

Cost Transparency: *A Consumer Perspective*

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**2015 Health Care Cost Trends
Hearing**



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Overview of Select Consumer Health Transparency Statutes

Requirements for CHIA

- Extensive specific requirements for **consumer website**

Requirements for Health Plans

Cost Sharing Toll-Free Number and Website

- All must offer a toll-free phone number and a website **that allows consumers to obtain information on the estimated price** for a proposed admission, procedure, or service.

Quality and Cost Information

- Health plans must fully disclose policies relating to in- and out-of-network cost sharing
- Health plans must make available current measures of providers' quality using the Standard Quality Measures Set.
- Health plans must make available relative provider prices and provider adjusted total medical expenses.
- Utilization review organizations must keep utilization review criteria on **an easy-to-use public website**. By October 1, 2015, health plans must do the same.

Requirements for Providers

- Must disclose the allowed amount of or charge for an admission, procedure, or service upon patient request.
- Must tell their insured patients about insurer's toll-free phone number/ website & **give enough detailed information to use it**.
- If referral made, **relationship must be disclosed**.

ACA Requirements

- Requires **consumers have information** on claims payment practices and claims denied, data on enrollment and disenrollment, and information on cost sharing and out of network coverage.
- Reporting includes measures that improve outcomes, prevent readmissions, reduce errors and promote health and wellness.

Sources: *Blue Cross Blue Shield of Massachusetts Foundation, Summary of Chapter 224 of The Acts Of 2012*
Kaiser Family Foundation, Health Insurance Transparency under the ACA

What Massachusetts consumers want:

- Information about health care costs
- Price and quality information that makes sense
- Relevant outcomes information
- Easy access for comparison shopping

Mass Insight, 2014

D. Schleifer, C. Hagelskamp and C. Rinehart, *How Much Will It Cost? How Americans Use Prices In Health Care* (Public Agenda 2015)

What consumers believe:

“...more care, newer care, and more costly care is **better care...**

- ...high-quality care is necessarily expensive...
- low-cost care means needed care is being withheld, or is being provided by less competent professionals.

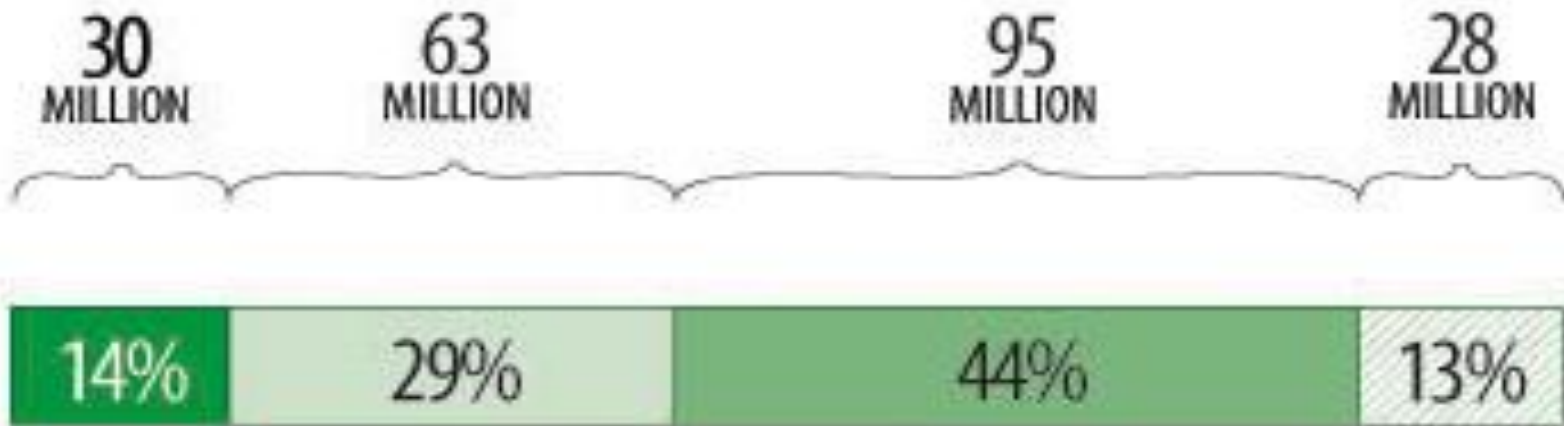
...In the absence of other usable signals of quality, consumers will rely on cost as a proxy.”

What consumers need:

- **Be aware** that the information exists
- **Know** how to interpret and use the information
- **Decide** that the information is valid and relevant
- **Use** the information to make choices

Hibbard JH and Sofaer S. Best Practices in Public Reporting –Learning Network tools. Rockville, MD: AHRQ Jun 2010. AHRQ Publication No. 10-0082-EF.

Impact on Use of Transparency Information: Low Health Literacy



 Below Basic  Basic  Intermediate  Proficient

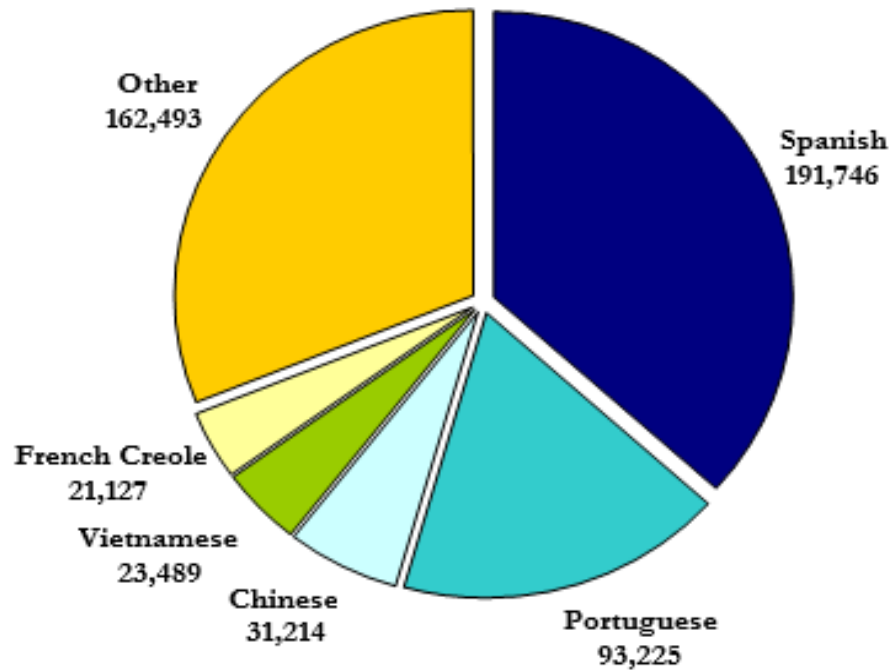
SOURCE: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, 2003 National Assessment of Adult Literacy



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Impact on Use of Transparency Information: Limited English Proficiency (LEP) in MA

Most Commonly Spoken Languages in Massachusetts LEP Population



Total Population 5 Years and Over:
6,087,734

Spoke Only English at Home:
4,841,697

Spoke a Language Other than English at Home: 1,246,037

Limited English Proficient Population (Spoke English Less than 'Very Well'):
523,294

Source: U.S. Census, American Community Survey, Detailed Languages Spoken at Home and Ability to Speak English for the Population 5 Years and Over for the United States, April 2010 (Complete data included in virtual handout at masslegalservices.org)

Consumer cost transparency report card

A consumer-focused comparative assessment of the cost estimator tools of three leading Massachusetts health insurers



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Areas Evaluated

- Aid in Decision-Making
- Accessibility
- Comprehensiveness






WHAT IS YOUR
Health Literacy IQ?

AID IN DECISION-MAKING






| | | | |
|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Can compare costs of multiple providers on one screen | B Compares overall procedure cost but not cost to patient. | A | A |
| Differentiation between total and out-of-pocket cost to consumer | C Shows the amount remaining in out-of-pocket maximum but not the estimated out-of-pocket cost. ¹ | A Shows an equation of estimated price, price the plan pays, and remaining price the member pays. | A Shows an equation of estimated price, price the plan pays, and remaining price the member pays. |
| Costs totaled and presented in units meaningful to consumer (i.e. episodic, illness-based) | D Does not show estimated out-of-pocket cost. | B Provides an average annual cost of care for specific conditions, but unclear if medication costs are included. | B Provides an average annual cost of care for specific conditions, but unclear if medication costs are included. |
| Availability and presentation of provider quality information | B Quality information (CMS Hospital Compare) is available for hospitals; patient experience data available for some providers. | C Quality information (US HHS, Jan 2014) is available for hospitals only. Individual provider award is shown in some cases. | C Quality information (US HHS, Jan 2014) is available for hospitals only. Quality information shown is sometimes for a different procedure. |
| Can compare quality of multiple providers on one screen | A When quality information is available, it is shown using a star system. | B For hospitals, icons for quality are provided but a legend is not provided. For providers, awards received are listed. | B For hospitals, icons for quality are provided but a legend is not provided. For providers, awards received are listed. |
| Inclusion information about providers for decision-making (e.g., taking new patients, language spoken) | A | B Lists accepting new patients, specialties, and hospital affiliations. Does not list languages spoken or years in practice. | B Lists accepting new patients, specialties, and hospital affiliations. Does not list languages spoken or years in practice. |
| Members report of how likely they are to use the tool (1:Very unlikely - 5:Very likely) | D <i>Next time any health care is needed: 1.7</i> <i>When a procedure is needed: 2</i> <i>When choosing a provider: 2</i> | B <i>Next time any health care is needed: 4</i> <i>When a procedure is needed: 3.7</i> <i>When choosing a provider: 3.7</i> | C <i>Next time any health care is needed: 2.6</i> <i>When a procedure is needed: 3</i> <i>When choosing a provider: 2.8</i> |
| System Usability Score ² (68 is average score for any system) | D 30.9 | C 52 | B 67.1 |
| AVERAGE GRADE FOR THIS MEASURE | C | B- | B- |

ACCESSIBILITY

| |  MASSACHUSETTS |  Harvard Pilgrim Health Care | TUFTS  Health Plan |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Reference to the tool on pages of the home health plan website | B Listed in box titled "Find a Doctor" on home page, and in Cost & Quality Tools page. | B On public "For Members" page under "Cost & Quality" subheading (below the fold) is a link to public "Now iKnow" tool info page. | B Sub-item of "mytuftshealthplan.com" box (above the fold) is "EmpowerMe: Treatment Cost Estimator" |
| Clearly labeled link to tool on member portal homepage | A Listed under "I want to..." menu on member portal homepage | A Under first subheading "My Plan" is a link to the "Now iKnow" tool. Link is highlighted with "New" label. | B Listed under "What's New" (but link does not access tool) and under "Decision Tools" sidebars on member portal homepage |
| Accessibility on mobile devices | B Viewable but not fully optimized. | A | A |
| Member rating of how easy it was to find the tool | B Average rating of 3.9 ("Neither difficult nor easy"). | C Average rating of 3.0 ("Somewhat difficult"). | A Average rating of 4.5 ("Somewhat easy"). |
| Availability in other languages | C Only presented in English. Some elements display in Google translate. | D Only presented in English and does not display in Google translate. | D Only presented in English and does not display in Google translate. |
| Accessibility for users with disabilities | D Text is not resizable in browser. Tab navigation is not fully functional. | C Text is not resizable in browser. Can navigate using tabs. | C Text is not resizable in browser. Can navigate using tabs. |
| AVERAGE GRADE FOR THIS MEASURE | C | C | C+ |



COMPREHENSIVENESS

| Availability of cost information for: |  MASSACHUSETTS |  Harvard Pilgrim Health Care | TUFTS  Health Plan |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| Both inpatient and outpatient services | B Inpatient procedures available, but not searchable with general names (i.e. "heart surgery" has no results). | D Cost information not available for inpatient procedures. | D Cost information not available for inpatient procedures. |
| Behavioral health services | D Not found. | D Providers listed but does not show costs. | A Yes, psychotherapy with behavior management. |
| Prescription drugs | D Not found. | D Not found. | D Not found. |
| AVERAGE GRADE FOR THIS MEASURE | D | D | C- |



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Transparency Efforts Must:

- Raise awareness
- Be relevant
- Empower consumers to be engaged in treatment decision making
- Change behavior

D. Schleifer, C. Hagelskamp and C. Rinehart, *How Much Will It Cost? How Americans Use Prices In Health Care* (Public Agenda 2015)

Moving Forward

- Almost everyone has health coverage
- MA trying to lead on delivery reform
- Opportunity to engage consumers and support decision-making around quality of care
- The Commonwealth can be **the national trend-setter** to better inform the public about how to choose cost-effective care

