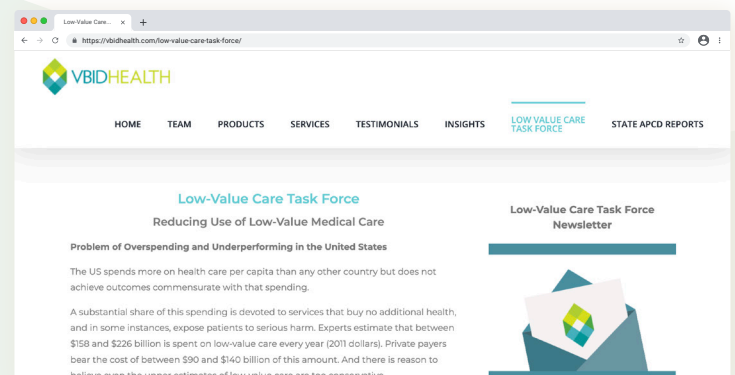
Health Care Expenditures



VBID Health's [Low-Value Care Task Force](#) identified the "Top Five" low-value clinical services that are unsafe, do not improve health, or both:

1. Diagnostic Testing and Imaging Before Low-Risk Surgery
2. Vitamin D Screening Tests
3. Prostate-Specific Antigen Testing for Men 75+
4. Imaging for Low-Back Pain within 6 Weeks of Onset
5. Branded Drug Use when Chemically Equivalent Generics are Available

Select strategies to reduce "Top Five" use include decision support, payment models, coverage policies, network design, and provider profiling.



This Handful of Low-Value Services Account for a Significant Amount of Avoidable Costs

The [Task Force on Low-Value Care](#) estimates that 5 low-value health care services account for more than \$25 billion in avoidable annual expenditures.

\$44 M

In avoidable Medicare spending for non-recommended PSA testing

\$9.5 B

In avoidable spending for unneeded pre-surgery tests and imaging services

\$500 M

In avoidable spending for unnecessary imaging for low back pain

\$14.7 B

Spent unnecessarily on branded drugs

\$800 M

In non-clinically indicated Vitamin D tests

Low-Value Care Occurs Across the Country



In **Utah**, commercial spending across 48 low-value services in 2019 amounted to over \$168 million of the state's total commercial health spending.

In **Wisconsin**, commercial spending across 48 low-value services in 2019 amounted to over \$129 million of the state's total commercial health spending.

In **Connecticut**, commercial spending across 48 low-value services in 2019 amounted to nearly \$172 million of the state's total commercial health spending.

Health Insurance Provider Strategies to Reduce Low Value Care

Health insurance providers are working hard with doctors, hospitals, and others to reduce the amount of low-value care and protect patients from unnecessary, potentially harmful care and costs through a range of strategies, including:

- ↓ [Value-Based Models that Hold Providers Accountable for Quality and Cost](#)
- ↓ [Targeted, Evidence-Based Prior Authorization](#)
- ↓ [Quality Measurement and Feedback on Provider Performance](#)

Savings From Reducing Low-Value Care Can Free Up Resources to Target High-Value Care and Address Social Determinants of Health

One analysis estimated the potential annual savings from eliminating waste due to overtreatment or low-value care to be **\$12.8 billion to \$28.6 billion.**

